REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES November 7, 1996

At 7:25 p.m. City Clerk Staab announced that the Executive Session will continue for approximately another 10 minutes.

The regular study session of the Des Moines City Council was called to order by Mayor Thomasson at 7:42 p.m. in the Council Chambers, 21630 11th Avenue South.

ROLL CALL - Present: Mayor Scott Thomasson, Mayor Pro Tem Terry Brazil, Councilmembers Bruce Roberts, Bob Sheckler, Dan Sherman and Don Wasson. Absent: Councilmember Gary Towe (illness in family). [ED NOTE: Councilmember Towe was excused later in the meeting.] Also present were City Manager Bob Olander, City Attorney Gary McLean, Assistant City Manager Tony Piasecki, Community Development Director Judith Kilgore, Planning Manager Corbitt Loch, Finance Director Jim Hathaway, Harbormaster Joe Dusenbury, Public Works Director Tim Heydon and City Clerk Denis Staab.

CONSENT CALENDAR ITEMS were read by City Attorney McLean.

1. Motion is to confirm Mayor Thomasson's appointment of Flossie Bussmeir to an unexpired term on the Senior Services Advisory Committee.
2. Motion is to award the contract for professional services for the Community Center/Senior Center Feasibility Study to ARC Architects for an amount not to exceed $25,000 and further authorize the City Manager to sign said contract.

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

EMERGENCY ISSUE

Draft Ordinance No. 96-221 ***[ASSIGNED ORDINANCE NO. 1171]*** Establishing a Moratorium on Permitting Telecommunications Facilities and Declaring a Public Emergency

City Attorney McLean advised Council that the draft ordinance would establish a six-month moratorium on the acceptance of applications for and issuance of any permit or approval required for telecommunications facilities. He informed Council that early this year Congress enacted the Federal Telecommunications Act designed to remove regulatory barriers and encourage competition among various telecommunications service providers. He noted that the moratorium would provide time to encourage registration and participation by regulated parties and the general public to review existing City codes, regulations and policies related to telecommunications issues in a comprehensive manner. He stated that Council will need to conduct a public hearing on the issue within 60 days of adoption of the moratorium. He concluded by advising that Administration recommends adoption.

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

MOTION was made by Councilmember Roberts, seconded by Councilmember Sheckler, to adopt Draft Ordinance No. 96-221.

City Attorney McLean read the ordinance by title into the record.

VOTE ON MOTION: Motion passed unanimously.

DISCUSSION ITEMS

Draft Resolution No. 96-193 ***[ASSIGNED RESOLUTION NO. 819]*** Adoption of Marina Master Facility Plan

Harbormaster Dusenbury reminded Council that a Public Hearing was held last month and the Master Plan has been thoroughly reviewed by the Municipal Facilities Committee.

Councilmember Brazil, Chairman of the Municipal Facilities Committee, informed Council that the Committee conducted an extensive review of the Plan and unanimously recommend approval to the Council as a whole.

MOTION was made by Councilmember Sheckler, seconded by Councilmember Brazil, to approve Draft Resolution No. 96-193.

Mayor Thomasson read the resolution by title into the record.

VOTE ON MOTION: Motion passed unanimously.

1997 Preliminary Budget - Policy Issues

City Manager Olander proceeded to review the following 1997 budget policy issues with Council's comments as noted:

ISSUE 1. MARINA RATES - Should Marina moorage rates be increased as recommended in the "City of Des Moines Marina Facility Master Plan?"

Alternative 1. The average annual additional capital requirements outlined in the Master Plan are approximately $182,000 per year. The 1996 operating budget was approximately 1.9 million. A 10% reduction in the Marina operating budget would provide additional funds for capital expenses. However, most of the operating expenses are in salaries, fixed debt service, utilities and other operating expenditures that cannot easily be reduced without affecting customer service or maintenance.

Alternative 2. To spread the capital expenditures proposed over a 30 or 40 year period, and attempt a "pay as you go" with no additional rate increases over and above the current rate of inflation. However, the Marina is approaching 30 years in age and much of the infrastructure is in need of significant repair and replacement. Any serious delay of the Capital Plan would risk the long term health of the Marina's physical plant and in turn endanger its revenue producing capacity.

RECOMMENDATION - That the Council authorize the rate increases proposed in the Facility Master Plan and direct the City Manager to prepare a rate resolution reflecting the recommended increase.

Councils consensus was general support of Administration's recommendation.

<u>ISSUE 2.</u> <u>AIRPORT DEFENSE</u> - The preliminary budget provides for an internal loan from the Revenue Stabilization Fund of $353,646 to assist in funding Airport Defense for 1997. Is a loan appropriate, or should the City spend down the strategic reserve Revenue Stabilization Fund with no repayment?

<u>Alternative 1.</u> The Council could elect to make up the $353,646 difference by direct transfer and payment from the Revenue Stabilization Fund. However, this would reduce the 1997 ending balance in this "rainy day" fund to approximately $497,449. This would bring the Revenue Stabilization Fund significantly below the policy amount directed by the Council.

<u>Alternative 2.</u> The City could reduce operating programs and capital projects to cover the $353,646 needed. $200,000 could be secured by deleting the general operating fund transfer of $200,000 to the CIP. Since the proposed operating budget is very tight, further reductions would most likely have to come from reductions in personnel.

<u>RECOMMENDATION</u> - That the Council authorize the interfund loan as outlined in the 1997 preliminary budget. This seems like the most prudent course since litigation could take up to two years. The Revenue Stabilization Fund would eventually be replenished by the 1% utility Tax.

Upon questioning from Council, City Manager Olander stated that if Alternative 2 is used then Council would have to cut capital projects. He also advised Council that another option would be a commercial line of credit for next year, which is what the City of Normandy Park has decided to do, instead of utilizing the Revenue Stabilization Fund.

Council requested administration bring back a list of which capital projects would be subject to being cut or reduced. City manager replied this will be brought back at the next Council meeting where the Capital Improvement Plan will be back before Council for consideration.

Consensus was to accept Administrations recommendation.

<u>ISSUE 3.</u> <u>SURFACE WATER MANAGEMENT FEES</u> - Should the City increase Surface Water Management rates by 5% for 1997?

<u>Alternative 1.</u> Capital projects could continue to be stretched further into the future. However, this really only delays the issue since general operating increases will rise at least with the rate of inflation, thus reducing by 3-5% the annual amounts available for capital.

<u>Alternative 2</u>. Alternatively, maintenance costs could be reduced significantly to provide added funds for capital projects.

<u>RECOMMENDATION</u> - That the Council authorize Administration to prepare a draft ordinance increasing Surface Water Management rates by 5% effective January 1, 1997.

Public Works Director Heydon informed Council that the big studies are in final stages and overall the big problem areas are known and projects have been defined that need to be done. Increase in SWM rates is needed to maintain present levels of service.

MOTION was made by Mayor Thomasson, seconded by Councilmember Sheckler, that Administration be directed to prepare a draft ordinance increasing Surface Water Management rates by 25 cents per month.

Councilmember Wasson spoke in opposition as he is opposed to such an aggressive program. He felt that eventually all projects will get done without increasing costs to the citizens.

Councilmember Sherman spoke in favor of raising rates, noting that capital improvements will not get done in a timely fashion and that, in his opinion, a 20 year time table is not especially aggressive.

Councilmember Brazil spoke in opposition as he felt this increase only keeps us parallel with the current program.

VOTE ON MOTION: Motion passed 4 to 2 with Councilmembers Brazil and Wasson voting NO.

ISSUE 4. GENERAL FUND CONTRIBUTION TO CAPITAL - General Council policy now mandates a minimum $200,000 transfer from general fund revenues to the long range capital account. This was increased from $130,000 in 1995. The CIP projects $255,000 in 1997 (from some cash carry forward) with a decrease in 1998 to $200,000 in 1998 and beyond. Is this sufficient, or should it be increased in future years?

RECOMMENDATION - That the Council establish a policy of a minimum of $250,000 annually with a CPI annual escalator to be dedicated toward the CIP from general fund revenues.

Councilmember Roberts advised that he has trouble using the CPI and feels there are better indicators that can be used.

Mayor Thomasson suggested using the Construction Costs indicator.

City Manager Olander noted that a draft ordinance will be prepared using different costs escalators for Council's consideration.

ISSUE 5. HUMAN SERVICES - The human services budget was estimated early to provide the advisory committee time to review and recommend allocations. Final submittals from the Human Services Advisory Committee amounted to $90,930. Informal Council policy has been to set aside 1% of the general street and parks budget for human services, which is estimated at $101,000 in 1997. Does the Council wish to increase the appropriation to human services to $101,000?

RECOMMENDATION - It is recommended that the Council direct staff to increase the human services appropriation to $101,000, with the added $10,000 set toward a 1997 human service reserve.

Council's consensus was to accept Administration's recommendation.

1997 Preliminary Budget - Reserve Funds

Finance Director Hathaway proceeded to review the following reserve funds with Council's comments as noted:

REVENUE STABILIZATION FUND - Will end with approximately $851,000 in reserves. To properly fund the Airport Defense budget $353,646 is being loaned from the fund to the Airport Defense. This loan will reduce the fund to approximately $497,449 by the end of 1997. This loan will be repaid at 4% commencing in 1999.

SELF INSURANCE FUND - The fund is designed to provide funds for unanticipated expenses associated with issues of liability or expense not covered by the Washington Cities Insurance Authority. During 1997 this fund will begin to grow from a reduced level of the past few years. A maximum funding level by the established formula of 4.5% of the General, Street and Parks budgets would require a fully funded level of $450,000. It is estimated that the ending fund balance for 1997 would be $112,998. It was noted that the recent large expenses from the ruptured public works fuel tank and associated costs, will be diminishing.

UNEMPLOYMENT COMPENSATION FUND - The fund was designed to provide funds for unemployment benefits to employees. To be fully funded, this fund must be able to support a 10% reduction in the work force for 3 consecutive years. In 1997 this would require an ending fund balance of $247,530. The estimated ending fund balance for 1997 is $168,700.

EQUIPMENT REPAIR AND REPLACEMENT FUNDS - The funds are designed to provide equipment operations or repair support and a replacement reserve for rolling stock purchase. The operations costs for 1997 are the same as 1996 at $134,000. The fund allows the City to replace equipment when necessary, have the funds available and eliminate the decision to replace a piece of equipment on financial grounds. This fund will have $713,000 of reserve in 1997.

AIRPORT DEFENSE FUNDS - This fund is designated to provide for the expenses associated with the mission of preventing the third runway from becoming a reality at Sea-Tac Airport. The fund totals $926,027.

FACILITY REPAIR AND REPLACEMENT FUND - The fund was designed to assess departments a charge based on the amount of square footage their department occupied, and is intended for unanticipated or extraordinary repairs and replacement of major building infrastructure. This fund is estimated to have an ending fund balance of $92,539.

After brief Council discussion, City Manager Olander stated that Council needs to discuss the policy issues early next year regarding the appropriate guidelines for use of this fund and he will place it on a future agenda.

9:18 p.m. Mayor Thomasson declared a 10 minute break.

Excused Absence

MOTION was made by Councilmember Sheckler, seconded by Councilmember Roberts and passed unanimously, to excuse Councilmember Towe.

<u>Continued Review of Amendments to Comprehensive Plan: 1) Draft Ord. 96-158 Amendment of Comp Plan, 2) Amend Comp Plan - Redondo Land Use Map, 3) Amend Comp Plan - Property Specific Amendments, and 4) Amend Comp Plan - Text Amendments</u>

[ED NOTE: Councilmember Brazil has viewed the video tape of the October 24, 1996 Council meeting in order to continue participation in this continued public hearing process.)

Community Development Director Kilgore advised Council that it is her hope that Council will conclude review of the issue paper dated October 23, 1996 tonight. She noted that final adoption is scheduled for the November 21st meeting. At this point, she and Senior Planner Loch proceeded to review the following issues with Council's comments as noted:

<u>ISSUE 5:</u> Should the Woodmont area designated by the Comprehensive Plan as 3 dwellings per acre instead be designated one dwelling per acre? Should the S-E zoning proposed for this area be extended further to the south?

<u>RECOMMENDATION</u> - Amend the Preferred Land Use Map for Woodmont to designate the area bordered on the north by South 246th Street, the south by South 268th street, the east by 16th Avenue South, and the west by 12th Avenue South, and parcels no. 9536600700 and 9536600730 to Residential, one dwelling per acre. Also, that the draft Zoning Map for the Woodmont/Redondo annexation area zone the properties designated as Residential one dwelling per acre as S-E.

Council consensus was to accept staff's recommendation.

<u>ISSUE 6:</u> Should all public facilities and parks in the annexation area be zoned S-E?

Staff noted that they intend to prepare text for a Public Facility zone in early 1997. Therefore, whichever single family zone is selected now for the public facilities and parks within the annexation area is likely to be an interim designation until the Public Facility Zone is available.

<u>RECOMMENDATION:</u> Zone all public facilities and parks within the annexation area as proposed by staff.

Consensus was to accept staff's recommendation.

<u>ISSUE 7:</u> What is staff's response to Puget Power's letter dated September 17, 1996, requesting that Puget Power facilities not be designated Public Facility in the Comprehensive Plan.

<u>RECOMMENDATION</u> - Designation of private as well as public utilities as Public Facility will help ensure consistency among the Plans of the City and all utility providers. Continue to designate Puget Power facilities and Public Facility.

Council's consensus was to designate Puget Power properties as staff recommends.

<u>ISSUE 8.</u> If Common Wall Single Family is approved for the property at 2712 Kent-Des Moines Road [CP96-039(B)], where would vehicular access to the property occur?

Community Development Director Kilgore noted that there is no development plan proposed at this time. However, she noted the general rule suggests that access would be from 27th Avenue South rather than Kent-Des Moines Road.

Mayor Thomasson noted that he would not be comfortable allowing this property to develop to five units when it is across from single family homes. He would not want to see more than 3 units and he is not convinced that this property should be rezoned.

Councilmember Roberts expressed agreement with Mayor Thomasson.

MOTION was made by Councilmember Sheckler, seconded by Mayor Pro Tem Brazil that the Preferred land use Map for Central Des Moines be amended to designate the property at 2712 Kent-Des Moines Road as Common Wall Single Family.

MOTION was made by Mayor Thomasson, seconded by Councilmember Sherman, to amend the motion to limit the number of maximum units to three. Amending motion FAILED 3 to 3 with Councilmembers Sheckler and Sherman and Mayor Pro Tem Brazil voting NO.

VOTE ON MAIN MOTION: Motion passed 4 to 2 with Councilmember Roberts and Mayor Thomasson voting NO.

ISSUE 9. Is the B-N or the CC zone most appropriate for Salty's and the Highline Community College Pier?

RECOMMENDATION: Adopt C-C zoning for the Salty's and Highline Community College pier.

Council's consensus was to concur with staff's recommendation.

ISSUE 10. If Des Moines adopts Single Family land use designation and zoning for the property at the northwest corner of South 260th and Pacific Highway South, might such action be considered a taking.

City Attorney McLean advised Council that the answer is no.

ISSUE 11. What are the ramifications when development approved by King County is inconsistent with the Greater Des Moines Comprehensive Plan?

ISSUE 12. Does the Code Interpretation regarding development of undersized parcels reflect Council intent?

Council determined to delay discussion on this issue to a future time.

ISSUE 13. Should the designation of the property at 1690 Kent-Des Moines Road be changed from Multifamily to Commercial?

RECOMMENDATION: Since this property is bordered on all sides by existing multifamily zoning and uses, decline this request.

Council concurred with staff's recommendation.

In conclusion, Community Development Director Kilgore informed Council that at the November 21st meeting all revised maps, development standards, etc. will be brought back to Council for review. She noted these items are scheduled for final adoption at the December 12, 1996 Council meeting.

ADJOURNMENT

The meeting was adjourned at 10:19 p.m.

Respectfully submitted,

Denis Staab
City Clerk