

CITY OF FIRCREST
SPECIAL CITY COUNCIL MEETING MINUTES

MONDAY, NOVEMBER 16, 2009 **COUNCIL CHAMBERS**
6:00 P.M. **FIRCREST CITY HALL, 115 RAMSDELL STREET**

CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL

Mayor Kathy L. McVay called the special meeting to order at 6:00 P.M. and led the Pledge of Allegiance. Councilmembers Matthew Jolibois, Chris Gruver, Robert Thaden, Hans Hechtman and David M. Viafore were present.

MOTION

Moved by Hechtman, Seconded by Jolibois, to excuse Councilmember Weinman. Ayes: Jolibois, Gruver, Thaden, McVay, Hechtman and Viafore. Noes: None. Motion Carried.

Fircrest Wellness Program

Wellness Coordinator Stahlnecker presented information on the Moving Forward Fircrest Wellness program.

- Mission statement: Enhancing the overall health of employees' mind, body and spirit through education, encouragement and environment
- Program aims: Improved employee quality of life, morale and productivity with decreased use of sick leave, use of health care services and incidents of serious workplace injuries.
- Potential for medical premium discount of 2% in 2012 by developing a wellness plan in 2110 and winning the 2011 Well City award
- Review of nine Well City standards
- Elements of program include: Association of Washington Cities programs, Bi-monthly newsletter, Community events, Volunteers and Departments

Takeover of Pierce County Sewers

Interim Public Works Director Larkin stated as part of the potential Fircrest takeover of Pierce County sewers in 19th and Mildred area staff had most of the mains televised and determined they are in very good condition. Before proceeding with a formal request to Pierce County to take over the sewers staff was seeking Council input.

Discussion included:

- Inquiry about a funding source, the impact to the Fircrest system, issues with Tacoma regarding use of their mains and Tacoma sewage treatment costs
- If treatment costs remain the same as Pierce County currently pays this would be a financial benefit to Fircrest
- Pierce County would turn over the sewers at no cost to Fircrest
- Pierce County did not build any of the infrastructure and they received no connection charges since they do not treat the sewage
- Recommendation that the formal request letter include an explanation that Fircrest was considering this option after discussion with Pierce County about a franchise fee agreement

Sewer Project Bonding Requirements

Larkin stated that due to the uncertainty of obtaining loan funding in the near future for the Relocation of Backyard Sewer Mains Project from either the State Revolving Fund (SRF) or the Public Works Trust Fund (PWTF) the option of issuing a Revenue Bond was being considered. The current estimate for the overall project was \$21.5 million. The estimated cost of construction for the project portion currently under final design was \$9.6 million. That portion of the project includes everything north of Princeton Street plus the Alameda/Buena Vista segments. Bonding information presented in the agenda report was based on a proposed bond amount of \$9.6 million.

Bonding information:

- Sewer rate increases required to meet debt service: 20 year - \$20.40 per month, 25 year - \$18.25, per month and 30 year - \$16.90 per month (includes the previously approved \$10.00 increase)
- Should funding become available through the Public Works Trust Fund (PWTF) in the 2011-2012 biennium the City could obtain a PWTF loan and bond for the 15% local match

Discussion included:

- Inquiry about the number of properties included in this portion of the project
- The portion being discussed includes priorities 1, 2, 3,4,5,6 and 9 or approximately 25% of the Relocation of Backyard Sewer Mains Project properties
- Request for information on 40-year bonds
- Applications are being prepared for SRF loans
- Contracted lobbyists arranged the meeting with Department of Ecology (DOE)
- DOE and Fircrest staff have determined additional meetings are not required for the loan process
- It was unknown if PWTF loan funding would be continued in the future
- If long-term, low interest loan funding does not become available the recommendation was to review the Relocation of Backyard Sewer Mains Project and determine how much the City would want to bond for
- Identified rate increases to cover debt service include payment of principal and interest
- The total Relocation of Backyard Sewer Mains Project includes approximately 408 properties
- Total costs identified includes loans to property owners for turnarounds
- Inquiry about interest savings from making monthly or semi-annual payments rather than annual payments
- Bond Reserve requirement must be available on the day payments are due

Proposed AT&T Lease Amendment for Facilities On High Tank

Larkin stated AT&T has requested a lease amendment for an original five year extension of the lease with the availability of three additional five year renewals for the space on the high tank. The existing lease expires November 1, 2011. All other terms of the existing agreement would be unchanged.

Discussion included:

- Inquiry about current lease start date and terms
- Concern regarding current agreement language regarding possible tank removal due to natural disasters
- Indemnification agreement was required for development of the nearby home improvement store

- Inquiry if extensions are by mutual agreement or at the option of AT&T
- Inquiry about new technology regarding paint deterioration
- Inquiry about an AT&T percentage contribution towards tank maintenance and painting
- Suggestion the proposed agreement should reflect terms of most recent lease agreement
- Suggestion to research City of Tacoma lease for new site near Cheney Stadium
- Consider new leases instead of amendments to old leases

Budget Discussion

City Manager Brandon stated the 2010 Preliminary Budget has been reviewed at study sessions in October, the first public hearing on was held on November 10, 2009 and Council now has another opportunity to make changes.

Discussion included:

- Inquiry about previous Council requests for information on Recreation rentals
 - Staff will provide report by Friday
- Inquiry about funding the upgrade to the pavement condition survey
 - Report from staff identified the survey upgrade could be deferred
- Council Consensus to defer the upgrade to the pavement condition survey to 2011
- Inquiry about Certificate of Deposit (CD) information from statewide banks
 - Report that seven banks would accept public funds for CD investments, two met Council's minimum interest rate requirement and an investment motion would be brought forward
- Inquiry about request for information about the proposed receipting software for Recreation
 - Request for information to be provided by Friday
- Suggestion for Recreation rental fees
 - Whittier shelter: Non-resident - \$175.00, Fircrest Park Pavilion: Non-residents - \$85.00, Gymnasium: Non-residents - \$575.00 to \$600.00, Rooms: Non-residential - \$85.00
 - Open Gym non-resident fees should have clearer definitions of age groups
- Inquiry about decant facility and possibility to contract to use City of University Place facility
 - City of University Place facility is not connected to sewer and can only be used by them
 - Discussion about Pierce County Health Department regulations for decant facilities
 - Discussion about rent for use of General Fund property for decant facility
 - Additional information requested from staff
- Request for cost information for a snow plow on the 4x4 truck rather than dump truck for snow removal at The Commons
- Request for options on replacement of the Police Chief vehicle
 - Previous policy was to replace the Police Chief vehicle with a used vehicle
 - Clarification the replacement cycle for Police Chief vehicle would be ten years not seven
 - Concern about funding the replacement contribution
 - Suggestion to research dealer bids vs. State prices
 - Staff will bring forward a new report
- Concern about Planning/Building Department revenues and staffing levels
- Intention to propose reinstatement of administrative position in the Police Department
- Inquiry about \$94,000 funding for updating the Sewer Comprehensive Plan
 - Funding was not available to do any infrastructure improvements

- If State funding becomes available for Public Works Trust Fund (PWTF) loans there is a requirement for an Sewer Comprehensive plan to be no more than six years old
- The current Fircrest plan was adopted in 2002 and would not met that requirement
- Information developed from preliminary and final design work would be used
- Staff plans to TV approximately 25% of sewer mains in the streets that were previously reported in Condition 3 and 4 (fair to poor) to determine whether or not those sewers have deteriorated significantly in the last seven years
- PWTF funding may not be available in the near future and possibly not ever
- Staff would provide a detailed budget of the \$94,000 request
- Request for dollar amount that will be taken out of the budget for union negotiations that are no longer required
- Suggestion to consider low-income/senior/disabled utility rates and a Project Share for tax-deductible donations to assist with funding low-income/senior/disabled utility payments
 - Council consensus to proceed with research for a low-income/senior/disabled utility rate
 - Proposed implementation date, April 1, 2010

ADJOURNMENT

Moved by Thaden, Seconded by Gruver, to adjourn the meeting at 7:18 P.M. Ayes: Jolibois, Gruver, Thaden, McVay, Hechtman and Viafore. Noes: None. Excused: Weinman. Motion Carried.