Linda

AMENDED

AGENDA
REGULAR MEETING DES MOINES CITY COUNCIL
December 19, 2002 - 7:30 p.m.

CALL TO ORDER - Mayor Wasson

PLEDGE OF ALLEGIANCE

ROLL CALL 7 present

CORRESPONDENCE

COMMENTS FROM THE PUBLIC: At this time you are invited to comment on items that you wish to bring to Council's attention. Please sign in prior to the meeting and limit your comments to three minutes or less.

Lew Anderson 1998 tape
Don Rides
Scott McFarlane

BOARD & COMMITTEE REPORTS

PRESIDING OFFICER'S REPORT

ADMINISTRATION REPORTS

CONSENT CALENDAR*

1. Motion is to approve the minutes of December 5, 2002.
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 42.24.090, 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 included in the above list and further described as follows:

    Claim checks # through # & electronic fund transfers in the total amount of $

Legal fees removed by Mayor

3. Motion is to approve the rental agreement between the City of Des Moines Parks, Recreation and Senior Services Department and Charles Marr and to have the agreement signed by the Director of Parks and Recreation substantially in the form as submitted.
4. Draft Resolution No. 02-273 - Title: A Resolution of the City Council of the City of Des Moines, Washington, thanking the Des Moines Masonic Temple Association for providing assistance throughout the years whenever there has been a disruption of services at the Des Moines Senior Center located in the Beach Park.

    MOTION is to approve Draft Resolution No. 02-273.
5. Motion is to approve the increase in the scope of repairs to the Public Fishing Pier and to authorize the City Manager to sign an addendum to the City's contract with Global Diving and Salvage that would increase the contract amount by $40,570 plus Sales Tax. The addendum shall be in a form approved by the City Attorney.
6. Motion is to purchase the west 50 feet of Tax Parcel #0822049037 at 21022 13th Avenue South from Kisham Singh in the amount of $15,000 plus certain closing costs as specified in the ~~agreement and to~~ authorize the City Manager to sign the Purchase and Sale Agreement substantially in the form as submitted.

Deed of Dedication

7. . Motion is to authorize the City Manager to approve all vouchers for payment of the following claims during the period of December 20, 2002 through January 2, 2003:

a. All vouchers for payment of payroll checks, including Marina payroll, and

b. All vouchers for payment of claims and Marina checks, provided that all vouchers and checks approved by the City Manager in accordance with this motion shall be presented at the January 9, 2003 Council Meeting.

8. Motion is to approve the King County Special Projects Contract-2002 in the amount of $134,325.00 and to authorize the City Manager to sign the contract substantially in the form as submitted.

*NOTE: Items on the Consent Calendar are either routine or have been previously discussed. Any item may be removed by a Councilmember.

OLD BUSINESS

1. Draft Resolution No. 02-247 Adopting Capital Improvement Plan for Years 2003-2008

SUMMARY: Council reviewed the draft CIP at the December 12, 2002 meeting and passed several revisions. There are two motions on the table that need to be addressed. First motion that will be discussed is: "To remove the remove the Marine View Drive Bridge project from the Surface Water Capital Fund and return the Public Works Trust Fund Loan funds." The other motion prior to this motion is: "To approve Draft Resolution No. 02-247 as amended with the understanding that all funds freed from the changes made to the MCI project listing be transferred into the Arterial Maintenance Program."

2. Draft Ordinance No. 02-246 Adopting 2003 Budget - 2nd Reading

SUMMARY: Council has discussed the proposed 2003 Budget over the last several months. The budget is now presented to Council for adoption.

NEW BUSINESS

1. Draft Ordinance No. 02-249 Amending the 2002 Budget - 1st Reading

passed 7-0

SUMMARY: The Budget adjustments are to formally incorporate Council decisions and staff recommendations during the year 2002 into the final budget. Some of the adjustments have been previously discussed either during the 2003 budget process or a specific issue during the year. Staff will explain the supplemental appropriations.

2. Draft Ordinance No. 02-264 Adopting Traffic Impact Fees - 1st Reading

SUMMARY: The purpose of this agenda item is to get input from the full Council regarding the use of traffic impact fees.

3. Draft Resolution No. 02-269 Economic Development Plan

   SUMMARY: At its April 2002 retreat, the City Council selected economic development as one of the highest strategic objectives for 2002-2003. Since that time the Finance and Economic Development Committee has worked with Administration to develop a realistic, achievable strategy to maintain and increase the economic vitality in the City. The draft resolution would adopt an economic development action plan and establish a mission statement, goals and implementation priorities.

4. RCAA Finance Payment

   SUMMARY: This item will give Council an opportunity to review the information supplied by the Regional Commission on Airport Affairs (RCAA) regarding the services they have provided in 2002 to satisfy their responsibilities per the agreement between the City of Des Moines and RCAA, and to determine the final payment amount Council will authorize for these services.

NEXT MEETING DATE - Regular meeting January 9, 2003

ADJOURNMENT

CONSENT CALENDAR
Item #6

AGENDA ITEM

SUBJECT: Purchase property on 13th Avenue South from Kisham Singh ATTACHMENTS: 1. Purchase and Sale Agreement 2. Purchase Area Map 3. City Map	AGENDA OF: Decemver 19, 2002 DEPT. OF ORIGIN: Public Works DATE SUBMITTED: December 11, 2002 CLEARANCES: [X] Finance [X] Public Works [X] Legal APPROVED BY CITY MANAGER FOR SUBMITTAL:

Purpose and Recommendation:

The purpose of this is item bring motion before council to approve purchase of land on 13th Avenue South which is to the City's advantage to own for present and future transportation needs.

Suggested Motion:

The following motion will appear on the Consent Calendar:

1) "I move to purchase the west 50 feet of Tax Parcel #0822049037 at 21022 13th Avenue South from Kisham Singh in the amount of $15,000 plus certain closing costs as specified in the agreement, and further to authorize the City Manager to sign the Purchase and Sale Agreement substantially in the form as submitted."

Background:

There are presently over 75 homes, which are located east of Des Moines Memorial Drive served by South 211th Street. There are additional parcels in that area which will add an additional load to this street in the future as they are developed. Having a neighborhood of this size with only one means of ingress and egress is not good, especially given the geometry of the intersection at South 211th Street and Des Moines Memorial Drive.

The neighborhood has been using a paved street on private property in the 13th Avenue South alignment in order to compensate for this deficit. There is now an owner of the property located at 21022 13th Avenue South, Kisham Singh, who wishes to sell a piece of his land to the City to correct most of this problem. There will still be a small sliver of property north of this proposed purchase, which will remain in private lands. It has been the past practice of the City to purchase critical transportation links within the City when there is a willing seller who is asking a reasonable price that will fit in the City budget. This property fits that criteria and Council gave their approval to make the purchase offer on February 13, 2002.

Discussion:

In an executive session on February 13, 2002, Council gave authority to staff to make an offer to purchase property on 13th Avenue South which is zoned single family RS 7200. This property contains a paved road which crosses out of City right of way onto private property. The road is an important road segment for transportation circulation and should be owned by the City.

In December of 1998, the City did an appraisal for a similar right-of-way purchase on 12th Avenue South, just south of South 228th Street. The area to be purchased on 13th Avenue South is around 12,000 square feet. Since the existing asphalt surface has been in place for a number of years and since the appraised value is greater than an amount which could comfortably fit in the City budget, an informal negotiation has taken place to reduce the cost. The owner has indicated that he is willing to sell the land for $15,000, which is reasonable given the above factors.

It should be noted that the existing road on 13th Avenue South crosses a corner of City Park land as it goes from S. 211th to the proposed right-of-way purchase. One stipulation, which the Seller requested, is that the City grant easements for utilities (water and sewer) along the alignment of the existing road at no cost. Given the reasonable selling price agreed to by the Seller, staff feels that this is an acceptable stipulation.

Alternatives:

Council could withdraw their offer and the situation would continue as is.

Financial Impact:

The Council approved 2002-2007 Capital Improvement Plan includes sufficient funds specifically to cover the $15,000 cost of the purchase of this right of way plus any survey costs, closing costs, or similar expenses which will be involved. There is no money proposed in the budget for 2003.

Recommendation/Conclusion:

Staff recommends that the motion is approved and the land purchased for transportation purposes.

Concurrence:

Legal and Finance

p:\users\linda\doc\Agenda\2002

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is entered into by and between **KISHAM SINGH,** as Seller, and the CITY OF DES MOINES, a Washington municipal corporation, as Buyer.

AGREEMENT

FOR AND IN CONSIDERATION of the mutual promises and covenants contained herein, the sufficiency of which is unconditionally acknowledged by Seller and Buyer, the parties hereto agree as follows:

1. **The Property.** Seller agrees to sell and Buyer agrees to purchase from Seller the property located at 21022 13^{TH} AVENUE SOUTH, DES MOINES, WA 98198 (the "Property" or the "Site"), and legally described as follows, on the terms, covenants, and conditions set forth herein:

K.S. WEST 50' of property.

SEE EXHIBIT "A" ATTACHED HERETO

Situate in the City of Des Moines, County of King, State of Washington.

Tax Parcel #0822049037

2. **Purchase Price and Payment.** The total purchase price is **FIFTEEN THOUSAND and NO/100ths Dollars ($15,000.00)** (the "Purchase Price"), payable as follows: **FIFTEEN THOUSAND and NO/100ths DOLLARS ($15,000.00)** cash, including earnest money, shall be paid at Closing.

3. **Contingencies.** This Agreement and the obligations of Buyer hereunder are contingent upon satisfaction or written waiver of all of the conditions as hereinafter set forth.

(a) **Period of Examination.** For a period of Sixty (60) days from Buyer's receipt of a mutually executed copy of this Agreement (the "Period of Examination"), Buyer may examine the Property and conduct such studies of the Property as Buyer shall deem necessary, which shall be conducted at Buyer's sole cost, and which investigations shall include, without limitation, the suitability (economic or otherwise) of the Property in Buyer's sole discretion of the Property for Buyer's intended purposes. Seller, at its expense, shall deliver or cause to be delivered to Buyer true and correct copies of all documents, instruments, and materials relating to the Property including but not limited to any existing surveys, soils reports, and all other leases, contracts, documents, instruments or papers of significance to the Property or which might assist Buyer with its examination of the Property.

(i) **Notice of Intent.** By or before the close of the Period of Examination, Buyer shall provide Seller with Written Notice of Buyer's intent to purchase the Property or terminate this Agreement (the "Notice of Acceptance"). Failure to provide such written Notice of Acceptance as

ATTACHMENT 1

required herein shall be conclusively deemed waiver by Buyer of its right to purchase the Property and this Agreement shall immediately become null and void.

(ii) **Right of Entry.** Buyer, its agents and its contractors, shall be entitled to reasonable access to the Property at any time during the Period of Examination and, if Buyer decides to purchase the Property, prior to closing, to conduct its studies. Buyer may disturb the Property as may be required for its tests and studies on condition that to the extent possible such tests and studies shall be nondestructive. Buyer shall indemnify and hold Seller harmless from any liability arising out of Buyer's negligent performance of such tests and studies. However, it is specifically agreed that Buyer shall not be responsible for any cleanup costs, claims, liabilities, or obligations relating to any hazardous waste contamination at the Property that Buyer may uncover during its pre-closing inspections, and Sellers shall indemnify and hold Buyer harmless from any such costs, claims, liabilities, or obligations. The obligations set forth in this section shall survive expiration or termination of this Agreement.

(b) **Seller's Warranties.** The continuing truth and correctness of Seller's representations and warranties contained in this Agreement, and the timely performance by Seller of Seller's covenants, and delivery by Seller to Buyer of all documents or instruments required hereunder.

(c) **Title and Survey.** Buyer's acceptance of title and the survey pursuant to section 5 of this Agreement. Buyer, at any time or times on or before Closing, at its sole election, in order to close, may waive any of the conditions to its obligations hereunder, but any such waiver shall be effective only if contained in a writing signed by Buyer and delivered to Seller.

4. <u>Title</u>.

(a) **Title Commitment.** Buyer shall, at Buyer's sole cost and within five (5) days of the mutual execution of this Agreement, order a Preliminary Title Report from Pacific Northwest Title Company, to be delivered directly to Buyer (the "Report"), for the Property together with copies of all documents supporting exceptions (the "Exceptions") set forth in the Report. Buyer may, at Buyer's sole cost and expense, order an ALTA survey of the Property, certified to Buyer and Title Company, having all corners marked and all other easements and utilities delineated in the Survey (the "Survey"). After execution of this Agreement, Seller shall not alter the condition of title except as to remove any defects of title.

(b) **Title Exceptions.** Buyer shall have thirty (30) calendar days from receipt of the Report and any Survey within which to give written notice to Seller of Buyer's disapproval of any Special Exceptions. For purposes of this Agreement, "Special Exceptions" means the special exceptions to title set forth in the Preliminary Title Commitment or the Survey, which relate to restrictions, conditions, defects or other matters, which would interfere with Buyer's intended use of the Property. The written notice shall state with specificity those Special Exceptions to which objection is being made. Buyer's failure to specifically enumerate such Special Exceptions within such written notice or Buyer's failure to provide such written notice shall be conclusively deemed Buyer's waiver and/or approval of all Special Exceptions. Buyer hereby approves those standard exceptions commonly and ordinarily found in commitments or title binders for standard coverage fee owner policies.

(c) **Seller's Cure of Objections.** Seller shall have until closing to cure such objections to Special Exceptions or have the Special Exceptions waived or removed by the Title Company issuing the commitment. If, within such period, Seller fails to cure and/or have waived such objections to Special Exceptions, or within such period Seller delivers written notice to Buyer that it will not so cure, then, within ten (10) days from the delivery of such notice or the end of the period for cure, whichever is first, Buyer shall have the option to:

(i) Agree in writing to extend the period of time in which Seller may cure such Objections and/or Exceptions; or

(ii) Purchase the Property subject to such objections to Special Exceptions with no diminution in the Purchase Price; or

(iii) Terminate this Agreement, in which event all sums paid or deposited by Buyer shall be returned to Buyer. Buyer's failure to respond to Seller in writing shall be conclusively deemed an election of its right to terminate this Agreement.

(d) **Condition of Title.** Seller covenants to convey the Property in a condition to be insured by Pacific Northwest Title Company, (hereinafter "Title Company") as hereinafter provided. Closing shall be conditioned upon Title Company issuing or committing to issue to Buyer a Washington Land Title Association standard or extended form Owner's Policy of Title Insurance in the amount of the Purchase Price insuring a fee interest in the Property in Buyer free and clear of all matters except Special Exceptions permitted or waived by Buyer, the lien of current real property taxes not yet due and payable, and those matters excluded from coverage by the printed exceptions and exclusions in the form of title insurance policy required herein.

5. <u>Closing</u>. To be on or before March, 31, 2003. K.S

(a) **Escrow.** Closing this Purchase and Sale Agreement shall occur through an escrow (the "Escrow") with the Title Company when Title Company is in a position to issue the Title Policy and all documents and funds have been deposited with Title Company.

(b) **Deposit of Closing Documents.**

(i) **Seller.** On or before the Date of Close of Escrow, Seller shall duly execute and deposit into Escrow with Closing Agent:

(A) A Statutory Warranty Deed (the "Deed"), in form and substance acceptable to Buyer for the Property together with an accompanying Real Estate Excise Tax Affidavit; and

(B) Such assignments, bill of sale, and/or other transfer instruments, in form and substance acceptable to Buyer, sufficient to transfer to Buyer all of Seller's right title and interest in any and all leases contracts, licenses, or other documents or instruments relating to the Property;

(C) An Affidavit of Non-Foreign Status required by Title Company in connection with section 1445(e) of the Internal Revenue Code.

(ii) **Buyer.** On or before the Date of Close of Escrow, Buyer shall deposit the following:

(A) FIFTEEN THOUSAND AND NO/100ths Dollars ($15,000.00), constituting the Purchase Price.

(B) Additional cash in an amount necessary to pay closing costs, title insurance, and prorations set forth herein.

(c) **Closing Costs and Prorations.** At Closing, Seller shall pay all prorated real property taxes due and payable and brokerage commissions. Buyer shall pay all other closing expenses, including Escrow fees and charges, title insurance, and the cost of recording the Deed. All property taxes, and utilities, shall be prorated between Seller and Buyer as of Closing. The real property taxes shall be prorated using the most recent tax information available. The utilities shall be prorated by the parties outside of Escrow.

(d) **Procedure.** Closing Agent shall close Escrow as follows:

(i) Prepare a Real Estate Excise Tax Affidavit showing that the sale of the Property is to a governmental entity "made under threat of or exercise of eminent domain", and record the Deed with instructions for the county recorder to deliver the Deed to the Buyer; and

(ii) Pay the Purchase Price to Seller, reduced by prorations; and

(iii) Deliver the executed Affidavit of Non-Foreign Status to Buyer; and

(iv) Forward to Buyer and Seller, in duplicate, a separate accounting of all funds received and disbursed for each party and copies of all executed and recorded or filed documents deposited into Escrow, with such recording and filing date endorsed thereon.

(e) **Incorporation of Escrow Instructions.** This Agreement shall serve as escrow instructions, and an executed copy of this Agreement shall be deposited by Buyer with Closing Agent following execution hereof. The parties may execute additional escrow instructions, provided such additional instructions do not change the terms of this Agreement.

6. **<u>Possession</u>.** Buyer is entitled to possession of the Property on the date of closing.

7. **<u>Seller's Warranties</u>.** Seller represents and warrants the following to Buyer:

(a) Seller has the power, right, and authority to make this Agreement with Buyer;

(b) Seller is not in default and will not during the term of this Agreement default or permit a default to exist on any of its obligations under any real estate contract, lease, mortgage, or deed of trust affecting any portion of the Property;

(c) Seller is and shall be entitled to terminate on or before the date of closing and without breach of any agreement the rights of all parties who are not a party to this Agreement and who are entitled to possession of any part of the Property;

(d) Seller has good and marketable title to all of the Property;

(e) There are no pending zoning changes of the Property or any change to any easements or utilities relating to the Property;

(f) There are no material defects in the Property;

(g) All persons and corporations supplying labor, materials, and equipment to the Property have been paid and there are no claims of liens;

(h) There are no current assessments for public improvements against the Property or any local improvement district or other taxing authority having jurisdiction over the Property in the process of formation;

(i) The property has legal access to all streets adjoining the Property; and

(j) There are no claims, defects, or boundary disputes affecting the Property; and no person claims any right to possession to the Property or any portion thereof adverse to Seller.

The warranties and representations set forth in this section will be deemed to have been made again, on the Date of Closing, and will continue to be true, complete, and correct as of the Closing.

8. Hazardous Material Provisions.

(a) **Definition.** The term "hazardous waste or materials or substances" as used in this Agreement is used in its very broadest sense and includes, but is not limited to, materials and substances designated as hazardous under any federal, state, or local act or ordinance.

(b) **Seller's Representations.** Seller represents that it has not received notification of any kind from any agency suggesting that the Property is or may be targeted as a Superfund or clean up site. Seller represents that, Seller does not keep, use, or dispose of, and Seller has not permitted anyone else to keep, use, or dispose of, whether permanently or temporarily, on the Property, any hazardous waste or materials or substances, and has no reason to believe or suspect that Seller or any other person or entity has kept, used, or disposed of, either temporarily or permanently, any hazardous waste or materials or substances on the Property. Except as set forth below in section 9(c), Seller represents that Seller has not conducted any test or studies to specifically determine whether any hazardous waste or materials or substances existed on the Property prior to Seller's ownership or as of the date of this Agreement.

(c) **Fuel Tanks on the Property.** If Sellers or Buyer has determined that various tanks and soil and/or ground water contamination are in existence below ground level on the Property, Sellers agree, at their sole cost and expense, to remove the tanks and provide for all associated remediation of any and all contaminated soils caused by the tanks or any other source to the satisfaction of Buyer and to a level which is acceptable to the appropriate regulating agency which is responsible for such matters. The work shall be completed prior to closing. Sellers shall diligently pursue the completion of such removal of such tanks and the remediation of any soil or ground water contamination. Sellers agree to comply with all applicable laws, statutes, rules, regulations, and ordinances in completing its work under this section. In the event Sellers refuse to perform such removal and remediation, Buyer may terminate this Agreement, in which event all sums paid or deposited by the Buyer shall be returned to the Buyer.

9. Remedies.

(a) **Seller's Default.** In the event Seller defaults in fulfilling its obligations under this Agreement, Buyer shall be entitled to all remedies at law or equity including without limitation the right to enforce specific performance of this Agreement against Seller.

(b) **Buyer's Default.** In the event Buyer fails, without legal excuse, to complete the purchase, or otherwise defaults under the terms of this Agreement, the Deposit shall be forfeited to the Seller as the sole and exclusive remedy available to the Seller for such failure and default.

10. **Eminent Domain.** Buyer confirms that in the event Seller fails or declines to execute this Purchase and Sale Agreement, it will be the intention of Buyer to exercise its rights under the laws of the State of Washington to acquire the Property by eminent domain.

11. **Risk of Loss; Insurance.** Risk of loss of or damage to the Property shall be borne by Seller until the date of closing. Thereafter, Buyer shall bear the risk of loss. In the event of material loss of or damage to the Property prior to the date of closing, Seller shall not be obligated to restore the Property nor pay damages to Buyer by reason of such loss or damage, and Buyer may terminate this Agreement by giving notice of such termination to Seller and Closing Agent, and such termination shall be effective and the Deposit shall be refunded ten (10) days thereafter; provided, however, that Buyer may elect to purchase the Property in the condition existing on the date of closing and on closing Seller shall assign to Buyer the proceeds of any policy of insurance carried by or for the benefit of Seller covering any loss or damage to the Property occurring after the date hereof and prior to the closing date. Seller will submit an insurance claim and use its best efforts to obtain insurance proceeds. On closing Seller will pay to Buyer, outside of escrow, the entire amount of insurance proceeds received prior to closing from such claim.

12. **Notices.** Except as specifically set forth herein, any demand, request or notice which either party hereto desires or may be required to make or deliver to the other shall be in writing and shall be deemed given when personally delivered, or when delivered by private courier service (such as Federal Express), or three days after being deposited in the United States Mail first class, postage prepaid and addressed as follows:

(a) Seller's Addresses:

Kisham Singh
21022 13th Avenue South
Des Moines, WA 98198

(b) Buyer's Address:

City of Des Moines
21630 11th Avenue South
Des Moines, WA 98198

The foregoing addresses may be changed by written notices to the other party as provided herein.

13. **Time.** Time is of the essence in every provision herein contained.

14. **Seller's Period of Acceptance.** Seller shall have twenty-one (21) days from the date of delivery of this instrument to Seller's Agent to accept this offer by written signature. In the event Seller does not accept this offer within the 21-day period, the offer will be considered withdrawn, and this Agreement will be null and void. Buyer, and only Buyer, may waive this 21-day limitation.

15. **Approval by the Des Moines City Council.** The parties to this Purchase and Sale Agreement understand that this Agreement shall not be binding on the Buyer until approved by the Des Moines City Council in an open public meeting.

16. **Binding Agreement.** This Agreement shall inure to the benefit of and be binding upon the heirs, personal representative, successors, and assigns of the parties hereto.

17. **Attorneys' Fees.** In the event of any litigation regarding the rights and obligations of the parties under this Agreement, the prevailing party shall recover its costs and attorneys' fees, including such costs and attorneys' fees for appeals.

18. **Survival of Warranties.** The terms, covenants, warranties, and representations contained in this Agreement shall not merge with the deed of conveyance, but shall continue and survive closing.

19. **Entire Agreement.** This Agreement contains the entire understanding between the parties and supersedes any prior understandings and agreements between them regarding the subject matter hereof. There are no other representations, agreements, or understandings, oral or written, between the parties hereto relating to the subject matter of this Agreement. No amendment of, or supplement to, this Agreement shall be valid or effective unless made in writing and executed by the parties hereto.

20. **Seller's Covenants Pending Closing.** Seller covenants for the benefit of and agrees with Buyer that, pending Closing, Seller shall not do or permit to be done any of the following other than in the ordinary course or operation of the Property and without in each case securing Buyer's prior written consent, which consent shall not be withheld unreasonably; enter into any lease or rental agreement for the Property; make any agreements or commitments relating to the maintenance, repair, replacement or operation of the Property for a period extending beyond Closing; or commence or continue any construction affecting the improvements other than ordinary maintenance and repair. Seller shall cooperate with Buyer in all matters relating to Buyer's intended use of the Property.

K.S 21. The buyer agrees to grant an easement at no cost to the Seller for water and/or sewer from the existing utilities in 211th St S. to the existing property if needed.

IN WITNESS WHEREOF, the parties hereto have executed one or more copies of this Agreement to be effective on the date of final signature.

Dated: 12-12-02

SELLER:
Kisham Singh
N

By: Kishan Singh

Dated: ________________

BUYER:

CITY OF DES MOINES,
A Washington municipal corporation

By: ____________________________
Anthony A. Piasecki
Interim City Manager

APPROVED AS TO FORM:

____
Gary N. McLean
City Attorney

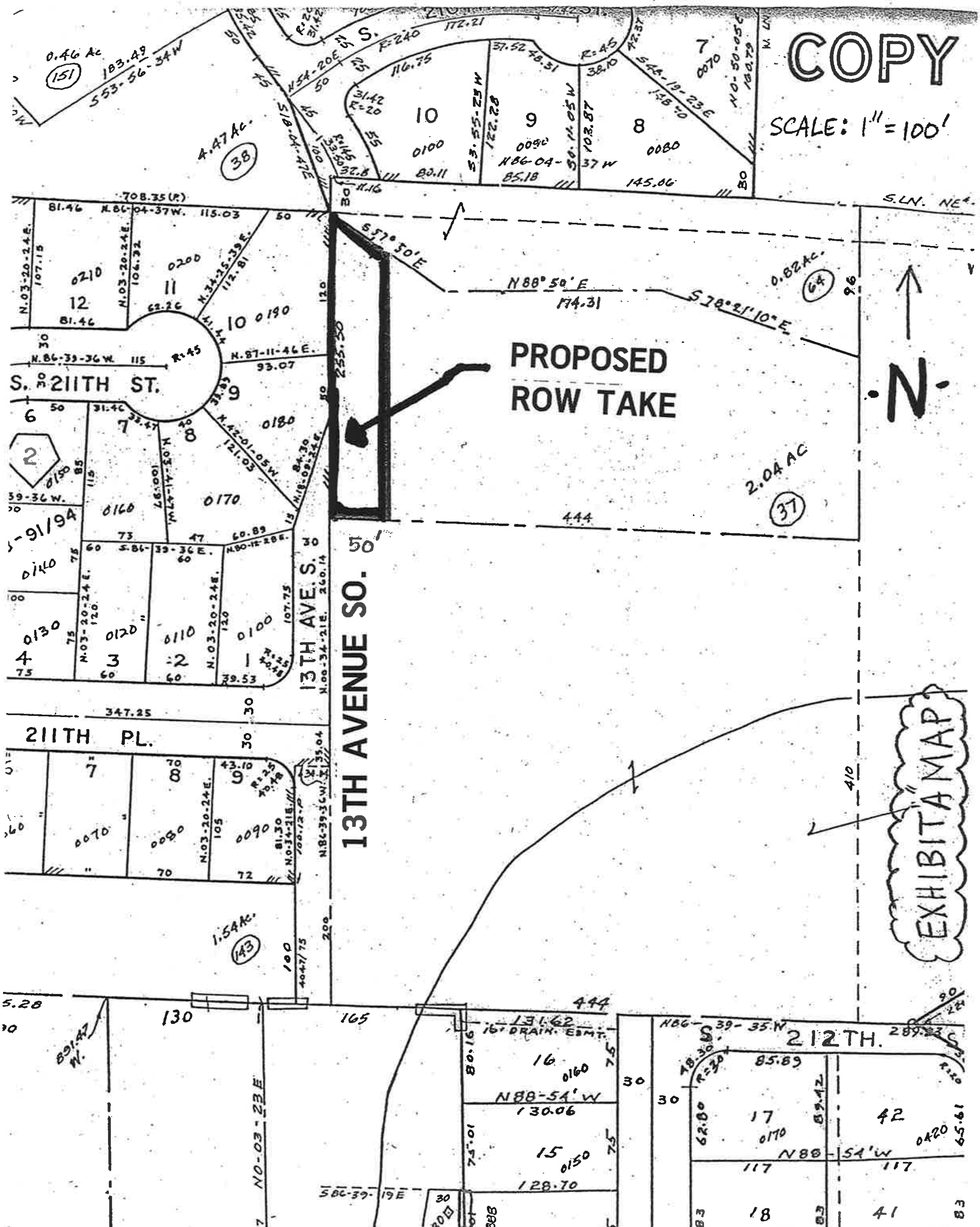
At the direction of the Des Moines City Council taken at an open public meeting on ____________________________.

CONTRACT:

“EXHIBIT A”

FEE SIMPLE ACQUISITION FROM PARCEL #0822049037

The west 50.0 feet, containing 11,900 square feet, more or less, of that property as described in records of King County, Washington.



ATTACHMENT 2

ATTACHMENT 3

CONSENT CALENDAR
Item #4

AGENDA ITEM

SUBJECT: Recognition of the Des Moines Masonic Temple Association

ATTACHMENTS:
Draft Resolution No. 02-273

AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Parks, Recreation and Senior Services

DATE SUBMITTED: December 12, 2002

CLEARANCES:
[X] Park & Recreation Director
[X] City Attorney

APPROVED BY THE CITY MANAGER FOR SUBMITTAL

Purpose and Recommendation:

The purpose of this action is to enable the City to recognize the exemplary community service that the Des Moines Masonic Temple Association has provided through their support of the Des Moines Senior Center.

Recommended Motion:
"I move to adopt draft Resolution 02-273 which recognizes the Des Moines Masonic Temple Association for its many years of support of the Des Moines Senior Center".

Background:

For many years, the Des Moines Senior Center located in the Des Moines Beach Park has sustained severe flood damage due to stream flows in the Des Moines Creek overtopping its banks and flooding portions of the park. The Senior Center has needed to temporarily relocate to other facilities on several occasions so that uninterrupted programming could continue to be provided for the seniors in our community. The most recent flood damage occurred in November of 200l at which time the Des Moines Masonic Temple Association once again offered their assistance in helping the Senior Center relocated their Nutrition Program and Senior classes to the Masonic Lodge.

Recommendation:

It is recommended that the City Council adopt draft Resolution No. 02-273 approving that the City of Des Moines recognize the Des Moines Masonic Temple Association for its many years of support of the Des Moines Senior Center.

DRAFT RESOLUTION NO. 02-273

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, thanking the Des Moines Masonic Temple Association for providing assistance throughout the years whenever there has been a disruption of services at the Des Moines Senior Center located in the Beach Park.

WHEREAS, Des Moines Creek floods from time to time and renders the Des Moines Senior Center unusable, and

WHEREAS, the Des Moines Masonic Temple Association has graciously allowed the City of Des Moines to temporarily relocate certain Senior Center programs to the Masonic Lodge, and

WHEREAS, due to severe flooding in November of 2001, the Senior Center dining hall sustained serious structural damage, and

WHEREAS, Senior Center programming was forced to look for an alternative location to hold their nutrition program and classes, and

WHEREAS, a location for the Senior Center programs needed to be found as soon as possible so that the senior nutrition program would not be disrupted, and

WHEREAS, relocation of the Senior Center programs required a tremendous commitment from the Des Moines Masonic Temple Association for a duration long enough to allow time for the evaluation of the dining hall and the subsequent decision to remodel the Activity Center as a Senior Center location; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

Sec. 1. The City of Des Moines recognizes that the Des Moines Masonic Temple Association allowed the Senior Center to become the largest user of the Masonic Lodge.

Sec. 2. The City of Des Moines appreciates that the Des Moines Masonic Temple Association accommodated the Senior Center programming schedule whenever possible.

Sec. 3. The City of Des Moines is grateful that senior programs were allowed to continue with the help of the Des Moines Masonic Temple Association with little disruption and at minimal inconvenience to our senior citizens.

Sec. 4. The City of Des Moines extends its sincere thanks to the Des Moines Masonic Temple Association by presenting them with a plaque in recognition of their exemplary community service over the years through their continued support of the Senior Center.

ADOPTED BY the City Council of the City of Des Moines, Washington this ____ Day of December, 2002 and signed in authentication thereof this ____ day of December, 2002.

____
M A Y O R

APPROVED AS TO FORM:

____
City Attorney

ATTEST:

____
City Clerk

NEW BUSINESS
Item #1

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT:
2002 Budget Amendments

ATTACHMENTS:
Draft Ordinance No. 02-249
Attachment A

FOR AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Finance

DATE SUBMITTED: December 9, 2002

CLEARANCES:
[ ] Finance pl
[ ] Legal LAM

APPROVED BY CITY MANAGER
FOR SUBMITTAL: AJ

Purpose and Recommendation

Suggested motions:

1. "I move to suspend Council Rule 26(b) to consider Draft Ordinance No. 02-249 on first reading."

2. "I move to adopt Draft Ordinance No. 02-249 relating to municipal finance, amending the 2002 budget adopted in Ordinance No. 1292."

Background

The intentions of these budget adjustments are to formally incorporate Council decisions and staff recommendations during 2002 into the final budget. Some of these adjustments have been previously discussed with Council either during the 2003 budget process or as specific issues during the year. For example, Council has directed staff to allow for the defeasement or retirement of the loan balance of $178,646 without further payments due under the interfund loan due the Revenue Stabilization Fund from the Airport Defense Fund. Council has also previously discussed additional expenditures to be paid from the Self Insurance Fund. Another example is the establishment of the Mt. Rainier Pool Contributors Fund resulting from Council's desire to continue operation of the Mt. Rainier Pool to serve and benefit the citizens of the community. A brief explanation of the supplemental appropriation identified in "Appendix A" of draft Ordinance No. 02-249 is identified below.

Explanation of Budget Amendments

Funds Amended:

Revenue Stabilization Fund: $178,646
Council has directed staff to defease or retire without further payments due under the interfund loan the balance of the loan receivable from the Airport Defense Fund. The balance due is $178,646.

Grant Control Fund: $130,960
The purpose of this fund is to account for grant revenues and expenditures. The additional expenditures represent grants received in 2002, but not awarded until after the budget was approved. These grants include $122,000 of earthquake damage, traffic safety, tobacco (from State settlement), DUI, domestic violence, and waste reduction. Some of these expenditures are fully funded by the grant; others require City funding match totaling approximately $9,000.

LID Guarantee Fund: $17,000
The purpose of this fund is to pay LID debt service when assessments become delinquent. This adjustment represents a transfer-out to the new Local Improvement District (LID) Fund to cover delinquent assessments for CLID 1-91-6/2-91-7/1-92-8.

1995 GO Bond – Police Facility: $100
This adjustment represents additional administrative charges, not originally budgeted.

1997 GO Bond – City Hall Remodel: $200
This adjustment represents additional administrative charges, not originally budgeted.

Debt Service Fund: $1
This adjustment represents a rounding error.

Surface Water Management Fund: $1,020,000
The $1,020,000 transfer out to the Surface Water Capital Fund represents surface water management fees marked for capital projects. The transfers were budgeted in prior years, but were not made in full.

Equipment Replacement Fund: $16,000
This adjustment is necessary to cover the additional expenditures that were pre-authorized, but not originally budgeted, for equipment on new vehicles. An example would be the diesel engine that was approved for one truck before the vehicle was purchased, but after the budget was adopted. Fuel efficiency was the reason for the change in equipment.

Computer Replacement Fund: $36,000
This adjustment increase is necessary to cover the expenditure for software licenses. By purchasing these licenses prior to July 31, 2002, the city saved $26,000. This expenditure will reduce future planned costs.

Self Insurance Fund: $302,729
This adjustment increases the amount required to monitor the ground contamination behind the Engineering building and purchase communication equipment necessary in emergency situations for all

departments to communicate with one another. It will also cover the expenditures for the unanticipated settlements in 2002.

Unemployment Insurance Fund: $8,000
This adjustment is required to cover the increases in unemployment benefits paid to past employees this year.

Funds Established:

Mt. Rainier Pool Contributors Fund: $0
Establish Fund 110 for the purpose of receiving contributions in 2002 for the operation of the Mt. Rainier Pool in 2003. Nothing will be expended in 2002.

LID Fund: $1,000
Establish Fund 212 for the purpose of accounting for all Local Improvement Districts assessments and debt service in one fund. The $1,000 appropriation is necessary to pay for miscellaneous expenses associated with the delinquent accounts.

Funds Closed:

City Hall Remodel Fund: $21,000
This adjustment represents the transfer of fund balance, the remaining unspent interest earnings, into the Municipal Capital Improvement Fund to close Fund 317.

LID 1-83/1-84 Fund: $12,100
The $12,100 is a residual equity transfer-out to the new Local Improvement District Fund, to close Fund 702. The debt service for LID 1-83/1-84 has been paid in full.

LID 1-85-4 Fund: $29,200
$11,000 of the adjustment is to cover the debt service paid in 2002. The remaining $18,200 is a residual equity transfer-out from Fund 703 to the new LID Fund, where this LID will now be accounted for.

LID 1-86-5 Fund: $600
The $600 is a residual equity transfer-out from Fund 704 to the new LID Fund, where this LID will now be accounted for.

CLID 1-91-6/2-91-7/1-92-8 Fund: $35,700
The $35,700 increase is to allow for the residual equity transfer-out from Fund 705 to the new LID Fund, where this LID will now be accounted for.

LID 1-97-9 Fund: $1
The $1 is a residual equity transfer-out from Fund 706 to the new LID Fund, where this LID will now be accounted for.

LID 1-98-10 Fund: $8,500
The $8,500 is a residual equity transfer-out from Fund 707 to the new LID Fund, where this LID will now be accounted for.

Recommendation

It is recommended that the City Council adopt Draft Ordinance No. 02-249, amending the City of Des Moines 2002 Budget.

DRAFT ORDINANCE NO. 02-249

CITY ATTORNEY'S FIRST DRAFT, 11/05/02

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON relating to municipal finance, amending the 2002 budget adopted in Ordinance No. 1292 by amending Fund Nos. 104 (Revenue Stabilization Fund), 150 (Grant Control Fund), 210 (LID Guarantee Fund), 211 (1995 GO Bond - Police Facility), 216 (1997 GO Bond - City Hall Remodel), 220 (Debt Service Fund), 450 (Surface Water Management Fund), 501 (Equipment Replacement Fund), 511 (Computer Equipment Capital Fund), 520 (Self Insurance Fund), and 530 (Unemployment Insurance Fund), and by establishing Fund Nos. 110 (Mt. Rainier Pool Contributors Fund) and 212 (LID Fund), and by closing Fund Nos. 317 (City Hall Remodel Construction Fund), 702 (LID 1-83/1-84 Fund), 703 (LID 1-85-4 Fund), 704 (LID 1-86-5 Fund), 705 (CLID 1-91-6/2-91-7/1-92-8 Fund), 706 (LID 1-97-9 Fund), and 707 (LID 1-98-10 Fund), to authorize certain expenditures in the amounts specified in this ordinance, establishing

WHEREAS, the City Council finds that current revenue and expenditure reports for the City differ from forecasts used to create the 2002 budget, enacted by Ordinance No. 1292, and further finds that such differences justify certain adjustments regarding obligations incurred and expenditures of proceeds for fiscal year 2002, all as described as follows:

(1) **Revenue Stabilization Fund: $178,646.** This adjustment allows for the defeasement or retirement of the loan receivable from the Airport Defense Fund without further payments due under the interfund loan. Although, the balance of the loan to be transferred is $178,646, $35,146 is covered by the original budget contingency.

(2) **Grant Control Fund: $130,960.** The purpose of this fund is to account for grant revenues and expenditures. The additional expenditures represent grants received in 2002, but not awarded until after the budget was approved. These grants include $122,000 of earthquake damage, traffic safety, tobacco (from State settlement), DUI, domestic violence, and waste reduction. Some of these expenditures are fully funded by the grant; others require City funding match totaling approximately $9,000.

(3) **LID Guarantee Fund: $17,000.** This adjustment represents a transfer-out to the new LID (Local Improvement District) Fund, Fund 212, to cover a deficit, because of

delinquent assessments, for the CLID 1-91-6/2-91-7/1-92-8. CLID 1-91-6/2-91-7/1-92-8 is now accounted for in Fund 212.

(4) **1995 GO Bond-Police Facility Fund: $100.** This adjustment represents additional administrative charges not budgeted.

(5) **1997 GO Bond-City Hall Remodel: $200.** This adjustment represents additional administrative charges not budgeted.

(6) **Debt Service Fund: $1.** This adjustment represents a rounding error.

(7) **Surface Water Operations Fund: $1,020,000.** The $1,020,000 transfer out to the Surface Water Capital Fund represents surface water management fees marked for capital projects. The transfers were budgeted in prior years, but were not made in full.

(8) **Equipment Replacement Fund: $16,000.** This adjustment is necessary to cover the additional expenditures that were pre-authorized, but not originally budgeted, for equipment on new vehicles.

(9) **Computer Replacement Fund: $36,000.** This adjustment is necessary to cover the expenditure for software licenses. By purchasing these licenses prior to July 31, 2002, the city saved $26,000. This expenditure will reduce future planned costs. Although, total expenditures increased by $36,000, $11,000 is covered by the original budget contingency.

(10) **Self-Insurance Fund: $302,729.** This adjustment increases the amount required to monitor the ground contamination behind the Engineering building and purchase communication equipment necessary in emergency situations for all departments to communicate with one another. It will also cover the expenditures for the unanticipated settlements in 2002. Although, total expenditures increased by $302,729, $56,654 is covered by the original budget contingency.

(11) **Unemployment Insurance Fund: $8,000.** This adjustment is required to cover the increases in unemployment

benefits paid to past employees this year. This amount is covered by the original budget contingency.

(12) **Mt. Rainier Pool Contributors Fund: $0.** Establish Fund 110 for the purpose of receiving contributions in 2002 for the operation of the Mt. Rainier Pool in 2003.

(13) **LID Fund: $1,000.** Establish Fund 212 for the purpose of accounting for all Local Improvement Districts assessments and debt service in one fund. The $1,000 appropriation is necessary to pay for miscellaneous expenses associated with the delinquent accounts.

(14) **City Hall Remodel Fund: $21,000.** This adjustment represents the transfer of fund balance, the remaining unspent interest earnings, into the Municipal Capital Improvement Fund to close Fund 317.

(15) **LID 1-83/1-84 Fund: $12,100.** The $12,100 is a residual equity transfer-out to the new LID Fund, Fund 212, to close Fund 702. The debt service for LID 1-83/1-84 has been paid in full.

(16) **LID 1-85-4 Fund: $29,200.** $11,000 of the adjustment is to cover the debt service paid in 2002. The remaining $18,200 is a residual equity transfer-out to the new LID Fund, Fund 212, where this LID will now be accounted for, to close Fund 703.

(17) **LID 1-86-5 Fund: $600.** The $600 is a residual equity transfer-out to the new LID Fund, Fund 212, where this LID will now be accounted for, to close Fund 704.

(18) **CLID 1-91-6/2-91-7/1-92-8 Fund: $35,700.** The $35,700 increase is to allow for the residual equity transfer-out to the new LID Fund, Fund 212, where this LID will now be accounted for, to close Fund 705.

(19) **LID 1-97-9 Fund: $1.** The $1 is a residual equity transfer-out to the new LID Fund, Fund 212, where this LID will now be accounted for, to close Fund 706.

(20) **LID 1-98-10 Fund: $8,500.** The $8,500 is a residual equity transfer-out to the new LID Fund, Fund 212, where this LID will now be accounted for, to close this Fund 707.

WHEREAS, the City Council finds that the 2002 budget amendments to the City's budget are in the public interest; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. Findings. Each and every of the findings expressed in the recitals to this ordinance are hereby adopted and incorporated by reference.

Sec. 2. Amendment to 2002 Budget. The 2002 budget, originally approved as Ordinance No. 1292, enacted on November 15, 2001, is amended as reflected in Appendix "A", which is incorporated herein by this reference.

Sec. 3. Ratification and Confirmation. All acts taken by City officers and staff prior to the enactment of this ordinance that are consistent with and in furtherance of the purpose or intent of this ordinance are hereby ratified and confirmed by the City Council.

Sec. 4. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court or competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

(2) If the provisions of this ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this ordinance deems control.

Sec 5. Effective date. This ordinance shall take effect and be in full force five (5) days after its passage, approval and publication according to law.

PASSED BY the City Council of the City of Des Moines this ____ day of ______, 2002 and signed in authentication thereof this ____ day of _______, 2002.

____
M A Y O R

APPROVED AS TO FORM:

____
City Attorney

ATTEST:

____
City Clerk

Published: _______, 2002
DRAFTORD/02-249

APPENDIX A

Fund		As stated in Ord. No. 1292	Supplemental Appropriation	New Total
104	Revenue Stabilization Fund	0	178,646	178,646
150	Grant Control Fund	259,491	130,960	390,451
210	LID Guarantee Fund	0	17,000	17,000
211	1995 GO Bond - Police Facility	543,413	100	543,513
212	LID Fund	0	1,000	1,000
216	1997 GO Bond - City Hall Remodel	131,343	200	131,543
220	Debt Service Fund	25,881	1	25,882
317	City Hall Remodel Construction Fund	0	21,000	21,000
450	Surface Water Management Fund	846,289	1,020,000	1,866,289
501	Equipment Replacement Fund	358,000	16,000	374,000
511	Computer Equipment Capital Fund	58,500	36,000	94,500
520	Self Insurance Fund	253,271	302,729	556,000
530	Unemployment Insurance Fund	20,000	8,000	28,000
702	LID 1-83/1-84 Fund	0	12,100	12,100
703	LID 1-85-4 Fund	0	29,200	29,200
704	LID 1-86-5 Fund	0	600	600
705	CLID 1-91-6/2-91-7/1-92-8 Fund	23,700	35,700	59,400
706	LID 1-97-9 Fund	0	1	1
707	LID 1-98-10 Fund	0	8,500	8,500

NEW BUSINESS
Item #4

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: RCAA Final BIlling

ATTACHMENTS:
Various Letters and Memos regarding RCAA's Agreement with Des Moines and Final Payment

FOR AGENDA OF: _December 19, 2002

DEPT. OF ORIGIN: City Manager's Office

DATE SUBMITTED: November 27, 2002

CLEARANCES:
[ ] Legal ________________

APPROVED BY CITY MANAGER
FOR SUBMITTAL: AA

Purpose and Recommendation

The purpose of this report is to provide the City Council an opportunity to review the information supplied by the Regional Commission on Airport Affairs (RCAA) regarding the services they provided in 2002 to satisfy their responsibilities per the agreement between the City of Des Moines and RCAA and to determine the final payment amount the Council will authorize for these services.

Suggested Motion:

> "I move to authorize payment of $____________ to the Regional Commission on Airport Affairs as full and final payment for services provided in 2002."

Background

The City of Des Moines contracts with RCAA to provide various services to educate the public concerning the environmental, economic and social effects of the proposed third runway and related expansion of Seattle-Tacoma International Airport. The attached copy of the 2002 agreement provides greater detail. For these services, the City agreed to pay RCAA $28,000 in quarterly installments of $7,000 each.

Discussion

At its September 5, 2002, meeting, the City Council voted to terminate the contract with RCAA. The City Manager notified RCAA of this action in a letter dated September 10, 2002, with an effective date of October 14, 2002. Under paragraph 5 of the contract, RCAA is "entitled to pro rata compensation based on the number of months this contract has remained in effect and the quantity and quality of services performed by RCAA on behalf of the City".

On September 6, 2002, RCAA sent the City an invoice for $7,000 for services rendered in the first quarter of 2002, and an invoice for $7,000 for services rendered in the second quarter of 2002. Attached to these two invoices was a detailed list of RCAA's 2002 expenditures to date. On September 20, 2002, RCAA invoiced the City $7,000 for services rendered in the third quarter. Finally, on October 14, 2002, RCAA sent a final, pro rata invoice totaling $1,065.22 for the first 14 days of the fourth quarter. Attached to this invoice was a letter detailing the services RCAA has rendered on behalf of the City and copies of several years worth of RCAA newsletters. All of this material has been previously given to the City Council and is attached to this report for Council's convenience.

Alternatives

The City Council may elect to pay all, part or none of the billings from RCAA, based upon Council's evaluation of the quantity and quality of services performed by RCAA on behalf of the City.

Financial Impact

The total billings amount to $22,065.22. $28,000 was allocated in the 2002 Budget for the RCAA contract.

Recommendation

None.

AGREEMENT FOR SERVICES
BY AND BETWEEN
THE CITY OF DES MOINES AND
THE REGIONAL COMMISSION ON AIRPORT AFFAIRS ("RCAA")
FOR THE YEAR 2002

The CITY OF DES MOINES ("City"), a municipal corporation, and the **REGIONAL COMMISSION ON AIRPORT AFFAIRS ("RCAA")** agree as follows:

FACTS AND ASSUMPTIONS

THIS AGREEMENT is entered into on the basis of the following facts and assumptions:

RCAA is a corporation, incorporated under the Nonprofit Corporations Act of the State of Washington.

The purpose for which RCAA is organized is to actively oppose the proposed third runway and related expansion of Seattle-Tacoma International Airport (Sea-Tac Airport) and to educate the local public concerning the environmental, economic, and social effects.

The RCAA recognizes that the City, in cooperation with the Airport Communities Coalition (ACC), is or may become engaged in litigation with the Port of Seattle, the Federal Aviation Administration, the Puget Sound Regional Council and others regarding many of the same issues with which the RCAA is concerned.

For these reasons, the City Council of the City of Des Moines has allocated funds to contract with RCAA which will be of assistance to the City in regards to the third runway or expansion of Sea-Tac Airport.

AGREEMENT FOR SERVICES

Accordingly, and in reference to the foregoing, the parties agree as follows:

1. RCAA Responsibilities

(a) RCAA shall provide to the City services which the City may from time to time require in achieving the goals previously described with regard to the third runway or expansion of Sea-Tac Airport. These services shall include the following:

- Information booths at public festivals in Burien, Normandy Park, Des Moines, Federal Way, Tukwila, Beacon Hill, Magnolia and other areas impacted by the expansion of Sea-Tac Airport;
- Schedule monthly citizen involvement activities in Olympia, Seattle, Sea-Tac Airport and the Greater Puget Sound Region, as necessary;

- Host town meetings in the Greater Puget Sound Region to inform and educate the public and elected officials as needed.
- Maintain a web site to provide in-depth and immediate information to the public;
- Publish a quarterly newsletter;
- Recruit new members;
- Expand the mailing list upon request of city councils;
- Send action alerts to all RCAA members as deemed necessary by the RCAA Board of Directors;
- Placement of informational advertisements as deemed necessary by the RCAA Board of Directors;
- Conduct elected official outreach at the state, county, and local levels;
- Provide other activities as deemed necessary by city councils;

(b) RCAA shall ensure that all of its activities on behalf of the City are in compliance with applicable state, federal and local law, including without limitation, any reporting requirements of the Washington Public Disclosure Commission that are applicable, or in the future become applicable, to actions or assignments undertaken by RCAA;

(c) RCAA will at all times maintain accurate and appropriate financial records. At any time during the term of this Agreement, within seven (7) days of a written request from the Des Moines Finance Director, RCAA agrees to make available to the City Finance Director for audit and inspection any and all records maintained by RCAA, including without limitation, receipts for goods, services, payroll, expenditures, and study costs; and

(d) RCAA will regularly seek contributions through its mailings and public activities.

2. Limitations on RCAA Activities

To ensure that RCAA's efforts are consistent with and complement the City's efforts through the ACC, the RCAA shall not use City funds for the following activities, without the prior approval of the City:

- Retaining experts or professionals to assist in developing technical information related to the impacts of Sea-Tac Airport;
- Dissemination of technical reports or other technical information prepared in contemplation of litigation, or in any manner related to the issues raised (or to be raised) in ACC litigation;
- Retain any professional or consultant who has been retained by the ACC (unless approved by the ACC); or

- Publication (including electronic publication) of any attorney/client privileged materials prepared for litigation by the ACC, its counsel, consultants, or staff.

3. RCAA Meeting Requirements

An officer of the RCAA shall meet with a member or members of the City staff on a periodic basis so that the City may provide RCAA with its requirements and RCAA may report on services rendered.

4. City Responsibilities

In consideration of the services performed by RCAA, the City shall compensate RCAA in the amount of twenty-eight thousand dollars ($28,000.00) during the year 2002, payable in four installments, which shall be paid on or before February 15, 2002, May 15, 2002, August 15, 2002, and November 15, 2002, or when otherwise authorized by the City Council..

5. Termination

This contract may be terminated by either party upon thirty (30) days written notice, in which event RCAA will be entitled to pro rata compensation based on the number of months this contract has remained in effect and the quantity and quality of services performed by RCAA on behalf of the City.

6. Independent Contractor, Hold Harmless Agreement

RCAA warrants and understands that in performing services under this agreement, it is an independent contractor and is not an agent, servant, or employee of the City of Des Moines and it will not represent itself as such. RCAA agrees to defend, indemnify, and hold the City, its officers, officials, agents, employees, and volunteers harmless from any claim, damages, suit, action or liability, costs of expenses in law or equity, including attorney fees and expenses in defending against any such claim because of damages to property or personal injury arising out of the services performed under this agreement, which may be occasioned by any willful or negligent act or omission of RCAA, or any of RCAA's agents, servants, employees, or subcontractors, except to the extent such injury is caused by the negligent or willful misconduct of the City, its directors, officers, agents, servants, or employees.

//
//
//

7. ***Ratification, Confirmation, and Retroactive Application.***

Any acts consistent with the authority and prior to the effective date of this agreement are hereby ratified and confirmed. This agreement is effective as of January 1, 2002.

DATED this 1st day of February, 2002.

APPROVED AS TO FORM:

Gary N. McLean
City Attorney

CITY OF DES MOINES

By
Robert L. Olander
Its City Manager

REGIONAL COMMISSION ON AIRPORT AFFAIRS

By Lawrence Corvari
Its President

MEMORANDUM

Date: October 30, 2002
To: City Council
From: City Manager
Subject: Information from RCAA Regarding Services Provided in and Billings for 2002
cc: City Attorney

Attached is information that I have received from the RCAA regarding the services that they have provided to the City of Des Moines in 2002. Also attached are copies of their quarterly billing statements for the first three quarters of 2002 and a prorated bill for the first two weeks of October. An item has been placed on the November 14, 2002, City Council meeting agenda to discuss RCAA's billings and to allow the City Council to decide if the services rendered meet the terms of the contract between the City and RCAA.

City of Des Moines
ADMINISTRATION
21630 11TH AVENUE SOUTH, SUITE A
DES MOINES, WASHINGTON 98198-6398
(206) 878-4595 T.D.D.: (206) 824-6024 FAX: (206) 870-6540

CITY OF DES MOINES
Sails With Pride

October 29, 2002

Lawrence J. Corvari, President
Regional Commission on Airport Affairs
19000 Fourth Avenue S.W.
Normandy Park, WA 98166

Dear Mr. Corvari:

Thank you for your letter of October 14, 2002, providing the requested information concerning RCAA services. The City of Des Moines will determine its 2002 payment to RCAA for all time periods prior to termination of the 2002 contract, including the first two quarters of 2002 that were first billed to the City on September 6, 2002, under the termination provision of the contract. That language specifically states that:

> RCAA will be entitled to pro rata compensation based on the **number of months** this contract has remained in effect and the **quantity and quality of services performed** by RCAA on behalf of the City.

We expect that the City Council will consider this issue on November 14, 2002. I invite a representative of RCAA to address the Council during the discussion on this issue. Please advise me who will represent RCAA at the November 14 meeting.

Thank you again for your response to my letter. Please let me know if you have any questions.

Sincerely,

Tony Piasecki
City Manager

TP:sb

City of Des Moines

ADMINISTRATION
21630 11TH AVENUE SOUTH, SUITE A
DES MOINES, WASHINGTON 98198-6398
(206) 878-4595 T.D.D.: (206) 824-6024 FAX: (206) 870-6540

September 10, 2002

Lawrence J. Corvari, President
RCAA
19900 Fourth Avenue SW
Normandy Park, WA 98166

Dear Mr. Corvari:

The City Council of the City of Des Moines, at its September 5, 2002 meeting, directed that the City terminate its contract with RCAA. In accordance with Paragraph 5 of the contract between the City and RCAA, you are hereby notified that the City terminates its contract with RCAA, effective October 14, 2002. This termination date provides you with thirty days written notice of termination, as required by the contract, counted as required by Civil Rule 6.

Under Paragraph 5 of the contract, upon termination of the contract, RCAA is "entitled to pro rata compensation based on the number of months this contract has remained in effect and the quantity and quality of services performed by RCAA on behalf of the City." To permit the City to comply with this provision, please provide the City with a final billing by October 1, 2002, for services provided through October 14, 2002, giving both a pro rata calculation and detailed identification of services provided and dates of services, for January 1, 2002 through October 14, 2002. In order to allow the City to evaluate the "quantity and quality of services," in addition please provide a detailed identification of services provided, and dates of services, under the 2001 contract with the City. The City acknowledges that on September 6, 2002, you provided us with a billing for the first two quarters of 2002. The City requests that you provide us with the additional detailed information requested in this letter for both 2001 and 2002, in order to facilitate our timely final payment under the contract.

Thank you.

Very truly yours,

Tony Piasecki
City Manager

TP/LAM:vs

Cc: Linda A. Marousek, City Attorney

W101:RCAA/02-057

14 October 2002

RCAA
Regional Commission on Airport Affairs
19900 4th Ave SW
Normandy Park, WA 98166
(206) 824-3120
FAX (206) 824-3451

<rcaa@earthlink.net>

www.rcaanews.org

Tony Piasecki
City Manager
City of Des Moines
21630 Eleventh Ave. So., Suite A
Des Moines, Washington 98198-6398

Re: RCAA billings to Des Moines:

Dear Mr Piasecki:

Please find enclosed for staff review & Council action our invoice for services for the fourth quarter, 2002, totaling $1,065.22. The computation leading to this figure is shown on the invoice itself. Given that our services are continuous & ongoing, we believe that the appropriate method for computing the amount due us per contract for the fourth quarter is simply to prorate the quarterly payment of $7,000 between days when the contract was in force (1-14 October), and the balance of the quarter. Your letter of 10 September, terminating the contract, asked for this computation specifically. While your letter terminating the contract asked for this billing by 1 October, our leadership has felt that it was inappropriate to submit a final bill before the terminal date, and our Office Administrator has discussed this with you, to, we believe, mutual agreement.

Your letter also asks for "detailed identification of services provided and dates of services, for January 1, 2002 through October 14, 2002". We trust that RCAA's services for the first three quarters of 2002, for which invoices are outstanding and unpaid, are not in dispute. There has been not the slightest hint of dissatisfaction with those services. Accordingly, we assume that the invoices for the first three quarters are being processed for timely payment, and that the request for a delineation of services during those quarters is only made to permit a basis for comparing prior services with services provided in the period 1–14 October.

* * * * *

It is appropriate to state at the outset that RCAA has provided the same services, in the same way, during the period 1-14 October, as during the period 1 January 2002 to 30 September 2002, and that services provided in the Year 2002 are very similar to those provided in Year 2001.

The services provided by RCAA to Burien, Des Moines, and Normandy

. . . /2/

Park under its three separate but virtually identical contracts with those cities are generally of an indirect nature.

By that, I mean that instead of, say, providing material goods for the City's use, or performing consultant services direct to the City (as an engineer might do with respect to a proposed capital improvement), we provide services to the general public and others for the advantage of the City.

Purpose of services. As is said in the contract, RCAA's work is intended to "be of assistance to the City in regards to the proposed third runway and related expansion of Sea-Tac Airport". A list of activities that RCAA can engage in under this rubric is found in Paragraph 1(a) of the basic contract. And, naturally, we engage in other actions & activities in support of the no-third-runway position, though they are not listed per se in the contract. Generally, we have accepted the guidance of the Airport Communities Coalition in many of these day-to-day activities, tailoring our work to dovetail with theirs, and to be supportive of their rôle as the principal opponent of the runway project. Most our services can best be described as public-involvement and public-relations activities, premised on opposition to the third-runway project at Sea-Tac Airport, and other expansion projects there. Opposition to Sea-Tac expansion, and particularly, opposition to the third-runway proposal, has been this organization's focus since its founding, and that was the focus throughout 2002 – which is not just our position but is the position of the City of Des Moines, the other contracting cities, our friends & supporters, our affiliated organizations, and the Airport Communities Coalition.

Continuous services. Some of RCAA's services are provided day & night, week in & week out ("365/24/7"). This is particularly true of our pioneering website, which is the first great airport-concern website run by a citizen group. It is available for use by anyone any time. The website requires the services of a consultant webmaster, supported by information continuously fed to her by members of our Board, interested members of the public, and our Office Administrator. The website contains an ever-growing accumulation of Sea-Tac information that is difficult – perhaps impossible – to obtain elsewhere. Also provided 365/7/24 is our telephone answering service, by which we field public inquiries about Sea-Tac issues – many of them referred to us by staff of the contracting cities.

Work-day services. Some of our services are provided four days a week: Our office is open for regular business hours four days a week, with contract staff on duty to field phone, FAX, e-mail & in-person requests for information from contracting cities, ACC staff & consultants, other agencies, and the general public. In recent years, our office has received many requests for assistance in research and documentation from the ACC's attorneys and consultants, and from leadership, attorneys, and consultants of Citizens Against Sea-Tac Expansion, both of which have been actively involved in third-runway litigation on behalf of the ACC cities and the general public. We maintain extensive archives of relevant information and a library now occupying two rooms. Access to these resources is available during office hours to the public (but around the clock to our Board members, and as needed at any time by appointment through our contract staff).

After hours. Our Office Administrator reminds me that he handles a good volume of e-mail traffic outside of normal business hours for our Board and our affiliated organizations – this is a seven-day-a-week activity. He is not alone in this – our Board members are in touch with one another & with staff & consultants without regard to formal business hours. Urgent matters are dealt with urgently. The Administrator also reviews several e-mail publications relating to airport issues on a seven-day-a-week basis, & passes along items of interest to Board members, other volunteers, and affiliated organizations, and on occasion to news media.

Periodic services. Some of our services might be said to be provided periodically, although their impact is spread over long time periods. This category includes our (former) print newsletters and our present web letters. We published a quarterly print newsletter, focused on Sea-Tac issues, for several years, mailing to an extensive list. About 6000 Des Moines households received the newsletter regularly. Until we cut off Federal Way mailings, total distribution ran to about 40,000, and thereafter, to about 28,000. These newsletters went to all members of the Legislature, to the Congressional delegation & relevant staff, and to all voting members of the Puget Sound Regional Council, as well as the general public (some sample copies of the print newsletter are enclosed). There is further discussion of newsletters below.

Water-quality consultant. As you will note in reviewing our financial reports for Years 2001 and 2002 (previously furnished), a large item of expense for us in the last couple of years has been the services of our outstanding water-quality consultant. He has been a critical link in the technical arguments on our side of the third-runway administrative proceedings and associated litigation, with respect to environmental issues. His work has been significant in support of both the Airport Communities Coalition and C.A.S.E. (Citizens Against Sea-Tac Expansion) in this complex & highly technical effort. He has kept a watchful eye on how the Airport impacts Des Moines Creek -- rather a direct benefit to the City of DM. (We are not aware of anyone on your staff with these duties and expertise.) He reviews almost every water-quality document that is issued by any party – most importantly in the last few weeks, the drafts of the proposed renewal permit for the Airport under sec. 402 of the Clean Water Act ("NPDES permit"), & the Port's voluminous comments on the drafts. He is a key member of the Technical Committee. He is invaluable to us in preparing for the forthcoming hearing on the renewal. All of these services have been continuous and ongoing.

Web-based Newsletters. As you may be aware, our Board made a decision some months ago to switch to a different form of newsletter. This was not only a cost-cutting measure (postage costs are accelerating) but also the result of a prolonged Board review of the effectiveness, as well as timeliness, of this method of reaching the public with the Sea-Tac runway message. So, we now issue a "webletter", a less formal, and very timely, newsletter that is posted monthly on our website, with an e-mail alert sent to our e-mail lists at the time of posting. The first of these was posted in mid-August, the second, in mid-September, and the editors and the chairman of the Board's Communications Committee are at work on the third, scheduled for issuance on or about 24 October.

Episodic services. Some of our services are episodic, especially "Action Alerts". As occasion requires, we send out mailings to interested people about special events of interest, such as the various public hearings on the JARPA (sec. 401.404) applications, and the efforts of Mr Hopkins to revive the ill-fated Des Moines conveyor-belt proposal. In the last few months, we set aside funds for an Action Alert on the long-expected public hearing for a new sec. 402 ("NPDDES") permit for Sea-Tac Airport, and Board, staff, and consultant time has been expended in preparing for that Alert and for the public hearing.

Services to individuals. Some services are provided to specific persons. These include:

- Dealing with noise & flight-corridor inquiries
- Requests for information and research assistance, primarily from ACC's lawyers and consultants in the last few months, but also from the general public. Here's a comment that came in (unsolicited) the other day from a member of the public:

    > I personally have benefited greatly from RCAA's resources and from Chas' Insights {"chas" refers to our Office Administrator]. The mailed newsletter was extremely helpful to me as a newcomer to this area to understand just what was going on.

  (Maintaining an office with staff has been essential to our mission of building support for the runway position of the ACC cities.)
- Working with beat reporters. RCAA is recognized as a source for information on Sea-Tac related issues, se we receive some independent inquiries from various print media. In addition, we pass along news tips and formal news releases to the local dailies and to the national e-mail airport-interest publications, all in aid of the no-third-runway effort.

* * * * *

With respect to all of these activities, it has not been practical to engage in highly detailed accounting exercises, to allocate each hour of volunteer, staff, or consultant time to a particular category of activity, & then allocate the benefits of that activity as between the City of Des Moines on the one hand, other cities on the other, not to speak of the general public. To date, this has not been a requirement from any of the contracting cities.

We do track expenditures for special projects – like our recent aerial photography of various Sea-Tac construction sites (not available for inspection on the ground). We cannot (without a huge amount of new work) produce an accounting, hour by hour, for all of the time of Board members, other volunteers, contract staff, and other consultants. As is the case in any organization, a good deal of the expenses goes to overhead – phones, publications, contract staff. And there are services that are difficult to categorize – staff attendance at Port Commission meetings; Technical Committee members' meeting with the Army Corps of Engineers or the Department of Ecology; testimony at hearings; formal written comments on a variety of Airport-related issues; staff support to member groups – to mention just a few such activities.

The Board believes that it is not readily feasible to draw a distinction – which would be utterly artificial – between activities & expenditures that benefit the City of Des Moines separate and apart from benefit to the other contracting cities. For example, we made, at their request, a large contribution to the radio advertising campaign that ACC mounted earlier in the year. (This shows up in the accounting report that we sent you a few weeks back.) But how would one allocate the benefit of that expenditure as between the three cities? The cities' representative, the ACC, asked for the help; we provided it as part of the common effort.

I trust that you, your staff, & Council will find this sufficiently responsive to your inquiry. If not, please advise,

Yours sincerely,

Lawrence J. Corvari

Lawrence J. Corvari
President

Encls: Final invoice; sample print news letters

L02-287-1, -2 (DM)

REGIONAL COMMISSION ON AIRPORT AFFAIRS
19900 4th S.W.
Normandy Park, Washington
98166-4043
Telephone: 206.824.3120
FAX: 206.824.3451
E-mail: rcaa@earthlink.net

STATEMENT

14 October 2002

City of Des Moines
21630 11th Ave. So.
Des Moines, Washington 98198-6838

RE: Services, portion, fourth quarter, 2002
As per contract between RCAA and the City of Des Moines

Normal quarterly payment per contract, $7000
Fourth quarter, 92 days
Contract days, 14
Percentage, 15.2
Prorated amount due: 0.152 x 7000 = $1065.22

Amount due: $1065.22

INV02-03-DM

Change in Local Passengers and Yield at Top 100 U.S. Airports

First Quarter 2002 vs. First Quarter 2001

	Airport	O&D Passengers	Passenger % Chg.	Yield % Chg.		Airport	O&D Passengers	Passenger % Chg.	Yield % Chg.
1	Los Angeles	6,101,450	-17.8%	-11.2%	51	Kahului	1,130,700	-6.1%	-9.7%
2	Las Vegas	6,016,710	-8.0%	-9.9%	52	Providence	1,127,830	-3.9%	-11.5%
3	Orlando	5,388,810	-13.3%	-9.1%	53	Albuquerque	1,076,450	-7.6%	-9.7%
4	Atlanta	5,241,730	-14.4%	-18.8%	54	Jacksonville	1,057,960	-12.2%	-14.9%
5	Chicago, O'Hare	5,202,850	-13.8%	-18.1%	55	Charlotte	1,039,070	-15.0%	-14.0%
6	Phoenix	4,890,820	-10.8%	-10.9%	56	Dallas, Love	1,034,120	-25.6%	-3.9%
7	New York, LaGuardia	4,210,120	-14.6%	-15.5%	57	Burbank	1,025,380	-5.7%	-10.4%
8	Dallas/Fort Worth	4,040,050	-12.9%	-18.2%	58	Milwaukee	985,620	-14.7%	-8.3%
9	Fort Lauderdale	3,913,930	-1.8%	-9.6%	59	Reno	982,820	-15.9%	-7.6%
10	New York, Newark	3,892,130	-15.7%	-17.8%	60	Cincinnati	962,240	-16.1%	-14.3%
11	Denver	3,876,850	-9.7%	-14.8%	61	Buffalo	848,820	-8.7%	-14.1%
12	Seattle/Tacoma	3,582,480	-8.6%	-12.1%	62	Tucson	812,320	-6.3%	-10.6%
13	Tampa	3,521,630	-7.7%	-14.1%	63	Memphis	746,430	-14.4%	-12.0%
14	Boston	3,426,960	-21.0%	-15.8%	64	Omaha	743,210	-6.2%	-13.0%
15	Baltimore	3,295,070	-8.8%	-9.9%	65	Manchester	717,710	2.1%	-10.4%
16	San Francisco	3,232,460	-25.5%	-13.6%	66	Louisville	715,060	-12.6%	-13.9%
17	San Diego	2,982,140	-8.7%	-10.8%	67	Norfolk	654,700	14.8%	-28.3%
18	Philadelphia	2,928,770	-6.6%	-17.6%	68	Oklahoma City	619,310	-13.4%	-9.7%
19	Minneapolis/St. Paul	2,927,870	-15.5%	-8.0%	69	Tulsa	591,980	-15.7%	-11.5%
20	Detroit	2,894,910	-16.0%	-12.8%	70	Albany, NY	589,620	-8.9%	-10.6%
21	Honolulu	2,800,720	-3.8%	-5.0%	71	Birmingham	564,250	-13.8%	-12.4%
22	Chicago, Midway	2,403,030	-10.0%	-8.7%	72	Spokane	563,870	-10.7%	-5.3%
23	Oakland	2,385,850	0.3%	-15.4%	73	El Paso	559,670	-10.2%	-7.2%
24	New York, Kennedy	2,361,250	1.6%	-14.3%	74	Anchorage	549,360	3.7%	-8.2%
25	Houston, Bush	2,333,730	-11.6%	-14.0%	75	Lihue	545,250	-9.0%	-2.2%
26	Miami	2,243,670	-9.6%	-13.3%	76	Kona	538,080	-4.9%	-5.2%
27	Salt Lake City	2,220,870	-10.8%	-3.7%	77	Boise	536,850	-12.7%	-6.3%
28	Washington, National	2,168,100	-26.2%	-8.9%	78	Greensboro	483,680	-17.4%	-11.7%
29	San Jose	2,134,390	-15.1%	-21.3%	79	Dayton	460,790	-7.4%	-14.4%
30	Portland, OR	2,044,000	-9.9%	-10.7%	80	Rochester, NY	457,740	-13.6%	-16.5%
31	St. Louis	2,038,350	-17.3%	-17.4%	81	Little Rock	447,160	-14.9%	-7.9%
32	New Orleans	1,967,650	-9.0%	-6.5%	82	Richmond	435,660	-17.6%	-16.2%
33	Kansas City	1,915,190	-12.0%	-12.7%	83	Islip	415,230	-14.0%	-8.0%
34	Sacramento	1,711,410	-0.6%	-12.1%	84	Grand Rapids	413,540	-5.8%	-15.3%
35	Washington, Dulles	1,680,200	-16.0%	-17.4%	85	Colorado Springs	410,890	-5.6%	-13.4%
36	Orange County	1,661,760	-1.9%	-17.1%	86	Syracuse	388,030	-8.0%	-12.7%
37	Raleigh/Durham	1,616,160	-8.9%	-25.0%	87	Palm Springs	344,910	-13.4%	-8.0%
38	West Palm Beach	1,596,340	-9.8%	-6.6%	88	Des Moines	335,490	-7.8%	-18.7%
39	Fort Myers	1,574,880	-5.2%	-6.5%	89	Savannah	331,010	-6.3%	-15.2%
40	Cleveland	1,509,270	-13.9%	-14.2%	90	Sarasota/Bradenton	324,430	-9.9%	-9.1%
41	Indianapolis	1,424,570	-11.9%	-14.6%	91	Hilo	321,990	-10.7%	4.9%
42	Pittsburgh	1,397,100	-12.4%	-17.7%	92	Madison	299,570	-0.9%	-16.0%
43	Nashville	1,373,130	-12.2%	-12.4%	93	Charleston	293,290	-9.9%	-9.3%
44	Hartford	1,372,520	-12.8%	-14.1%	94	Pensacola	277,380	28.1%	-22.0%
45	San Juan	1,363,790	-7.9%	-7.5%	95	St. Thomas	271,030	-0.3%	-18.0%
46	San Antonio	1,352,490	-7.2%	-11.4%	96	Greenville	257,350	-14.8%	-17.6%
47	Ontario	1,346,840	-7.1%	-12.8%	97	Knoxville	256,920	-14.8%	-16.1%
48	Houston, Hobby	1,332,270	-12.9%	-7.0%	98	Jackson	250,820	-14.8%	-11.2%
49	Austin	1,288,650	-14.8%	-19.3%	99	Vail/Eagle	247,780	-2.9%	-16.4%
50	Columbus, OH	1,288,260	-10.3%	-13.7%	100	Harrisburg	240,170	-1.6%	-14.9%

ECLAT consulting

Based on U.S. DOT O&D Survey.

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 7, No. 2 Fall 2001

IN BRIEF

Election Coverage:

Port of Seattle: Runway Foes Chosen To Challenge Incumbents

The third runway is emerging as an issue in Port Commission elections.

In the primary election on 18 September, two announced opponents of third-runway construction at Sea-Tac Airport were selected by voters to oppose incumbent Port Commissioners in the general election.

For Position 3, Richard Pope received 42,317 votes, and will face incumbent Paige Miller (with 87,662 votes). Two other challengers received a total of 30,716 votes. Mr Pope attributed a good part of Ms Miller's support to endorsements by Democratic Party groups.

In the Position 4 race, incumbent Pat Davis received fewer votes than the combined opposition. Christopher R. Cain will oppose her in the 6 November election. Ms Davis received 67,844 votes, Mr Cain, 39,488, Jake Jacobovitch, 29,187, and Al Yuen, 20,055. The *Post-Intelligencer's* election coverage erroneously reported that Mr Cain was not an active candidate, and did not even mention that he would be on the November ballot. Ms Davis' share of the vote (less than 44 percent) shows that the long-time incumbent is in serious difficulty.

Only two candidates filed for the seat now held by Jack Block—Mr Block and Lawrence Malloy. Their names will appear on the general-election ballot. Mr Malloy is a very keen supporter of the third runway. Mr Block has been known to express an occasional doubt.

Highline Area Races

In the Highline area, all candidates for City Council posts in Normandy Park and Burien are opposed to the Sea-Tac third-runway project, & the runway is not an issue at this time in the city of SeaTac.

In Des Moines, there are clear differences between the finalists on this issue. At present, all members of the Des Moines Council oppose the runway project & are supporters of the

Continued on page 2

Highline School Bonds

Story on page 2.

WHAT NOW?

Two weeks after the attacks on the World Trade Center & the Pentagon, Congress was forced to bail out the airlines to the tune of $15 billion. Some industry-watchers claim business will rebound quickly once people relax a little. Others, however, point out that the airlines were in big financial trouble *before* the Trade Center disaster because of a persistent drop in business travellers. This part of the problem, they argue, is likely to persist for a very long time, even if the public regains its confidence. The airlines themselves and Boeing seem to fall in to the latter camp, laying off tens of thousands.

Additional security needs will have a huge impact on airports. Some may never re-open. All of this affects airport expansion projects planned across the country, which are dependant on industry profits and customer demand. Sea-Tac's expansion is one of the most expensive in the country and will likely take some major cuts.

At many airports across the U.S., expansion projects are in serious jeopardy, as the money streams dry up. The immediate impacts are two-fold: first, fewer travellers means less money collected from passenger facility charges (PFCs), & second, insolvent airlines cannot meet their lease payments to airports. Third, revenues from the federal tax on aviation fuel & other taxes on air travel will start to fall. FAA's grants for airport construction come from these taxes.

Here's what is happening at some representative airports.

Twin Cities (Minneapolis - St. Paul, Minnesota). The St. Paul *Pioneer Press* reported on 22 September that the balance of a $2.7 billion expansion project at the Minneapolis-St. Paul Airport was at risk. To balance its budget the airport is likely to cut capital costs. Of the $2.7 billion expansion project, between $1.75 billion and $2 billion already has been spent or committed.

San Francisco. According to the *San Mateo Daily Journal* (20 September), the terrorist attacks may impact the decision whether or not to proceed with expansion at San Francisco. (The airport wants to fill in a big piece of the San Francisco Bay to make new land for the runway.)

Continued on page 3

ACC Blasts DOE Process, Appeals to State Pollution Board

On August 10 the state Department of Ecology (DOE) issued a Section 401 water quality certification for the third runway project. This is the third attempt by the Port to get its 401 approval. This process has been watched with concern by people in the airport communities ever since DOE reassigned the lead analyst, Tom Luster, to "more pressing projects", hired Port consultants as "independent" technical reviewers, and "negotiated" the certificate in meetings chaired by a mediator paid for by the Port. (See *TIA* Summer 2001, p.5.) The Airport Communities Coalition (ACC) has appealed the decision and asked for a stay. The hearing on the stay is scheduled for mid-October 2001, but no schedule for the main appeal has been set.

The 401 decision is a one-time opportunity for the State to determine whether the third runway meets applicable state aquatic resource regulations. These regulations cover areas such as fill, stormwater discharges, decreased streamflow, groundwater, water quality in the streams, and wetland health. By law, the Port must demonstrate that there is "reasonable assurance" that construction and the third runway itself will not violate State water quality standards.

Affidavits from experts in support of ACC's appeal point out that the Port did not even provide the information necessary to decide if applicable water quality standards *could* be met, much less reasonable assurance that they *would* be met. For example, instead of requiring a plan showing that the Port can prevent transport of contaminated groundwater through old utility corridors under the airport, DOE will allow the Port to submit the plan 60 days *after* the issuance of the certification. This, despite the fact that the Port has had years to come up with a plan, but has failed. ACC's lawyers point out that this gerrymandering of the requirements also destroys the public's legal right to comment on the plan.

In some instances, the Port provided conflicting information. For example, different Port reports claim that water behind the 150-foot high retaining wall, the "Great Wall of Sea-Tac", will transport through the wall, be diverted under the wall, or be collected behind the wall for later dis-

Continued on page 7

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 7, No. 2 Summer 2001

Port Announces New $3 Billion Terminal for Sea–Tac Airport

On 8 May, the Port of Seattle Commission approved final design and funding for a $94 million upgrade of the main terminal at Sea–Tac Airport. Construction work on the project is to begin in a year. The renovated terminal is scheduled for a grand re–opening in September 2004.

The airport also has pending a project for expansion of its south terminal, at a cost of $375 million.

On 26 June, Port staff presented the Port Commission with its preliminary plans for a new north terminal, to be located about 1300 yards north of the existing main terminal. The cost estimate for this project is $3 billion. Planners told the Commission that a detailed cost analysis would be available in about two years.

Bells, Whistles, and Gold–Plating

Included in this project would be expansion of the existing northern satellite terminal, one new 'people mover', two new parking garages, and three new concourses, with a light–rail station as an option as well. The cost includes removal and relocation of two freeways, and relocation of several cargo operations. According to the Port's planners, this third terminal is needed in order to accommodate a predicted increase in passenger traffic. The present main terminal was planned for 25 million travellers a year, and the new terminal is needed for the additional 11 million increase expected by the year 2010. Staff expects construction to start in the year 2004 and to be complete in 2014.

No firm sources of funding were identified by staff. One major component of funding for airport capital projects is revenue from tenant airlines. The Port has been in private negotiations with major airline tenants for a new master lease agreement since spring 2000. The present leases expire at the end of this year, and the Port wants hefty increases in rent from the airlines. The airlines are being asked to give up their present powers to control use of their lease payments.

Runway Safety Worries Mount

Veteran Pilot Says Wall Too Close, Incursions Dangerous

Airline pilot Sven Holm, who recently retired as chief pilot for Northwest Airlines, raised a series of concerns about the safety of the proposed third runway at Sea–Tac Airport in a letter to the *Seattle Post–Intelligencer* published on 20 June. He warned that careful pilots may refuse to use the runway.

Among the safety hazards, Capt. Holm pointed out the much higher risk of a "runway incursion" (on–the–ground collision of aircraft) with the proposed configuration of three parallel runways. The environmental impact statement for the runway project estimated that this risk would increase by 21 percent, though others have put the risk higher.

Another concern was the closeness of the runway to the edge of the embankment which drops 170 feet. To gain a 2500–foot separation between the new runway and the existing main runway, the Port must lay down 19.84 million cubic yards of fill, to extend the present level ground westward. The new runway would, according to Capt. Holm, be perilously close to the edge that embankment.

Continued on page 6

Inspector General Says U.S. Incursion Problems Too Risky

"Further actions are needed to reduce runway incursions", Congress was told on 26 June by Kenneth M. Mead, Inspector General of the U.S. Department of Transportation. Runway incursions are incidents on the runway that create a collision hazard. The number of these incidents in the U.S. grew by 48 percent from 1997 to 2000, with a 25 percent spurt between 1999 and 2000, according to a study released by the Federal Aviation Administration just a few days before Mr Mead's testimony.

While many of the incidents pose only slight risk of a collision, Mr Mead noted that there is a significant number of close calls. Of these, 63 percent involved at least one commercial aircraft where the potential loss of life is high.

FAA Rapped

Primary responsibility for reducing incursions rests on the FAA. Inspector General Mead said "it is apparent that FAA's efforts, along with those of the aviation industry and airports are not sufficient. The number of runway incursions continues to go in the wrong direction." He called for "strong

Continued on page 6

IN BRIEF

Highline Schools, Port Agree to Noise Pact

Settlement may have been reached in the long-running dispute between the Highline School District and the Port of Seattle about mitigation of jet–plane noise in classrooms, a development welcomed by the Regional Commission on Airport Affairs (RCAA).

In a "memorandum of understanding" between the District, the Port, Gov. Gary Locke, and U.S. Rep. Adam Smith (D–9), sources for up to $200 million in noise-mitigation money were identified, & the parties agreed to enter into a more-detailed agreement by 31 December.

Port Doubles Its Offer

In a breakthrough, the Port agreed to contribute up to $50 million of its own money. Previously, the Port had only offered $40 or $50 million that it might receive from the Federal Aviation Administration for noise mitigation. Highline School District will put up $50 million, to

Continued on page 6

IG To Audit Runway Costs

The Office of the Inspector General of the U.S. Department of Transportation and U.S. Rep. Adam Smith (D–9) have announced that the staff of the Inspector General will analyze the current estimated costs and sources of funding for the third–runway project at Sea–Tac. The audit will also cover 13 other major runway projects in the U.S. that are scheduled for completion by 2007.

Rep. Smith seeks a broader review of the third runway. He is pressing the Inspector General to report on the violation of a major condition in the Governor's certificate to the U.S. DOT that runway construction would not violate water–quality standards. He also has suggested that the Port of Seattle is not in compliance with fiscal standards for federally–assisted projects because it does not have a budget for the third runway—no current cost estimates & no complete financing plan.

Critics of the runway project wonder if the Inspector General can obtain from the Port what no–one else has been able to get: a complete, current cost estimate, and a description of a realistic financing plan.

IN BRIEF

Top Environmental Specialist Leaves Port, Joins ACC Staff

On 5 July, Barbara Hinkle, Senior Environmental Manager at Sea-Tac Airport, responsible for environmental oversight on all Airport expansion plans (including the third runway) left that job to join the staff of the Airport Communities Coalition, which is leading the legal fight against Sea-Tac expansion.

Ms. Hinkle became disenchanted with the mindset within the Airport staff toward the environmental rules that airport construction. She was quoted as saying that the Port does not follow through on its own environmental studies. Pressure from above to "get the job done", regardless of environmental consequences and applicable laws, was cited as a major factor in Ms Hinkle's leaving the Port. She said, "the pressure to put aside environmental concerns is growing, and with the number of projects coming on-line over the next several years, I can be more effective at the ACC, for the environment, that I ever could be at the Port of Seattle".

Announcing her employment change to the U.S. Environmental Protection Agency, she commented that she "could no longer work within a system that continually turned a deat ear toward its obligation of public stewardship."

No interchange on SR 509 for third-runway fill trucks this year

Port of Seattle plans to build its own private interchange on SR 509 at So. 174th, for the exclusive use of trucks hauling fill, have been stopped, at least for this year, by actions of the Department of Ecology, as the result of strong pressure from the Airport Communities Coalition (ACC).

In a sternly-worded letter, Ecology told the Port that the project requires a "major modification" of a critical environmental permit – a detail that the Port conveniently overlooked in its planning. In addition, the project requires a hydraulic permit from the Department of Fish & Wildlife. Ecology also advised the Port that no action should be taken until the U.S. Army Corps of Engineers has decided whether the project falls under the federal Clean Water Act (which it does). Construction was to have begun on 1 June, according a mailing from the Port had written to the handful of folks still living in what is called the "Westside acquisition area".

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 6, No. 2 *Summer 2000*

FAA, Port Sued Over Violations of Federal Endangered Species Act

The federal courts have been asked to order a halt to all Sea-Tac Airport construction projects until the Federal Aviation Administration has completed formal "consultations" with federal fish and wildlife agencies, as required by the Endangered Species Act (ESA). If endangered species exist in or near an area where a federal agency is sponsoring or funding a project, the sponsoring agency must complete a "consultation" with federal wildlife agencies as to the need for special protections before allowing work to begin (or to continue).

The endangered sea bird, the marbled murrelet, has been recently sighted within two two miles of the Airport by Audobon Society observers. Endangered chinook salmon are known to spawn in the Green River, which receives Airport run-off water via Gilliam Creek, a tributary of the Green; juvenile chinook have been observed in the upper reaches of Gilliam by a City of Tukwila fish biologist. Whether chinook could spawn in Miller Creek is disputed. There is no dispute that bull trout, also listed, and coho, cut-throat, and other salmonid fish occur in local streams.

When advised of these concerns by the Airport Communities Coalition (ACC), the FAA sought to brush off the legal requirements. Correspondence and negotiations have not persuaded the FAA that it, too, is bound by federal law, and

Continued on page 6

Photo credit: Chris Gower

Photo of "clean fill" taken Wednesday, August 9, 2000 on S. 192nd Street, near the entrance to the Tyee Golf Course. See story, p. 4

Agencies Talk Tough As Deadlines Loom Over Sea-Tac Third Runway Project

As this issue of *Truth in Aviation* heads toward the printer, major deadlines loom over the Sea-Tac third-runway project. By 28 September, the U.S. Army Corps of Engineers is to rule on the application of the Port of Seattle to fill in wetlands (a "section 404" permit). The Engineers are waiting for a ruling by the Department of Ecology as to whether the Port's project will meet water-quality standards ("section 401 certificate"). Ecology has given the Port till 5 September to file all complete, accurate documents in support of its plan. Ecology has pledged to issue its ruling by Friday, 8 September.

Ecology has repeatedly told the Port and its major water-quality consultant, Parametrix, Inc., about grave deficiencies in the supporting technical studies. On 11 August, the Corps of Engineers sent a 3-page letter covering a 19-page memorandum, pointing out in detail a long list of errors, inaccuracies, and so on in the paperwork filed with the Corps, and demanding that everything be tidied up as soon as possible.

The Engineers are plainly dissatisfied with the documents already submitted, and they are, in essence, demanding a major re-write. They politely say that the final document "will require some rethinking and the provision of a rationale and much added detail". They "look forward to receiving a comprehensive, better-organized and

Continued on page 6

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 6, No. 1 Winter 2000

CROWD PACKS SEA-TAC WETLANDS HEARING

On November 3, a crowd of more than 500 people overflowed the auditorium at Foster High School in Tukwila for a hearing on the revised application of the Port of Seattle for permission to destroy 18-plus acres of wetlands as part of its third-runway project.

Both the Department of Ecology and the U.S. Army Corps of Engineers must determine that there will be no needless, unmitigated impacts on wetlands and wildlife before they can give permission for the Port to begin construction of the third runway in the headwaters of Miller and Des Moines Creek, west of the existing airport. The hearing was sponsored by the two agencies. The Corps is responsible for clearing the so-called "404" permit, which is needed to fill any wetland. Ecology is responsible for issuing a "401" certificate, which concerns the water quality in State waters, wildlife issues, and impacts on the coastal zone.

The auditorium was too small for the crowd, so the fire marshal turned away many latecomers. Only 59 of those who signed up to speak were called to the podium. Local elected public officials led off the testimony with vigorous complaints about the over-all project, the details of the wetlands damage, and the inadequate process. Aside from some Port-paid "experts", almost all of the speakers pointed out serious deficiencies in the Port's revised application.

RCAA President Larry Corvari said after the hearing, "This huge turn-out shows that opposition to the third runway and its unacceptable

Continued on page 5

Leschi News

Concerned Highline Residents Sue Water District To Void Backroom Deal with Airport

Citizens Against Sea-Tac Expansion (C.A.S.E.), a citizens' group based in the Highline area, has sued the Highline Water District and the Port of Seattle in King County Superior Court, asking for a declaration voiding the District's attempt to transfer water rights to the Port of Seattle.

According to the complaint, the Water District and the Port of Seattle have secretly made an agreement to transfer one of the District's wells (Well #1) and associated water rights to the Port. The agreement was never discussed by the District Commissioners in open session, only in closed-door meetings. And the agreement's terms were kept secret until after the Commis-

Continued on page 6

IN BRIEF

What Killed The Fish?

Starting on October 31, and continuing into December, dozens of seemingly-healthy adult Coho salmon have died in Miller Creek, before spawning. Stream-side residents have watched (and filmed) Coho struggling to breathe. Preliminary laboratory exams have not revealed any obvious causes of death, although suspicion naturally falls on pollutants that might come from a sewage-treatment plant nearby or from Sea-Tac Airport, at the headwaters of the creek. Shortly before the first kills, the Airport experienced an overflow from its settling ponds upstream. Locals strongly suspect Airport-related pollution as the cause of the unusual fish kill.

This winter's run of returning salmon was one of the strongest in recent memory (bearing out the contention that Miller Creek is indeed an historic salmon stream).

No Floatplanes for Seattle Waterfront

Seattle's downtown waterfront is no long threatened by increased noise from a proposed floatplane base near Pier 54 (Ivar's). Faced with strong opposition, floatplane operator Kenmore Air has withdrawn its application for a City-issued shorelines permit. The Seattle City Council has put a moratorium on applications while it looks at the whole issue.

Kenmore had planned as many as 16,000 sightseeing flight operations during the summer tourist season. Two downtown Seattle residential associations, and the Washington State ferry system, were concerned with impacts of the proposal, and appealed the City-granted permit to the Shorelines Management Hearings Board. Kenmore and Ivar's then withdrew the application, not wishing to "go out and fight the public," as Robert Munro, owner of Kenmore, put it.

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 6, No. 3 *Fall 2000*

Port Resubmits Permit, Demands Fast-tracking

As most readers know, on 28 September the Port of Seattle formally withdrew its second application to the Department of Ecology and to the U.S. Army Corps of Engineers for official approval to destroy wetlands west of the present Airport, and to relocate part of Miller Creek, for its third-runway project at Sea-Tac Airport.

Under the federal Clean Water Act, the Department of Ecology is charged with determining whether an applicant's plan to build in wetlands provides "reasonable assurance" that State water-quality criteria will not be violated. The Corps of Engineers then determines whether the harm to wetlands is "in the public interest" and otherwise in compliance with the Clean Water Act. Without approval from the two agencies, the Port cannot legally proceed with its third-runway construction work in the wetlands.

The best way to understand what has happened is to review the chronology.

29 September 1999. The Port submitted its second application to the Corps and Ecology, after having to withdraw its 1997 application because of gross under-statement of the amount of wetlands involved. Ecology had 365 days to pass on the application. The Engineers had previously announced that they would not decide till after Ecology had finished its work.

Spring & Summer 2000. Port of Seattle submitted voluminous revised documents, attempting to justify the plan, some as late as late August. Ecology, Engineers, and King County stormwater experts, as well as experts retained by Airport Communities Coalition, RCAA, and C.A.S.E., raised a host of questions, many of which remain unresolved (even in late November).

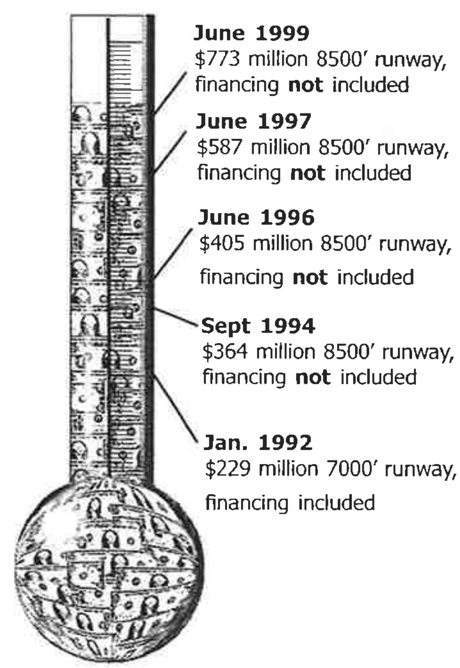
28 September 2000. A meeting—not publicly announced—was held at the office of M.R. ("Mic") Dinsmore, Executive Director of the Port of Seattle. Those present included: Joe Dear, the Governor's Chief of Staff; Mr Dinsmore; Tom Fitzsimmons, the head of the Department of Ecology; Ray Hellwig, head of the regional office of Ecology; and others. Mr Dinsmore was a major fund-raiser for Gov. Gary Locke in the last general election. The Governor and Ecology have denied that there is any political pressure in this affair, though Ecology has been officially warned that there is interest in this project "at the highest levels" of State government.

The Ecology folks brought with them their draft letter of decision on the sec. 401 application, dated that day, and shared it with the others. The letter flatly denied the application, because of multiple shortcomings. "At this time, Ecology does not have reasonable assurance the proposed project will comply with the applicable federal and state water quality requirements . . . ." The letter referred questions to Ecology staffer Tom Luster. The letter acknowledged that the Port intended to resubmit, and pledged to "work with" the Port, and to "provide guidance to the applicant to help develop documents with the necessary level of detail and information for our review."

What else happened next at that meeting is not known.

However on that same day (28 September), the Port announced that it was withdrawing its applications under sec. 401 and sec. 404 of the federal Clean Water Act. In a letter dated that day

Continued on page 2



Late this summer, the Port of Seattle began publicly using the figure of $5.6 billion for the Sea-Tac Expansion, without mentioning that the entire new Denver Airport cost their taxpayers around $4.2 billion. See our editorial on page 5.

IN BRIEF

KIK Organizes Students

Maria Wardian, eighth-grade student at Sylvester Middle School, in the Highline School District, has started a no-third-runway group for students, "KIK" (short for "Kids Involving Kids"). The group's goal is to get "more kids informed about what the Port of Seattle is doing to us and our future", in terms of water pollution, air pollution, and impacts on schools.

Ms Wardian and fellow students recently attended a meeting of C.A.S.E., and came away incensed by video recordings of fish dying in Miller Creek (one of the area streams hard hit by pollution from Sea-Tac Airport). She points out that the same water that flows down the creek also finds its way into local drinking-water aquifers.

Demonstration Planned

Maria is working via e-mail to bring together hundreds of kids later this winter for a demonstration "against the violence of the Port on our environment and health". She is looking for volunteers to act as representatives at every area school. Volunteers are also needed to hang posters, to make phone calls, and to spread the word, as well as telling their own stories on how the Port is affecting their own lives.

How Sea-Tac Hurts Kids

Jet noise disrupts classrooms in many schools in the Highline School District, and also in South-East Seattle. The proposed third runway at Sea-Tac would bring flight corridors closer to several Highline schools. There would also be flights directly over elementary schools in South Park and Georgetown, and over Cleveland High School on Beacon Hill. Recent studies demonstrate that airport noise elevates blood pressure in children living near the airports.

Around big airports everywhere, health data show that more kids have asthma than kids who live in other areas. Two recent studies show that airport noise raises persistent blood pressure levels in children living near airport. Jet exhausts contain compounds that are known to cause cancer. Cancer takes a long time to develop, but every child living near a major airport —like Sea-Tac—is at risk for life-threatening cancer later in life.

- - - - -

Contact Maria by e-mail at **kiktherunway@hotmail.com** or by phone at 206.244.4888.

IN BRIEF

Runway Safety Challenged

Pilots and aviation experts raised eyebrows at the public hearings commenting on difficult safety problems caused by almost-vertical walls along the west side and by the need to cross two active runways to reach the terminal. See Page 4.

A Highline student speaks:

Hi, I'm Maria W.

I represent KIK, the kids at the Highline School District. When I go to my school and can't hear my teacher, when I walk outside my door and smell jet fuel, I think, we need to move away from this stupid airport. But I love my school. I can't move.

When I swing by Miller Creek and see the dying salmon, when I watch the big dump trucks filling in the headwaters of my creek, I think, we need to move away from this stupid airport. But I love my friends. I can't move.

When I know cancer rates are much higher and I visit my Grandpa in Burien dying of cancer I think, we need to move away from this stupid airport. But I love my family here. I can't move.

Then my Mom says the Port guys are going to build another runway. They're go-

Continued on page 6

Port Out Of Money?? Audit Ordered

On 25 May 1999, the Department of Ecology issued an agreed order under the Model Toxics Control Act, requiring the Port of Seattle to complete a "Phase I" groundwater study and to issue a report on results by 22 December 1999. According to Greg Wingard, Director of Waste Action Project (and consultant to RCAA), the Port has not only has failed to complete the study but has stopped all work on it because they claim there is no more money in the budget (a large part of which was a grant from Ecology). An audit is underway to determine if the Port mis-spent the funds for the study.

Observers wonder if this is the way the Port plans to keep mitigation promises made to DOE and the Corps of Engineers in order to get wetlands permits.

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 6, No. 4 *Spring 2001*

Third Wetlands Hearings Highlight Runway Problems

Not once, not twice, but three times, the Port of Seattle, owner-operator of Sea-Tac Airport, has sought official permission to destroy wetlands with its third-runway construction project west of the existing airport. And three times the community has turned out in great strength to tell the regulating agencies that this is a bad idea—bad for the environment, bad for people—and wasteful. Each of the first two applications had to be withdrawn, re-written, and resubmitted, because of fatal flaws.

On 26 and 27 January, the Army Corps of Engineers and the Department of Ecology held hearings on the latest proposal submitted by the Port. Hundreds of residents in attendance heard nearly one hundred speakers tell the agencies about their concerns with the proposal. Most of the 117 speakers were in opposition, citing numerous issues—airport safety, damage to local streams, concerns with the environmental mitigation plans, lack of community mitigation, and, over and over again, the problems posed by the four vertical embankment walls.

—Against—

In their five-minute comments, a stream of residents and local elected officials carried a few basic messages to the two regulatory agencies.

* The environmental planning is questionable and incomplete in many details, especially as to

Continued on page 2

EXHIBIT 2

Aircraft Adjacent to 179 Drop From Third Runway

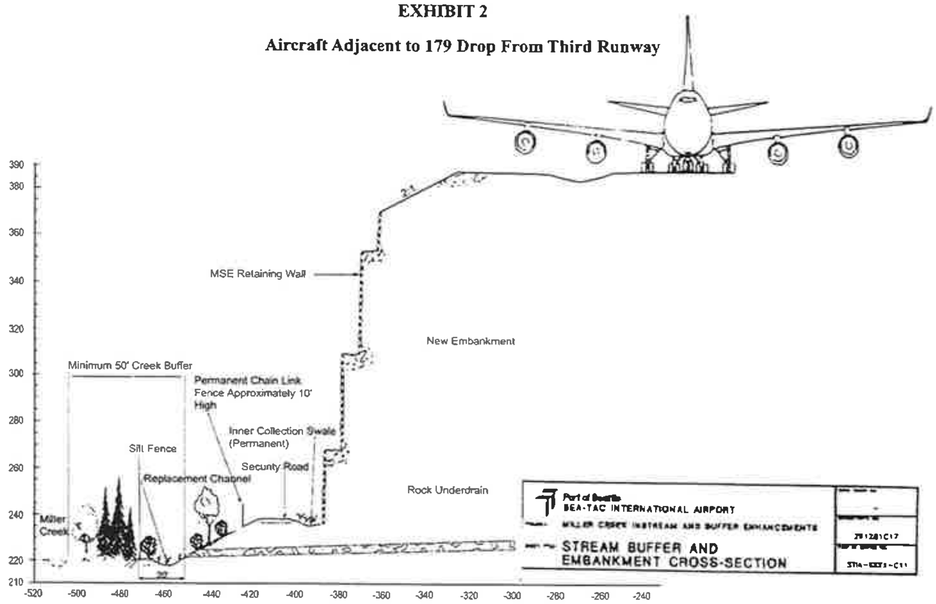


Illustration prepared from from written testimony of Dr. Stephen Hockaday for Airport Communities Coaltion showing a large body jet at the edge of the third runway runway safety area, 100 ft. from the 153 ft. high "mechanically stabilized wall" over Miller Creek.

Earthquake Raises Airport Seismic Safety Issues

Planners at Seattle-Tacoma International Airport have a grand vision: nearly 30 million tons of third-runway fill placed on 18 acres of wetlands, and held in place by gravity, compaction, wire mesh, and an array of concrete blocks.

People downstream from Sea-Tac Airport have another vision: nearly 30 million tons of fill—and a great amount of runway concrete—cascading toward Puget Sound when the next big near-surface earthquake strikes the Puget Sound Region. The Seattle Fault is runs just North of the Airport.

Western Washington's most recent earthquake, on 28 February, showed dramatically that airport planning and construction techniques are not adequate to withstand the known seismic hazards in the Puget Sound. Boeing Field's main runway (built on fill) broke up in places, so that the airport had to be closed. Sea-Tac Airport's control tower was knocked out of operation by damage. Yet, the quake was the least damaging of the three types of quakes: surface, tectonic-plate movements, and deep "slab" quakes.

Continued on page 3

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 5, No. 3 *Winter 1999*

IN BRIEF

The Decade In Review

It's been over ten years since the Port first decided to try to expand Sea-Tac, including a third runway. What's the outlook for this huge project?

See article on page 2

Seattle Neighborhood Sues King County

The Georgetown neighborhood in Seattle has sued the County over failure to write an EIS for King County Airport expansion.

See article on page 4

Floatplane Hearing Set

On Wednesday, February 24, at 5:30 p.m. in the City Council Chambers (Municipal Building 4th & Cherry, 9th floor) a Seattle City Council Committee will hold a public hearing on the temporary moratorium on seaplane operations or facilities on the downtown Seattle waterfront. The proposal forbids issuance of permits for seaplane operations on the Downtown harborfront, pending further study. The application of Kenmore Air is unaffected.

CASE Election

The following are the newly elected officers of C.A.S.E. for 1999:

Larry and Candy Corvari—Co-presidents
Arlene Brown and Claudio Parazzoli—Co-Vice Presidents
Wally Meyers—Treasurer.

The post of Secretary remains to be filled. Board Members include: Audrey Richter, Pat Pompeo, Helen Kludt, Peg Springer, Minnie Brasher, Debi Wagner, Rod Blalock, Jim Bartlemay, and Dan Caldwell (a new member).

Conveyor Belt Issue Stirs Crowd

On January 14, an overflow crowd attended the Des Moines City Council meeting to express continued opposition to a proposal to construct a five-mile conveyor belt over the Des Moines beach, up through Beach Park to Sea-Tac Airport. The purpose of the conveyor belt would be to haul 18 million cubic yards (27 million tons) of fill for the third runway from Maury Island to the Airport. The proposal was thought a dead issue when the Port's own poll last year showed that Des Moines residents opposed it by nearly two to one.

The idea apparently revived when one Port commissioner opined that the Des Moines City Council could be bought off. In December, the Port put out "feelers" to ACC about discussions of a possible settlement, in hopes that the Port could cut a deal to make a large cash payment to Des Moines or ACC in return for approval of the conveyor and dropping all lawsuits.

Although Des Moines is a member of ACC, the ACC cannot commit the city to any deal nor can it bind citizens groups involved in the runway fight. At the

(Continued on page 6)

Hearing to be Held

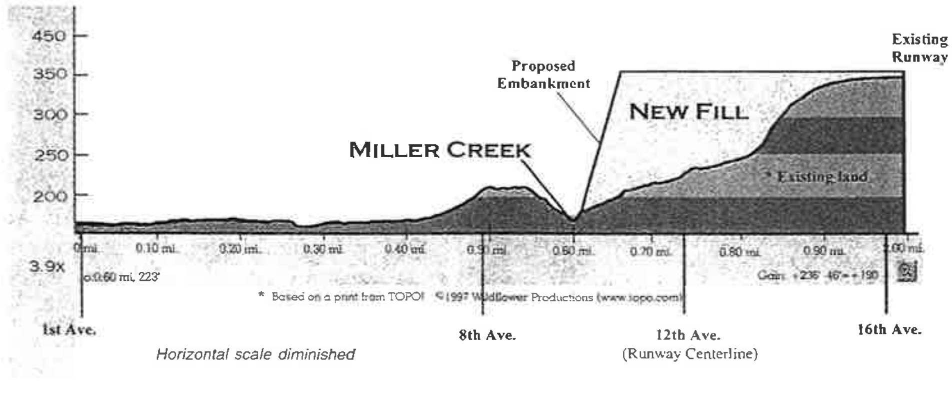
The public hearing on the conveyor belt E.I.S. may be held as early as mid-March. Check the RCAA website (www.rcaanews.org) or with the RCAA office by phone (824-3120) for time, date, & place.

Third Runway Still "No Go" As Wetlands Stall Project

Sea-Tac's third-runway project remains at a total standstill, while the Port of Seattle attempts to solve legal problems related to wetlands permits, with no end in sight. As we reported in our Fall issue, the Port of Seattle announced in September that it needs to fill at least 8 more acres of wetlands for the third runway, a significant increase from the 11.42 acres mentioned in filings with the Department of Ecology and the Army Corps of Engineers. The Port has released no figures since its initial report, but wetlands continue to be found by Port consultants surveying land in the acquisition area west of the airport. Unofficial reports put the present total at 25 to 30 acres. The Port has told Jonathan Freedman of the Corps that it expects to complete the survey in February 1999. This seems optimistic, considering the present pace, in part because some homeowners refuse to let the Port on their properties until acquisition is settled.

The property acquisition project is behind schedule as well, although recent increases in Port offers have speeded it up lately. According to the Westside

(Continued on page 6)



Horizontal scale diminished

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol.5, No. 4 Summer 1999

IN BRIEF

Seattle Okays Downtown Float Planes

On 17 June, two Downtown condominium associations and the State ferry system filed appeals against a permit granted on 27 May by the City to Kenmore Air for a float plan base at Pier 54 (Ivar's) on the Downtown Seattle waterfront.

Operations are limited to flights by certain non-piston aircraft, with a temporary ban on sight-seeing flights. Only on Sunday is there a night-time curfew. Day-time take-offs must occur at least 2000 feet off-shore. Evening take-offs must occur 3000 feet off shore. No float planes may land closer than 1000 feet. The ferry system is concerned about safety hazards, and the condo-owners, about noise.

Boeing Field Choppers

Although it has yet to present its Master Plan to the King County Council, KCIA management proposed in June to sign a 29-year lease with Classic Helicopters to expand their facilities at Boeing Field. "They are doing this backwards," protested Seattle Commission on Airport Affairs President Mike Rees. "They are signing the long-term leases, then making the plan, and finally studying the noise and pollution. This effectively cuts citizen participation out of the planning process." Nevertheless, the lease was pushed through the King County Council's Commerce, Trade and Economic Development Committee by its chair Dwight Pelz and later adopted by the full council. Classic Helicopters is owned by Karen Walling, who also serves on the KCIA Roundtable, an advisory body to airport management. After approval of the lease, Councilman Pelz proposed a reformed process for all subsequent leases.

Third Runway Costs Jump Another 31%

On 22 June, the Seattle Port Commission voted, 3-0, to accept a staff plan to add another $186 million to its budget for construction of the third runway proposed at Sea-Tac Airport. This 31% increase brings the official estimated construction cost to $773 million — for the runway alone. Port Commissioners blamed environmental laws and regulations for the increase in costs. However, no new laws or regulations affecting the project have come into force since the last increase in cost estimates, in 1997.

In the public-comment period just before the vote, RCAA President Al Furney, Len Oebser (speaking for C.A.S.E.), and members of the public urged the Commission to abandon the hugely over-budget project. Members of the Commission responded that the project was necessary to increase capacity at the Airport. Previously, the Port, FAA, and Puget Sound Regional Council have consistently stated that the new runway would NOT increase capacity, and that the sole purpose of the runway is to reduce bad-weather delay for arrival of passenger jets.

What About Interest?

Mr. Furney pointed out to the Commissioners that the staff proposal failed to make any allowance for the cost of borrowed money. Most Sea-Tac expansion projects must be paid for with borrowed money, and the Port has already incurred an obligation of an additional $255 million for interest on one third-runway bond issue. No estimate of interest charges was provided to the Commissioners, even after Mr. Furney's remarks. The Port has in hand only $293 million in grants and bond proceeds. Under the latest estimate, the shortfall is $479 million. Port staff attending the Commission meeting suggested that this sum would be made up from revenue, grants, and borrowing, but did not provide any estimate of how much would be forthcoming from any source. Nor did they identify any source that had actually committed to provide an additional funding. No report on negotiations with airlines for higher lease payments was presented.

Higher Lease Payments? Passengers Pay

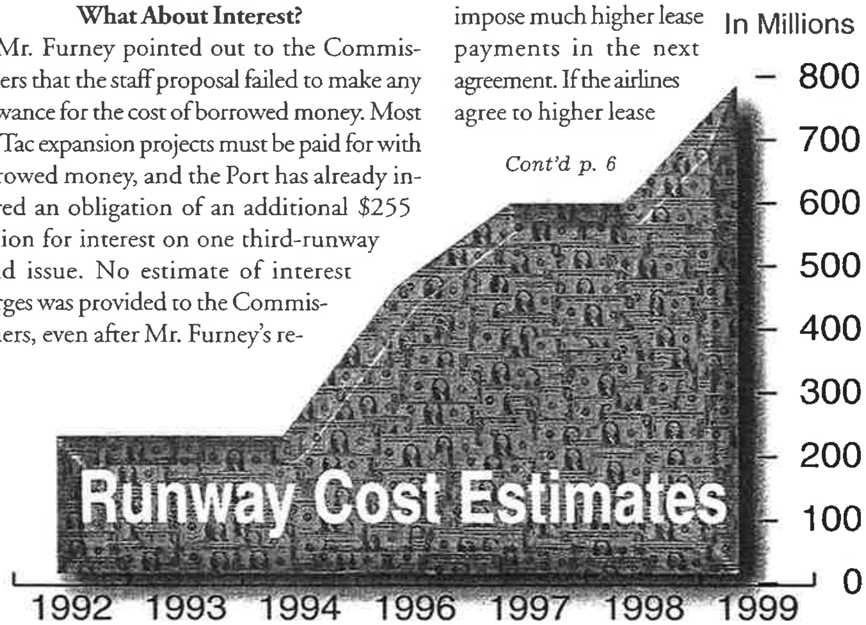
One possible source would be an increase in the amounts paid to the Port by the airlines for lease of facilities. The existing leases will expire 31 December 2001, and the Port hopes to impose much higher lease payments in the next agreement. If the airlines agree to higher lease

Cont'd p. 6

"Our Clueless Port Commission"

—An editorial view

page 5



Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 5, No. 2 ***Fall 1998***

IN BRIEF

Port Can't Fund Runway

Port has only part of money to build runway. Airlines balk at funding the expansion. Cost of borrowing money likely to drive actual price tag over $1.5 billion.

See article on page 3

Dirt Trucks Roll, But Not to Runway Site

The Port sent out press releases announcing the start of third runway construction and set the trucks a-rolling, but they aren't rolling to the third runway construction site. What's going on?

See article on page 4

Port to Settle with C.A.S.E. On Discharge Permit

Contaminated water from Sea-Tac Airport will be treated in a new $20 million facility, according to sources involved in negotiations between the state Department of Ecology, C.A.S.E., and the Airport. Both C.A.S.E. and the Airport appealed the terms of a waste-water discharge permit issued earlier this year by the Ecology. C.A.S.E. has held out for much more stringent conditions, including a new facility to treat all waste- water. Settlement documents will be signed in early September, with the Port conceding most of what C.A.S.E. demanded. Good news for the people, fish, and birds along Miller and Des Moines Creeks.

Floatplanes May Fly From Seattle Waterfront

Kenmore Air spokesperson Tim Brooks said in late August that in the next few weeks the firm will probably re-activate its application to run 72 floatplane flights per day from Seattle's central waterfront. Brooks expects speedy approval from Seattle's Department of Construction and Land Use.

New Wetlands Discovery Voids DOE OK

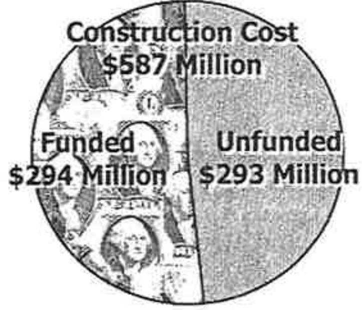
Army Corps of Engineers Delays Permit Decision

Sea-Tac third-runway construction schedules have been set back again, this time because of problems with permits for construction in wetlands in the headwaters of Miller Creek. The Airport's application now pending with the U.S. Army Corps of Engineers must be rewritten and re-submitted, owing to serious underestimates of the amount of wetlands to be filled. At least 8 and possibly more acres have been found, with more studies to do. A prior approval issued by the Department of Ecology has been rescinded.

As Sea-Tac expansion plans come under increasingly professional scrutiny, more and more problems emerge. Securing approval to fill in wetlands and to alter the headwaters of local creeks requires the Port of Seattle to obey tightly crafted regulations and specific plans, increasingly difficult to comply with, endangering success of the project.

To grant certification of the Port's compliance with sec. 401 of the federal Clean Water Act, the Department of Ecology has imposed what one observer calls the most stringent rules ever imposed on the Port, with tables of automatic penalties ranging up to $1000 per day for relatively minor water-quality violations, accompanied by continuing requirements for a host of reports and follow-up plans. To the distress of local conservationists, however, Ecology also gave the Port approval for destruction of 11.42 acres of wetlands in the Miller Creek watershed on the promise of replacement wetlands in Auburn, in the watershed of the Green River. This action was rescinded because of the newly discovered wetlands. The Corps has a strong preference for not allowing wetlands to be filled at all and has told the Port to rework its plan so as to locate any replacements in the same drainage system.

Runway Funding Falls Short



See Story Pg. 3

Cancer Rates Higher Near Airport

Unusually high incidences of cancers, including rare brain cancers, have been reported in areas within three miles of Sea-Tac Airport. Area residents Rose Clark and Audrey Richter have been collecting cancer and other health data for years. Their work, summarized in an area map, shows higher than expected levels of cancers among past and present residents in the area, a finding confirmed in early Summer by preliminary work of the State Department of Health as to all cancers and as to the rare brain cancer, glioblastoma.

In a series of meetings chaired by Sen. Julia Patterson (D., 33), the State and County health departments have agreed on a work program for further studies of health concerns around Sea-Tac Airport. The first step will be to analyze data in the state cancer registry, to learn what types of cancers are most prevalent around the Airport, with a report to be issued in November 1998. An effort will be made to locate all cases of glioblastoma in the Sea-Tac area, by using cancer registries, community records, and all available medical records, including the resources of Fred Hutchison Cancer Research Center. Then, discovered glioblastoma cases will be mapped, to determine spatial relationships to the Airport.

Truth in Aviation

The Newsletter of the Regional Commission on Airport Affairs

Vol. 5, No. 1 *Spring 1998*

IN BRIEF

April 9th Hearing On Wetlands

After a flood of adverse public comments, the U.S. Army Corps of Engineers has announced a public hearing on April 9 on the Port of Seattle's request for Federal permission to destroy wetlands in the site of the proposed third runway. The Port offers to create new wetlands in Auburn, in an unrelated watershed, as compensation. The hearing will be begin at 7 p.m. at the Performing Arts Center, Foster High School, 4242 So. 144th. Tukwila. Please phone the RCAA office (206) 824-3120 to reserve seats on the bus.

See article on page 3

Federal Way, Tacoma Seek FAA OK For Flight Changes

Revised flight tracks, to lessen noise over Tacoma and Federal Way, will be discussed in a meeting on April 16 between a citizens' task force from the two cities and FAA. U.S. Rep. Adam Smith is spear-heading efforts to lessen impacts from the four-post plan (implemented in 1990.)

KCIA Management Wants Longer Runway

Plans for an 800-foot extension of King County International Airport's runway, to 10,000 feet, bringing jet traffic even closer to Georgetown's residential area, were unexpectedly announced to the public on February 18 by KCIA Management.

See article on page 2

Fuel Dumping?

Report suspected fuel dumping and unusual jet exhaust fumes to the Puget Sound Air Pollution Control Agency (PSAPCA), at (206) 343-8800 or 1 (800) 552-3565.

AIRPORT EXPANSION PROGRAM TOO BIG FOR PORT STAFF TO HANDLE

Ambitious expansion projects at Sea-Tac Airport are starting to unravel, thanks to massive underestimates of costs and ever-growing scheduling problems. Trouble came to light on January 13, when a revised cost estimate for the new parking gargage was released to the Port Commission, showing a 24 percent increase from a $52.8 million estimate published only 11 months earlier. Undaunted, the Commission voted, 3-1, Jack Block dissenting, to plunge forward. Commissioner Gary Grant was asked, how much more will the price tag for other expansion projects increase in the next eight years? Grant replied, "That's a legitimate question, and one we'll be asking as well".

On January 23, a memorandum to the Commission reported that the complexity of managing all the 100-plus airport expansion projects was beyond the capability of Port staff. Gina Marie Lindsey, Director of the Aviation Division, and Michael Feldman (who now holds the title of Director of Aviation Professional & Technical Services) suggested a slow-down of projects, new controls over capital outlays, and hiring more consultants to do such work as detailed engineering scheduling, design review, and contract administration. Lindsey and Feldman reported that the Port does not even have enough office space for all the needed staff.

In response, the Commission voted on February 24 to accept the staff proposal to seek consultants for a multiyear contract for program and construction management services for the expansion projects, at a cost of $10.5 million for 1998 alone. During discussion, Mr Feldman commented that the present schedule for completion on various projects would require a tripling or quadrupling of the Port's normal rates of capital expenditure. He added, " ... while there is urgency, certainly, to get on with the improvement program, we want to do it right, we are not interested in doing it fast." His conclusion: "Our current resources, and our delivery system, really are not adequate to deliver a program of this magnitude."

Continued on page 6

Port Changes Course, Supports Highline Schools Noise Study

Abandoning hope of favorable outcome in negotiations with the Port of Seattle, on February 12 the Highline School District announced an independent study of airport-related noise pollution in the District's schools, and the costs of solving classroom learning interference. The Highline school board has committed $330,000 to the project, half of which comes from a grant by Governor Locke from his discretionary funds.

Announcement of the study was first belittled by the Port, but on March 4, Aviation Director Gina Marie Lindsey announced, "There is no cap at $50 million" on the Port's potential contribution to noise remedies in the Highline Schools. She also retreated from the Port's refusal to consider paying for air conditioning in schools. Highline School Superintendent Joe McGeehan warmly welcomed Lindsey's change of position.

In Spring 1997, the District had proposed to the Port that the two agencies jointly sponsor pilot studies of the noise problem. The negotiations failed: The Port would not commit to any assistance to the District unless the District accepted the third runway without further mitigation. While the Port public-relations machine claimed that the Port had offered $50 million to deal with the problem, in fact, as of February 12, the Port had never made any written offer of cash assistance, in any amount, according to Highline board member Shay Shual-Berke, M.D., and the District's attorney, David Hokit.

The district plan has several steps. First, an opinion survey of residents in the district, followed by direct communication with the residents in public meetings (two were held on March 4 and

Continued on page 5

20 September 2002

Tony Piasecki
City Manager, City of Des Moines
21630 11th Ave.So
Des Moines, Washington
WA 98198-6838

Re: RCAA invoice to City of Des Moines, third-quarter, 2002

Dear Mr Piasecki:

Please find enclosed for staff & council review & action our invoice for services for the third quarter, 2002, per our contract with the City.

I note that no presentation to Council has been requested of us so far this year, though it has been the practice in the past to have such presentations on a quarterly basis.

Also, newspaper accounts of a recent Council meeting quote Mr Wasson as complaining that requests from the City for financial data have not been honored by RCAA. If that is what Mr Wasson said, he was in error. We have had no requests from the City this year until your letter terminating the contract between the City and RCAA. We did receive requests from an individual Councilmember but not from the City: it is our Board's understanding that requests for information (like all other communications) come to RCAA through the Administration. Further, our office has in fact furnished a complete record of RCAA's expenditures and income for all of 2001, mailed to each Councilmember (but never acknowledged) and, more recently, for 2002 through early September, to yourself.

Yours very truly,

Chas. H.W. Talbot
Office Administrator

encl

L02-263-DM

RCAA
Regional Commission on Airport Affairs

19900 4th Ave SW
Normandy Park, WA 98166
(206) 824-3120
FAX (206) 824-3451

<rcaa@earthlink.net>

www.rcaanews.org

REGIONAL COMMISSION ON AIRPORT AFFAIRS
19900 4th S.W.
Normandy Park, Washington
98166-4043
Telephone: 206.824.3120
FAX: 206.824.3451
E-mail: rcaa@earthlink.net

STATEMENT

20 September 2002

City of Des Moines
21630 11th Ave. So.
Des Moines, Washington 98198-6838

RE: Services, third quarter, 2002
As per contract between RCAA and the City of Des Moines

Amount due: $7,000

INV02-03-DM

File

RCAA
Regional Commission on Airport Affairs

19900 4th Ave SW
Normandy Park, WA 98166
(206) 824-3120
FAX (206) 824-3451

<rcaa@earthlink.net>

www.rcaanews.org

6 September 2002

Tony Piasecki
City Manager, City of Des Moines
21630 11th Ave.So
Des Moines, Washington
WA 98198-6838

Re: RCAA invoice to City of Des Moines, first & second-quarters, 2002

Dear Mr Piasecki:

Please find enclosed for staff & council review & action our invoices for services for the first and second quarters, 2002, per our contract with the City.

The general practice in years past has been for an RCAA representative to be scheduled to make a short presentation to Council from time to time (usually quarterly), at Council's request. We have not received such a request this year, but a presentation can be arranged easily enough; let me know the date.

Also, I am instructed to send you our standard year-to-date report on income & expenditures, which gives some idea of what our activities have been this year. It is current through today.

And may I call your attention to our new electronic newsletter? The first issue was posted on 12 August, focussing in a preliminary way the order of the PCHB on the sec. 401 case. We're rather pleased with it, & see this as replacing the print newsletter of the past. Find the first in the section for newsletter on our website, www.rcaanews.org, In future, there will be a special "button" for the current webletter. We'll have a new one up in a few days.

Yours very truly,

Chas. H.W. Talbot
Office Administrator

encls

L02-249-DM

REGIONAL COMMISSION ON AIRPORT AFFAIRS
19900 4th S.W.
Normandy Park, Washington
98166-4043
Telephone: 206.824.3120
FAX: 206.824.3451
E-mail: rcaa@earthlink.net

STATEMENT

6 September 2002

City of Des Moines
21630 11th Ave. So.
Des Moines, Washington 98198-6838

RE: Services, first quarter, 2002
As per contract between RCAA and the City of Des Moines

Amount due: $7,000.00

INV02-01-DM

REGIONAL COMMISSION ON AIRPORT AFFAIRS
19900 4th S.W.
Normandy Park, Washington
98166-4043
Telephone: 206.824.3120
FAX: 206.824.3451
E-mail: rcaa@earthlink.net

STATEMENT

6 September 2002

City of Des Moines
21630 11th Ave. So.
Des Moines, Washington 98198-6838

RE: Services, second quarter, 2002
As per contract between RCAA and the City of Des Moines

Amount due: $7,000.00

INV02-02-DM

Itemized Categories Report

1/1/02 Through 9/6/02

Cat/Sub	Date	Acct	Num	Description	Memo	Clr	Amount
INCOME							
0001 - Petty cash							
	8/1/02	RCAA2000	2685	Cash			-75.00
TOTAL 0001 - Petty cash							-75.00
6000 - i...							
6002 - Burien							
	1/9/02	Savings	DE...	Burien Qr 01-IV, Public	Qr O1-IV		7,000.00
	6/6/02	Savings	DE...	N Pk, Burien, Qr. 02-01			7,000.00
	8/9/02	Savings	DEP	Burien Qr. 02-I	Dep. 085		7,000.00
TOTAL 6002 - Burien							21,000.00
6003 - Des Moines							
	1/3/02	Savings	DEP	DM Qr 01-IV	078		7,000.00
TOTAL 6003 - Des Moines							7,000.00
6005 - Normandy Park							
	2/15/02	RCAA2000	DEP	Normandy Park Qr 01-IV	Dep 081		8,000.00
	6/6/02	Savings	DE...	N Pk, Burien, Qr. 02-01			8,000.00
TOTAL 6005 - Normandy Park							16,000.00
TOTAL 6000 - income contracts w cities							44,000.00
6700 - ...							
6701 - public - gen'l							
	1/9/02	Savings	DE...	Burien Qr 01-IV, Public	public contributions		65.00
TOTAL 6701 - public - gen'l							65.00
TOTAL 6700 - Contribs rec'd							65.00
6800 - interest income							
	1/7/02	Savings	DEP	Interest Earned	Dec 2001		1.95
	2/6/02	Savings	DEP	Interest Earned	Jan 2002		11.72
	3/6/02	Savings	DEP	Interest Earned	Feb 2002		6.97
	4/4/02	Savings	DEP	Interest Earned	March 02		6.61
	5/6/02	Savings	DEP	Interest Earned	Apr 02		4.09
	6/6/02	Savings	DEP	Interest Earned	May 02		2.69
	7/5/02	Savings	DEP	Interest Earned	Jun 02		9.97
TOTAL 6800 - interest income							44.00
TOTAL INCOME							44,034.00
EXPENSES							
7050 - ...							
7052 - water quality consultant							
	2/14/02	RCAA2000	2614	Greg Wingard	refresh depost, inv rec'd 23 ...		-632.00
	4/4/02	RCAA2000	2644	Greg Wingard	refresh depost, inv rec'd 23 ...		-993.88
	5/10/02	RCAA2000	2659	King County Dept Natural Re...	docs req'd by Greg Wingard		-35.00
	5/22/02	RCAA2000	2661	Greg Wingard	April special billing		-688.00
	7/12/02	RCAA2000	2672	Greg Wingard	Third-qr retainer		-2,560.00
	9/6/02	RCAA2000	2711	Greg Wingard	August arsenic work		-996.00
TOTAL 7052 - water quality consultant							-5,904.88
7055 - video, photo services							
	4/4/02	RCAA2000	2645	Brett Fish	PCHB hearing video-taping		-1,500.00

Itemized Categories Report

1/1/02 Through 9/6/02

Cat/Sub	Date	Acct	Num	Description	Memo	Clr	Amount
	8/1/02	RCAA2000	2680	Brett Fish	DM HE hearing; copy, video...		-43.52
	8/2/02	RCAA2000	2687	Brett Fish	aerial photo proj - 2002		-750.00
	9/6/02	RCAA2000	2704	Brett Fish	aerial photo proj - 2002 - ov...		-120.59
TOTAL 7055 - video, photo services							**-2,414.11**
7059 - office staffing							
	1/4/02	RCAA2000	2606	Chas. H.W. Talbot	office clerk sevices, inv 01-1...		-350.00
	1/4/02	RCAA2000	2607	Chas H.W. Talbot	Dec. off adm services; GL ...		-1,120.00
	2/14/02	RCAA2000	2618	Chas H.W. Talbot	Inv. 02-01-T; GL 7050-7059		-1,120.00
	2/14/02	RCAA2000	2619	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-360.00
	3/7/02	RCAA2000	2626	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-510.00
	3/7/02	RCAA2000	2627	Chas Talbot	Jan-Feb. office admr servic...		-1,400.00
	4/4/02	RCAA2000	2640	Chas H.W. Talbot	Mar. off adm services; GL ...		-1,120.00
	4/4/02	RCAA2000	2641	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-275.00
	5/2/02	RCAA2000	2655	Chas H.W. Talbot	Inv 02-04-T		-1,120.00
	5/2/02	RCAA2000	2656	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-315.00
	6/6/02	RCAA2000	2667	Chas H.W. Talbot	Inv 02-05-T		-1,400.00
	6/6/02	RCAA2000	2668	Chas H.W. Talbot	Inv 02-04-1-H, 05-H		-586.50
	7/12/02	RCAA2000	2673	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-190.00
	7/12/02	RCAA2000	2674	Chas Talbot	Jan-Feb. office admr servic...		-1,120.00
	7/12/02	RCAA2000	2676	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-150.00
	8/1/02	RCAA2000	2678	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-190.00
	8/1/02	RCAA2000	2683	Chas. H.W. Talbot	office clerk sevices, inv 02-0...		-190.00
	8/1/02	RCAA2000	2684	Chas Talbot	June Jly office admr service...		-1,400.00
	9/6/02	RCAA2000	2706	Chas. H.W. Talbot	office clerk sevices, inv 02-1...		-110.00
	9/6/02	RCAA2000	2710	Chas Talbot	Aug office admr services, In...		-1,120.00
	9/6/02	RCAA2000	2714	Chas. H.W. Talbot	office clerk sevices, inv 02-1...		-190.00
TOTAL 7059 - office staffing							**-14,336.50**
TOTAL 7050 - consultants							**-22,655.49**
7120 - ...							
7122 - webmaster							
	9/6/02	RCAA2000	2712	Means Talbot Associates	website maint, June - Aug; ...		-312.50
TOTAL 7122 - webmaster							**-312.50**
TOTAL 7120 - Website maint.							**-312.50**
8150 - Books, publs, subs							
	1/4/02	RCAA2000	2599	South County Journal	13-week sub., acct 6109634...		-35.00
	3/7/02	RCAA2000	2623	South County Journal	13-week sub., acct 6109634...		-35.00
	3/7/02	RCAA2000	2632	Des Moines News	inv dtd 6 March 2002, half-y...		-13.00
	4/18/02	RCAA2000	2647	Aviation Week Newsletters	Aviation & Aerospace Alma...		-106.00
	5/2/02	RCAA2000	2651	Federal Way News	half-year sub		-13.00
	6/6/02	RCAA2000	2664	South County Journal	13-week sub., acct 6109634...		-35.00
	6/6/02	RCAA2000	2670	West Seattle Herald	half-year sub.; GL 8150; in...		-21.00
	9/6/02	RCAA2000	2708	South County Journal	13-week sub., acct 6109634...		-35.00
TOTAL 8150 - Books, publs, subs							**-293.00**
8280 - ...							
8281 copier repairs, maint.							
	2/14/02	RCAA2000	2612	Seattle Photocopy Co.	inv. 32189		-195.24
	4/4/02	RCAA2000	2643	Sea/Tac Copy Systems	inv. 30107; dtd 3 iv 02		-441.72
	9/6/02	RCAA2000	2707	Seattle Photocopy Co.	inv. 32513 dtd 15 viii 02		-375.36
TOTAL 8281 copier repairs, maint.							**-1,012.32**
TOTAL 8280 - Copier expenses							**-1,012.32**
8600 - ...							
8601 - misc.							

Itemized Categories Report

1/1/02 Through 9/6/02

Cat/Sub	Date	Acct	Num	Description	Memo	Clr	Amount
	3/7/02	RCAA2000	2624	Vilma Signs	inv. dtd 21 Fb 02		-565.76
	3/7/02	RCAA2000	2625	**VOID**Labels & Lists, Inc.	inv. 34127-8, dtd 21 ii 02	R	0.00
	3/7/02	RCAA2000	2628	J. Beth Means	inv 2002-01 -- flier design		-261.25
	3/7/02	RCAA2000	2630	The Copy Company	inv. 39981: #rd RW flier		-576.56
	3/7/02	RCAA2000	2631	The Copy Company	DM insert		-592.58
	3/19/02	RCAA2000	2634	**VOID**Labels & Lists, Inc.	inv. 34373-8, dtd 15 iii 02	R	0.00
	3/21/02	RCAA2000	2635	**VOID**U. S. Postal Service	refresh bulk-mail acc 01875	R	0.00
	4/4/02	RCAA2000	2637	The Copy Company	DM insert		-921.68
	6/6/02	RCAA2000	2665	Labels & Lists, Inc.	inv. 34127-8, replacement ck		-251.80
	6/6/02	RCAA2000	2666	Labels & Lists, Inc.	373		-387.68
	9/6/02	RCAA2000	2703	JR Mailing Services, Inc.	"Let's Be Clear", DM mailing		-1,476.02
TOTAL 8601 - misc.							**-5,033.33**
8604 - outreach - media adv.							
	1/29/02	RCAA2000	2609	Entertainment Communicatio...		c	-10,000.00
TOTAL 8604 - outreach - media adv.							**-10,000.00**
TOTAL 8600 - Outreach							**-15,033.33**
9350 - Office supplies							
	1/4/02	RCAA2000	2602	Office Depot	acct 6011-5666-0001-7572;...		-221.63
	2/14/02	RCAA2000	2613	Office Depot	acct 6011-5666-0001-7572;...		-142.92
	2/14/02	RCAA2000	2615	xpedx -- Stores Division	Acct # 003-2000081; inv dtd...		-74.09
	3/7/02	RCAA2000	2629	Office Depot	acct 6011-5666-0001-7572;...		-58.71
	4/4/02	RCAA2000	2638	Office Depot	acct 6011-5666-0001-7572;...		-84.75
	5/2/02	RCAA2000	2654	Office Depot	acct 6011-5666-0001-7572;...		-136.99
	7/12/02	RCAA2000	2677	xpedx -- Stores Division	Acct # 003-2000081; inv dtd...		-33.83
	8/1/02	RCAA2000	2679	xpedx -- Stores Division	Acct # 003-2000081; purch ...		-53.81
	8/1/02	RCAA2000	2681	Jim Bartlemay	office supplies		-21.69
	9/6/02	RCAA2000	2713	xpedx -- Stores Division	Acct # 003-2000081; inv. dt...		-58.64
TOTAL 9350 - Office supplies							**-887.06**
9425 - printing, copying ex hous							
	2/14/02	RCAA2000	2611	Port Of Seattle	inv.1148, dtd 10 i 02; cust n...		-8.40
	2/14/02	RCAA2000	2617	Kinko's Inc.	acct 0000130082 inv dtd 3...		-135.68
	2/14/02	RCAA2000	2622	Port Of Seattle	inv.1152, dtd 12 ii 02; cust n...		-1.05
	4/18/02	RCAA2000	2646	Port Of Seattle	3000 pp., 3rd RW project		-450.00
	4/18/02	RCAA2000	2648	Department of Ecology	v.2 Sea-Tac Recv'g Report	R	-126.89
	4/18/02	RCAA2000	2649	Phil Emerson	A/L lease docs		-47.70
	5/10/02	RCAA2000	2658	Port Of Seattle	fiscal documents		-14.25
	5/10/02	RCAA2000	2660	Port Of Seattle	fiscal documents		-51.90
	8/1/02	RCAA2000	2682	Chas H.W. Talbot	DM Creek Plan docs		-39.75
	8/29/02	RCAA2000	2689	Department of Ecology	GW RDPR 6 viii 02		-37.80
TOTAL 9425 - printing, copying ex hous							**-913.42**
9440 - ...							
9441 - NL - editorial services							
	9/6/02	RCAA2000	2705	Means Talbot Associates	design new webltr; inv dtd 1...		-231.25
	9/6/02	RCAA2000	2709	Means Talbot Associates	editorial & web work, webltr ...		-637.50
TOTAL 9441 - NL - editorial services							**-868.75**
9443 - NL -- postage							
	6/6/02	RCAA2000	2671	U. S. Postmaster	Permit 01875; std mail; imp...		-125.00
TOTAL 9443 - NL -- postage							**-125.00**
TOTAL 9440 - Newsletter							**-993.75**
9450 - Professional fees							
	1/4/02	RCAA2000	2603	Smith & Lowney, PLLC	inv. 10968, dtd 28 xii 2001 (...		-50.00
TOTAL 9450 - Professional fees							**-50.00**

Itemized Categories Report

1/1/02 Through 9/6/02

Cat/Sub	Date	Acct	Num	Description	Memo	Clr	Amount
9480 - ...							
9483 - AA&M -- postage							
	5/2/02	RCAA2000	265...	JR Mailing Services, Inc.	pstage		-1,440.19
TOTAL 9483 - AA&M -- postage							**-1,440.19**
TOTAL 9480 - Action Alerts &c							**-1,440.19**
9484 AAM Mailing Services							
	5/2/02	RCAA2000	265...	JR Mailing Services, Inc.			-638.16
TOTAL 9484 AAM Mailing Services							**-638.16**
9700 - Telcom							
	1/4/02	RCAA2000	2600	Qwest	acct 206-824-3120 173-37		-154.12
	1/4/02	RCAA2000	2601	Verio, Inc. - 15	Acct 10041778, inv. 563 08...		-60.00
	1/4/02	RCAA2000	2604	Zone Telcom, Inc.	acct #24880; inv dtd 28 Dec...		-25.07
	2/14/02	RCAA2000	2616	Qwest Dex	inv. 000005410535, dtd 27 i...		-29.59
	2/14/02	RCAA2000	2620	Zone Telcom, Inc.	acct #24880; inv dtd 31 Jan ...		-23.98
	2/14/02	RCAA2000	2621	Qwest	acct 206-824-3120 173-37; i...		-151.74
	3/7/02	RCAA2000	2633	Qwest	acct 206-824-3120 173-37; ...		-165.00
	4/4/02	RCAA2000	2636	Qwest	acct 206-824-3120 173-37; ...		-165.00
	4/4/02	RCAA2000	2639	Zone Telcom, Inc.	acct #24880; inv dtd 31 Jan ...		-18.17
	4/4/02	RCAA2000	2642	Earthlink, Inc.	acct 0000-000004457265; ...		-65.85
	5/2/02	RCAA2000	2653	Qwest	acct 206-824-3120 173-37; ...		-147.63
	6/6/02	RCAA2000	2662	Zone Telcom, Inc.	inv rec'd 7 May		-11.57
	6/6/02	RCAA2000	2663	Qwest	acct 206-824-3120 173-37; ...		-149.40
	6/6/02	RCAA2000	2669	Earthlink, Inc.	acct 0000-000004457265; ...		-65.85
	7/12/02	RCAA2000	2675	Qwest	acct 206-824-3120 173-37; ...		-176.92
	8/1/02	RCAA2000	2686	Qwest	acct 206-824-3120 173-37; ...		-165.00
	9/6/02	RCAA2000	2715	Qwest	acct 206-824-3120 173-37; ...		-165.00
TOTAL 9700 - Telcom							**-1,739.89**
9755 - business taxes & licenses							
	1/30/02	RCAA2000	2610	Department of Revenue	Qr. 01-IV B&O		-465.36
	5/3/02	RCAA2000	2657	Department of Revenue	Qr. 02-0I B&O / 601 413 657		-346.82
	8/6/02	RCAA2000	2688	Department of Revenue	Qr. 02-02 B&O		-236.46
TOTAL 9755 - business taxes & licenses							**-1,048.64**
9999 - US income tax							
	1/4/02	RCAA2000	2605	U.S. Internal Revenue Service	advance pay't		-2,500.00
	4/8/02	Savings	DEP	US IRS	Yr 99 tax refund?		2,000.00
	7/11/02	Savings	DEP	USIRS	Dep 084 Yr 00 refund?		500.00
TOTAL 9999 - US income tax							**0.00**
Uncategorized Expenses							
	1/29/02	RCAA2000	2608	**VOID**		R	0.00
TOTAL Uncategorized Expenses							**0.00**
TOTAL EXPENSES							**-47,017.75**
TOTAL INCOME - EXPENSES							**-2,983.75**
TRANSFERS							
RCAA2...							
	1/9/02	Savings	TXFR	From Savings To Checking	#02-01		-2,000.00
	1/30/02	Savings	TXFR	From Savings To Checking	#02-02		-10,000.00

Itemized Categories Report

1/1/02 Through 9/6/02

Cat/Sub	Date	Acct	Num	Description	Memo	Clr	Amount
	3/21/02	Savings	TXFR	From Savings To Checking	#02-03		-2,000.00
	4/8/02	Savings	TXFR	From Savings To Checking	#02-04		-6,000.00
	5/3/02	Savings	TXFR	From Savings To Checking	#02-05		-1,700.00
	5/28/02	Savings	TXFR	From Savings To Checking	#02-06		-700.00
	6/17/02	Savings	TXFR	From Savings To Checking	#02-07		-2,700.00
	7/17/02	Savings	TXFR	From Savings To Checking	#02-08		-4,000.00
	8/5/02	Savings	TXFR	From Savings To Checking	#02-09		-3,000.00
TOTAL TO RCAA2000							**-32,100.00**
Savings							
	1/9/02	RCAA2000	TXFR	From Savings To Checking	#02-01		2,000.00
	1/30/02	RCAA2000	TXFR	From Savings To Checking	#02-02		10,000.00
	3/21/02	RCAA2000	TXFR	From Savings To Checking	#02-03		2,000.00
	4/8/02	RCAA2000	TXFR	From Savings To Checking	#02-04		6,000.00
	5/3/02	RCAA2000	TXFR	From Savings To Checking	#02-05		1,700.00
	5/28/02	RCAA2000	TXFR	From Savings To Checking	#02-06		700.00
	6/17/02	RCAA2000	TXFR	From Savings To Checking	#02-07		2,700.00
	7/17/02	RCAA2000	TXFR	From Savings To Checking	#02-08		4,000.00
	8/5/02	RCAA2000	TXFR	From Savings To Checking	#02-09		3,000.00
TOTAL FROM Savings							**32,100.00**
TOTAL TRANSFERS							**0.00**
OVERALL TOTAL							**-2,983.75**

CONSENT CALENDAR
Item #3

AGENDA ITEM

SUBJECT: Approval of updated Rental Agreement for renting Cabin A At Des Moines Beach Park to Charles Marr.

ATTACHMENTS:
Copy of Rental Agreement

AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Parks, Recreation & Senior Services

DATE SUBMITTED: December 10, 2002

CLEARANCES:
[✓] Parks, Recreation & Senior Services
[ ] Legal

APPROVED BY THE CITY MANAGER FOR SUBMITTAL

Purpose and Recommendation:
Administration recommends approval of updated rental agreement renting Cabin A at Des Moines Beach Park to Charles Marr.

Motion: "To approve Rental Agreement between City of Des Moines Parks, Recreation and Senior Services Department and Charles Marr and to have agreement signed by Parks, Recreation & Senior Services Director substantially in the form as submitted."

Background:
The City of Des Moines Parks, Recreation and Senior Services Department has rented Cabin A at Des Moines Beach Park to Charles Marr since December, 2000, along with a concurrent employment stipulation that the renter also serve as a part time employee of the City as a Beach Park Facility Recreation Attendant. This position was eliminated on 10/31/02 due to a lack of hours precipitated by the closing of the Dining Hall and the eventual move of the Senior Services from the Founders Lodge to the Activity Center. This new rental agreement includes all the same rental agreements but has the job stipulations no longer included. Cabin A at Des Moines Beach Park is approximately 900 square feet and has two bedrooms. The attached Rental Agreement authorizes the Des Moines Parks, Recreation and Senior Services Department to rent Cabin A at Des Moines Beach Park to Charles Marr.

Discussion:
Rental Agreement would be good for one year and then on a month to month basis thereafter. Renter would pay $550.00 per month which includes 12.84% Lease Hold Tax.

Alternatives:
Not Applicable

Financial Impact:
Cabin A would provide $5,752.56 rental income in 2003 for the City.

Recommendation/Conclusion:
Staff recommends approval of Rental Agreement as proposed.

Concurrence:
Parks, Recreation and Senior Services staff agree to oversee all aspects of the Rental Agreement for Beach Park Cabin A with Charles Marr.

CARETAKER RENTAL AGREEMENT

Property owner City of Des Moines ("Lessor"), whose mailing address is P.O. Box 34960, Seattle, 98124-1960, does hereby rent and lease for a term of ONE (1) year and then on a month-to-month tenancy, unto Charles Marr, ("Lessee"), for the use of the Lessee as a residence located in King County at 22030 Cliff Avenue South, Cabin A, Des Moines, Washington 98198.

UPON THE FOLLOWING TERMS AND CONDITIONS:

Lessee agrees to pay, as monthly rent in advance, the sum of $550.00 (including 12.84% Lease Hold Tax), beginning the 1st day of November, 2002, and continuing in advance on the first day of each month thereafter until the termination of this Agreement. Payment of $550.00 will be made as follows: Five Hundred Fifty Dollars ($550.00) cash to be made payable to the City of Des Moines.

1. Payment of $550.00 shall be received at the above city address by on or before the above due date. Payment received after the 5th of the month will be considered a late payment and will be assessed a $50.00 late fee.

a. Lessee shall pay, in addition to the above rent, all charges for electricity, gas, telephone, cable, lessee personal property insurance, and all other services supplied to the premises:

Cabin A
Water____________ City of Des Moines
Electricity__________Tenant
Gas_______________Tenant
Phone_____________Tenant
Cable_____________ Tenant
Refuse____________ City of Des Moines
Misc. _____________Tenant
i.e. modems, DSL, etc.

b. The Lessee shall be responsible for maintaining the interior of the rental house to the following specifications: Keep interior (doors, walls, floorings, cabinets, tiles, windows, toilets/sinks, etc.) in a clean and orderly manner. Lessee shall be responsible for keeping surrounding premises (within driveway perimeter) free and clear of all obstructions, debris and excess vehicles and for watering area plants and lawn as specified by Park Manager.

c. Tenant shall not use the premises for any other purpose other than that of a single family residence, keeping in mind it's location and high visibility to the public. Tenant shall not display advertising of any kind. Tenant agrees to conform to municipal, county, and state codes, statutes, ordinances, and regulations concerning the use and occupation of the premises. Landlord shall maintain the premises in substantial performance with all applicable provisions of municipal, county and state codes, statutes, ordinances and regulations governing maintenance or operation of such premises.

d. The Lessee shall make all repairs to the premises caused by lessee, except that the Lessor shall maintain all electrical, plumbing, heating, and other facilities and appliances supplied by Lessor in reasonably good working order. Lessee shall properly use and operate all electrical, gas heating, plumbing and other fixtures and appliances supplied by the Lessor. In the case appliance, plumbing, mechanical system or fixture replacement is needed caused by lessee, lessee agrees to pay all replacement and installation costs of said items.

e. The Lessee shall not remove any fixtures, paint, wallpaper, alter or make any minor or major improvements to the premises without prior written approval of the Lessor. If approved, Lessee shall submit the name of a licensed contractor to complete improvements to Lessor prior to improvements.

Lessee agrees to reverse all alterations made to the house in the same manner as stated above prior to the agreement terminating, unless Lessor gives written approval that the alterations may remain.

f. Either party may terminate this Agreement at any time by giving written notice thirty (30) days in advance of the end of a monthly rental period.

g. Lessor shall give ninety (90) days written notice to the Lessee that a rent adjustment is being made. This notice shall include the amount of the adjusted rental rate and the date the new rental rate will become effective. Failure or refusal by the Lessee, to pay the adjusted rental rate, shall constitute a breach of this Agreement and entitle the Lessor to legal recourse.

h. Lessee shall properly dispose of all rubbish, garbage and other organic or flammable waste, in a clean and sanitary manner at reasonable and regular intervals, and Lessee shall assume all costs of extermination and fumigation for infestation caused by Lessee.

i. Lessee agrees that the existing locks for the premises are reasonably adequate and that, upon termination of the tenancy, Lessee shall return all keys in his/her possession to the Lessor. Lost or stolen keys must be reported to Lessor immediately. Lessor agrees to pay $10.00 per key not returned to Lessor at end of a rental agreement.

j. Lessee shall maintain the smoke detection devices in accordance with the manufacturer's recommendations, including the replacement of batteries as required for the proper operation of the smoke detection device.

k. Lessor reserves the right to make periodic inspections and necessary repairs to the premises upon two days notice to the Lessee and to come on to said premises with or without such notice to make necessary emergency repairs to said premises.

2. Lessee hereby acknowledges his/her deposit of Four Hundred Dollars ($ 400.00), of which two hundred dollars ($200) is paid to Lessor as a non-refundable cleaning deposit. The amount remaining, two hundred dollars ($200) shall become a damage and security deposit. Lessee also agrees to pay all repair or replacement costs associated with extraordinary wear and tear (damage) of the premises as defined in item 5. listed below based on invoices presented by Lessor for work completed. A premises condition checklist and photos (Attachment B) will be completed at the time of rental occupancy and/or signing of rental documents regarding the existing condition of the property to be retained with the rental documents.

3. Lessee shall not assign this lease or sublet any part of these premises, without Lessor's prior written consent and is subject to all of the conditions of this agreement and increased rental payment of $200.00 cash per month payable on the first day of the month. Lessee covenants that this lease is entered into as a principal and that he/she is not acting for any undisclosed principal.

4. Lessee shall not have pets including but not limited to: birds, cats, dogs, or rodents without prior Lessor consent in writing and subject to a non-refundable pet deposit of $300.00 per approved animal. Lessee agrees to pay all repair and replacement costs associated with animal damage.

5. Lessee shall immediately establish, keep and maintain the premises in a neat, clean, safe and sanitary condition at all times, as the conditions of the premises permit, and at the end of the lease Lessee shall surrender the premises and dwelling to Lessor in a clean, good and sanitary condition as reasonable use and wear and tear permit. Extraordinary wear and tear of the premises and dwelling include: non-removable stains, water damage, mold, or holes to carpeting and linoleum; animal odors or stains, broken or scratched tile or stained tile grout, scratches, water damage, holes or gouges to cabinetry, walls or doors requiring repair or replacement; broken or removed lighting fixtures, windows, or window screens; damage to appliances, plumbing, and/or other mechanical systems, etc. caused by lessee misuse or lack of proper maintenance. Lessee agrees to notify lessor immediately of premise damage caused by Lessee for repair work to be scheduled and completed.

6. Lessee covenants to hold Lessor harmless from all claims, demands, causes of action, judgments, attorney's fees, costs and expenses arising from or connected with Lessee's use or occupancy of said premises or the area adjacent thereto, and from all claims, demands, causes of action, judgments, attorney's fees, costs and expenses for property damage, bodily injuries, or death suffered or caused in or about said premises or the area adjacent thereto, resulting directly or indirectly from the acts of omissions of Lessee, or any agent or guests of Lessee.

7. Should said dwelling be totally destroyed by fire, lightning, earthquake or any other casualty, this Agreement shall be deemed terminated, forthwith. Should fire, lightning, earthquake or any other casualty partially damage said dwelling, whether or not the premises are affected thereby, Lessor may elect to terminate this Agreement or to repair such damage. If Lessor elects to repair, the rent shall be abated in the same ratio which that portion of the premises rendered for the time being unfit for occupancy and not used or occupied by Lessee shall bear to the whole premises unless the loss was occasioned by the Lessee in which case no abatement shall occur.

8. Upon taking possession of the premises by the Lessor, either upon termination of this Agreement or upon abandonment of said premises by the Lessee, the Lessor or his Agent may remove from the premises all personal property of the tenant located therein and place the same in storage at a public warehouse at the expense and risk of the owners thereof. Personal property so stored shall be subject to the rules and regulations as set down by such public warehouse. Disposition of any personal property shall be subject to the Residential Landlord-Tenant Act, Chapter 59.18 RCW.

9. This instrument contains all the agreements and conditions made between the parties hereto pertaining to the rental of the property herein described and may not be modified orally or in any other manner other than by an agreement in writing signed by all parties hereto. The receipt of rent by the Lessor with knowledge of any breach of this Rental Agreement by the Lessee or of any default on the part of the Lessee in the observance or performance of any of the conditions or covenants of this Agreement, shall not be deemed to be a waiver of any provision of this Agreement. No failure on the part of the Lessor to enforce any covenant or provision herein contained, nor any waiver of any right thereunder by the Lessor unless in writing, shall discharge or invalidate such covenant or provision or affect the right of the Lessor to enforce the same in the event of any subsequent breach or default.

DATED ______________________________ DATED ______________________________

______________________________ ______________________________

Lessee Lessor

CONSENT CALENDAR
Item #8

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: King County Special Projects Contract-2002 between King County and the City of Des Moines for Steven J. Underwood Memorial Park Phase I Construction

ATTACHMENTS:
1. Draft Contract- King County Special Projects Contract- 2002 for Steven J. Underwood Memorial Park Phase I

FOR AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Park & Recreation

DATE SUBMITTED: December 17, 2002

CLEARANCES:
[✓] Parks, Recreation and Senior Services_______
[ ] Finance_______
[✓] Legal_______

APPROVED BY CITY MANAGER FOR SUBMITTAL: AT

Purpose and Recommendation:
Administration recommends approval of the King County Special Projects Contract– 2002 to provide $134,325.00 for construction reimbursement of Steven J. Underwood Memorial Park Phase I.

Motion: "I move to approve the King County Special Projects Contract– 2002 in the amount of $134,325.00 and authorize the City Manager to sign the contract, substantially in the form as submitted.

Background
In 2000, King County Executive Ron Sims and King County Council approved the City of Des Moines request to provide Real Estate Excise Tax funding in the amount of $130,000.00 ($65,000.00 funds in 2000 and $65,000.00 funds in 2001, plus interest) for the construction of Steven J. Underwood Memorial Park Phase I. These funds are identified as project revenue in the City's 2002 Capital Improvement Plan. Approval of the King County Special Projects Contract– 2002 in the amount of $134,325.00 formalizes the agreement between the City and King County and allows the transfer of project funds to the City. In addition, Des Moines was awarded a King County Youth Sports Facilities Grant in the amount of $50,000 for Steven J. Underwood Memorial Park Phase I, increasing King County support of the park project to $184,325.00.

Discussion:
As stated in the Scope of Services Exhibit I of the Contract, King County will provide funds to the City of Des Moines for the construction of Steven J, Underwood Memorial Park Phase I to include two competitive level softball fields and parking. The County will reimburse the city upon presentation of invoices and documentation not to exceed the total of $134,325.00. The funds may not be used for any other purpose than that stated above without King County's written consent.

Financial Impact:
King County Funding is identified in the 2002 Steven J. Underwood Memorial Park Capital Improvement Plan as project revenue.

Recommendation/Conclusion:
Staff recommends approval of the King County Special Projects Contract– 2002 in the amount of $134,325.00 as proposed.

Concurrence
Parks, Recreation and Senior Services staff and Finance staff agree to the amount and method of payment for park improvements.

King County Contract No.: D D
Federal Taxpayer ID: 91-606496

King County Department of Executive Services, Facilities Management Division
Agency: City of Des Moines Park and Recreation
Project Title: Steven J. Underwood Memorial park (a.k.a. Des Moines Sports Park)
Contract Amount: $ 134,325.00 Fund Code: 000003160 and 000003490
Contract Period From: 11/15/02 To: 11/15/03

KING COUNTY SPECIAL PROJECTS CONTRACT - 2002

THIS CONTRACT is entered into by KING COUNTY (the "County"), and the City of Des Moines Park and Recreation whose address is 1000 South 220th Street, Des Moines, WA 98198 (the "Agency").

WHEREAS, the parties desire to have certain services performed by the Agency as described in Exhibit I of this Contract, and as authorized by Ordinance Nos. 13678 and 14018,

NOW, THEREFORE, in consideration of payments, covenants, and agreements hereinafter mentioned, to be made and performed by the parties hereto, the parties covenant and do mutually agree as follows:

I. SCOPE OF SERVICES

The Scope of Services shall comply with the requirements set forth in the following attached exhibits which are incorporated herein by reference:

☒	Scope of Services	Attached hereto as Exhibit	I
☒	Affidavit of Compliance (KCC 12.16)	Attached hereto as Exhibit	II
☒	Personnel Inventory Report (KCC 12.16)	Attached hereto as Exhibit	III
☒	Disability Assurance of Compliance	Attached hereto as Exhibit	IV
☒	Certificate of Insurance (sample)	Attached hereto as Exhibit	V

II. DURATION OF CONTRACT

This Contract shall commence on the 15th day of November 2002, and shall terminate on the 15th day of November 2003, unless extended or terminated earlier, pursuant to the terms and conditions of the Contract.

III. COMPENSATION AND METHOD OF PAYMENT

The County shall pay Agency a total of $ 134,325.00 for completion of the services and requirements specified in Exhibit I, attached. The method and timing of the County's payment to the Agency is also specified in Exhibit 1.

IV. EVALUATIONS, RECORDS, INSPECTIONS AND AUDITS

A. The Agency shall provide right of access and inspection to its facilities (park and construction site) to the County, at all reasonable times in order to monitor and evaluate the services provided under this Contract. The County will give advance notice to the Agency of its desire to conduct such inspection.

B. The Agency shall maintain accounts and records, including personnel, property, financial, programmatic records and other such records as may be deemed necessary by the County to ensure proper accounting for all contract funds and compliance with this Contract. These records shall be maintained for a period of six (6) years after termination hereof unless permission to destroy them is granted by the Office of the Archivist in accordance with RCW Chapter 40.14, or unless a longer retention period is required by law. All such records shall sufficiently and properly reflect all direct and indirect costs of any nature expended and services provided in the performance of this Contract. The records and documents with respect to all matters covered by this Contract shall be subject at all times to inspection, review or audit by the County during the performance of this Contract.

C. The Agency agrees to cooperate with the County or its agent in the evaluation of the Agency's performance under this Contract and to make available all information reasonably required by any such evaluation process. The results and records of said evaluations shall be maintained and disclosed in accordance with RCW Chapter 42.17.

V. ASSIGNMENT

The Agency shall not assign any portion of this Contract or transfer or assign any claim arising pursuant to this Contract without the written consent of the County. Said consent must be sought in writing by the Agency not less than fifteen (15) days prior to the date of any proposed assignment.

VI. FUTURE SUPPORT

The County makes no commitment and assumes no obligation for future financial support of the activity contracted herein except as expressly set forth in this Contract.

VII. HARMLESS AND INDEMNIFICATION.

A. The Agency is an independent contractor under this Contract, and neither the Agency nor its officers, agents, or employees are employees of the County for any purpose. The Agency will be responsible for all federal and/or state tax, industrial insurance, and Social Security liability that may result from the performance of and compensation for these services and will make no claim of career service or civil service rights which may accrue to a County employee under state or local law.

The County assumes no responsibility for the payment of any compensation, wages, benefits, or taxes by or on behalf of the Agency, its employees and/or others by reason of this Contract. The Agency shall protect, indemnify, and save harmless the County and its officers, agents, and employees from and against any and all claims, costs, and/or losses whatsoever occurring or resulting from (1) the Agency's failure to pay any such compensation, wages, benefits, or taxes; and/or (2) the supplying to the Agency of work, services, materials, and/or supplies by Agency employees or other suppliers in connection with or in support of the performance of this Contract.

B. The Agency further agrees that it is financially responsible for and will repay the County all indicated amounts following an audit exception which occurs due to the negligence, intentional wrongful act, and/or failure for any reason to comply with the terms of this Contract by the Agency, its officers, employees, agents, and/or representatives. This duty to repay will not be diminished or extinguished by the prior completion of the project or expenditure of funds.

C. The Agency shall protect, defend, indemnify, and save harmless the County, its officers, employees, and agents from any and all costs, claims, judgments, and/or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of the Agency, its contractors, suppliers, officers, employees, and/or agents. The Agency agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, officers, or agents. For this purpose, the Agency, by mutual negotiation, hereby waives, as respects the County only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In addition, the Agency shall cause any and all Contractors on the Project to agree that their obligations under the Indemnity provisions extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. And for this purpose, such Contractors, by mutual negotiation, waive, as respects the County (and Agency) only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event the County incurs attorney fees and/or costs in the defense of claims, for damages within the scope of this section, such fees and costs shall be recoverable from the Agency. In addition King County shall be entitled to recover from the Agency fees, and costs incurred to enforce the provisions of this section.

D. The Agency shall protect, defend, indemnify, and save harmless the County and its officers, agents and employees from and against any and all claims, judgments, actions, suits, liability, loss, costs, expenses or injuries to persons or damages to property, or any other damages resulting from the design, construction, ownership, maintenance, operation or use of the facility by the Vashon Island School District, its officers, agents, employees, the public or any other third party.

VIII. INSURANCE

By the date of the execution of this Contract, the Agency shall provide the County with a certificate of insurance providing evidence of:

1) Commercial General Liability insurance in the amount of $ 1,000,000 per occurrence and $ 2,000,000 in the aggregate
2) Automobile insurance in the amount of $ 1,000,000
3) Statutory Workers Compensation
4) Employers Liability/Stop Gap coverage in the amount of $ 1,000,000.

King County, its, officers, officials, agents and employees shall be named additional insureds on the Commercial General Liability and Automobile Liability policies and coverage shall be primary and Non-contributory as to the County.

The Agency shall cause any and all Contractors on the Project to provide the following: Minimum limits of insurance:

a) Commercial General Liability: $ 1,000,000 per occurrence/$ 2,000,000 Aggregate
b) Automobile Liability: $ 1,000,000 per occurrence
c) Statutory Workers Compensation
d) Employers Liability/Stop Gap: $ 1,000,000.
e) Professional Liability: $ 1,000,000 if the project includes design and engineering components.

King County, its officers, officials, agents and employees shall be listed as Additional insureds and insurance coverage shall be Primary and Non-contributory as to King County.

IX. AMERICANS WITH DISABILITIES ACT (ADA) COMPLIANCE

Discrimination in service delivery, public accommodation, and employment based solely on disability is prohibited by federal and state law. This Contract must be in compliance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, two federal laws which prohibit discrimination against qualified persons with disabilities. Reasonable accommodation is required in both program services and employment.

X. NONDISCRIMINATION

King County Code Chapters 12.16, prohibiting discrimination in employment, and 12.18, requiring fair employment practices, are incorporated by reference, and the Agency fully agrees to the conditions of these Chapters. During the performance of the Contract, the Agency will not discriminate on the basis of race, color, sex, religion, nationality, creed, marital status, sexual orientation, age or presence of any sensory, mental, or physical handicap in the employment or application for employment or in the administration or delivery of services or any other benefits under this Contract. Failure of the Agency to comply with any requirement of these Chapters will be considered a breach of this Contract.

The Agency shall comply fully with all applicable federal, state and local laws, ordinances, executive orders, and regulations, which prohibit such discrimination. These laws include, but are not limited to, RCW Chapter 49.60, Titles VI and VII of the Civil Rights Act of 1964.

XI. CONFLICT OF INTEREST.

King County Code Chapter 3.04 is incorporated by reference as if fully set forth hence, and the Agency agrees to abide by all conditions of said chapter. Failure by the Agency to comply with any requirement of said chapter shall be a material breach of contract.

A. The Agency covenants that no officer, employee, or agent of the County who exercises any functions or responsibilities in connection with the planning and implementation of the program funded herein, or any other person who presently exercises any functions or responsibilities in connection with the planning and implementation of the program funded herein shall have any personal financial interest, direct or indirect, in this Contract. The Agency shall take appropriate steps to assure compliance with this provision.

B. If the Agency violates the provisions of Subsection X-VIII (A) or does not disclose other interest required to be disclosed pursuant to King County Code Section 3.04, the County will not be liable for payment of services rendered pursuant to this Contract. Violation of this Section shall constitute a substantial breach of this Contract and grounds for termination pursuant to Section XI above, as well as any other right or remedy provided in this Contract or law.

XII. POLITICAL ACTIVITY PROHIBITED

None of the funds, materials, property, or services provided directly or indirectly under this Contract shall be used for any partisan political activity or to further the election or defeat of any candidate for public office.

XIII. NOTICES

Whenever this Contract provides for notice to be provided by one party to another, such notice shall be in writing and directed to the chief executive officer of the Agency and the director/manager of the County department/division specified on page 1 of this Contract.

XIV. CONTRACT AMENDMENTS

Either party may request changes to this Contract. Proposed changes, which are mutually agreed upon, shall be incorporated by written amendments to this Contract.

XV. TERMINATION

This Contract may be terminated by the County without cause, in whole or in part, prior to the date specified in Section II, by providing the Agency thirty (30) days advance written notice of the termination.

XVI. ENTIRE CONTRACT/WAIVER OF DEFAULT

The parties agree that this Contract is the complete expression of the terms hereto and any oral or written representations or understandings not incorporated herein are excluded. Both parties recognize that time is of the essence in the performance of the provisions of this Contract. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of the Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Contract unless stated to be such through written approval by the County, which shall be attached to the original Contract.

County:	**Agency:**
______________________________	______________________________
FOR King County Executive	Signature
______________________________	______________________________
Date	Name (Please print or type)
	______________________________
	Date

APPROVED AS TO FORM
Office of the King County Prosecuting Attorney

SCOPE OF SERVICES

Exhibit I

This project will provide King County funds (not to exceed $134,325.00) to the City of Des Moines Park and Recreation (the "Agency") for the sole purpose of design, engineering and construction of Phase 1 improvements at Steven J. Underwood Memorial Park (a.k.a. Des Moines Sports Park), to be owned, maintained and operated by City of Des Moines Park and Recreation. The funding will provide design, engineering, site clearing and grading, construction of two competitive-level softball fields with underdrains and irrigation, installation of site utilities, parking and landscaping.

City of Des Moines Park and Recreation will be solely responsible for contracting, design, construction, maintenance, operation and use of the athletic field. In performing these functions, the City of Des Moines Park and Recreation will comply with all applicable federal, state and local regulations and requirements.

The County will reimburse City of Des Moines Park and Recreation upon presentation of invoices due and payable or documentation demonstrating the Agency's payment of such invoices for reimbursement, not to exceed a total of $134,325.00. The County will reimburse the City of Des Moines Park and Recreation no more frequently than once per month. No additional funding for this project will be provided by King County. Any and all costs that may exceed the $134,325.00 funding for this project shall be borne solely and exclusively by the City of Des Moines Park and Recreation. The funds cannot be used for any other purpose than that stated above without King County's written consent.

NEW BUSINESS
Item #2

AGENDA ITEM

SUBJECT: Traffic Impact Fees

ATTACHMENTS:

1. Draft Ordinance No. 02-264 Adopting the use of traffic impact fees
2. Comparison of traffic impact fees charged by other cities
3. Map of projects
4. Chart of Impact Fee Calculation and Recommended Cost
5. Potential Impact Fees per Unit of Development
6. Pacific Ridge Core Transportation Projects

AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Public Works

DATE SUBMITTED: December 6, 2002

CLEARANCES:
[X] Finance
[X] Public Works
[X] Legal

APPROVED BY CITY MANAGER FOR SUBMITTAL: CJL for TP

Purpose and Recommendation:

The purpose of this agenda item is get input from the full Council regarding the use of traffic impact fees, and to approve the first reading of Draft Ordinance 02-264. This agenda item will come back for a second reading with adjustments based on the Council's direction.

Suggested Motions

"I move to approve the first reading of Draft Ordinance 02-264 adopting the use of traffic impact fees."

Background:

The analysis of the present and future transportation needs has been studied and is included in the Comprehensive Transportation Plan which was presented to Council for a public hearing and approved at the December 5th meeting. The plan lists around $100 million (in 2001 dollars) in capital projects which should be done between 2001 and 2020. While the City has done relatively well at getting grant funding to cover part of its transportation projects, grants require matches, and some times grants are not available. In order to accomplish the critical projects, an additional source of funding is needed. Existing Arterial Street funding does not even cover keeping up with pavement maintenance on existing streets.

While there are only limited sources of funding available to pay for street projects due to State law, the City of Des Moines is even more limited due to our residential tax base. As the Council Public Safety and Transportation Committee discovered when they evaluated the alternatives to finance transportation needs, there really is only one source at this point in time that has the possibility of raising a significant amount of money, and that is traffic impact fees. But it should be kept in mind that even if the traffic impact fees are at the optimum level, they still will only raise approximately one third of the needed funding. The rest must come from grant funding and, in some cases, lower priority projects will not be constructed.

It also needs to be pointed out that the Washington State Growth Management Act (GMA) requires that Cities have a legitimate plan for building transportation projects needed as a result of growth. GMA allows agencies to implement impact fee programs to help offset the cost of transportation facilities needed to accommodate growth. To meet basic GMA requirements, an impact fee shall be:

- Related to improvements to serve new development, not existing deficiencies.
- Assessed proportionally to the impacts of new development.
- Allocated for new improvements that reasonably benefit new development.
- Spent on facilities identified in the capital facilities plan.

It is important to note that impact fees are not limited to new capital projects. An agency may impose impact fees to cover costs of previous improvements, provided they meet the above criteria. As identified in the above criteria, impact fees can only be used for improvements that are needed due to future growth. Therefore, the costs for non-capital projects such as annual maintenance and operations are not included in an impact fee program. The cost of roadway capacity-added projects can be assessed as impact fees proportional to the relative impact of new development to total growth. In that way the fee is fair to the developers since it is based on a measurement of how much they are expected to affect the road system in the City.

Based on the growth which is projected in the Greater Des Moines Comprehensive Plan which feeds into the Comprehensive Transportation Plan (CTP) travel demand model, total PM peak hour trip generation within the city of Des Moines is expected to increase significantly between 1998 and 2020. The 1998-2020 growth in trip generation accounts for 43.9 percent of the total 2020 traffic generation within the City. Only the basic roadway capacity-added improvement projects are included in the impact fee program (see Attachment 3). To keep an impact fee program relatively simple, the city would base it on a single, city-wide district versus the concept of multiple districts which some other cities use. This decision made by the Public Safety and Transportation Committee reflects an analysis based on a three-district concept that showed all districts to be within 15 percent of the city-wide average. In implementing a traffic impact fee program, the city would use methodologies for computing new PM peak trips based on the most current edition of the Institute of Transportation Engineers Trip Generation Manual or, for businesses not clearly described in this manual, other industry sources or technical studies as approved by the Public Works Director. Examples of how this proposed fee will affect development is shown on Attachment 5.

It does need to be pointed out that the City of Des Moines does have an approved localized traffic impact fee program in the Pacific Ridge area which was instituted last year as a way to provide needed local street improvements in order to serve the development in that specific area. The "core transportation projects" for Pacific Ridge are shown in Attachment 6. According to Ordinance 1298, development within the "Mitigation Boundary" will receive special treatment when and if city-wide impact fees are adopted. The residential developments located east of Pacific Highway South are to pay the highest Pacific Ridge Transportation Mitigation Fee and thus are exempted from the city-wide fee. New development that fronts along the Pacific Highway south Corridor are to pay a reduced Pacific Ridge Transportation Mitigation Fee which is to be credited toward a city-wide fee. As a result of the conditions associated with Ordinance 1298, the overall City transportation fees are estimated be about $6,750,000 less than the total calculated in Attachment 4, or about $30 million.

The analysis used to calculate the city-wide transportation impact fee is a complicated, detailed computation which splits out the projects that are needed as a result of growth within the city of

Des Moines, from those City projects that are due to present deficiencies and do not add capacity, projects related to maintenance, and projects needed because of surrounding regional growth (see Attachment 4). A detailed description of the process used to determine the impact fee is included on pages 70 to 74 of the recently approved Comprehensive Transportation Plan. The reason for the complexity of the fee computation is to ensure that it is fair to the developers and will withstand legal scrutiny. The City's consultant on the Plan, The Transpo Group, is very familiar with those fees and the related calculation as they have worked with a number of Washington cities that have adopted a similar transportation fee plan.

Any adopted impact fee program also would need to meet the following provisions, per the GMA:

- Payments shall be held in a reserve account and may only be expended to fund capital improvements needed to mitigate a development's direct impact;
- Payments shall be expended within six years; and
- Provide refunds, with interest, if funds are not expended within six years.

The impact fee program "shall provide credits for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer, to facilities that are identified by the capital facilities plan and that are required by the county, city, or town as a condition of approving the development activity" (RCW 82.02.060(3)). As an example, a developer constructing required frontage improvements along an arterial street project included in the impact fee calculation would get a credit against the fees.

The impact fee program assumes that a given amount of development in the City will occur by 2020. If development levels assumed in the Comprehensive Transportation Plan take longer to actualize within the City, then the funding from impact fees will not match the Comprehensive Transportation Plan. However, if significant levels of forecast development are not in place by 2020, then several of the impact-fee eligible projects will not be needed because the traffic volumes will be lower.

Discussion:

Traffic impact fees have been discussed by the City of Des Moines City Council for many years and were recommended in the adopted 1993 Comprehensive Transportation Plan. A detailed analysis of needs caused by growth is contained in the "Developer Transportation Impact Fees" section of the recently adopted Comprehensive Transportation Plan (page 70). After a Council Public Safety and Transportation (PS&T) Committee review of the possible methods of financing transportation needs, it became obvious that traffic impact fees are the only way to cover these growth-induced needs at this time. Furthermore, Des Moines needs traffic impact fees as a source for grant matches. To even apply for grants, the City must identify a source of matching funds. Most grants require a match of between 20% and 30%.

The beauty of traffic impact fees is that development pays its own way, thus protecting the existing businesses and citizens from a situation of ever-worsening congestion. New development is assured that the money will go to specific projects that will offset the effects of growth that they themselves are creating. In this way, development is not only helping the City of Des Moines to address growth, but is also investing in its own future. Many cities have had traffic impact fees in effect for ten years and, if anything, it has made their cities the kind of places where a lot of development has taken place (e.g. Redmond, Auburn, Bellevue, and SeaTac).

There are various approaches which different cities have take to funding their transportation projects which are needed to meet the growth in their cities and thus comply with GMA. Much depends on the funding options available to the cities, the size of their staff, and what the Councils are willing to back. Attachment 2 is a list of some of the surrounding cities and other related examples, and what they are doing or plan to do to fund transportation needs and meet GMA. On one end of the scale is Kent which has a large industrial/commercial area which can support large local improvement districts (LID's), a big staff to assemble them, and a Council which is willing to grant approval even when there is loud opposition. Federal Way and Tukwila are in the process of studying transportation impact fees and are expecting to go to their Councils early next year. Burien is following the same path, but is not quite as far along. SeaTac and Auburn have had traffic impact fees for some time; however, they are both supplementing the expansion of their street system using other funding (parking fees at SeaTac and other tax revenues at Auburn). As a result, both these cities have chosen to only charge impact fees at a level of about one half the full rate. On the other hand, there are a number of cities who are successfully charging the full rate. Maple Valley is in a financial position very similar to Des Moines. They do not have alternate funding for transportation. As a result, they are assessing the full rate and have not noticed a change in their pace of development. Their fee is actually higher than what is being proposed by the Des Moines Comprehensive Transportation Plan.

Given the high level of transportation need in Des Moines and given the fact that we do not have an alternate source to fill in the funding void, Maple Valley is probably a better template for what the City of Des Moines should do.

Alternatives:

Cities are mandated to provide revenue to provide the transportation improvements needed to serve future growth under the GMA law. Traffic Impact fees are the best option for providing the revenue required for the City of Des Moines to address the requirements of this law. Council can choose to institute a traffic impact at a lower amount as some other cities have done. The problem with this approach is that the City of Des Moines does not have an alternate source of funds to make up the resultant shortfall.

Financial Impact:

Adopting a traffic impact fees program itself does not incur cost, however, traffic impact fees are the only revenue source at this time that will cover a significant portion of the costs incurred by the need for transportation improvements caused by growth in future City of Des Moines traffic demands. Traffic impact fees will only be charged on new growth, which will add additional trips to the transportation system.

Recommendation/Conclusion:

The PS&T Committee, after evaluating transportation needs and funding options, recommends that Council adopt the use of traffic impact fees.

Concurrence:

Finance and Legal

CITY ATTORNEY'S ~~FIRST~~ SECOND DRAFT 12/12/02~~11/21/02~~

DRAFT ORDINANCE NO. 02-264

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON establishing a transportation impact fee service area, imposing impact fees therein to finance part of the costs of improvements to serve new development; providing for the disposition of such impact fees, and establishing an appeal process.

WHEREAS the City is authorized by RCW 82.02, the Growth Management Act ("the GMA"), and by RCW 39.92, the Local Transportation Act, to require new growth and development within the City of Des Moines to pay a proportionate share of the cost of new facilities to serve such new growth and development through the assessment of impact fees; and

WHEREAS, as part of the Greater Des Moines Comprehensive Plan the City has adopted a Comprehensive Transportation Plan which identifies deficiencies in public transportation facilities and identifies the means by which such deficiencies could be eliminated; and

WHEREAS, the City Council has found and determined that it is in the best interests of the City, in order to insure a fair and predictable method for allocating the share of the cost of such new public facilities, to impose impact fees on the new growth and development activities;

Now, Therefore:

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

NEW SECTION Sec. 1. Definitions.

Use of words and phrases. As used in this ordinance, unless the context or subject matter clearly requires otherwise, the words or phrases defined in this section shall have the indicated meanings.

"Building permit" means any written authorization from the City which authorizes the commencement of development activity.

"City" means the City of Des Moines, Washington.

"City Comprehensive Plan" means the Greater Des Moines Comprehensive Plan, adopted pursuant to the GMA.

"Development activity" means any construction or expansion of a building or structure that creates additional demand on and/or need for public facilities, but not interior remodeling that does not change the PM Peak trips as categorized in the Comprehensive Transportation Plan to the Greater Des Moines Comprehensive Plan or of the applicable code or regulation of the City.

"GMA" means the Washington State Growth Management Act, codified as RCW 82.02.050 through 82.02.090, as now in existence, or as hereinafter amended.

"Hearing Examiner" means the Hearing Examiner of the City of Des Moines, pursuant to Chapter 18.94 of the Des Moines Municipal Code.

"Impact fee" means a payment of money imposed by the City upon development activity as a condition of issuance of a building permit to pay for public facilities needed to serve new growth and development, and to mitigate the impacts of the development activity on the transportation facilities of the City, but does not include any permit or application fee.

"Owner" means the owner of record of real property. If real property is being purchased under a real estate contract, the purchaser shall be considered the owner of real property if the contract is recorded.

"Public facilities" as used in this section refers to public streets, roads and rights-of-way owned or operated by the City for other governmental entities, including trails, paths, bikeways, other transportation facilities and all attendant improvements.

"Service area" means the development impact fee service area of the City identified in Section 3.

"Transportation facilities" means and refers to streets and roads, but includes all publicly owned streets, roads, alleys and right-of-ways within the City and street services, traffic control devices, curbs, gutters, sidewalks and related facilities and improvements.

NEW SECTION. Sec. 2. Transportation impact fees established.

There is established, subject to the provisions of this chapter, a transportation impact fee program.

NEW SECTION. Sec. 3. Establishment of service area.

The City hereby establishes, as the service area for development impact fees, the City of Des Moines, including all property located within the corporate limits of the City. The scope of the service area is hereby found to be reasonable and established on the basis of sound planning and engineering principles.

NEW SECTION. Sec. 4. Imposition of impact fee on development activity.

A. The City hereby authorizes the assessment and collection of impact fees on development activity within the City, at the calendar year 2001 rate of Two Thousand Five Hundred Thirty Nine ($2,539.00) per peak p.m. trip, as computed using methodologies from the most current edition of the Institute of Transportation Engineers Trip Generation Manual or other industry sources approved by the Pubic Works Director. This impact fee shall be adjusted annually based on the construction cost index for the Seattle area as reported in the Engineering News Record periodical. Based upon the above impact fee rate and adjustments, the rate as of January 1, 2003 will be $2,615.00 per peak p.m. trip.

B. Such impact fees shall:

1. Only be imposed for system improvements that are reasonably related to new development; and,

2. Not exceed a proportionate share of the cost of the system improvements, including the costs of previously constructed system

improvements, reasonably related to new development; and,

3. Be used for system improvements that will reasonably benefit new development; and,

4. Be used for facilities identified in the Comprehensive Transportation Plan as "Intersection and Roadway Capacity Improvement Projects for the Traffic Impact Fee Program."

B. Such impact fee schedule is based upon the formula for calculating the proportionate share of the cost of the system improvements, including the costs of previously constructed system improvements, necessitated by new development to be borne by impact fees, which formulas are described in the Comprehensive Transportation Plan element of the Greater Des Moines Comprehensive Plan and incorporated herein by this reference.

C. The impact fees imposed pursuant to this chapter shall be assessed by the City after the effective date of this ordinance as follows:

1. A preliminary assessment, based upon the building permit application, shall be made —at the time of the application. ~~for the building permit~~

2. A final assessment, based upon the actual permit as issued, shall be made and shall be due and payable ~~and shall be due and payable,~~ in full ~~whole~~ at the time of issuance of such permit without interest.

D. Failure to pay the impact fees for a given development activity at the time that such impact fees are due and payable ~~of assessment~~ shall result in denial of the building permit for which the owner has applied.

E. The impact fee program shall provide credits for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer, to facilities that are identified in the Comprehensive Transportation Plan as "Intersection and Roadway Capacity Improvement Projects for the Traffic Impact Fee Program." The value for which credit shall be given is the estimated value used for Impact Fee calculation in the Comprehensive Transportation Plan.

NEW SECTION Sec. 5. Disposition of impact fee revenues.

A. The impact fees collected pursuant to the provisions of this chapter shall be deposited into an impact fee fund. Pending application as provided in this chapter, the monies deposited in the impact fee fund shall be invested in any investment authorized for the investment of City funds. All interest and profits derived from the investment of monies in each account in the impact fee fund shall be retained in such account.

B. The impact fees deposited in each account in the impact fee fund, and the interest and profit received from the investments therefrom shall be expended only for public facilities of the type for which such impact fees were collected, in conformity with the Greater Des Moines Comprehensive Plan and Comprehensive Transportation Plan. and expended or encumbered within six years of receipt by the City, unless written findings by the City Council identify an extra-ordinary and compelling reason for the City to hold the fees for a longer time. The City shall account for annual expenditures and shall comply with this section in successive comprehensive plans, transportation plans and capital facilities plans as appropriate.

C. The City shall prepare an annual report on the impact fee fund which shows the source and amount of all monies collected, earned or received and the public facilities that were financed in whole or in part by impact fees.

NEW SECTION Sec. 6. Refunds.

A. The City shall, in accordance with RCW 82.02.080, refund to the current owners of property on which an impact fee has been paid any impact fees paid with respect to such property that has not been expended or encumbered for public facilities of the type of which such impact fees were collected.

B. The City shall also refund to the current owner of property of which an impact fee has been paid all impact fees paid with respect to such property if the development activity for which the impact fee was imposed did not occur and no impact has resulted; provided, that if some, but not all, of the development activity for which the impact fee was imposed occurred, the impact will be deemed to have occurred, and no refund shall be available under this section.

C. Owners seeking a refund of impact fees must submit a written request for a refund of impact fees to the City Manager or designee within one (1) year of the date the right to claim the refund arises, which, for purposes of refund claims authorized pursuant to paragraph B of this section only, shall be the date of voluntary or involuntary abandonment of the building permit, or the date that notice is given as provided in paragraph A of this section, which ever occurs later. Refunds of impact fees shall include interest and any profits earned on the impact fees from the date of their receipt to the date of refund, as a percentage of the interest/profits earned by the fund on an annual basis. Any impact fees not expended within the time limitations and for which no application for a refund has been made within the one (1) year claim period, shall be retained by the City and expended on public facilities of the type for which such impact fees were initially collected, without further limitation as to the time of expenditure.

NEW SECTION **Sec 7. Appeals.**

A. The determination of the City Manager or designee regarding the applicability of the impact fee to a given development activity within the service area shall be final, however an owner may pay an impact fee imposed pursuant to this chapter under protest in order to obtain a building permit and, after such payment, file an appeal regarding the amount of the impact fee to the Hearing Examiner within ten (10)days of the City's final decision under the provisions of the hearing examiner code, DMMC Chapter 18.94.

B. Appeal regarding the amount of the impact fee imposed on any development activity may only be made ~~taken~~ by the owner of the property where such development activity shall occur.

~~NEW SECTION Sec. 8. Termination date of authority to collect and expend impact fees.~~

~~The City's authority to collect and expend impact fees pursuant to this chapter shall be effective until the earlier of (a) the repeal of the ordinance codified in this chapter, or (b) the determination by the State of Washington of the authorization to collect and expend impact fees.~~

NEW SECTION. Sec. 8~~9~~. Severability - Construction.

A. If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

B. If the provisions of this ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this ordinance is deemed to control.

NEW SECTION. Sec. 9~~10~~. Effective date.

This ordinance shall take effect and be in full force five (5) days after its passage, approval, and publication in accordance with law.

PASSED BY the City Council of the City of Des Moines this ____ day of __________, 200_ and signed in authentication thereof this ____ day of ________, 200_.

____
M A Y O R

APPROVED AS TO FORM:

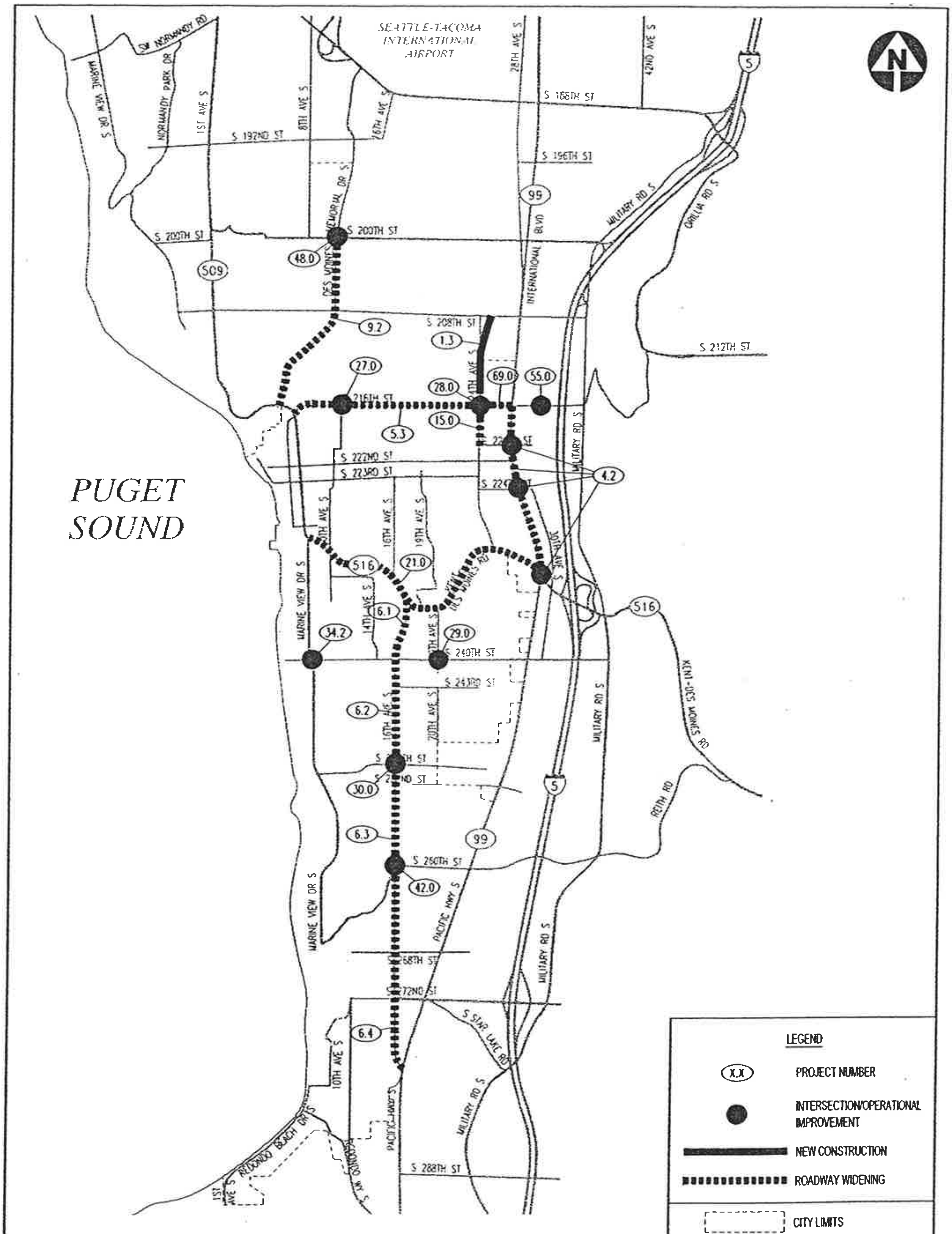
____
City Attorney

ATTEST:

City Clerk

Published:

Effective Date:



The Transpo Group

Figure 17

Potential Intersection and Roadway Capacity Improvement Projects for Traffic Impact Fee Program

City of Des Moines Comprehensive Transportation Plan

ATTACHMENT 3

M:\98\98007\Acad\Graphic17 <J> lindak 12/06/01 13:11

IMPACT FEE CALCULATION

		Percent of Total Cost
Total Cost [1] (2001-2020)	$112.763,500	100%
Less-Non Capacity Capital Projects	-$51,470,000	46%
Less-Non Capital (Art.,Main.,NTC,etc.)	-$13,883,500	12%
Capacity-Added Projects	$47,410,000	42%
Capacity-Added Projects	$47,410,000	42%
Less City/Regional Share (through traffic growth)	-$10,429,000	9%
Maximum Potential Impact Fee Funding	**$36,981,000**	**33%**

[1] Estimated total project cost in 2001 dollars. Costs are conceptual and take into consideration, if necessary, ROW acquisition costs but do not include costs associated with mitigating potential environmental impacts.

Basic Roadway Capacity - Added Project (City-Wide)

Maximum Potential Impact Fee Funding [2]	$36,981,000
Total New PM Peak Hour Trips	14,563
Cost per PM Peak Hour Trip	**$2,539**

[2] Estimated total project costs in 2001 dollars. Costs are conceptual and take into consideration, if necessary, ROW acquisition costs, but do not include costs associated with mitigating potential environmental impacts.

ATTACHMENT 4

ATTACHMENT 5

POTENTIAL IMPACT FEES per UNIT OF DEVELOPMENT

Land Use	ITE Land Use Code	Average PM Peak Hour Trip Generation Rate[1]	Pass-By %[2,3]	Net New Trip Rate[4]	City-Wide Average Impact Fee[5]
Office (per 1,000 gsf)	710	1.49	-	1.49	$3.78/sq ft
Business Park (per 1,000 gsf)	770	1.29	-	1.29	$3.28/sq ft
Light Industrial (per 1,000 gsf)	110	0.98	-	0.98	$2.49/sq ft
Retail					
Shopping Center (per 1,000 gsf, for example, 25,000 gsf)	820	10.06	34%	6.64	$16.86/sq ft
Quality Restaurant (per 1,000 gsf)	831	7.49	44%	4.19	$10.65/sq ft
Fast Food Restaurant (per 1,000 gsf)	834	33.48	50%	16.74	$42.50/sq ft
Gas Station w/ Market (per vehicle fueling position)	845	13.38	56%	5.89	$14,948/vfp
Supermarket (per 1,000 gsf)	850	11.51	36%	7.37	$18.70/sq ft
Drive-In Bank (per 1,000 gsf)	912	54.77	47%	29.03	$73.70/sq ft
Single-Family (per dwelling unit)	210	1.01	-	1.01	$2,564/DU
Multi-Family (per dwelling unit)	220	0.62	-	0.62	$1,574/DU

1 Source: *Trip Generation*, Institute of Transportation Engineers (ITE), 1997. Note: City would apply trip rates based on regression equations where appropriate (see *Trip Generation Handbook*, ITE, 1998).

2 A pass-by trip is made as an intermediate stop on the way from an origin to a primary destination. Pass-by trips are attracted from traffic passing on an adjacent street that offers direct access to the development.

3 Pass-by percentages from *Trip Generation Handbook*, ITE, 1998. This publication does not include pass-by percentages for office, business park, light industrial, and single- and multi-family residential. However, it should be noted that King County applies a pass-by percentage to some non-retail land use types, including 15% for office and business park.

4 Average PM peak hour trip generation rate x (100 - pass-by percentage) = net new trip rate

5 Net new trip rate multiplied by $2,539 per trip.

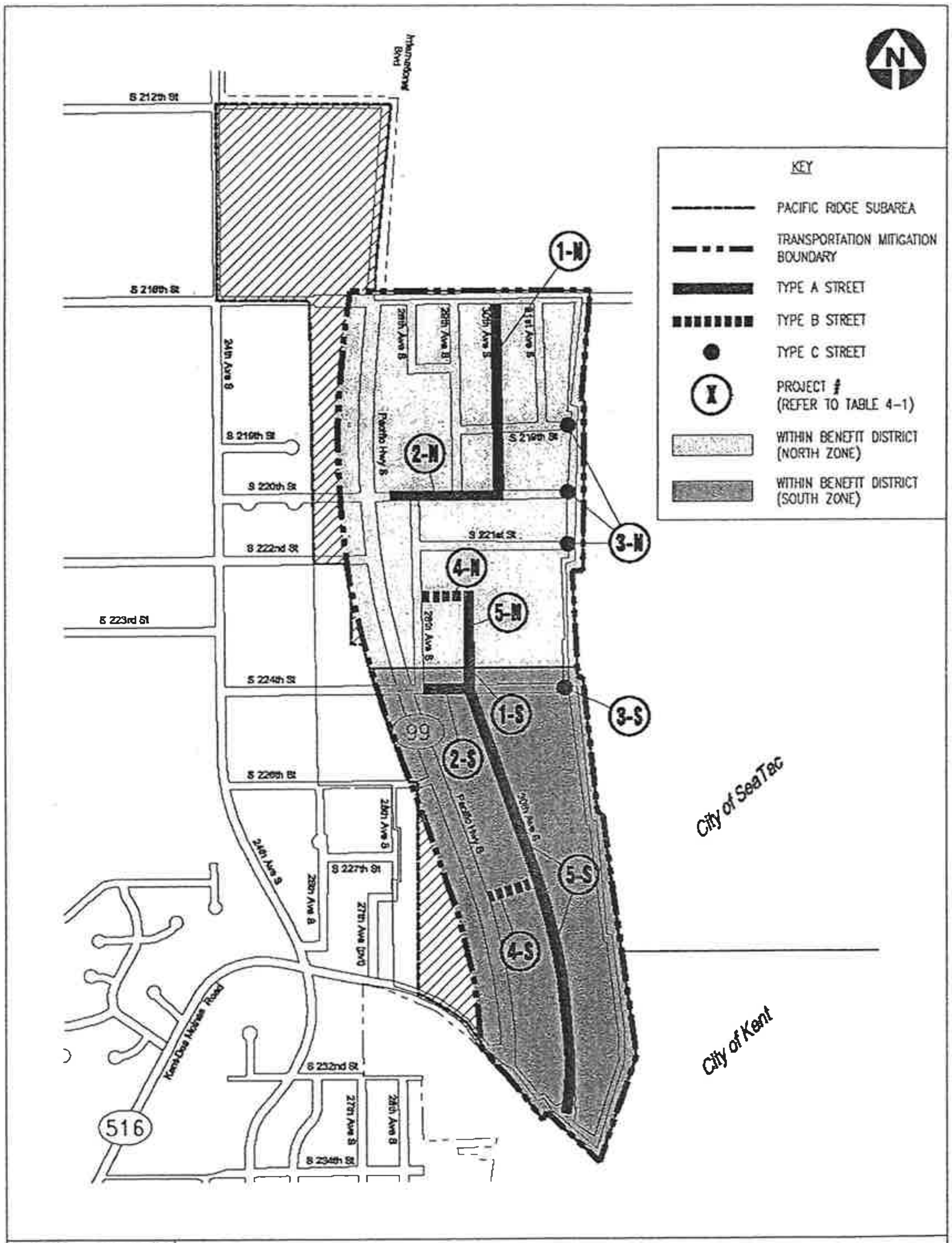


Figure 4-2

Core Transportation Mitigation Plan Projects Within North and South Zones

Pacific Ridge Subarea - Planned Action EIS

The Transpo Group

M:\99\99027\Task 04\Graphics\Graphic02 <B> robertm 12/05/01 11:04

ATTACHMENT 6

PRELIMINARY
REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES December 12, 2002

The regular meeting of the Des Moines City Council was called to order at 7:32 p.m. by Mayor Wasson in the City Council Chambers, 21630 11th Avenue South, Suite B.

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

ROLL CALL - Present: Mayor Don Wasson, Mayor Pro Tem Richard Benjamin, Councilmembers Gary Petersen, Maggie Steenrod, Scott Thomasson and Susan White (left meeting at 9 p.m.). Absent: Councilmember Bob Sheckler. Also present were City Manager Tony Piasecki, Assistant City Manager Corbitt Loch, City Attorney Linda Marousek, Finance Director Paula Henderson, Budget Accountant Peggy Watson, Community Development Director Judith Kilgore, Public Works Director Tim Heydon, Assistant City Engineers Maiya Andrews and Loren Reinhold, and City Clerk Denis Staab.

> **MOTION** was made by Mayor Pro Tem Benjamin, seconded by Councilmember Thomasson and passed unanimously, to excuse Councilmember Sheckler.

COMMENTS FROM THE PUBLIC

Bob Pond, 23116 30th Avenue South

Mr. Pond addressed Council regarding the fire at the Kings Arms Motel. He felt the place is a fire trap and requested that it be permanently condemned. He stated that the motel has a decade of criminal problems and the numerous police calls this year alone has accounted for 25% of the Police Department's budget. He reminded Council that he had presented a petition earlier in the year, signed by 80 residents in the area, requesting that the motel be closed, and reiterated his request that the motel not be allowed to re-open.

Thom Bowman, 23215 30th Avenue South

Mr. Bowman expressed agreement with Mr. Pond's comments. He expressed concern for the high level of undesirable activity surrounding the motel and requested Council take an active roll in improving the business practices of the motel owners.

Schell Ross, 23444 26th Avenue South

Ms. Ross speaking for the citizens of the ad-hoc committee to keep Mt. Rainier Pool open, thanked Council for the incredible efforts on behalf of the pool users. She encouraged Council to approve the agreement that is on tonight's agenda that will keep the pool operating for a year while a long term solution is looked for. She presented Council with a tray of cookies from the senior aerobics class of Mt. Rainier Pool.

Larry Corvari, 19458 1st Place SW, Board of Directors Regional Commission on Airport Affairs (RCAA)

Mr. Corvari advised Council that the mission of RCAA is to provide outreach to the communities of Des Moines, Normandy Park and Burien through action alerts to various local, county and state elected officials in regards to the proposed 3rd runway and related expansion of Sea-Tac Airport. He stated that RCAA works closely with ACC and CASE and a variety of other agencies on the fight against the 3rd runway and was instrumental in helping residents on the west side of the airport get fair compensation for their property. He requested Council reconsider canceling the contract with RCAA as he feels this is a beneficial relationship for the City of Des Moines.

BOARD & COMMITTEE REPORTS

South King County Transportation Board

Councilmember White reported that the Board met early this week with the Eastside Transportation Board to discuss transportation issues, particularly regarding financing.

Suburban Cities Association

Councilmember White advised that she attended the recent dinner meeting where economic and transportation issues were the topics of discussion.

Ad-hoc Mt. Rainier Pool Committee

Mayor Pro Tem Benjamin thanked the citizen committee members for their efforts in saving the Mt. Rainier pool though their community spirit and in raising private funds. He also acknowledged the efforts of Mayor Wasson, City Manager Piasecki and Bob Houston from the Parks and Recreation Department in helping to coordinate all the efforts. He advised that this is not a "done deal" but provides a temporary reprieve to study a permanent solution to keep the pool open.

PRESIDING OFFICER'S REPORT

City Eastern Boundaries

Mayor Wasson reported that he and City Manager Piasecki met with representatives of the City of Kent regarding straightening out the boundary between the two cities. He stated it was a good meeting and will pursue the issue in months ahead.

Mayor Wasson also announced that Federal Way officials have expressed a willingness to hold meetings beginning in January to discuss city boundary issues.

ADMINISTRATION REPORTS

Kings Arms Motel

City Manager Piasecki reported that the fire at the motel appears to have been an electrical problem and is still being investigated. He noted that Des Moines Police Officer Hamilton arranged for motel residents to be fed, clothed and sheltered for 3 days with the National Guard who was holding a training session for just such a disaster. He noted that the motel is closed and that electrical and other code violations are being investigated by City staff.

Follow-up Report - Citizen Comments

City Manager Piasecki informed Council that in response to Mr. George Buley's request to have a commercial shipping container removed from a neighbors yard at a November meeting, the following steps have been taken:

- A letter from the Community Development Director has been sent to Mr. Buley informing him that the container is a legal non-conforming use.

- Staff will be reviewing and researching material for Council's future consideration regarding a process for abatement of such uses.

City Manager Piasecki advised that he will try to report more frequently on future follow-ups to citizen requests and complaints.

Gift of Property - Leslie Ho

City Manager Piasecki called attention to the generous gift of property to the City's Surface Water Management division by Ms. Leslie Ho. This item is on the Consent Calendar for Council's approval.

CONSENT CALENDAR was read by City Clerk Staab.

1. 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 42.24.090, 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 checks #83209 through #83481 & electronic fund transfers in the total amount of $584,791.48

Payroll fund transfers in the total amount of $687,056.61

2. Motion is to authorize the City Manager to participate in a study of the land uses along SR 99 between Kent-Des Moines Road and South 272nd Street, as substantially outlined in the Council packet materials.

3. Draft Resolution No. 02-271 ***[ASSIGNED RESOLUTION NO. 945]*** - Title: A resolution of the City Council of the City of Des Moines, Washington, relating to storm water management, approving the gift and conveyance of the Leslie Ho property to the City of Des Moines and granting authority to the City Manager to accept the property for storm water management purposes.

MOTION is to approve Draft Resolution No. 02-271.

4. Motion is to approve the contract for the Des Moines Activity Center Kitchen Equipment Project with Bargreen Ellingson, Inc., in the amount of $34,688.19, plus tax, and authorize the City Manager to sign the contract substantially in the form as submitted. And to authorize the City Manager to approve change orders in amounts not to exceed 10% in total.

MOTION was made by Councilmember Thomasson, seconded by Mayor Pro Tem Benjamin and passed unanimously, to approve the Consent Calendar as read.

OLD BUSINESS

Reconsideration Draft Resolution No. 02-260 Chamber Use of Big Catch Plaza for Holiday Happenings

MOTION was made by Mayor Pro Tem Benjamin, seconded by Councilmember Thomasson, to place this item on the December 19th Council Agenda. [**ED NOTE**: This motion was withdrawn after discussion.]

City Manager Piasecki reminded Council that this item was deleted from the November 21, 2002 meeting agenda, and placed on the December 5, 2002 meeting agenda. Time expired at the December 5th meeting before this item could be addressed. He noted that the holiday event begins this Saturday, which would be before Council could take action on the draft resolution. He advised that he would have the authority to grant the use through a Special Event Permit.

Upon questioning from Council, City Manager Piasecki noted the following items
- Chamber will have a generator for power, so no need for electrical permitting.
- In response to an e-mail expressing safety concerns regarding pedestrians and traffic, Police have requested and the Chamber has agreed, to install a 3' fence around the event site.
- QFC store management has expressed a willingness to allow people attending the event to park in their parking lot.
- The event closes at 8 p.m. so there should be no noise to keep any neighbors awake.

Council requested staff prepare a clarification on policy regarding public use of City property and when a permit can be granted by Administration versus needing Council approval.

MOTION was withdrawn by the maker and seconder.

Agenda Revision

Mayor Wasson announced that he will take New Business Item #2 next.

NEW BUSINESS

Interlocal and Operating Agreements for Mt. Rainier Swimming Pool

City Manager Piasecki advised that in conjunction with the ad hoc committee's efforts, representatives from the cities of Des Moines, Normandy Park, Sea Tac, Burien, Kent and the Highline School District have also been meeting to discuss the cities and the School District's position on the Pool and what steps could be taken to keep it open on a short-term and long-term basis. He noted that it became obvious that finding a long-term solution in the short amount of time available was not feasible. The focus thus became finding a way to keep the Pool open for some or all of 2003 to allow for more time to find a long-term solution. He noted that the County has agreed to operate the pool in 2003 if it receives $217,620 to fund the operating deficit. He advised that the cities and School District have put together two agreements that will keep the Pool open through 2003. He noted the first agreement is an interlocal between Des Moines, Normandy Park, Sea Tac and the School District that states that parties will contribute funds toward funding the deficit in the following amounts:
- Des Moines $75,000
- Normandy Park $30,000
- Sea Tac $25,000
- School District $20,000
- Other Sources $67,620

City Manager Piasecki advised that the ad hoc committee is working to raise funds as part of the "other sources" and as of today has commitments for $37,000 and is waiting to hear from several other individuals and companies. He stated that if the entire $67,620 is not raised during 2003, the Pool will stay open for as much time as the funding allows. A one months subsidy equals $18,135. He advised that the second agreement is an operating agreement between Des Moines, Normandy park, Sea Tac, the School District and King County that calls for the County to continue operating the Pool with the other parties contributing funds toward the operating deficit. The agreement notes that if the County is able to lower costs or increase revenue, the amount the cities and the School District are obligated to pay goes down. If costs go up or revenue goes down, the cities and the School District have the option of paying more, but are not obligated to do so.

Mayor Pro Tem Benjamin spoke in support of the proposed agreements and stated this is a short-term solution that will allow time for a long term solution. The parties hope to have a permanent answer by August.

Upon questioning by Council, City Manager Piasecki noted that if a final solution is found a decision will be made at that time regarding how to handle any left-over funding.

MOTION was made by Mayor Pro Tem Benjamin, seconded by Councilmember White, to approve the Interlocal Agreement for Mount Rainier Pool Subsidy Funding by the Mount Rainier Pool Contributors and to authorize the City Manager to sign the agreement substantially in the form as submitted. Motion passed unanimously.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod and passed unanimously, to approve the Pool Operations Agreement and to authorize the City Manager to sign the agreement substantially in the form as submitted.

OLD BUSINESS

Draft Resolution No. 02-247 Adopting Capital Improvement Plan for Years 2003-2008

Councilmember Thomasson commented that unfortunately the City does not have the revenues it used to. He noted that with the recent passage of an initiative, there will be a likely loss of vehicle licensing revenues, and he is uncomfortable with the earlier cuts made to transportation issues. He felt that the City's roads are important and the Council has recognized that the Arterial Maintenance Program is greatly under funded. He felt it is important to re-prioritize some projects in order to free up some funds to add to transportation issues. He proceeded to introduce a series of motions as follows:

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod, to delete the Des Moines Beach Park Repairs $1.4 million from the Municipal Capital Improvement Fund for the year 2005. Motion passed 5 to 1 with Mayor Pro Tem Benjamin abstaining.

City Manager Piasecki announced that there will be a presentation at the January 9, 2003 Council meeting from the Ad Hoc Parks, Recreation & Sr. Services Master Plan Citizens Committee. He informed Council that the $1.4 million does not contain any MCI funds, but only grants and potential bond issues.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod, to delete the Woodmont Park Land Acquisition from the Municipal Capital Improvement Fund. Motion passed unanimously.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod, to eliminate any MCI funds contained within the Community Center from the Municipal Capital Improvement Fund. Motion passed 5 to 1 with Mayor Pro Tem Benjamin voting NO.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod, to move the 2005 MCI funds in the amount of $200,000 from the Steven J Underwood Memorial

Park - Phase II project, from the Municipal Capital Improvement Fund, to the Arterial Maintenance Program in the Arterial Street Fund..

Councilmember Thomasson remarked that he agrees this is a nice project, but the City simply does not have the funds. He felt this item can be further discussed when Council reviews the Park Master Plan. He felt the more delay in funding repairing of City streets, the more expensive they will be to fix. The $200,000 of MCI funds is truly needed in the Arterial Street Repairs for the good of the City.

City Manager Piasecki remarked that the Phase II is important to the overall Park as it will add the soccer field, lighting and additional parking. He noted these items will complete the sports park which will potentially generate more income.

Mayor Wasson remarked that there is a potential for soccer fields to be constructed for public use, should the Seattle Sounders proceed with their plans for a soccer stadium at the Midway Landfill site.

VOTE ON MOTION: Motion passed unanimously.

9:00 p.m. Mayor Wasson called for a 10 minute break. Councilmember White left the meeting.

Councilmember Thomasson questioned the Des Moines Creek Trail Phase II project as it contains $200,000 of undetermined funding.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod to delete the Des Moines Creek Trail Phase II project until an actual funding plan is in place.

City Manager Piasecki noted that the undetermined funding for this project is typically arrived at through grants and will need matching funds such as the $31,000 MCI funds as denoted. He noted that planning projects 3 to 6 years in the future is hard, but the City has been very successful in obtaining grants. He suggested the MCI funds be left as potential matching funds.

After further discussion, Councilmember Thomasson acknowledged this is a wonderful project, but the City does not have money to maintain streets. He noted nice amenities such as this project can be reinstated in the future should the financial picture improve, but right now the City is in need of street repairs.

VOTE ON MOTION: Motion passed unanimously.

MOTION was made by Councilmember Thomasson, seconded by Mayor Pro Tem Benjamin, to remove the Orthophotography Project from the Municipal Capital Improvement Fund. Motion passed unanimously.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Petersen, to move the South Marina Restroom Replacement project contained in the Marina Depreciation and Improvement Fund from the year 2006 to 2007. Motion passed unanimously.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod and passed unanimously, to move any MCI funds that were freed-up by previous motions, to the Arterial Street Maintenance Program contained in the Arterial Street Fund.

Councilmember Thomasson commented that the potential transportation impact fees that Council will be considering later this evening, could generate funds for capital projects. He felt that should Council choose to adopt the ordinance these funds could be used for street projects and free up more MCI money for the Arterial Maintenance Program.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Petersen, to adopt Draft Resolution No. 02-247 approving the Capital Improvement Plan, as amended by previous motions.

Mayor Wasson referenced the Marine View Drive Bridge Project contained within the Surface Water Capital Fund. He noted that back in September 1998, the City applied for and received a Public Works Trust Fund Loan, that other agencies involved in the project were to be responsible for paying back. He noted that to date no commitment has been made by the other agencies. He stated that the City's Public Works Director has been saying every year since 1998, that signed agreements will be ready. he noted that there still is $150,000 worth of engineering to do and the original project price of $4.8 million is now over $6 million. He stated he has been opposed to this project from the beginning and suggested that Des Moines return the money to the State and when the project is ready to be built, let the other agencies step up and pay for it.

Public Works Director Heydon acknowledged that the City did apply for and receive the Public Works Trust Fund Loan, however, the City has not spent those funds. He advised that the first draw of funds from the loan have been invested and are earning interest. He noted the Bridge project is an important element of the Des Moines Creek Basin Plan project. He noted that the City has only spent to date $43,980 and the bulk of the expenditures have been paid by D.O.T., Midway Sewer District and various grants. He stated that the City's share amounts to only 7% of the total cost. He further advised Council that the Des Moines Basin Projects just went through the SEPA process and received approval. He felt that the elements are falling together very nicely, with final design and permitting agreements in place. He did acknowledge that the interlocals for the actual bridge construction are not complete as of yet, but is convinced this is only a matter of time.

Councilmember Steenrod commented that if this project is not going to be completed it should be removed from Des Moines CIP. She further noted that the bridge construction could create major traffic problems.

Mayor Wasson stated that with local businesses suffering economically, the bridge construction would certainly further disrupt businesses needlessly.

MOTION was made by Mayor Wasson, seconded by Mayor Pro Tem Benjamin, to remove the Marine View Drive Bridge project from the Surface Water Capital Fund and return the Public Works Trust Fund Loan to the State.

Public Works Director Heydon informed Council that the existing culvert under the bridge is undersized and this project must be completed. He noted if the project is dropped that a future severe storm could destroy the fill under the roadway that was placed there back in 1927.

City Manager Piasecki explained that this project is part of a complex system of projects involving several political agencies and that the Basin Plan needed to be completed first to reduce run-off up stream. However, the Bridge project is the last important step in the whole process.

Councilmember Thomasson stated that Des Moines is acting as the "banker" for the Bridge project, which is one piece of a multi faceted project. He noted that Council will need to be careful to ensure when agreements are signed, Des Moines is protected. He noted the whole project is dependent upon everything coming together, and if it does not, then the bridge will not be built. He recommended that the Bridge project be left in for now to allow Administration time to educate the 3 newly elected members and then revisit this item in a couple of months.

Upon questioning, Public Works Director Heydon advised that the road surface is 10 years old, but the big problem is with the culvert that was installed in 1927.

Mayor Wasson advised that building the bridge is not the issue. The issue is the agencies that should be paying for the loan. He feels that you cannot relay on governmental agencies to do what they say they are going to do. He is not willing to commit Des Moines' citizens to the risk of being obligated to repay the loan. If the Des Moines Basin coalition wants to build the bridge then they should come up with the money. He feels that four years with no signatures committing to repayment, just does not give any credibility to the project.

Councilmember Steenrod expressed dissatisfaction with the way projects are listed in the Surface Water Capital Fund. She would prefer that they be listed by priority. In regards to the Bridge project, she felt that all agencies are hurting financially and this project could be delayed even longer. She questioned whether the City could establish a deadline for the interlocals to be signed.

10:29 p.m. **MOTION** was made by Councilmember Steenrod, seconded by Councilmember Thomasson, to extend the meeting 10 minutes. Motion passed 4 to 1 with Mayor Wasson voting NO.

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod, that the motion on the table be voted on. Motion failed by 4 to 1 with Councilmember Thomasson voting YES.

ADJOURNMENT

MOTION was made by Mayor Wasson, seconded by Mayor Pro Tem Benjamin at 10:33 p.m. to adjourn. Motion passed 3 to 2 with Councilmembers Steenrod and Thomasson voting NO.

Respectfully submitted,

Denis Staab
City Clerk

Linda

CONSENT CALENDAR
Item #5

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT: Increased Scope of Work for the "Repairs to the Des Moines Marina Fishing Pier" Project.

ATTACHMENTS:
Photos of Construction Progress

FOR AGENDA OF: December 19, 2002
DEPT. OF ORIGIN: Marina

DATE SUBMITTED: December 13, 2002
CLEARANCES:
[X] Marina ______
[X] Legal ______

APPROVED BY CITY MANAGER

FOR SUBMITTAL: ______

A. Purpose & Recommendation

The Marina staff is seeking Council approval to increase the scope of the repairs to the Public Fishing Pier.

Suggested Motion: " I move that the Council approve the increase in the scope of repairs to the Public Fishing Pier and to authorize the City Manager to sign an addendum to the City's contract with Global Diving and Salvage that would increase the contract amount by $40,570 plus Washington State Sales Tax, (a total increase of $43,978). The addendum shall be in a form approved by the City Attorney."

B. Background

This is the second significant change order for this project. Shortly after the Contractor started the project, it became apparent that the original estimates for the amount of damaged concrete that would have to be removed and recast were too low. At the Council meeting on October 20, the Council authorized a change order that would allow the contractor to proceed based on the new estimate of the damaged area, which was increased to 164 square feet. As the Contractor progressed with the repairs, the Marina staff and City Building Official became concerned with the amount of material being removed from some of the support piling near the end of the Pier. The staff brought the Project Engineers, Reid Middleton, Inc. back for further inspections, and as a result of those inspections, closed the outer end of the pier for public safety. Reid Middleton recommended that the scope of the repairs be expanded to include installing steel jackets around six of the support piling. This recommendation was discussed with the City Council during a Council briefing on the project in early November. At that time the Council concurred with the City Manager's suggestion that the staff seek another opinion on the repair methods.

C. Discussion

The staff hired EISI, Consulting Engineers, to review the procedures, methods and materials being used to repair the Fishing Pier. In a letter to the City, dated December 3, 2002, EISI concurred with the repair methods being used. This letter, along with a cover memo was discussed with the Council at the meeting on December 5. At that time the staff reported to the Council that the next step would be to finish all of the demolition of the damaged concrete so the exact amount of repairs required to complete the project would be known, and that the staff would direct the Contractor to prepare a bid for furnishing and installing the steel jackets recommend by the Engineers. The Contractor gave the Marina a bid of $21,850, plus tax to furnish and install the six jackets required. Four Jackets would be installed on support piling near the end of the pier, one near the center of the pier, and one near the shore.

The remainder of the additional funds requested, ($18,720, plus tax) will pay for removing and re-casting an additional 55 square feet of damaged concrete and repairing about 16 feet of cracks with the epoxy injection method.

D. Alternatives

Approving the increase in scope of work.

No Action – Direct the staff to seek another quote for installing the jackets.

E. Financial Impact

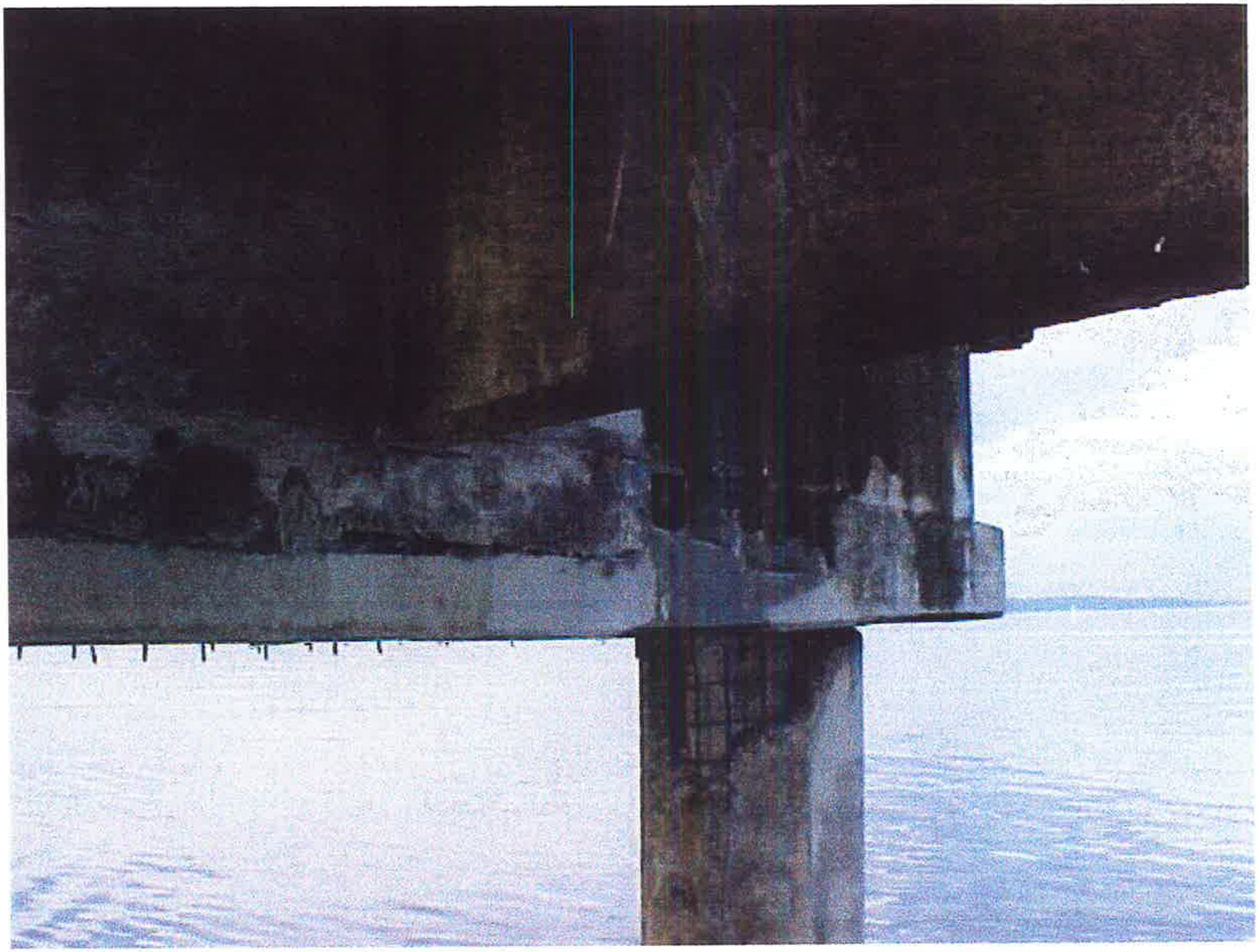
The damage to the Fishing Pier is covered by the City's insurance carrier. The deductible amount is approximately $25,000. The City has also received a commitment from FEMA for approximately $20,000 to help with the repair. At this point, the staff expects the the insurance carrier to reimburse the City for the additional concrete repair, ($18720 plus tax) But the insurance carrier may consider the addition of the steel jackets an upgrade and they might not want to pay for all (or part) of the cost of installing them, ($21,850 plus tax). The Marina's share of the cost could be about $26,000 depending on the outcome of the insurance claim. This would be paid out of the Repair and Replacement fund.

F. Recommendation

The staff recommends that the Council authorize the additional expenditures to complete the repairs to the Fishing Pier.

G. Concurrence

N/A



Pile Cap repair nearly complete Bent#3

Repair to Bent #6 comlplete

Forms being installed on Bent #9

OLD BUSINESS
Item #1

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT:
Year 2003-2008 Capital Improvement Plan

ATTACHMENTS:
Draft Resolution No. 02-247
Project Summary
CIP Document

FOR AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Finance

DATE SUBMITTED: December 16, 2002

CLEARANCES:
[ ] Finance pl
[ ] Legal

APPROVED BY CITY MANAGER

FOR SUBMITTAL: AT

Purpose and Recommendation

Suggested motions:
"I move to adopt Draft Resolution 02-247 approving the City of Des Moines 2003-2008 Capital Improvement Plan" as modified, transferring funds from the Municipal Capital Improvement project listing freed up per Council's decisions at the December 12, 2002 meeting into the Arterial Street Maintenance Program."

"I move to adopt Draft Resolution 02-247 approving the City of Des Moines 2003-2008 Capital Improvement Plan" as modified, transferring funds from the Municipal Capital Improvement project listing freed up per Council's decisions at the December 12, 2002 meeting into the Arterial Street Maintenance Program and removing the Marine View Drive project from the Surface Water Capital Fund and returning the Public Works Trust Fund Loans."

Background

The Capital Improvement Plan provides a multi-year list of proposed major capital expenditures and associated operating costs for the City. The Growth Management Act of 1990 requires communities to adopt comprehensive plans to guide the orderly development of growth. Also, the Plan focuses the community and Council's attention on prioritizing projects, given the competing needs for projects.

The 2003-2008 Capital Improvement Plan reflects capital projects of the Municipal Capital Improvement, Arterial Streets, Surface Water Management, and Marina Depreciation and Improvement funds.

At the December 12, 2002 meeting, Council members authorized several changes to the 2003 – 2008 Capital Improvement Plan (CIP). Staff has incorporated those changes into the 2003 – 2008 CIP. Two motions remain pending in consideration of adopting Draft Resolution 02-247. One of the motions is to remove the Marine View Drive Bridge project from the Surface Water Capital Fund and to return the Public Works Trust Fund loans. The motion prior to this motion was to approve Draft Resolution No. 02-247 as amended with the understanding that all funds freed up from the changes made to the Municipal Capital Improvement (MCI) project listing be transferred into the Arterial Street Maintenance Program. Staff has incorporated the changes per the pending motion into the CIP that would authorize the transfer of the freed up MCI funds into the Arterial Street Maintenance Program. For the pending motion regarding the removal of the Marine View Drive Bridge project and return of the Public Works Trust Fund loans, staff has provided two CIP project summaries for Council's review. One CIP summary includes the Marine View Drive Bridget project and related Public Works Trust fund loans and one CIP summary excludes the Marine View Drive Bridget project and the return of the Public Works Trust fund loans.

Recommendation

It is recommended that the City Council adopt Draft Resolution No. 02-247, approving the City of Des Moines 2003-2008 Capital Improvement Plan, as modified.

CITY ATTORNEY'S FIRST DRAFT 11/07/02

DRAFT RESOLUTION NO. 02-247

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON, relating to capital improvement planning, adopting the 2003-2008 City of Des Moines Capital Improvement Plan, and superseding Resolution No. 919.

WHEREAS, the City Council of the City of Des Moines adopted the 2002-2007 Capital Improvement Plan by Resolution No. 919, and

WHEREAS, the City Council finds it to be in the public interest to adopt the 2003-2008 Capital Improvement Plan; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

Sec. 1. The City of Des Moines Capital Improvement Plan 2003-2008 is adopted by reference, as a guide for future capital improvement projects and policies.

Sec. 2. The City Manager is directed to submit to the City Council, for approval or adoption, annual updates to the Des Moines Capital Improvement Plan at least once a year.

Sec. 3. The City Manager is directed to submit to the City Council, for approval or adoption, amendments to specific projects contained in the Capital Improvement Plan when any project exceeds or will exceed budgetary authorization.

Sec. 4. The City Manager is directed to submit to the City Council, for approval, significant changes to the scope of any project contained in the Capital Improvement Plan as adopted in this resolution. Determinations regarding what constitutes a significant change in a CIP project shall rest with the City Manager, provided in all circumstances that the provisions of Sec. 3 are enforced. Finally, three City Councilmembers may determine a significant change has occurred or is proposed to occur with respect to any project contained in the CIP, which determination shall bring the matter before the full City Council for approval or authorization.

Sec. 5. Any new capital project meeting the criteria for inclusion in the CIP shall not be authorized without review and amendment to the 2003-2008 Capital Improvement Plan by the City Council.

Sec. 6. Resolution No. 919 is hereby superseded.

ADOPTED BY the City Council of the City of Des Moines, Washington this ____day of November, 2002 and signed in authentication thereof this ____day of November, 2002.

____
M A Y O R

APPROVED AS TO FORM:

____
City Attorney

ATTEST:

____
City Clerk

DRAFTRES/02-247

2003 – 2008
CAPITAL IMPROVEMENT PLAN

CITY OF DES MOINES

Municipal Capital Improvements Fund

	2003	2004	2005	2006	2007	2008
PARKS AND RECREATION PROJECTS						
Des Moines Beach Park Repairs	$14,500					
Field House Renovation CDBG & WA Heritage	$160,090					
Steven J Underwood Memorial Park Phase I- IB	$233,300	$160,512				
Parks & Recreation Master Plan	$20,000					
Woodmont Park Land Acquisition (Removed per Council Decision)						
Community Center						$6,643,440
Steven J Underwood Memorial Park Phase II			$858,720	$360,000		
Des Moines Creek Trail-Phase II (Removed per Council Decision)						
Play Equipment Replacement		$78,410	$161,930	$145,016	$72,420	$60,440
TOTAL PARKS AND RECREATION PROJECTS	**$427,890**	**$238,922**	**$1,020,650**	**$505,016**	**$72,420**	**$6,703,880**
GENERAL GOVERNMENTAL PROJECTS						
Orthophotography (Removed per Council Decision)						
Accounting Software Upgrade	$137,339					
City Hall North Wing Remodel	$80,000					
City Hall Parking Lot			$46,500			
TOTAL GOVERNMENTAL PROJECTS	**$217,339**	**$0**	**$46,500**	**$0**	**$0**	**$0**
TOTAL PROJECT EXPENDITURES	**$645,229**	**$238,922**	**$1,067,150**	**$505,016**	**$72,420**	**$6,703,880**

Arterial Street Fund

	2003	2004	2005	2006	2007	2008
REOCCURRING PROJECTS						
Arterial Maintenance Program	$350,000	$400,000	$550,000	$381,250	$350,000	$1,018,967
Neighborhood Traffic Control Program	$16,000					
PROJECTS CONTINUED FROM PRIOR YEARS						
Pacific Highway South, S. 216th to KDM (1998-2002)	$7,075,830	$7,834,758				
16th Ave South Improvements (Phase 1)	$350,089	$4,714,166				
KDM Road/16th Ave. to 24th Ave.	$96,356					$200,000
NEW PROJECTS						
Marine View Dr Pedestrian Improvement	$108,500	$397,500				
10th Avenue S Culvert Replacement	$142,550					
Pacific Ridge Sidewalks			$133,154			
Wesley Homes Pedestrian Signal	$73,000					
S 216th St and 24th Ave S Signal	$436,900					
North Twin Bridge Project				$116,438	$1,047,938	
TOTAL PROJECT EXPENSES	**$8,649,225**	**$13,346,424**	**$683,154**	**$497,688**	**$1,397,937**	**$1,218,967**

Marina Depreciation & Improvement Fund

PROJECT EXPENSES	2003	2004	2005	2006	2007	2008
Dry Stack Storage	$953,820			$130,300		
Electrical Upgrades M & N Docks	$225,000	$275,000				
Redondo Improvements	$1,238,000					
Expanded Guest Moorage Phase I	$342,500	$342,500				
North Seawall and Sidewalk			$985,000			
Electrical Upgrades K & L Docks	$250,000					
South Parking Lot Improvements		$200,000				
Expanded Guest Moorage Phase II				$2,200,000	$2,200,000	
Commercial Building				$250,000		
Seawall Replacement Project, N to I Dock					$1,610,000	
Seawall Replacement Project, H to A Dock						$1,400,000
South Marina Restroom Upgrade		$25,000				
South Marina Restroom Replacement					$250,000	
Floating Dock Replacement and Reconfiguration Phase I					$450,000	
Building Repairs-Restaurant and Boat Yard		100,000				
TOTAL PROJECT EXPENSES	$3,009,320	$942,500	$985,000	$2,580,300	$4,510,000	$1,400,000

Surface Water Capital Fund

	2003	2004	2005	2006	2007	2008
PROJECT EXPENSES						
Marine View Drive Bridge *	$2,680,900	$3,043,400				
Des Moines Creek Basin Projects	$507,700	$1,081,500	$154,800	$87,300		
Woodmont Culvert/Overflow	$97,000					
McSorley Creek Basin Plan			$100,000			
10th Avenue Culvert Replacement	$823,000					
Barnes Creek Detention Facility/Culvert		$960,050	$315,000			
Barnes Creek/KDM Rd. Culvert Repl.			$39,500	$279,600		
199th N Hill Trunk Line					$280,170	
Lower Massey Creek Channel					$100,000	$603,100
TOTAL PROJECT EXPENSES	**$4,108,600**	**$5,084,950**	**$609,300**	**$366,900**	**$380,170**	**$603,100**
*REVISED TOTALS WITHOUT MVD BRIDGE	**$1,427,700**	**$2,041,550**				

AGENDA ITEM

BUSINESS OF THE CITY COUNCIL
City of Des Moines, WA

SUBJECT:
Regarding adoption of Year 2003 Budget

ATTACHMENTS:
Draft Ordinance No. 02-246
Appendix A (Option 1 with the Marine View Drive Bridge)
Appendix A (Option 2 without the Marine View Drive Bridge)

FOR AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Finance

DATE SUBMITTED: December 16, 2002

CLEARANCES:
[ ] Finance pl

APPROVED BY CITY MANAGER

FOR SUBMITTAL:

Purpose and Recommendation

Adoption of Draft Ordinance No. 02-246 adopting the Year 2003 Budget if the Council so chooses.

Suggested motion:
"To move to adopt Draft Ordinance No. 02-246 with Appendix A (Option 1 with the Marine View Drive Bridge) for the Year 2003 Budget."

OR

"To move to adopt Draft Ordinance No. 02-246 with Appendix A (Option 2 without the Marine View Drive Bridge) for the Year 2003 Budget."

Background

The 2003 budget has been discussed over the last several months. The City Council has provided final policy direction that has been incorporated into the 2003 budget and is summarized in Appendix A. At the December 12, 2002 Council Meeting, a motion was left pending that addressed the removal of the Marine View Drive Bridge project from the Surface Water Capital Fund, returning the Public Works Trust Fund loan funds. Staff has provided Option 1 and Option 2 of Appendix A, for Council's final approval. Option 1 includes the budget for the Marine View Drive Bridge project and Option 2 excludes the budget. The additional changes that have been incorporated into the final budget are as follows:

Approximately $85,000 was added to personnel benefits to cover the new Labor and Industries rates.

Membership dues of $2,960 for 2003 were added, to join the Economic Development Council.

$30,000 was budgeted to be transferred from the Revenue Stabilization Fund to the General Fund to provide for two efficiency studies, $15,000 for the permitting procedures, and $15,000 for landscaping maintenance.

The Mt. Rainier Pool Contributors Fund was created to account for all contributions to be used for the continued operation, management, and maintenance of the Mt. Rainier Swimming Pool. $75,000 was budgeted to be transferred from the General Fund to the Mt. Rainier Pool Contributors Fund to pay for the City of Des Moines' contribution.

The following changes have been incorporated into the Arterial Streets Fund budget. The amount of $74,000 was budgeted to be transferred from the Arterial Streets Fund to the General Fund to pay for a civil engineer, who will assist in managing the current projects for the next two (2) years; $500,000 has been added for the Pacific Highway South project; $16,000 for the Neighborhood Traffic Control Program; and $108,500 for the Marine View Drive Bridge Pedestrian Improvement.

Fund 402, the Marina Bond and Interest Sinking Fund, was not previously budgeted, with the 1968 bonds to be retired in 2002. Per the 1968 bonds covenant, this fund cannot be retired until April 2003. The closing of this fund and the transfer of fund balance to Fund 401 is now budgeted in 2003.

Fund 403, the Marina Repair and Replacement Fund, was not previously budgeted, with the 1968 bonds to be retired in 2002. Per the 1968 bond covenant, this fund cannot be retired until April 2003. At Council's direction, the fund will continue to exist with a maximum funding level of $1,000,000 and is now budgeted in 2003.

Alternatives

None.

Recommendation

It is recommended that the City Council adopt Draft Ordinance No. 02-246.

Concurrence

None.

CITY ATTORNEY'S FIRST DRAFT, 11/05/02

DRAFT ORDINANCE NO. 02-246

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON adopting the final budget for the City of Des Moines, Washington, for the fiscal year ending December 31, 2003, in summary form, ratifying and confirming revenues and expenditures previously implemented for fiscal year 2002, as such revenues and expenditures form the basis for development of the budget for fiscal year 2003, approving revenues and expenditures for fiscal year 2003, and temporarily suspending the effect of any ordinance, code provision or other City requirement with which the fund adjustments and transfers proposed by the City Manager for the 2003 budget might be inconsistent.

WHEREAS, the City Manager for the City of Des Moines has prepared and submitted a preliminary budget for the fiscal year ending December 31, 2003 to the City Council and has filed this budget with the Finance Director, and

WHEREAS, the City Council finds that the City Manager's proposed budget for fiscal year 2003 reflects revenues and expenditures that are intended to ensure provision of vital municipal services at acceptable levels, and

WHEREAS, the City Council finds that the City Manager's proposed budget for fiscal year 2003 appropriately relies upon anticipated year-end balances derived from revenues and expenditures previously approved and authorized by the City Council as part of the City's budget for fiscal year 2002, and

WHEREAS, the City Council finds that the fund adjustments and transfers proposed by the City Manager for fiscal year 2003 are necessary and in the public's interest, and

WHEREAS, by motion regularly passed, the Des Moines City Council scheduled a public hearing for November 14, 2002, to take public comment with respect to the proposed 2003 budget, and

WHEREAS, notice of the public hearing was given to the public in accordance with law and a public hearing was held on the 14th day of November, 2002, and all persons wishing to be heard were heard; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

Sec. 1. The findings set forth in the preamble to this ordinance are hereby adopted and incorporated by reference.

Sec. 2. Based on the findings adopted herein, the City Council temporarily suspends the effect of any ordinance, code provision or other City requirement with which the fund adjustments and transfers proposed by the City Manager for the 2003 budget might be inconsistent.

Sec. 3. The fund adjustments and transfers proposed by the City Manager for fiscal year 2003, which are incorporated in the preliminary budget for fiscal year 2003, are hereby authorized and approved by the City Council.

Sec. 4. Because the City's budget for fiscal year 2003 relies upon anticipated year-end fund balances or shortages derived from revenues collected and expenditures incurred in fiscal year 2002, the City Council hereby ratifies and confirms all revenues, from whatever source derived, and expenditures incurred by the City to the extent such revenues and expenditures are in accordance with the City's budget for fiscal year 2002 or any subsequent budget amendments formally approved by the City Council.

Sec. 5. The City Council hereby adopts, affirms and approves any and all revenues, from whatever source derived, and expenditures as referenced in the attached budget for fiscal year 2003.

Sec. 6. The final budget for the City of Des Moines' fiscal year 2003 is hereby adopted and approved in summary form as set forth in the attached Appendix "A", which is by this reference incorporated herein.

Sec 7. Severability - Construction.

(1) If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not effect the validity of the remaining portions of this ordinance.

(2) If the provisions of this ordinance are found to be inconsistent with the other provisions of the Des Moines Municipal Code, this ordinance is deemed to control.

Sec 8. Effective date. This ordinance shall take effect and be in full force (5) five days after its passage, approval and publication in accordance with law.

PASSED BY the City Council of the City of Des Moines this 14th day of November, 2002 and signed in authentication thereof this 14th day of November, 2002.

____
M A Y O R

APPROVED AS TO FORM:

____
City Attorney

ATTEST:

____
City Clerk

Published: ______________

DRAFT ORDINANCE NO. 02-246
APPENDIX A

OPTION 1

	2003 BUDGET	Expenditure	Ending Fund Balance	Total	Revenue	Beginning Fund Balance	Total
001	General Fund	12,620,868	1,012,333	13,633,201	13,339,918	293,283	13,633,201
101	Street Fund	815,297	404,691	1,219,988	818,000	401,988	1,219,988
102	Arterial Street Fund	8,869,865	1,191,315	10,061,180	8,530,469	1,530,711	10,061,180
104	Revenue Stabilization Fund	30,000	1,275,066	1,305,066	22,000	1,283,066	1,305,066
105	Airport Defense Fund	172,070	74,255	246,325	155,500	90,825	246,325
106	Facility Repair and Replacement Fund	80,000	163,647	243,647	64,752	178,895	243,647
107	Police Drug Seizure Fund	20,000	-	20,000	20,000	-	20,000
110	Mt. Rainier Pool Contributors Fund	217,620	-	217,620	217,620	-	217,620
150	Grant Control Fund	146,936		146,936	146,936	-	146,936
211	1995 GO Bond - Police Facility	562,675	3,847	566,522	562,675	3,847	566,522
212	LID Fund	51,656	-	51,656	51,656	-	51,656
216	1997 GO Bond - City Hall Remodel	133,343	10,585	143,928	133,343	10,585	143,928
218	1998 GO Park Land Acquisition	168,643	-	168,643	168,643	-	168,643
220	Debt Service Fund	25,640	-	25,640	25,640	-	25,640
310	Municipal Capital Improvements	1,322,215	127,055	1,449,270	1,261,066	188,204	1,449,270
401	Marina Revenue Fund	2,929,822	491,318	3,421,140	3,367,316	53,824	3,421,140
402	Marina Bond and Sinking Interest	497,401	-	497,401	2,000	495,401	497,401
403	Marina Repair and Replacement	-	313,876	313,876	1,200	312,676	313,876
404	Marina Depreciation & Improvement	3,009,320	2,389,965	5,399,285	879,250	4,520,035	5,399,285
450	Surface Water Operations Fund	1,225,000	100,000	1,325,000	1,225,000	100,000	1,325,000
451	Surface Water Capital Fund	4,188,747	1,889,117	6,077,864	4,932,415	1,145,449	6,077,864
500	Equip Rental Operations	277,053	145,201	422,254	273,880	148,374	422,254
501	Equip Rental Replacement	-	927,829	927,829	16,000	911,829	927,829
510	Computer Equipment Operations Fund	149,603	16,195	165,798	136,300	29,498	165,798
511	Computer Equipment Capital Fund	15,000	56,439	71,439	1,200	70,239	71,439
520	Self-Insurance Fund	407,948	78,320	486,268	397,999	88,269	486,268
530	Unemployment Insurance Fund	20,000	264,058	284,058	25,500	258,558	284,058
	TOTAL	37,956,722	10,935,112	48,891,834	36,776,278	12,115,556	48,891,834

DRAFT ORDINANCE NO. 02-246
APPENDIX A

OPTION 2

	2003 BUDGET	Expenditure	Ending Fund Balance	Total	Revenue	Beginning Fund Balance	Total
001	General Fund	12,620,868	1,012,333	13,633,201	13,339,918	293,283	13,633,201
101	Street Fund	815,297	404,691	1,219,988	818,000	401,988	1,219,988
102	Arterial Street Fund	8,869,865	1,191,315	10,061,180	8,530,469	1,530,711	10,061,180
104	Revenue Stabilization Fund	30,000	1,275,066	1,305,066	22,000	1,283,066	1,305,066
105	Airport Defense Fund	172,070	74,255	246,325	155,500	90,825	246,325
106	Facility Repair and Replacement Fund	80,000	163,647	243,647	64,752	178,895	243,647
107	Police Drug Seizure Fund	20,000	-	20,000	20,000	-	20,000
110	Mt. Rainier Pool Contributors Fund	217,620	-	217,620	217,620	-	217,620
150	Grant Control Fund	146,936		146,936	146,936	-	146,936
211	1995 GO Bond - Police Facility	562,675	3,847	566,522	562,675	3,847	566,522
212	LID Fund	51,656	-	51,656	51,656	-	51,656
216	1997 GO Bond - City Hall Remodel	133,343	10,585	143,928	133,343	10,585	143,928
218	1998 GO Park Land Acquisition	168,643	-	168,643	168,643	-	168,643
220	Debt Service Fund	25,640	-	25,640	25,640	-	25,640
310	Municipal Capital Improvements	1,322,215	127,055	1,449,270	1,261,066	188,204	1,449,270
401	Marina Revenue Fund	2,929,822	491,318	3,421,140	3,367,316	53,824	3,421,140
402	Marina Bond and Sinking Interest	497,401	-	497,401	2,000	495,401	497,401
403	Marina Repair and Replacement	-	313,876	313,876	1,200	312,676	313,876
404	Marina Depreciation & Improvement	3,009,320	2,389,965	5,399,285	879,250	4,520,035	5,399,285
450	Surface Water Operations Fund	1,225,000	100,000	1,325,000	1,225,000	100,000	1,325,000
451	Surface Water Capital Fund	1,507,847	609,042	2,116,889	971,440	1,145,449	2,116,889
500	Equip Rental Operations	277,053	145,201	422,254	273,880	148,374	422,254
501	Equip Rental Replacement	-	927,829	927,829	16,000	911,829	927,829
510	Computer Equipment Operations Fund	149,603	16,195	165,798	136,300	29,498	165,798
511	Computer Equipment Capital Fund	15,000	56,439	71,439	1,200	70,239	71,439
520	Self-Insurance Fund	407,948	78,320	486,268	397,999	88,269	486,268
530	Unemployment Insurance Fund	20,000	264,058	284,058	25,500	258,558	284,058
	TOTAL	35,275,822	9,655,037	44,930,859	32,815,303	12,115,556	44,930,859

NEW BUSINESS
Item #2

AGENDA ITEM

SUBJECT: Traffic Impact Fees

ATTACHMENTS:

1. Draft Ordinance No. 02-264 Adopting the use of traffic impact fees
2. Comparison of traffic impact fees charged by other cities
3. Map of projects
4. Chart of Impact Fee Calculation and Recommended Cost
5. Potential Impact Fees per Unit of Development
6. Pacific Ridge Core Transportation Projects

AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Public Works

DATE SUBMITTED: December 6, 2002

CLEARANCES:
[X] Finance
[X] Public Works
[X] Legal

APPROVED BY CITY MANAGER FOR SUBMITTAL: CTL for TP

Purpose and Recommendation:

The purpose of this agenda item is get input from the full Council regarding the use of traffic impact fees, and to approve the first reading of Draft Ordinance 02-264. This agenda item will come back for a second reading with adjustments based on the Council's direction.

Suggested Motions

"I move to approve the first reading of Draft Ordinance 02-264 adopting the use of traffic impact fees."

Background:

The analysis of the present and future transportation needs has been studied and is included in the Comprehensive Transportation Plan which was presented to Council for a public hearing and approved at the December 5th meeting. The plan lists around $100 million (in 2001 dollars) in capital projects which should be done between 2001 and 2020. While the City has done relatively well at getting grant funding to cover part of its transportation projects, grants require matches, and some times grants are not available. In order to accomplish the critical projects, an additional source of funding is needed. Existing Arterial Street funding does not even cover keeping up with pavement maintenance on existing streets.

While there are only limited sources of funding available to pay for street projects due to State law, the City of Des Moines is even more limited due to our residential tax base. As the Council Public Safety and Transportation Committee discovered when they evaluated the alternatives to finance transportation needs, there really is only one source at this point in time that has the possibility of raising a significant amount of money, and that is traffic impact fees. But it should be kept in mind that even if the traffic impact fees are at the optimum level, they still will only raise approximately one third of the needed funding. The rest must come from grant funding and, in some cases, lower priority projects will not be constructed.

It also needs to be pointed out that the Washington State Growth Management Act (GMA) requires that Cities have a legitimate plan for building transportation projects needed as a result of growth. GMA allows agencies to implement impact fee programs to help offset the cost of transportation facilities needed to accommodate growth. To meet basic GMA requirements, an impact fee shall be:

- Related to improvements to serve new development, not existing deficiencies.
- Assessed proportionally to the impacts of new development.
- Allocated for new improvements that reasonably benefit new development.
- Spent on facilities identified in the capital facilities plan.

It is important to note that impact fees are not limited to new capital projects. An agency may impose impact fees to cover costs of previous improvements, provided they meet the above criteria. As identified in the above criteria, impact fees can only be used for improvements that are needed due to future growth. Therefore, the costs for non-capital projects such as annual maintenance and operations are not included in an impact fee program. The cost of roadway capacity-added projects can be assessed as impact fees proportional to the relative impact of new development to total growth. In that way the fee is fair to the developers since it is based on a measurement of how much they are expected to affect the road system in the City.

Based on the growth which is projected in the Greater Des Moines Comprehensive Plan which feeds into the Comprehensive Transportation Plan (CTP) travel demand model, total PM peak hour trip generation within the city of Des Moines is expected to increase significantly between 1998 and 2020. The 1998-2020 growth in trip generation accounts for 43.9 percent of the total 2020 traffic generation within the City. Only the basic roadway capacity-added improvement projects are included in the impact fee program (see Attachment 3). To keep an impact fee program relatively simple, the city would base it on a single, city-wide district versus the concept of multiple districts which some other cities use. This decision made by the Public Safety and Transportation Committee reflects an analysis based on a three-district concept that showed all districts to be within 15 percent of the city-wide average. In implementing a traffic impact fee program, the city would use methodologies for computing new PM peak trips based on the most current edition of the Institute of Transportation Engineers Trip Generation Manual or, for businesses not clearly described in this manual, other industry sources or technical studies as approved by the Public Works Director. Examples of how this proposed fee will affect development is shown on Attachment 5.

It does need to be pointed out that the City of Des Moines does have an approved localized traffic impact fee program in the Pacific Ridge area which was instituted last year as a way to provide needed local street improvements in order to serve the development in that specific area. The "core transportation projects" for Pacific Ridge are shown in Attachment 6. According to Ordinance 1298, development within the "Mitigation Boundary" will receive special treatment when and if city-wide impact fees are adopted. The residential developments located east of Pacific Highway South are to pay the highest Pacific Ridge Transportation Mitigation Fee and thus are exempted from the city-wide fee. New development that fronts along the Pacific Highway south Corridor are to pay a reduced Pacific Ridge Transportation Mitigation Fee which is to be credited toward a city-wide fee. As a result of the conditions associated with Ordinance 1298, the overall City transportation fees are estimated be about $6,750,000 less than the total calculated in Attachment 4, or about $30 million.

The analysis used to calculate the city-wide transportation impact fee is a complicated, detailed computation which splits out the projects that are needed as a result of growth within the city of

Des Moines, from those City projects that are due to present deficiencies and do not add capacity, projects related to maintenance, and projects needed because of surrounding regional growth (see Attachment 4). A detailed description of the process used to determine the impact fee is included on pages 70 to 74 of the recently approved Comprehensive Transportation Plan. The reason for the complexity of the fee computation is to ensure that it is fair to the developers and will withstand legal scrutiny. The City's consultant on the Plan, The Transpo Group, is very familiar with those fees and the related calculation as they have worked with a number of Washington cities that have adopted a similar transportation fee plan.

Any adopted impact fee program also would need to meet the following provisions, per the GMA:

- Payments shall be held in a reserve account and may only be expended to fund capital improvements needed to mitigate a development's direct impact;
- Payments shall be expended within six years; and
- Provide refunds, with interest, if funds are not expended within six years.

The impact fee program "shall provide credits for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer, to facilities that are identified by the capital facilities plan and that are required by the county, city, or town as a condition of approving the development activity" (RCW 82.02.060(3)). As an example, a developer constructing required frontage improvements along an arterial street project included in the impact fee calculation would get a credit against the fees.

The impact fee program assumes that a given amount of development in the City will occur by 2020. If development levels assumed in the Comprehensive Transportation Plan take longer to actualize within the City, then the funding from impact fees will not match the Comprehensive Transportation Plan. However, if significant levels of forecast development are not in place by 2020, then several of the impact-fee eligible projects will not be needed because the traffic volumes will be lower.

Discussion:

Traffic impact fees have been discussed by the City of Des Moines City Council for many years and were recommended in the adopted 1993 Comprehensive Transportation Plan. A detailed analysis of needs caused by growth is contained in the "Developer Transportation Impact Fees" section of the recently adopted Comprehensive Transportation Plan (page 70). After a Council Public Safety and Transportation (PS&T) Committee review of the possible methods of financing transportation needs, it became obvious that traffic impact fees are the only way to cover these growth-induced needs at this time. Furthermore, Des Moines needs traffic impact fees as a source for grant matches. To even apply for grants, the City must identify a source of matching funds. Most grants require a match of between 20% and 30%.

The beauty of traffic impact fees is that development pays its own way, thus protecting the existing businesses and citizens from a situation of ever-worsening congestion. New development is assured that the money will go to specific projects that will offset the effects of growth that they themselves are creating. In this way, development is not only helping the City of Des Moines to address growth, but is also investing in its own future. Many cities have had traffic impact fees in effect for ten years and, if anything, it has made their cities the kind of places where a lot of development has taken place (e.g. Redmond, Auburn, Bellevue, and SeaTac).

There are various approaches which different cities have take to funding their transportation projects which are needed to meet the growth in their cities and thus comply with GMA. Much depends on the funding options available to the cities, the size of their staff, and what the Councils are willing to back. Attachment 2 is a list of some of the surrounding cities and other related examples, and what they are doing or plan to do to fund transportation needs and meet GMA. On one end of the scale is Kent which has a large industrial/commercial area which can support large local improvement districts (LID's), a big staff to assemble them, and a Council which is willing to grant approval even when there is loud opposition. Federal Way and Tukwila are in the process of studying transportation impact fees and are expecting to go to their Councils early next year. Burien is following the same path, but is not quite as far along. SeaTac and Auburn have had traffic impact fees for some time; however, they are both supplementing the expansion of their street system using other funding (parking fees at SeaTac and other tax revenues at Auburn). As a result, both these cities have chosen to only charge impact fees at a level of about one half the full rate. On the other hand, there are a number of cities who are successfully charging the full rate. Maple Valley is in a financial position very similar to Des Moines. They do not have alternate funding for transportation. As a result, they are assessing the full rate and have not noticed a change in their pace of development. Their fee is actually higher than what is being proposed by the Des Moines Comprehensive Transportation Plan.

Given the high level of transportation need in Des Moines and given the fact that we do not have an alternate source to fill in the funding void, Maple Valley is probably a better template for what the City of Des Moines should do.

Alternatives:

Cities are mandated to provide revenue to provide the transportation improvements needed to serve future growth under the GMA law. Traffic Impact fees are the best option for providing the revenue required for the City of Des Moines to address the requirements of this law. Council can choose to institute a traffic impact at a lower amount as some other cities have done. The problem with this approach is that the City of Des Moines does not have an alternate source of funds to make up the resultant shortfall.

Financial Impact:

Adopting a traffic impact fees program itself does not incur cost, however, traffic impact fees are the only revenue source at this time that will cover a significant portion of the costs incurred by the need for transportation improvements caused by growth in future City of Des Moines traffic demands. Traffic impact fees will only be charged on new growth, which will add additional trips to the transportation system.

Recommendation/Conclusion:

The PS&T Committee, after evaluating transportation needs and funding options, recommends that Council adopt the use of traffic impact fees.

Concurrence:

Finance and Legal

CITY ATTORNEY'S FIRST DRAFT 11/21/02

DRAFT ORDINANCE NO. 02-264

AN ORDINANCE OF THE CITY OF DES MOINES, WASHINGTON establishing a transportation impact fee service area, imposing impact fees therein to finance part of the costs of improvements to serve new development; providing for the disposition of such impact fees, and establishing an appeal process.

WHEREAS the City is authorized by RCW 82.02, the Growth Management Act ("the GMA"), and by RCW 39.92, the Local Transportation Act, to require new growth and development within the City of Des Moines to pay a proportionate share of the cost of new facilities to serve such new growth and development through the assessment of impact fees; and

WHEREAS, as part of the Greater Des Moines Comprehensive Plan the City has adopted a Comprehensive Transportation Plan which identifies deficiencies in public transportation facilities and identifies the means by which such deficiencies could be eliminated; and

WHEREAS, the City Council has found and determined that it is in the best interests of the City, in order to insure a fair and predictable method for allocating the share of the cost of such new public facilities, to impose impact fees on the new growth and development activities;

Now, Therefore:

THE CITY COUNCIL OF THE CITY OF DES MOINES ORDAINS AS FOLLOWS:

NEW SECTION Sec. 1. Definitions.

Use of words and phrases. As used in this ordinance, unless the context or subject matter clearly requires otherwise, the words or phrases defined in this section shall have the indicated meanings.

ATTACHMENT 1

"Building permit" means any written authorization from the City which authorizes the commencement of development activity.

"City" means the City of Des Moines, Washington.

"City Comprehensive Plan" means the Greater Des Moines Comprehensive Plan, adopted pursuant to the GMA.

"Development activity" means any construction or expansion of a building or structure that creates additional demand on and/or need for public facilities, but not interior remodeling that does not change the PM Peak trips as categorized in the Comprehensive Transportation Plan to the Greater Des Moines Comprehensive Plan or of the applicable code or regulation of the City.

"GMA" means the Washington State Growth Management Act, codified as RCW 82.02.050 through 82.02.090, as now in existence, or as hereinafter amended.

"Hearing Examiner" means the Hearing Examiner of the City of Des Moines, pursuant to Chapter 18.94 of the Des Moines Municipal Code.

"Impact fee" means a payment of money imposed by the City upon development activity as a condition of issuance of a building permit to pay for public facilities needed to serve new growth and development, and to mitigate the impacts of the development activity on the transportation facilities of the City, but does not include any permit or application fee.

"Owner" means the owner of record of real property. If real property is being purchased under a real estate contract, the purchaser shall be considered the owner of real property if the contract is recorded.

"Public facilities" as used in this section refers to public streets, roads and rights-of-way owned or operated by the City for other governmental entities, including trails, paths, bikeways, other transportation facilities and all attendant improvements.

"Service area" means the development impact fee service area of the City identified in Section 3.

"Transportation facilities" means and refers to streets and roads, but includes all publicly owned streets, roads, alleys and right-of-ways within the City and street services, traffic control devices, curbs, gutters, sidewalks and related facilities and improvements.

NEW SECTION. Sec. 2. Transportation impact fees established.

There is established, subject to the provisions of this chapter, a transportation impact fee program.

NEW SECTION. Sec. 3. Establishment of service area.

The City hereby establishes, as the service area for development impact fees, the City of Des Moines, including all property located within the corporate limits of the City. The scope of the service area is hereby found to be reasonable and established on the basis of sound planning and engineering principles.

NEW SECTION. Sec. 4. Imposition of impact fee on development activity.

A. The City hereby authorizes the assessment and collection of impact fees on development activity within the City, at the calendar year 2001 rate of Two Thousand Five Hundred Thirty Nine ($2,539.00) per peak p.m. trip, as computed using methodologies from the most current edition of the Institute of Transportation Engineers Trip Generation Manual or other industry sources approved by the Pubic Works Director. This impact fee shall be adjusted annually based on the construction cost index for the Seattle area as reported in the Engineering News Record periodical.

B. Such impact fees shall:

1. Only be imposed for system improvements that are reasonably related to new development; and,

2. Not exceed a proportionate share of the cost of the system improvements, including the costs of previously constructed system improvements, reasonably related to new development; and,

3. Be used for system improvements that will reasonably benefit new development; and,

4. Be used for facilities identified in the Comprehensive Transportation Plan as "Intersection and Roadway Capacity Improvement Projects for the Traffic Impact Fee Program."

B. Such impact fee schedule is based upon the formula for calculating the proportionate share of the cost of the system improvements, including the costs of previously constructed system improvements, necessitated by new development to be borne by impact fees, which formulas are described in the Comprehensive Transportation Plan element of the Greater Des Moines Comprehensive Plan and incorporated herein by this reference.

C. The impact fees imposed pursuant to this chapter shall be assessed by the City at the time of the application for the building permit, and shall be due and payable, in whole at the time of issuance of such permit without interest.

D. Failure to pay the impact fees for a given development activity at the time of assessment shall result in denial of the building permit for which the owner has applied.

E. The impact fee program shall provide credits for the value of any dedication of land for, improvement to, or new construction of any system improvements provided by the developer, to facilities that are identified in the Comprehensive Transportation Plan as "Intersection and Roadway Capacity Improvement Projects for the Traffic Impact Fee Program." The value for which credit shall be given is the estimated value used for Impact Fee calculation in the Comprehensive Transportation Plan.

NEW SECTION Sec. 5. Disposition of impact fee revenues.

A. The impact fees collected pursuant to the provisions of this chapter shall be deposited into an impact fee fund. Pending application as provided in this chapter, the monies deposited in the impact fee fund shall be invested in any investment authorized for the investment of City funds. All interest and profits derived from the investment of monies in each account in the impact fee fund shall be retained in such account.

B. The impact fees deposited in each account in the impact fee fund, and the interest and profit received from the investments therefrom shall be expended only for public facilities of the type for which such impact fees were collected, in conformity with the Greater Des Moines Comprehensive Plan and Comprehensive Transportation Plan. and expended or encumbered within six years of receipt by the City, unless written findings by the City Council identify an extra-ordinary and compelling reason for the City to hold the fees for a longer time. The City shall account for annual expenditures and shall comply with this section in successive comprehensive plans, transportation plans and capital facilities plans as appropriate.

C. The City shall prepare an annual report on the impact fee fund which shows the source and amount of all monies collected, earned or received and the public facilities that were financed in whole or in part by impact fees.

NEW SECTION Sec. 6. Refunds.

A. The City shall, in accordance with RCW 82.02.080, refund to the current owners of property on which an impact fee has been paid any impact fees paid with respect to such property that has not been expended or encumbered for public facilities of the type of which such impact fees were collected.

B. The City shall also refund to the current owner of property of which an impact fee has been paid all impact fees paid with respect to such property if the development activity for which the impact fee was imposed did not occur and no impact has resulted; provided, that if some, but not all, of the development activity for which the impact fee was imposed occurred, the impact will be deemed to have occurred, and no refund shall be available under this section.

C. Owners seeking a refund of impact fees must submit a written request for a refund of impact fees to the City Manager or designee within one (1) year of the date the right to claim the refund arises, which, for purposes of refund claims authorized pursuant to paragraph B of this section only, shall be the date of voluntary or involuntary abandonment of the building permit, or the date that notice is given as provided in paragraph A of this section, which ever occurs later. Refunds of impact fees shall include interest and any profits earned on the impact fees from the date of their receipt to the date of refund, as a percentage of the interest/profits earned by the fund on an annual basis. Any impact fees not expended within the time limitations and for which no application for a refund has been made within the one (1) year claim period, shall be retained by the City and expended on public facilities of the type for which such impact fees were initially collected, without further limitation as to the time of expenditure.

NEW SECTION Sec 7. Appeals.

A. The determination of the City Manager or designee regarding the applicability of the impact fee to a given development activity within the service area shall be final, however an owner may pay an impact fee imposed pursuant to this chapter under protest in order to obtain a building permit and, after such payment, file an appeal regarding the amount of the impact fee to the Hearing Examiner within ten (10)days of the City's final decision under the provisions of the hearing examiner code, DMMC Chapter 18.94.

B. Appeal regarding the amount of the impact fee imposed on any development activity may only be taken by the owner of the property where such development activity shall occur.

NEW SECTION Sec. 8. Termination date of authority to collect and expend impact fees.

The City's authority to collect and expend impact fees pursuant to this chapter shall be effective until the earlier of (a) the repeal of the ordinance codified in this chapter, or (b) the determination by the State of Washington of the authorization to collect and expend impact fees.

NEW SECTION. Sec. 9. Severability - Construction.

A. If a section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

B. If the provisions of this ordinance are found to be inconsistent with other provisions of the Des Moines Municipal Code, this ordinance is deemed to control.

NEW SECTION. Sec. 10. Effective date.

This ordinance shall take effect and be in full force five (5) days after its passage, approval, and publication in accordance with law.

PASSED BY the City Council of the City of Des Moines this ____ day of __________, 200_ and signed in authentication thereof this ____ day of ________, 200_.

____
M A Y O R

APPROVED AS TO FORM:

____
City Attorney

ATTEST:

____
City Clerk

Published:

Effective Date:

Status of Transportation Impact Fees in Other Cities	
Arlington	$1,038 per pm peak trip
Auburn	Auburn currently charges only a portion of their calculated impact fee need.
Des Moines	$2,539 per pm peak trip proposed
Duvall	$2,682 per pm peak trip
Federal Way	Hopes to implement a program in early 2003.
Kent	Finances most of their needs through the LID process.
Maple Valley	$3,599 per pm peak trip Has had a program since incorporation; Started at $807 per pm peak trip; Raised the fees each year to the current $1,802 and has adopted an increase to $3,599 per pm peak trip for 2003; Discussions with their Engineer indicate that the program has been successful and they continue to see development.
SeaTac	$1,020 per pm peak trip Finances some of their needs through parking fees.
Tukwila	Plans to investigate a program in 2003.

ATTACHMENT 2

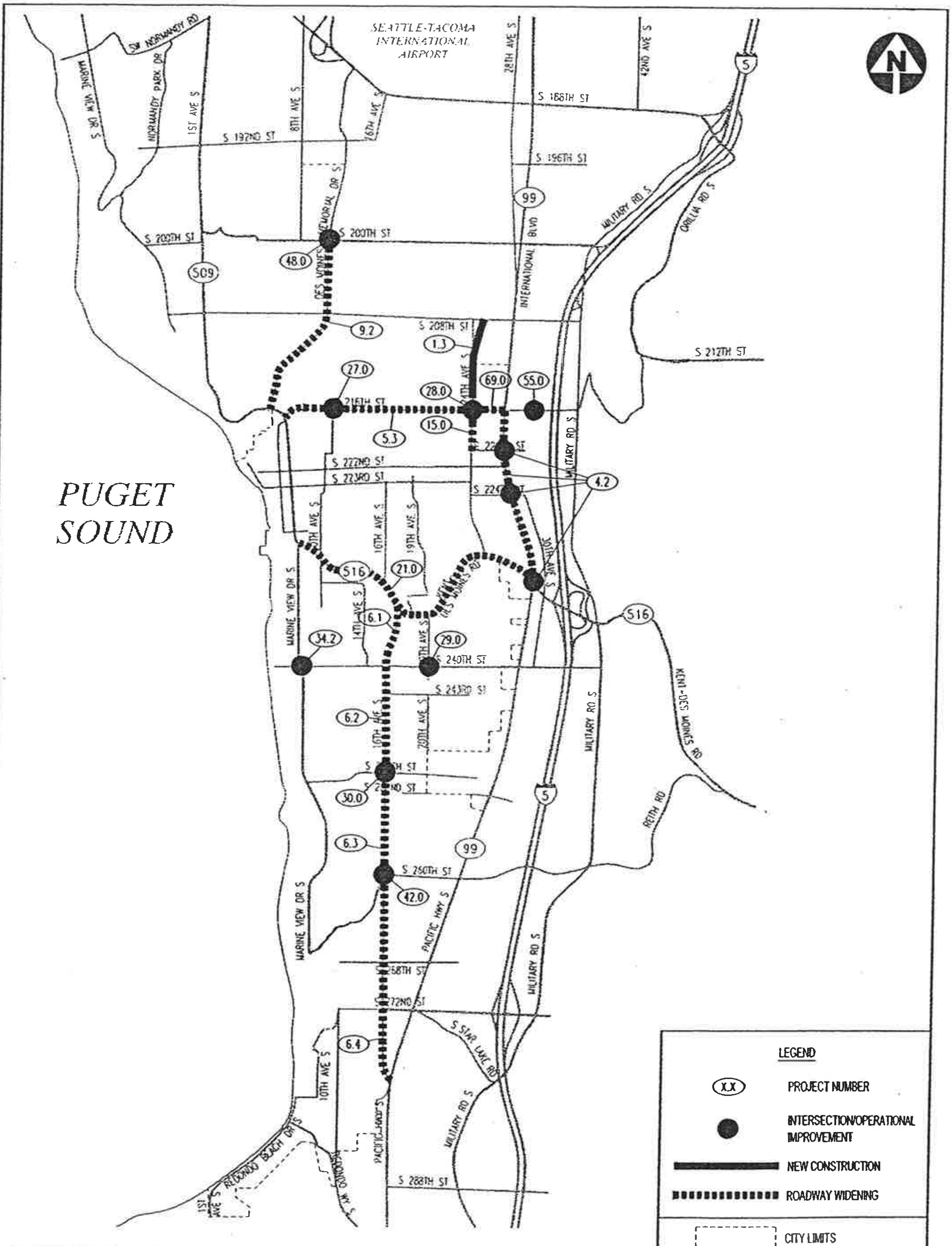


Figure 17

Potential Intersection and Roadway Capacity Improvement Projects for Traffic Impact Fee Program

City of Des Moines Comprehensive Transportation Plan

ATTACHMENT 3

M:\98\98007\Acad\Graphic17 <J> lindak 12/06/01 13:11

IMPACT FEE CALCULATION

		Percent of Total Cost
Total Cost [1] (2001-2020)	$112.763,500	100%
Less-Non Capacity Capital Projects	-$51,470,000	46%
Less-Non Capital (Art.,Main.,NTC,etc.)	-$13,883,500	12%
Capacity-Added Projects	$47,410,000	42%
Capacity-Added Projects	$47,410,000	42%
Less City/Regional Share (through traffic growth)	-$10,429,000	9%
Maximum Potential Impact Fee Funding	**$36,981,000**	**33%**

[1] Estimated total project cost in 2001 dollars. Costs are conceptual and take into consideration, if necessary, ROW acquisition costs but do not include costs associated with mitigating potential environmental impacts.

Basic Roadway Capacity - Added Project (City-Wide)

Maximum Potential Impact Fee Funding [2]	$36,981,000
Total New PM Peak Hour Trips	14,563
Cost per PM Peak Hour Trip	**$2,539**

[2] Estimated total project costs in 2001 dollars. Costs are conceptual and take into consideration, if necessary, ROW acquisition costs, but do not include costs associated with mitigating potential environmental impacts.

ATTACHMENT 4

ATTACHMENT 5

POTENTIAL IMPACT FEES per UNIT OF DEVELOPMENT

Land Use	ITE Land Use Code	Average PM Peak Hour Trip Generation Rate[1]	Pass-By %[2,3]	Net New Trip Rate[4]	City-Wide Average Impact Fee[5]
Office (per 1,000 gsf)	710	1.49	-	1.49	$3.78/sq ft
Business Park (per 1,000 gsf)	770	1.29	-	1.29	$3.28/sq ft
Light Industrial (per 1,000 gsf)	110	0.98	-	0.98	$2.49/sq ft
Retail					
Shopping Center (per 1,000 gsf, for example, 25,000 gsf)	820	10.06	34%	6.64	$16.86/sq ft
Quality Restaurant (per 1,000 gsf)	831	7.49	44%	4.19	$10.65/sq ft
Fast Food Restaurant (per 1,000 gsf)	834	33.48	50%	16.74	$42.50/sq ft
Gas Station w/ Market (per vehicle fueling position)	845	13.38	56%	5.89	$14,948/vfp
Supermarket (per 1,000 gsf)	850	11.51	36%	7.37	$18.70/sq ft
Drive-In Bank (per 1,000 gsf)	912	54.77	47%	29.03	$73.70/sq ft
Single-Family (per dwelling unit)	210	1.01	-	1.01	$2,564/DU
Multi-Family (per dwelling unit)	220	0.62	-	0.62	$1,574/DU

1 Source: *Trip Generation*, Institute of Transportation Engineers (ITE), 1997. Note: City would apply trip rates based on regression equations where appropriate (see *Trip Generation Handbook*, ITE, 1998).

2 A pass-by trip is made as an intermediate stop on the way from an origin to a primary destination. Pass-by trips are attracted from traffic passing on an adjacent street that offers direct access to the development.

3 Pass-by percentages from *Trip Generation Handbook*, ITE, 1998. This publication does not include pass-by percentages for office, business park, light industrial, and single- and multi-family residential. However, it should be noted that King County applies a pass-by percentage to some non-retail land use types, including 15% for office and business park.

4 Average PM peak hour trip generation rate x (100 - pass-by percentage) = net new trip rate

5 Net new trip rate multiplied by $2,539 per trip.

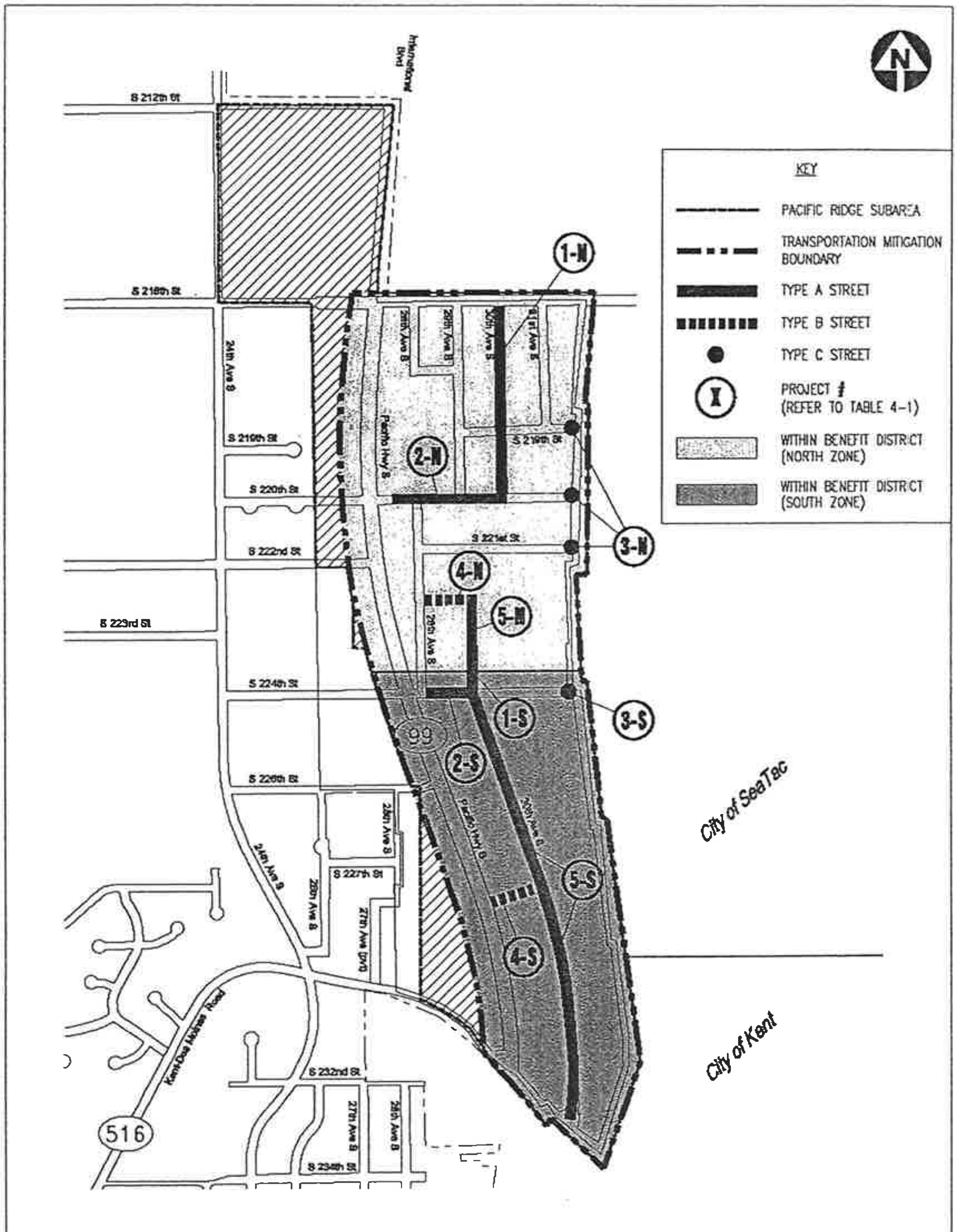


Figure 4-2

Core Transportation Mitigation Plan Projects Within North and South Zones

Pacific Ridge Subarea - Planned Action EIS

M:\99\99027\Task 04\Graphics\Graphic02 <B> robertm 12/05/01 11:04

ATTACHMENT 6

NEW BUSINESS
Item #3

AGENDA ITEM

SUBJECT:

Draft Resolution No. 02-269
Adoption of an economic development plan

ATTACHMENTS:
1. Economic Development Plan

AGENDA OF: December 19, 2002

DEPT. OF ORIGIN: Community Development

DATE SUBMITTED: December 4, 2002

CLEARANCES:
[X] LEGAL

APPROVED BY THE CITY MANAGER FOR SUBMITTAL

Purpose and Recommendation:

The purpose of this item is to present for City Council consideration the first citywide economic development action plan.

Suggested Motion:

"I move to adopt draft resolution 02-269 establishing an economic development plan for the city."

Background and discussion:

At its April 2002 retreat the City Council selected economic development as one of the highest strategic objectives for 2002-2003. Since that time the Finance and Economic Development Committee has worked with Administration to develop a realistic, achievable strategy to maintain and increase the economic vitality in the city. After many months of work the attached action plan was developed.

Alternatives:

1. Adopt Resolution 02-269
2. Adopt Resolution 02-269 with Council revisions
3. Do not adopt Resolution 02-269

Financial Impact:
There will be financial impacts associated with implementation of the action plan. City Council shall have the opportunity to review and approve these expenditures prior to project implementation.

Recommendation/Conclusion:

Administration recommends adoption of Resolution 02-269.

Concurrence:

None

COMMUNITIY DEVELOPMENT'S FIRST DRAFT 12/02/02
DRAFT RESOLUTION NO. 02-269

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DES MOINES, WASHINGTON adopting an economic development action plan and establishing a mission statement, goals and implementation priorities.

WHEREAS, economic development activities broaden and strengthen the local tax bases by providing meaningful employment opportunities and enhancing the quality of life for all residents, and

WHEREAS, successful economic development efforts in other communities have been planned and implemented through partnerships between the City, their local Chambers of Commerce and local businesses, and

WHEREAS, the Growth Management Act encourages establishment of economic development plans, and

WHEREAS, adoption of an economic development plan provides a clear policy basis for project implementation, and

WHEREAS, adoption of a economic development plan clearly articulates to potential developers and employers city priorities and intent, and

WHEREAS, developing a broad base of support including innovative public/private partnerships is critical for the success of any economic development program; now therefore,

THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:

Sec. 1 Economic development and revitalization shall be a priority for the City of Des Moines. The City shall work diligently to implement this strategic objective in cooperation with the Greater Des Moines Chamber of Commerce, local businesses, interested organizations and residents of Des Moines.

ATTACHMENT 1

Sec. 2 The attached "City of Des Moines Economic Development Action Plan" is hereby adopted as the City's official economic development policy document. This plan shall be a working document used to guide and direct all economic development activities of the City.

The City Manager shall keep the City Council appraised of the progress of the Economic Development Action Plan through periodic briefing at Council meeting and the inclusion of Economic Development activities in the City manager's regular report to Council.

PASSED BY THE City Council of the City of Des Moines this ____ day of ______, 2002 and signed in authentication thereof this ___ day of ____, 2002.

____
M A Y O R

APPROVED AS TO FORM:

____
City Attorney

ATTEST:

____
City Clerk

Published: ___________________

Effective Date: ______________

CITY OF DES MOINES ECONOMIC DEVELOPMENT ACTION PLAN

Introduction

At its April 2002 retreat, the City Council ranked economic development as one of its highest strategic objectives. The Finance and Eco Committee was assigned the duty to draft a realistic, achievable strategy to maintain and increase economic vitality in the city. After ma discussions with the Committee this action plan was developed.

In addition to a mission statement and goals that clearly articulate the policy directives, the action plan also includes an implementation/ prioritizes the city's actions. The matrix also promotes accountability by including specific due dates and responsible parties.

Whereas the mission statement and goals of the economic development action plan may remain consistent for several years, the matrix reviewed and updated on an annual basis. The matrix will serve as the major implementation document of the action plan and will be in programs in all affected city departments.

What is economic development?

To paraphrase the definition the state legislature used in establishing the Economic Development Tax Authority, economic development state and local tax bases by providing meaningful employment opportunities and enhancing the quality of life for all citizens.

The Growth Management Act lists 13 planning goals, one of which is economic development:

> "Encourage economic development throughout the state that is consistent with adopted comprehensive plans; promote ec citizens of the state, especially for unemployed and disadvantaged persons; and encourage growth in areas experiencing insuffic within the capacities of the state's natural resources and local public facilities (RCW 36.70A.020(5)).

How do you make economic development happen?

Only one of three things can happen to a city:

- It can grow
- It can maintain the status quo (at least for a time)
- It can stagnate

Economic development is no one single plan, policy or program. Nor can one single, group whether public or private, can accomplish th
economic development plans involve everyone, from government to the smallest home business in town.

Successful economic development plans generally have three elements:

- Business development/ retention
- Infrastructure development
- Workforce development

Business Development/retention

Business development and retention are the cornerstones of any economic development effort. In this context business developme
business attraction programs, promotion, joint city/ private partnerships, etc.

People will shop, visit, live and work in an area because of available services, not promises or false hype. In this area, critical mass
Having a significant number of commercial, cultural, tourist amenities also helps in attracting new businesses into the community, wl
jobs for local citizens.

Infrastructure development

Any economic development plan must address the issue of infrastructure support. Without adequate infrastructure support no econ
occur. In this context infrastructure includes:

  - Roads, including gateways
  - Utilities (i.e. water, gas, electric, etc)
  - Stormwater drainage
  - Flood Control

    - Telecommunications
  - Schools

With the passage of the Growth Management Act, cities are required to establish "levels of service" and maintain "concurrency" with a in Des Moines most of our infrastructure systems are adequate for a broad range of economic development activities.

Workforce Development

Workforce development is a statewide system of education and training that prepares people for high-skilled jobs and assures emplo A trained workforce is critical in securing family wage employers in our community. A good workforce development program will acco

- Increase productivity
- Enhance a city's ability to compete
- Provide higher wage jobs for its citizens
- Reduce illiteracy
- Increase standards of living
- Provide opportunities for people historically denied higher-paying jobs
- Stabilize the population

The action plan matrix provides priorities for implementation in each of these three areas.

Mission and goals

Des Moines has many attractions in its favor; they do not need to be enumerated here. What the city has not done is to capitalize up review of our advantages a draft mission statement and goals were developed. A defined mission statement and goals can provide r

- A policy basis for implementation
- Clearly articulates to residents, businesses and potential residents and businesses what the city represents -- a "declaration c
- Inspires people to take pride in their community
- Frees the community from past failures

A good mission statement will respect a community's past while taking a reasonable view of the future. Likewise, a good mission statem all people. It must always serve as a direct, focused statement of the community's intent and its future.

The City of Des Moines economic development action plan mission statement

The Des Moines Economic Development Action plan will provide a basis for activities designed to foster a diversified, vibra while preserving community values. The result of this action plan will be an improved business climate leading to an increa improvements to the standards of living and quality of life for all citizens of the Waterland City

Goals:

- Attract desirable new employers consistent with the area's quality of life
- Eliminate excessive regulatory restrictions while preserving a high level of health and safety in the community
- Focus initial revitalization efforts to the downtown and Pacific Ridge communities
- Improve the image of the city through a targeted marketing and promotion program
- Develop a broad base of community support for economic development efforts including innovative public/private partnerships
- Maintain and upgrade where necessary roads, utilities and other infrastructure improvements

Implementation

Implementation priorities of the Des Moines action plan are detailed in the attached matrix. Progress on these activities will be included monthly report. On an annual basis Administration will provide the Council an opportunity to review and revise the matrix. It shall be the Finance and Economic Development Committee to make quarterly reports to the full Council on the implementation of these priorities.

Des Moines Economic Development Action Plan Implementation Matrix

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
		30-90 days	90-180	180+					
Priority 1									
	1. Work with Chamber and other groups to create a marketing plan and business attraction and retention program for the City of Des Moines				Jan 03	?	TBD	DM Chamber	Consultant
	• Develop marketing plan in conjunction with SWKC group		*						
	• Work with Chamber to implement Recommendations	*							
	• Contact Federal Way and Kent on interest in developing a joint business marketing plan	*							

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
		30-90 days	90-180	180+					
Priority 1									
	2. Review government regulations; streamline where possible • ID problem areas • Review process • Include at least one public meeting with user groups • Make recommendations to CC on code/process changes and priorities. Include costs and timelines • Begin code/process revisions	*	* * *		Dec. 02	Ongoing until code revision is complete			CD/Legal

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
		30-90 days	90-180	180+					
	3. Develop downtown revitalization strategy				Summer 03	Seasonal	TBD/unknown	DM Chamber	Judith/CD/Joe
	• Allow push carts, farmer markets and other seasonal vendors in the city		*						
	• Revise DC code to allow for variances	*							
	• Investigate using CDBG float program for a project		*						
	• Conduct market study for Downtown			*					

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
		30-90 days	90-180	180+					
	4. Continue Implementation of PR Neighborhood Plan • Implement incentive plan • Recommend revisions to PR code to CC • Begin publicity campaign on incentive plan	 * * *			Jan 03	Plan implementation ongoing; incentive plan 05			CD/Legal
Priority 2									
	5.Institute neighborhood meetings for businesses • Qtr. By business district		 *		Spring 03	Fall 03	0	DM chamber	City Manager
	6. Prepare a development strategy for "south of KDM" area from KDM to 272nd		*		Jan 03	June 03	$2,500	UW, Kent	CD/Adm

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
<u>Priority 3</u>		30-90 days	90-180	180+					
	7.Work with POS, KC, and partner cities on sub-regional economic development efforts			*	Jan 00	Ongoing	$5,000/yes	KC, POS, EDA, state, member cities	CD
	• Develop SBDC								
	• Marketing study			*					
	• Import/Export Center			*					
				*					
	8. Implement the Marina Master Plan				July 01	07			CD/Marina, Legal, CM
	• Boat storage (04)			*					
	• Guest moorage (06)			*					
	• Commercial buildings (03)			*					
	• Breakers(03)			*					
	• Bond sale (complete)	*							

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
Priority 3 cont		30-90 days	90-180	180+					
	9. Work with cities of Kent and Federal Way on straightening boundaries			*	Jan 03	Dec 03			
Priority 4	10. Promote economic development objectives by including goals, objectives and strategies on the city's webpage		*		June 03	June 03			
	11.Work with POS on creating a development plan for the buyout area, with the goal of beginning development within 36 months of signing, regardless of final outcome of the 3rd runway			*	Ongoing until complete				
	• Complete "NEST" study			*	Feb 03	Dec 03	$188,000/yes	POS, Seatac, Burien, EDA	
	• Continue encouraging POS to create a development plan			*					

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
Priority 5		30-90 days	90-180	180+					
	12. Clearly express to all school districts via a resolution the need to work with the CC, administration and the community of the design of their facilities • Adopt HCC master plan • Work with HCC,HSD on permitting of new facilities	*		*	03/03 04	03/03 07			
	13. Working with other organizations develop better strategies of linking student to jobs in the community			*	Sept 03	Develop program by Sept 04, then ongoing		HCC, HSD, DM chamber	

	Action	Time frame			Target Date to Start	Target Date to Complete	Est. Cost/ Matching funds	Affiliated Organizations	Action Item For:
Priority 5 cont		30-90 days	90-180	180+					
	14. Continue implementation of CIP • Where possible provide through the development process the opportunity for telecommunication expansion • Establish positive gateways at 272nd and 16th Ave Explore providing a gateway generally in the KDM/MVD area				* * *				Eng, CC, CD, utilities

PRELIMINARY
REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES December 5, 2002

The regular meeting of the Des Moines City Council was called to order by Mayor Wasson at 7:32 p.m. in the City Council Chambers, 21630 11th Avenue South, Suite B.

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

ROLL CALL - Present: Mayor Don Wasson, Mayor Pro Tem Richard Benjamin, Councilmembers Maggie Steenrod, Scott Thomasson and Susan White. Absent: Councilmembers Gary Petersen and Bob Sheckler. Also present were City Manager Tony Piasecki, Assistant City Manager Corbitt Loch, City Attorney Linda Marousek, Public Works Director Tim Heydon, Assistant City Engineer Maiya Andrews, Harbormaster Joe Dusenbury, Finance Director Paula Henderson, Budget Account Peggy Watson and City Clerk Denis Staab.

> **MOTION** was made by Mayor Pro Tem Benjamin, seconded by Councilmember White and passed unanimously, to excuse Councilmembers Petersen and Sheckler.

BOARD & COMMITTEE REPORTS

Finance & Economic Development Committee

> Councilmember Steenrod reported that the Committee has been meeting weekly. She noted that at the next Council meeting Community Development Director Kilgore will have an item regarding economic development.

Mt. Rainier Pool Ad-hoc Committee

> Mayor Pro Tem Benjamin advised that a lot of progress has been made in the efforts to save the pool. Only a small portion of funding remains to be accomplished and should have a conclusion by next month.

ADMINISTRATION REPORTS

Marina Bond Sale

> City Manager Piasecki advised that the sale of the Marina Bonds was completed today, with funds received and invested.

Mt. Rainier Pool

> City Manager Piasecki referenced a Seattle Times news article regarding Mt. Rainier Pool and a possible vote by the King County Council to transfer of ownership to "Northwest Center" at their December 16th meeting. He noted this was released as a public notice which is required should the County Council be ready to take action. He noted this will depend entirely on whether an agreement is ready with the Northwest Center.

Repairs to the Public Fishing Pier

> In response to a request by Council for a second opinion, Harbormaster Dusenbury supplied Council with a letter from EISI Consulting Engineers summarizing their inspection and review of the repairs. He noted that after EISI reviewed the procedures, methods and materials that Reid

Middleton specified in the construction documents and review of the original plans for the pier, and has stated in their letter: "The methods observed are standard procedures for this type of work. In conclusion, the repair work being performed should restore the pile caps and pile to its design capacity." He proceeded to inform Council that he will begin preparation for a bid for additional work and if Council concurs will request Council's permission to spend the additional funds. In conclusion, he advised that it is not clear at this time what the insurance carriers will consider repairs and what will be considered an upgrade. He further stated that staff is requesting additional funds from FEMA to help cover the extra expenses.

CONSENT CALENDAR was read by City Clerk Staab.

1. Motion is to approve the minutes of November 14 and 21, 2002.
2. Draft Resolution No. 02-182 ***[ASSIGNED RESOLUTION NO. 941]*** - Title: A Resolution of the City Council of the City of Des Moines, Washington, relating to City reimbursement of street development costs, benefiting the City's developments of Steven J. Underwood Memorial Park, providing for payment of $48,359.87 in Steven J. Underwood Memorial Park, Phase I, funds to G3 Holdings, LLC, doing business in Des Moines as Grakon International, Inc., as the City's share of reimbursement to Grakon for its street development costs that were required by the street standards of the City of Des Moines.
   MOTION is to approve Draft Resolution No. 02-182.
3. Motion is to approve the Agreement between the City of Des Moines and Fire District No. 26 to provide fire protection and basic life support services to all real and personal properties owned by the City located in Fire District No. 26, and for additional services described in this Agreement, and to authorize the City Manager to sign the agreement substantially in the form as submitted.
4. Motion is to adopt Draft Resolution No. 02-236 ***[ASSIGNED RESOLUTION NO. 942]***, adopting an agreement between the City of Des Moines and the Public, Professional & Office-Clerical Employees and Drivers Local Union No. 763 (Teamsters) regarding wages, hours and working conditions for the period December 1, 2002 to December 31, 2004 and approving the agreement resolving unfair labor practice charges and authorizing the City Manager to sign both documents substantially in the form as submitted.
5. Motion is to adopt Draft Resolution No. 02-268 ***[ASSIGNED RESOLUTION NO. 943]*** adopting an agreement between the City of Des Moines and the Des Moines Police Guild for the period January 1, 2003 to December 31, 2004, and authorizing the City Manager to sign the agreement substantially in the form as submitted.

MOTION was made by Councilmember Thomasson, seconded by Councilmember White, to approve the Consent Calendar as read. Motion passed unanimously.

PUBLIC HEARING

Draft Resolution No. 02-259 ***[ASSIGNED RESOLUTION NO. 944]*** Comprehensive Transportation Plan

Mayor Wasson introduced the agenda item and declared the hearing open.

City Attorney Marousek read the rules for conducting the Public Hearing.

Public Works Director Heydon advised Council that the Council's Public Safety and Transportation Committee over the past two years has spent a great deal of time and effort to ensure a transportation plan that will work now, and for years into the future. He stated that the

Comprehensive Transportation Plan (CTP) is the document which is used by Council, staff, citizens and other interested parties, to plan for the future needs of the City's core arterial system. This draft Plan contains an analysis of projected transportation needs out to the year 2020 based on the expected City and area wide growth. He advised that the Public Safety & Transportation Committee is recommending that the Plan as submitted be adopted by Council. He introduced Larry Toedtli, the City's consultant on the Plan from The Transpo Group, Inc.

Mr. Toedtli proceed to provide an overview of the scope and process used to prepare the Draft Plan being presented to Council tonight, highlighting the following:

Update Existing Conditions Inventory

-Traffic Volumes
- Intersection control & level of service
- Accident Rates
- Transit Service

Update Traffic Model

- Reflect existing land use data by transportation analysis zone
- Speed Limits, capacities & travel distances

Analyze Future Travel Conditions

- Inclusion/Exclusion of SR 509 Extension/South Airport Access Road & 14^{th}-18^{th} Ave. S. connection
- Transportation needs of proposed Pacific Ridge Redevelopment

Revised Transportation Improvement Projects & System Plan

- Major & minor roadway capacity improvements
- Traffic safety & operation improvements
- Construction of pedestrian & bicycle facilities
- Arterial maintenance
- Neighborhood traffic control
- Construction of sidewalks
- Transit service enhancements

Mr. Toedtli reviewed the projects and noted the following project cost summary for 2001-2020 would be:

$112,763,500 - Total cost (Capital Projects & Non-capital needs)
$ 5,638,175 - Cost per year

He proceeded to review existing revenue sources, potential revenue sources, and what is required to address the revenue shortfall. In conclusion, he noted one of the main strategies for a current financing plan would include developer traffic impact fees, which Council will be asked to approve.

Councilmember Steenrod requested a priority list be furnished to Council detailing the high, medium and low priority projects.

Upon questioning by Council, Public Works Director Heydon noted that he is confident that the data collected is up to date for use in preparation of the draft Plan.

Mr. Toedtli reminded Council that the 6 Year Transportation Plan will always allow Council a yearly look at current information and that projects will be implemented through this yearly update that Council is required to do.

City Manager Piasecki reminded Council that traffic patterns do not change that much year to year unless major changes have occurred to create such a change.

Councilmember Steenrod felt that the four year old information for Kent-Des Moines Road is not acceptable and suggested that new traffic counts be taken as she felt this could quickly and easily be accomplished. Assistant City Engineer Andrews commented that the engineering staff has very old equipment and that to accomplish a new count would be very expensive and time consuming.

Councilmember Steenrod stated that she felt it is important for staff to have the proper equipment to do their jobs. She requested that staff investigate the cost of a new traffic counter.

Councilmember Thomasson advised that the Comprehensive Transportation Plan is a roadmap to be used for planning future needs. He noted that one of the real corner stones to implement the Plan will be the impact fees that Council will be asked to approve next week.

PUBLIC COMMENTS

Ben Stark, 1310 South 230th
Mr. Stark commented that Kent-Des Moines Road traffic has gotten much worse and requested that the City conduct a new traffic count.

As there were no further comments from the public, Mayor Wasson CLOSED the Public Hearing.

MOTION was made by Councilmember White, seconded by Councilmember Thomasson, to adopt Draft Resolution No. 02-259.

MOTION was made by Councilmember Thomasson, seconded by Councilmember White, to amend the draft resolution to include language to repeal Resolution No. 921. Motion passed unanimously.

VOTE ON MAIN MOTION: Motion passed unanimously.

8:47 p.m. Mayor Wasson called for a 10 minute break.

OLD BUSINESS

Continued Discussion: 2003 Budget Items
City Manager Piasecki noted that there are several Budget policy items Council still needs to address. Discussion and direction were as follows:

Human Services Budget - Leave as is, reallocate funds or increase overall level of funds?
Councilmember Steenrod requested Council add the "Reinvesting in Youth" to the Human Services Budget and reallocate funds to achieve this. She encouraged Council to consider this program as she feels this youth crime prevention program will save money down the road.

Gene Snyder, Des Moines Human Services Advisory Board Member, informed Council of the strict criteria requirements the Board uses in determining which services shall be recommended to the City Council for funding. Criteria used includes hours of operation, how many Des Moines citizens are served, as well as a formula to determine effectiveness of the services offered. He informed Council that members of the Board actually drop in to the various agencies unannounced. He noted that application forms are available to the human service agencies each year, and no timely request was received by the "Reinvesting in Youth" program.

Councilmember Thomasson voiced the opinion that the Human Services Advisory Board is a valuable committee that performs a great service that Councilmembers does not have the time to do. He would prefer to accept the Board's recommendations.

Councilmember Steenrod acknowledged there are many struggling worthwhile organizations and rather than eliminating any of the recommended agencies she would prefer to reduce the funds to a few and add in the "Reinvesting in Youth" program.

MOTION was made by Councilmember Steenrod, seconded by Mayor Pro Tem Benjamin, to make the following changes to the Human Services Budget:

Add $1,000 to Pregnancy Aid
Reduce Highline School Dist. - Community in Sch. by $1,800
Reduce Senior Services of South King County by $1,000
Reduce Auburn Youth Services by $1,000
Add the "Reinvesting In Youth Program and fund with $2,800

Motion passed 3 to 2 with Councilmember Thomasson and Mayor Wasson voting NO.

Move the Funds for the Historical society's rent to all City Buildings budget?
Yes.

Does Council want to budget funds to join the Economic Development Council (EDC) $2,960.00
Councilmember Thomasson spoke in opposition to joining the EDC. He noted that they support the 3rd runway effort and spending City funds to join would be sending a mixed message.

Councilmember Steenrod spoke in support of joining EDC. She felt this group will help increase the City's ability to promote economic development

Councilmember White voiced agreement with Councilmember Thomasson.

Mayor Pro Tem Benjamin noted that the 3rd runway is only one of many activities that the EDC is involved in. He believes that with Des Moines budget shortfall, it is critical to develop economic development and if through this group only one large new business is located in Des Moines, it would more than pay for the dues. He noted that he does not want the 3rd runway, but Des Moines needs the help EDC may give.

MOTION was made by Mayor Pro Tem Benjamin, seconded by Councilmember Steenrod, to join the Economic Development Council for the year 2003. Motion passed 3 to 2 with Councilmembers Thomasson and White voting NO.

Does Council want to allocate an additional $50,000 now to Airport Defense, or wait until ACC determines it needs this level of funding mid-year?
Councilmember Thomasson noted that the City has entered into an agreement with ACC and he would prefer to budget the $200,000, and perhaps release the $150,000 immediately and release the remaining $50,000 based upon ACC's needs.

City Manager Piasecki advised that the City could budget the $200,000 with the agreement stipulating the $150,000 would be released immediately, with the remaining amount to be released based upon what their actual expenditures are and what they need the additional funding for.

MOTION was made by Councilmember Thomasson, seconded by Councilmember White, to allocate $200,000 to ACC in the Budget, but control the expenditures through the Interlocal Agreement.

Councilmember Steenrod noted she has no problem with the $150,000, however expressed concern with some of the expenses other than legal ones. She noted that she would need to see some justification for any funds above the $150,000 to ensure the money is being spent wisely.

Councilmember Thomasson advised that since Des Moines is part of the ACC we have a voice and influence how money is spent, and should remain active in how funds are used.

VOTE ON MOTION: Motion FAILED 3 to 2 with Councilmembers Thomasson and White voting yes.

Does Council want to allocate funds for efficiency studies in one or more department budgets?
City Manager Piasecki advised that various departments have determined that such studies would run between $5,000 to $15,000, with the exception of Surface Water Management, which was estimated at $45,000 which would include a rate study. He advised that he has placed money in the budget for the rate study as this has not been done for several years and is long overdue.

Councilmember Thomasson voiced the opinion that it is important to do a SWM rate study annually, but questioned what, if anything, the City would gain with any efficiency studies.

Mayor Pro Tem Benjamin felt there are areas that could be more efficient particularly when Parks, Public Works and Marina employees are all doing landscaping in one form or another. He felt this is one area where consolidation could be more efficient.

Councilmember Steenrod noted that she felt it would be wiser to allocate funds between $15 to $20 thousand each year to begin an efficiency study review of a different department each year.

City Manager Piasecki noted that one area where an efficiency study may show cost savings would be Community Development permitting procedures.

MOTION was made by Councilmember Steenrod, seconded by Mayor Pro Tem Benjamin, to allocate $45,000 for a SWM rate study and up to $15,000 for review of the permitting process for Community Development Department. This additional funding is to come from the Revenue Stabilization Fund.

The following FRIENDLY AMENDMENT was made by Mayor Pro Tem Benjamin and accepted, to amend the motion to add looking at specific parts of Parks, Recreation and Street Maintenance, which would include all City maintenance.

Councilmember Thomasson noted that staff has already spent hours reviewing consolidation of services and cost savings, therefore he does not feel paying a consultant to duplicate the effort would be cost effective. He also advised that most stumbling blocks in regards to permitting are those items that the applicant does not want to do.

Upon questioning by Council, City Manager Piasecki confirmed that staff has reviewed and consolidated some services, has reduced janitorial costs, and took a look at the landscape maintenance function and will combine some of the Park and Marina functions as there was some overlap. Parks and Public Works were also looked at and it was determined that there really was not any costs savings that could be realized because of the different functions that the two departments perform such as working in the street right-of-way versus parks.

Councilmember Thomasson stated that he believed that the Revenue Stabilization Fund was going to be able to carry the City through the next four years, however if Council keeps spending those funds, i.e. Mt. Rainier Pool, he does not feel there will be funds to pay for police services in two years.

Mayor Pro Tem Benjamin felt that to have a professional specialist look at how the departments are functioning will save the City money in the long run and the dollar investment is worth it.

VOTE ON MOTION: Motion passed 3 to 2 with Councilmembers Thomasson and White voting NO.

Does Council want to leave the balance of the Revenue Stabilization Fund at $1.4 million or move $400,000 into the General Fund Balance?

MOTION was made by Councilmember Thomasson, seconded by Councilmember Steenrod and passed unanimously, to leave the balance of the Revenue Stabilization Fund at $1.4 million.

Does Council want to consider a hotel/motel tax?

City Manager Piasecki noted if Council institutes such a tax, revenue is expected to be $18-20 thousand a year. He advised this revenue is limited to funding activities aimed at increasing/supporting tourism. He further noted that a board, that must include representatives of the hotel/motel industry, would need to be established to oversee these funds.

Council consensus was more information needs to be gathered before making such a determination. City Manager Piasecki stated he will research this item and bring the information back to Council at a later meeting.

Does council want to set aside any funding or make cuts now to deal with the potential impacts of I-790 (and if so which option does Council want to consider), or wait until further analysis is complete?
Council's consensus was to wait and see, while acknowledging there may be a need to make more cuts.

With the passage of I-776, Des Moines stands to loose approximately $270,000 in vehicle registration revenue. Does the Council want to make changes to the budget now to remove this funding from the Arterial Streets budget, move funds from another source into this budget, or wait until more is known?
Councilmember Thomasson felt that Council should budget that the funds will not be there. He also noted that he is not pleased with having the resurfacing program stricken from the CIP. He advised that when Council reviews the CIP next week he has a list of items that he will address and that will impact transfers to the Arterial Street Fund.

10:29 p.m. **MOTION** was made by Mayor Pro Tem Benjamin, seconded by Councilmember White and passed unanimously, to extend the meeting 10 additional minutes.

How does Council want to deal with the expected average increase of 63% in 2003 for the L&I premiums?
City Manager Piasecki advised that this has already been budgeted for. Upon questioning by Council, City Manager Piasecki advised that Des Moines' has had a couple of significant injuries over the last few years which has increased the L&I higher than the average state wide. He noted that the City has a very active employee safety & accident inquiry board, and they types of injuries that happened had nothing to do with employee training, but were unfortunate accidents.

Capital Budget Priorities
City Manager Piasecki announced that this item will be handled next week.

Airport Defense Fund Loan - Does Council want to "forgive" the loans to the Airport Defense Fund?
City Manager Piasecki noted that the amount owed to the Revenue Stabilization Fund is $353,646 and $70,000 to the General Fund. He noted that there is sufficient funds in the Airport Defense Fund to pay back the $70,000 to the General Fund and pay the Revenue Stabilization Fund $175,000, leaving a balance of around $170,000 due.

Consensus was to "repay" the loan and then transfer money back as a separate action.

Finance Director Henderson reminded Council that this is an accounting entry, and by forgiving the loan, we would fix the deficit and there would be no need to transfer any real cash.

Upon concurrence of Council, City Manager Piasecki advised that he will have the appropriate resolution or ordinance for Council consideration to forgive the remaining balance.

Support for Transportation Projects
City Manager Piasecki advised that it is recommended that another civil engineer be authorized for at least the next two years to provide support to the City's transportation efforts.

Council's consensus was to approve the recommendation provided it is well documented that this is a temporary position through specific projects only.

NEXT MEETING DATE

Mayor Wasson announced that the next regular meeting will be December 12, 2002.

ADJOURNMENT

The meeting was adjourned at 10:40 p.m. as time expired.

Respectfully submitted,

Denis Staab
City Clerk