

REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES

October 4, 2007

The regular study session of the Des Moines City Council was called to order at 7:34 p.m. by Mayor Sheckler in the Council Chambers, 2163011th Avenue South, #B.

PLEDGE of ALLEGIANCE to the Flag was led by Councilmember Scott.

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Scott Thomasson, Councilmembers Dave Kaplan, Ed Pina, Carmen Scott, Dan Sherman and Susan White. Also in attendance were City Manager Tony Piasecki, Finance Director Paula Henderson, Planning, Building and Public Works Director Fredericks, and City Clerk Denis Staab.

Announcement Regarding Public Comments

Mayor Sheckler announced that in regards to the Water District #54 agenda item, that Council is not here to talk about water quality issues, including the use of fluoride, but only to receive a report and discuss the issues regarding fire flow and safety in the downtown area.

COMMENTS FROM THE PUBLIC

Terry Sherman, 22315 6th Avenue South

Mr. Sherman requested to relinquish his speaking time to the next speaker, Dr. Osmunson.

Mayor Sheckler announced that he would allow the next speaker 5 minutes instead of the normal 3 minutes.

Bill Osmunson, Dentist, Bellevue, WA

Dr. Osmunson informed Council that as a long time dentist he used to recommend chlorine and fluoride for his patients, however too much fluoride is now being blamed for damaging teeth, and he is seeing this more and more in his practice. He noted this ingredient is now in food, toothpaste, water and other products. He stated that world-wide fluoride is no longer being recommended and infants need non-fluorided water, furthermore the Center for Disease Control has declared there is no benefit, but increased risks, and huge costs for repair to damaged teeth that have been stained and pitted by overexposure to fluoride.

Mayor Sheckler once again advised that Council is not going to be discussing water quality.

Audrey Adams, 10939 SE 183rd Court, Renton, WA

Ms. Adams informed Council that she wished she lived in Des Moines, Water District #54, where there is no fluoride in the water. She noted she has a son that is Autistic with sensitivity to chemicals, including fluoride. She advised that she has to go to great lengths to find water without this additive, as any exposure can cause profound pain which increases his hyperactivity and inappropriate behavior. She stated she can easily avoid most chemicals, but avoiding fluoride is completely different. She encouraged everyone to treat water as the most valuable resource and encouraged Council to discouraged any future potential of adding fluoride to the drinking water.

DISCUSSION ITEMS

2008 & 2009 Revenue Estimates

Finance Director Henderson proceeded to review the 2008-2009 revenue forecasts for the general and street funds, with and without one-time revenues, with comments as noted:

PROPERTY TAXES

<i>Item</i>	<i>2007 Actual</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Allowable Levy	\$ 2,740,204	\$ 2,799,878	\$ 2,844,448
1%/4% Levy Increase	27,404	111,994	113,778
New Construction	32,248	16,572	12,886
Relevy Prior Year	19,199	0	0
3% Tsf to Levy Lid Life	0	(83,996)	(85,333)
TOTAL	\$ 2,819,055	\$ 2,844,448	\$ 2,885,779

PROPERTY TAXES WITH LEVY LID LIFT

<i>Item</i>	<i>Rate</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Regular Levy	\$ 0.983	\$ 2,844,400	\$ 2,885,800

Lid Lift	0.513	1,483,300	1,628,000
Allowable Levy	\$ 1.496	\$ 4,327,700	\$ 4,513,800

Finance Director Henderson noted we did not hit the \$1.60 limit due to the assessed valuation coming in higher than expected, dropping it \$1.496 per thousand of assessed valuation.

SALES TAXES

<i>Item</i>	<i>2007 YE Est.</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Recurring	\$ 1,777,300	\$ 2,259,000	\$ 2,848,450
One-Time	325,207	528,660	943,000
TOTAL	\$ 2,102,507	\$ 2,787,660	\$ 3,791,450

BUSINESS & OCCUPATION TAX

<i>Item</i>	<i>2007 YE Est.</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
B & O Tax	\$ 644,833	\$ 550,000	\$ 575,000

Finance Director Henderson noted beginning 2008 there will be the implementation of the new rules and will require that the City will need to change its existing B & O Tax Ordinance in order to comply.

FRANCHISE FEES

<i>Item</i>	<i>2007 YE Est.</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Cable TV	\$ 335,450	\$ 346,500	\$ 350,000
Solid Waste	400,575	410,600	420,865
TOTAL	\$ 736,025	\$ 757,100	\$ 770,865

UTILITY TAXES

<i>Item</i>	<i>2007 YE Est.</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Telephone	\$ 892,984	\$ 900,000	\$ 925,000
Electricity	904,395	930,000	950,000
Natural Gas	514,221	475,000	480,000
Cable TV	392,543	412,000	432,600
Solid Waste	235,691	245,000	251,125
TOTAL	\$2,939,834	\$2,962,000	\$3,038,725

OTHER TAXES

<i>Item</i>	<i>2007 YE Est.</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Leasehold	\$ 87,168	\$ 88,000	\$ 88,000
Gambling	9,555	10,000	10,000
Parking	12,578	13,000	13,000

LICENSES & PERMITS

<i>Item</i>	<i>2007 YE Est.</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Business License	\$ 104,073	\$ 110,000	\$ 110,000
Crime Free/Rent Hous.	218,715	253,135	255,000
Building Permits	644,563	711,466	626,960
Animal Licenses	36,378	38,000	38,000
Other (concealed weapons)	26,333	30,900	64,700
TOTAL	\$1,030,062	\$ 1,143,501	\$1,094,660

**ONE TIME BUILDING ACTIVITY REVENUES
 (NOT INCLUDED IN BASE REVENUES)**

<i>Item</i>	<i>2007 YE Est.</i>	<i>2008 Budget</i>	<i>2009 Budget</i>
Building Permits	\$ 551,961	\$ 605,645	\$ 550,325
CHARGES FOR SERVICES			
Engr. Plan Review	79,106	106,000	96,300
Zoning	19,190	0	0
Plan Check Fees	303,135	164,660	357,700
TOTAL	\$ 953,392	\$ 876,305	\$1,004,325

Councilmember Pina remarked that he would prefer staff only use expected value of all projects to estimate revenues from one time sources.

Finance Director Henderson continued by reviewing:

- *Intergovernmental Revenues* - Includes federal and state grants, local government assistance, State shared revenues including fuel taxes and Interlocal reimbursements for services
- *Charges for Services* - ROW permits and plan review, zoning and plan check fees, Parks Recreation & Senior Service program fees, public safety fees and miscellaneous fees (passports & fingerprinting).
- *Interfund Revenues* - Indirect costs to proprietary funds for general governmental services, reimbursements from CIP funds for project management & accounting services.
- *Fines & Forfeits*
- *Interest Earnings*
- *Miscellaneous Revenues*

She concluded with a summary included in Council's packet:

	<u>2008 Budget</u>	<u>2009 Budget</u>
Base Revenues:	\$15,761,289	\$16,539,859
One-Time Revenues:	<u>1,404,965</u>	<u>1,947,325</u>
TOTAL	\$17,166,254	\$18,487,184

In regards to the significant one-time revenues for next year, Mayor Pro Tem Thomasson stated one of the first places they should be spent is to take care of the expenditures that did not occur this year, including Revenue Stabilization, in addition to the MCI Fund. Finance Director Henderson felt when staff brings the "balance budgeting strategies and policy decisions" Council can discuss what policy should be followed.

8:40 p.m. Mayor Sheckler declared a 10 minute break.

Water District #54

Planning, Building and Public Works Director Fredricks noted the purpose of this item is to update Council on a series of discussions over the past year that City staff have had with the Water District and South King Fire and Rescue regarding the quantity and reliability of water distribution in the downtown area, and the Marina, to support fire protection (prevention and response) as well as redevelopment. He advised the most recent discussions were due to the development community expressing concern over the type of construction that is being required, which is more expensive, because of the lack of water availability at the downtown area sites. He stated the conversations have shifted from one centered on development, to one centered on fire protection and fire response. He advised this has given staff a better understanding on the integrity of the water system and the delivery of water at different points downtown and at the Marina. He informed Council the goal is to improve the distribution system downtown. To do this it is proposed to construct a 12" water main from S. 216th to S 227th along Marine View Drive and then 12" laterals from that point down to 6th or 7th Avenues South, which then would provide a reliable distribution of sufficient water that will support development and, more importantly, support fire response and protection which is required in those particular areas. He advised they have also been working with Harbormaster Dusenbury to figure out how to support the domestic and fire response needs in the Marina. The approach established so far, is reconstruction of a 12" line on the Marina floor that is necessitated by the bulkhead replacement project, then connect that with the line on South 227th. He stated while there is general agreement about the approach for the 12" lines for water distribution, there is still some disagreement regarding the supply to feed that line. Discussions revolve around whether the need is for 3,500 gallons per minute for three hours, or 5,000 gallons a minute for four hours. Water District #54s system can provide as much as 5,000 gallons a minute for about two hours, but then they are out of water. The new 12" distribution system would support the current supply or an enhanced supply of 5,000 gallons a minute, which would require the district to create some supply relationships with the Highline Water District and some inter-ties to support that system. He stated the issues are ones of quantity (gallons per minute), the duration (hours), the delivery of that water to specific locations downtown, relying on the Fire Department to lay hose to points where it is more readily available and compensate for areas where it is less readily available, and whether the supply needs to be assured to the entire District or only the downtown core area.

Mayor Pro Tem Thomasson stated it is not clear to him what is the purpose, or outcome, that is expected from this agenda item. He advised that he would not support a number as high as 5,000 gallons a minute as he feels it is unnecessary. It is his experience that 3,500 is fine and any special construction that is needed to support that amount should be required. He felt that if a developer is requesting 5,000 gallons per minute he is just trying to build cheaply.

City Manager Piasecki advised that this discussion is information for the Council. He noted that Council had received a letter from the Water District requesting the City set some sort of standard. He also noted that the Fire District has expressed some concern over their ability to fight fires in the downtown area, and the development community feels it is becoming difficult for them to build in the downtown area. He requested Council listen to what all the concerns are and then decide if you wish to weigh-in on any of the issues as to what are we going to do with the issues of the water system downtown. Have these discussion in an open public forum also gives the citizens an opportunity to learn about the issues that are occurring.

Mayor Sheckler felt it is important to hear what all the parties have to say, and then Council can make a decision as to what we want to do, if anything.

Planning, Building and Public Works Director Fredricks added that the dilemma now is, all the agencies are in agreement that we need a new distribution system downtown that will deliver 3,500 gallons a minute to all the important places in the downtown area that need fire protection or for redevelopment, and to respond to the aging system downtown. Operationally speaking, the question is how best to create that distribution system - over a decade in small increments relying on the development community to building a half block long sections, a section at a time. Or, find a way to do that 2 ½ million dollar project all at once and get it paid for in a mutually agreeable manner.

Mayor Sheckler voiced the opinion that it should not be done piece meal.

Councilmember Sherman noted Council in the past asked the Water District to increase water flows and they engaged in a 3.5 million dollar project to help the downtown area, but everyone is paying for it. He also noted the Council not too long ago approved the District's plan for the next six years through 2010. He noted Council has not discussed a vision for downtown development in over 10 years. He questioned whether the additional water flow is only needed if developers will not build to higher standards. In regards to the Marina he does not believe any construction will require more water flow, if anything we are building with more steel instead of wood for the bulkheads, removing the wood storage sheds, which decreases the need for fire suppression.

In regards to the downtown vision question, City Manager Piasecki advised it is only what is currently in the Comprehensive Plan for downtown and what is currently allowed in the Zoning Code. In reference to the fire flows at the Marina, he will defer to the Fire District.

In response to questioning concerning an aging water system, Planning, Building and Community Development Director Fredricks advised that it is in part the small size of the pipe (6" line in the alley between Marine View Drive & 7th Avenue South), small amount of steel pipe, and asbestos cement pipe. He noted there has been no systematic replace of water lines in the downtown area for at least a decade.

Councilmember White stated that if there is something impeding positive development for downtown, then she wants to see it resolved, especially if it involves life and fire safety issues. She felt this is only common sense.

Councilmember Pina noted there is a decent number of multi-story condominiums west of downtown towards the Marina and ensuring adequate water supply or fire safety is an important concern. Also Council has discussed a desire to see downtown business expand and develop with appropriate construction. If fire safety is an issue and economic building costs are prohibitive, then he wants to hear both sides of the issue.

Councilmember Kaplan advised that the topic of the adequacy of water in downtown has been an issue that has been around for a long time. He remembered that back in 2000 Council rejected the Water District's proposed plan as being inadequate. He noted he was not on Council when they approved the 2004 six year plan. However, he noted fire standards have improved over the years and feels the Fire District has learned a lot about the adequacy or inadequacy of the Water District's standards. He felt there is a whole series of questions that need to be answered regarding the adequacy of the water system. He remembered that back in 2001 there was

concern whether the Water District was adequately planning for the future. He expressed appreciation for the improvement for the people serving on the Water District as well as the engineering work that has been done on their behalf and it is apparent they have made improvements. However, since he has not seen their current Plan he has no way of knowing whether or not they are meeting what the City's expectations are for downtown. He stressed whatever the City has zoned and allowed in downtown needs to be supported by the water system and he would like to hear how that will be handled.

Councilmember Scott noted that as construction does occur in downtown she felt it would be built adequately for fire safety. She stressed that she would not want to see streets ripped up again or in a piece meal basis even though we do need to have 12" mains. She further noted that the Marina can use saltwater if necessary to fight a fire. She questioned the use of a tie-in with Highline Water District due to chlorine in their water stirring up manganese in Water District 54s water. She stated she wants new construction in downtown that can use the 3,500 gallons per minute and questioned whether the City's Code adequately addresses this type of construction standards.

Councilmember Sherman questioned whether a site specific project such as the downtown area, could a LID be used.

City Manager Piasecki advised that utility districts are allowed to do an ULID as a financing mechanism.

Mayor Sheckler reminded Council that when a couple of members were in Washington, D.C. the City did request some funding for the Water District, although it appears that was not accepted.

City Manager Piasecki informed Council that the Water District does have a debt capacity ceiling and they are very close to that limit. He felt a ULID may not affect that capacity limit.

In response to questioning, Planning, Building and Public Works Director Fredricks advised that the City's International Building and Fire Codes are adequate. He felt the Fire District's position is that 3,500 gallons per minute is an adequate 1st phase of development, but having a higher rating would reduce City's insurance rates. However, even at 3,500 gallons per minute it will require a new distribution system by the Water District.

Fire Marshal Biesold of South King Fire and Rescue, informed Council that their target goal is 5,000 gallons per minute for the future with 12" mains. This can only be achieved with a new system in the downtown area. He stated that 3,500 gallons is sufficient, however at the present time there are areas in downtown that do not meet that. He noted that the Water District's Comp Plan calls for a minimum goal of 2,500 in light business and residential areas, and a minimum of 3,500 in the downtown area. He advised the Fire District has concerns over some of the fire flow of only 1,700 in areas of downtown, and the age of the pipes is another concern. He displayed a map showing the downtown area. He also noted the proposed design of 12" pipes running north and south on Marine View Drive with "finger" extensions to 7th and 6th Avenues South, would require any new developers to connect with the own 12" extension to complete each block as built. In regards to the Marina, he stated it is probably the District's highest risk and the most challenging to protect. He noted the Marina Master Plan does call for a new 12" main across the east side. He also noted they are looking at putting in "drafting pits" from the Sound where on a 2nd or 3rd alarm the saltwater could be accessed. This would be a cooperative effort between the Water and Fire Districts and the City. He also noted that four piers at the Marina now have stand pipes which can be utilized without having to lay hose. Addressing the downtown area, he stated one of the biggest problems is there is a lot of existing buildings, most without sprinkler systems, and require more than 3,500 gallons per minute. In order to get the appropriate gallons per minute the Fire District would need to hook into 4 to 5 fire hydrants (at 750 gallons each) and this is not practical. He also advised that due to the AC pipes, and the amount of pressure used by the Fire Trucks, you run the danger of taking the lining off of the pipes and/or of collapsing them. He stated that of the four water districts located in the South King Fire and Rescue district, Water District 54 is the only one they have a concern about scrubbing the lines and damaging them at a fire. Having only 750 gallons of pressure would require the Fire District to bring in a lot more equipment, lay more hose and take a lot of time, and during a fire they do not have a lot of time.

Mayor Pro Tem Thomasson stated that for the past 20 years he has said the water system is inadequate in the distribution system. He felt there could be agreement to have the system build to the 3,500 gallon per minute standard.

Water District #54 Engineer, John Hastig of Gray & Osborne, addressed the Council advising that in the area of Marine View Drive that there is a serious deficiency with the velocity in the pipes. He stated the standard you need in an emergency would be about 8 feet per second in the pipe. He displayed a map of the District's pipes showing 6", 8" and 10". He also noted that elevation plays a part in the feet per second. He advised the standards used by the District are a minimum of 30 pounds per square inch at the meter during worse case problems, and during a fire emergency you can go down to 20 pounds per square inch. He advised there are some areas north of the water towers that would not have adequate water flow if a fire occurred downtown. He has made a recommendation to the District to raise the pressure, put in PRVs to drop the pressure down in the downtown area. He noted when you start looking at higher fire flows along Marine View Drive there is no pipe there and the crossings that are set up are only 6 inch pipes, therefore additional flow is needed in that area. He informed Council that when joint meetings first began City staff made it clear that they did not want fire flows restraining any development in the downtown area. That meant that if a developer wanted to build a 85,000 sq. foot building or greater, wood frame with no fire partition, he would be able to build it. However that would require 8,000 gallons per minute, or with a 40% reduction we arrived at the 5,000 gallons per minute. He noted there are no such developments proposed currently. He also expressed agreement with Mayor Pro Tem Thomasson that such a building can be built if it is partitioned properly. He noted the District has adequate storage tanks to supply the 3,500 gallons per minute, but if the District wished to build additional storage or contract with Highline Water District to provide that storage, you would be talking about a potential investment of up to 2.5 million dollars. Upon questioning, he noted the proposed colored drawing given to the Council, addresses the issue of the fire flow delivery as agreed to with the Fire District. He pointed out that you will not have 5,000 gallons per minute, but can have it in combination, a half a block away. As developments come in they would add to the east west segments of piping which would provide the 5,000 number by using 2 hydrants.

10:25 p.m. **MOTION** was made by Councilmember Kaplan, seconded by Councilmember Scott and passed unanimously, to extend the meeting by 10 minutes.

Mr. Hastig advised that the basic decision the District wants from the City is to either concur with City staff for unrestricted over 8,500 wood frame structure which needs 5,000 gallon per minute, or agree that 3,500 gallons per minute is the proper amount and then require proper partitioning and building structure to meet that.

Councilmember Kaplan felt what staff is trying to say is they want downtown to be built out based on current zoning, without water being a restricting factor in development of those properties. In other words, if someone came in and bought every inch of downtown and built within the confines of what is allowed under Code, would the Water District be able to provide the water necessary to serve those facilities, both from use and a fire safety standpoint.

Councilmember Pina questioned whether the Water District plans to have the lines installed to provide 3,500 gallons per minute in the downtown area.

Mayor Pro Tem Thomasson noted that 3,500 would allow anything in the City's Zoning Code without too much restriction, but the problem is, there is not 3,500 there today.

Mr. Hastig agreed that there are changes needed to meet the intent of the City's desired development and deliver the fire flow in a proper manner. He stated that in general the system can provide 3,500 to the general downtown area, it is the distribution to the individual points that is the issue and the distribution within the individual pipes. If you pump 3,500 out of the small pipes, the concern is the potential for a "water hammer" which will burst the pipes. He felt the general consensus is that growth pays for growth, then the developer will pay for the increased pipe needed.

Councilmember Kaplan expressed disagreement with growth paying for growth. He agreed developers should pay for hookups, but felt the District needs to supply the mains to support growth. That is why you plan ahead with Comprehensive Plans to ensure you have the facilities necessary to support what the City has intended. He pointed out the City's downtown Comp Plan is nearly 15 years old and should not be a surprise to the Water District. He pointed out that several Councilmembers requested from the State Legislature a couple of million dollars towards replacing the system, without being asked by the District, because the City knows the District needs the money and does not have the capacity to raise it alone. He feels it is not realistic to expect developers to pay for improvements that the Water District should be providing.

Mayor Sheckler announced this conversation will be continued at the November 1st Study Session.

Zoning Code Update

MOTION was made by Mayor Pro Tem Thomasson, seconded by Councilmember Scott and passed unanimously, for this item to be placed on another agenda to be determined by the Mayor.

Destination Des Moines

MOTION was made by Mayor Pro Tem Thomasson, seconded by Councilmember Sherman and passed unanimously, for this item to be placed on another agenda to be determined by the Mayor.

NEXT MEETING DATE

Mayor Sheckler announced the next regular meeting will be October 11, 2007.

ADJOURNMENT

10:40 p.m. the meeting adjourned by time expiring.

Respectfully submitted,

Denis Staab
City Clerk