REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES October 21, 2004

The regular study session of the Des Moines City Council was called to order at 7:06 p.m. by Mayor Sheckler in the City Council Chambers, 21630 11th Avenue South.

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

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Scott Thomasson, Councilmembers Richard Benjamin, Gary Petersen, Dan Sherman, Maggie Steenrod and Susan White. Also in attendance were City Manager Tony Piasecki, City Attorney Linda Marousek, Finance Director Paula Henderson, Park and Recreation Director Patrice Thorell, Harbormaster Joe Dusenbury, Commander Kevin Tucker, Animal Control Officer Jan Magnuson, and Deputy City Clerk Angela Chaufty.

DISCUSSION ITEMS

Draft Resolution No. 04-215 ***[Assigned Res. No. 978]*** RushWorks Purchase Agreement and Award of Contract – PEG Channel Upgrade

City Manager Piasecki introduced John Weist, consultant from JW Tel-Tronics, Inc. and Keri Stokstad, Executive Director of Puget Sound Access.

Mr. Weist distributed a copy of his Power Point presentation and detailed the following proposed upgrades:

- Control System
- Audio System
- Projection/Presentation System
- Video Production System using RushWorks Toastmaster
- On Air Playback System

Mr. Weist identified the following advantages of the proposed system:

- Reconfiguration of the room will be easy.
- Recording of the Council meetings will be easier and faster.
- Production will be ready as soon as the meeting is complete.
- Community access channel will be more easily maintained and look more professional.

Mr. Weist noted that the packet material contained options for the room, such as the number of cameras and the brand of cameras. In response to Councilmember Benjamin's questioning, Mr. Weist identified which products were manufactured overseas versus American-made. He confirmed that RushWorks was the sole-source of the video toaster.

Councilmember Steenrod said that the success of the upgrade will be measured by the video production's quality of lighting and audio.

Mr. Weist explained that the system will automatically adjust the sound but speaking directly into the microphone was essential to quality sound. As the proposed cameras have been tested in the room, Mr. Weist stated his belief that lighting will not be a problem.

Councilmember Steenrod voiced support for a lobby monitor.

In response to Councilmember Steenrod's questioning regarding whether the Council dais would be equipped with computers, City Manager Piasecki explained that the money for the project was provided from Comcast for the purpose of broadcasting Council meetings on the City's public access channel. Computer wiring would need to be funded by the City. He could talk to the consultant about adding wiring. City Manager Piasecki said that Puget Sound Access would probably produce the Council meeting videos and the City Clerk's Office would program the information on the public access channel.

Mayor Sheckler suggested that the upgrades include the Canon rather than Sony cameras.

MOTION was made by Councilmember White and seconded by Councilmember Sherman to authorize the City Manager to sign the procurement contract with SPL Integrated Solutions for equipment for the PEG channel upgrade. The contract shall be in an amount up to $87,774.13 and shall be in a form as approved by the City Attorney.

Mayor Pro Tem Thomasson said that the motion should reflect the base bid and the identification of the desired system options and camera brand.

In response to Mayor Pro Tem Thomasson's questioning, City Manager Piasecki said that funds from the HVAC fund were anticipated to be sufficient to cover the additional funds needed for the PEG upgrade project. He recommended that Council identify the base bid, Canon cameras, and all additional options as the equipment list.

In light of selecting the Canon cameras, Mayor Sheckler suggested that a friendly amendment be offered amending the amount in the motion to $80,000.

The maker and seconder of the main motion did not respond.

Councilmember Benjamin said that he would vote against doing the upgrade at this time due to the budget shortfall. He said the budget was more important.

City Manager Piasecki noted that the project was funded by Comcast and the money could not be spent on any other City project.

Mayor Pro Tem Thomasson said that Council needed to identify a package for the City Manager to negotiate.

The maker and seconder of the motion **withdrew their motion**.

At 8:17 p.m., Mayor Sheckler declared a ten-minute break.

City Manager Piasecki recommended the Council identify the following equipment package:

- RushWorks mediappliance and toastmaster
- Base bid equipment less $25,758.12 due to selection of the Canon cameras
- Lobby monitor
- Channel modulator/elimination
- Wireless Lavaliere microphone
- Fourth camera

The project budget was summarized as follows:

Consultant services	$10,000.00
RushWorks components	$35,265.00
Equipment bid (base bid plus options)	$47,356.78
Subtotal	$92,621.78
Installation estimate	$40,000.00
Total	$132,621.78

MOTION was made by Mayor Pro Tem Thomasson and seconded by Councilmember Sherman to approve Draft Resolution No. 04-215, waiving normal bidding requirements and allowing sole-source purchase agreements with RushWorks, and authorizing the City Manager to sign such an agreement with a combined purchase price of approximately $35,265 plus sales tax. The purchase agreements shall be in a form as approved by the City Attorney.

VOTE ON MOTION: Motion passed, 6 – 1, with Councilmember Benjamin opposed.

MOTION was made by Mayor Pro Tem Thomasson and seconded by Councilmember Sherman to authorize the City Manager to sign a procurement contract with SPL Integrated Solutions for equipment for the PEG channel upgrade. The contract will be for the base bid and all of the options except the Council Room monitor and the equipment previously included in the RushWorks contract. The contract shall not exceed $48, 000.

VOTE ON MOTION: Motion passed, 6 – 1, with Councilmember Benjamin opposed.

City Manager Piasecki said that he would include wiring in the installation pricing.

Preliminary 2005 Budget

Finance Director Henderson asked for Council's direction regarding the following proposed financial policy changes:

Reduce the MCI Transfer from the General Fund from $300,000 to $150,000

Mayor Pro Tem Thomasson questioned whether Ordinance No. 1189 needed to be amended in order to identify a new formula to maintain a sustainable budget.

MOTION was made by Mayor Pro Tem Thomasson and seconded by Councilmember Benjamin to direct administration to prepare a draft ordinance modifying Ordinance No. 1189 and to set the 2005 MCI transfer at $150,000.

VOTE ON MOTION: Motion passed, 6 – 1, with Councilmember Steenrod opposed.

<u>Debt Transfer of 1997 Bonds for City Hall Expansion - $132,988</u>
Finance Director Henderson requested that the City use REET funds, in lieu of a general fund transfer, for the debt transfer. The debt would be retired in 2009.

<u>MOTION</u> was made by Mayor Pro Tem Thomasson, seconded by Councilmember Benjamin and passed unanimously for the principal and interest for the South Wing Expansion debt be paid for out of the MCI Fund indefinitely.

<u>Parking Fees for Des Moines Beach Park - $20,000</u>
Upon questioning from Councilmember Sherman, City Manager Piasecki suggested that the City charge for parking in both the Marina and Des Moines Beach Park. The Marina and general fund would pay for one pay station each.

Mayor Pro Tem Thomasson recommended that Council first discuss the policy question regarding whether all parks should have pay stations.

Councilmember Benjamin agreed.

Councilmember White voiced support for the parking fees and said that the City needed to identify new revenue sources.

Councilmember Sherman said a parking fee would allow users to pay for park services.

<u>MOTION</u> was made by Councilmember Sherman and seconded by Councilmember Thomasson to install meters for parking at the Des Moines Beach Park and the Marina as a unit.

Upon questioning, Harbormaster Dusenbury described current parking fee enforcement procedures and estimated that the north and south lots of the Marina would require two pay stations each.

As the south lot was shared with Anthony's Homeport, Mayor Pro Tem Thomasson stated that the restaurant could possibly establish a validation process. Mayor Pro Tem Thomasson said that he could support parking fees at the Beach Park but wanted more discussion regarding the Marina.

Park and Recreation Manager Thorell recommended that one pay station be placed by the bridge at Des Moines Beach Park. She noted that parking fees were not proposed for the Steven J. Underwood Memorial Park as the teams and league already were charged park fees. Parking fees were also not proposed for the Field House as only street parking was available. The Zenith Park was recommended for mothballing.

<u>VOTE ON MOTION</u>: Motion passed, 4 – 3, with Councilmembers Benjamin, Petersen, and Steenrod opposed.

<u>Concession Revenues - $20,000</u>
Park and Recreation Director Thorell introduced the subject. Upon questioning, she said that the projected revenue was based upon the Recreation Manager's recommendation. She would research his formula.

Councilmember Benjamin said that the concept should be explored but he would need a business plan developed prior to supporting. The concession stand could result in a loss of money and increased liability for the City.

Mayor Pro Tem Thomasson said that Council needed to identify a policy and strategy for contracting for or allowing concessions at parks.

MOTION was made by Mayor Pro Tem Thomasson and seconded by Councilmember Steenrod to schedule a discussion regarding concession franchising policies at a January Council meeting.

Park and Recreation Director Thorell said that the City has a park concession agreement.

VOTE ON MOTION: Motion passed, 4 – 2, with Councilmembers Sherman and White opposed. (Councilmember Petersen had left the meeting briefly and was not available to participate in the vote.)

Business License Registration Fee - $25,000
Finance Director Henderson introduced the subject.

City Manager Piasecki proposed that businesses operating in Des Moines but located outside of the City pay a $75 registration fee.

Councilmember Benjamin said that the business license fee should be competitive with the market. He felt that the Des Moines' fee of $150 seemed out of line. He questioned whether there was a correlation between the number of businesses in Des Moines and Federal Way and their business license fees.

Mayor Pro Tem Thomasson said that cities have different rate structures. The business license program required staff time and equipment.

Councilmember Steenrod said that government should provide services no one else can provide. She spoke against creating taxes for the purpose of justifying another employee. She felt that $75 was too high.

Mayor Pro Tem Thomasson stated his belief that, if staff was properly enforcing the Code, businesses located outside of the City but providing services in Des Moines would currently be charged $150. If administration wished to change the fee, then a draft resolution should be presented to Council. Staff should be charging outside businesses until they are directed to stop. He said he would be comfortable with a different fee structure.

Councilmember White agreed with Mayor Pro Tem Thomasson's comments.

Councilmember Petersen said that home-owners could be affected. He questioned how emergency situations, such as hot water tank installations on weekends, would be handled.

Mayor Sheckler questioned whether Council was comfortable with the licensing of outside vendors but not with the proposed fee.

Councilmember Benjamin agreed.

Councilmember Steenrod said that it was reasonable to create a mechanism for surveillance and to cover administrative costs associated with the program. She stated that, if Council reduced business license fees, the City could be promoted as a business-friendly place.

Councilmember Sherman voiced support for charging a fee to cover processing expenses. He said that the City could see increased revenues result from the City informing business owners of the proper sales tax reporting process.

City Manager Piasecki said that administration would bring back a proposal to Council regarding business license registration. The fee amount would be left blank.

<u>Interest Earnings On Reserves - $37,000</u>
Finance Director Henderson asked if Council desired to return to its former policy of putting reserve interest into the general fund.

Councilmember Sherman confirmed that the replacement fund assumed the price of purchase when needed. Since the total future price had been factored in, he supported transferring the interest from the reserve funds to the general fund.

Mayor Pro Tem Thomasson suggested that administration consider the interest earnings when setting the replacement rate in order to avoid moving money in and out of the fund.

City Manager Piasecki said that staff would review the current reserve funds and adjust them as appropriate.

<u>One-Time LID Transfer - $25,000</u>
Finance Director Henderson introduced the subject.

As the funding source was not sustainable, Mayor Pro Tem Thomasson suggested that the money resulting from the closure of the bond fund be placed in the Arterial Street or MCI fund.

Finance Director Henderson noted that the RCW requires the transfer to go to the general fund.

<u>MOTION</u> was made by Councilmember Sherman and seconded by Mayor Pro Tem Thomasson to transfer the remainder of the bond funds into the Arterial Street Fund.

<u>VOTE ON MOTION</u>: Motion passed, 6 – 0. (Councilmember Benjamin had left the chambers briefly and was not present to vote.)

<u>Draft Resolution No. 04-216 ***[Assigned Res. No. 979]*** Animal License Fees</u>
Commander Tucker introduced the subject. The proposed resolution would raise the animal control fees to the rate charged by King County. The increased fees would offset the cost of providing animal control services. He distributed Animal Control statistics for the first nine months of 2004. Commander Tucker estimated that 3,800 unlicensed animals currently resided in Des Moines. He noted that Administration was recommending that the Senior license fee remain at its current level.

MOTION was made by Mayor Sheckler and seconded by Councilmember White to enact Resolution No. 04-216, amending the annual dog and cat license fees pursuant to Ordinance No. 1225 enacted December 10, 1998, and repealing Resolution No. 855 adopted December 10, 1998.

At 10:25 p.m., **MOTION** was Mayor Sheckler and seconded by Councilmember Steenrod to extend the meeting by fifteen minutes. **VOTE ON MOTION**: Motion passed, 6 – 1, with Councilmember Benjamin opposed.

City Manager Piasecki estimated that unaltered pets contribute to 80% to 90% of the Animal Control Officer's calls. He noted that the revised resolution included language which would make the cat licensing period consistent with the City's Code and establish a half-price rate for 2005 for those cat owners who had purchased cat licenses after July 1, 2004.

Mayor Pro Tem Thomasson said that he could support the increased fees. He said that the language regarding late penalties was still incorrect however and requested that it be redrafted. Mayor Pro Tem Thomasson said that he did not expect the revenue potential to be as high as projected as he thought the non-compliance rate was actually lower than estimated. Mayor Pro Tem Thomasson said that he would not support a budget with this much revenue identified in it. He said that the City should budget based on experience rather than projections.

SUBSTITUTE MOTION was made by Mayor Pro Tem Thomasson and seconded by Councilmember Benjamin to move the item to the next regular consent calendar so that Section 3 could be fixed. **VOTE ON MOTION**: Motion failed, 2 – 5, with Mayor Pro Tem Thomasson and Councilmember Benjamin supporting the motion.

VOTE ON MAIN MOTION: Motion passed, 6 – 1, with Mayor Pro Tem Thomasson opposed.

NEXT MEETING DATE – Regular Meeting, October 28, 2004

ADJOURNMENT

At 10:40 p.m. **MOTION** was made by Councilmember Steenrod, seconded by Councilmember Benjamin, and passed unanimously to adjourn the meeting.

Respectfully submitted,

Angela M. Chaufty
Deputy City Clerk

ACTION ITEMS FROM 10/21/04 MEETING

- Include wiring for computers in the PEG Channel Update installation pricing.
- Prepare a draft ordinance to modify Ordinance No. 1189.
- Schedule a discussion regarding concession franchising policies for a January Council meeting.
- Prepare a proposal regarding business license registration.
- Review current reserve funds and adjust them as appropriate.