

**CITY OF FIRCREST  
SPECIAL CITY COUNCIL MEETING MINUTES**

**SEPTEMBER 28, 2015  
6:00 P.M.**

**COUNCIL CHAMBERS  
FIRCREST CITY HALL, 115 RAMSDELL STREET**

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**CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL**

Mayor David M. Viafore called the special meeting to order at 6:00 P.M. and led the pledge of allegiance. Councilmembers Matthew Jolibois, Shannon Reynolds and Jason Medley were present. Councilmembers David R. Goodsell and Denny Waltier were excused. Councilmember Hunter T. George was absent. George arrived at 6:10 P.M.

**2016 PRELIMINARY BUDGET**

Finance Director Corcoran provided an overview of the 2016 Preliminary Budget.

**SALARIES**

- 1.1% increase in Salaries, based on the CPIW, equaling approximately \$20,000 in General Fund and \$7,700 in Public Works
- Increase of \$0.50 per hour in Pool Seasonal and Casual equating to approximately \$2,500 for the summer. This increase would apply to the Pool Cashiers, Lifeguards, Swim Instructors, Swim Coach and Pool Opener.
- Increase in the retirement rate for LEOFF 2 equating to approximately \$10,000
- 5% increase on medical premium cost and a 0% increase for dental
- 25 hours per week for a Planning/Building Administrative Assistant split between Planning and Building equating to approximately \$29,000, including salary and benefits (L&I, Social Security and Retirement)
- Reclassification of the Permit Coordinator/Code Enforcement Officer to a Planning Administrator equating to approximately \$500 for the first year

Corcoran provided language from the Personnel Policies and Procedures Manual that describes the procedures for a reclassification and noted that the process was followed for this reclassification. Corcoran further explained why some of the positions identified included in the Salaries report are vacant, and also noted the City Manager cannot hire someone if that position is not identified in the budget.

**EQUIPMENT RENTAL AND REPLACEMENT FUND (ERR)**

Corcoran provided a summary of how ERR works (Replacement Funding, Repairs and Maintenance, Interest and Overhead, and Use of Accumulated Interest). Corcoran stated the investment interest shown does not include interest from the recently purchased bond as the preliminary budget was printed prior to the purchase of the bond. Corcoran noted the total fund balance in ERR is \$1,806,851.

**Expenditures**

Corcoran noted the Salaries & Wages reflect the time spent by the Facilities Maintenance Supervisor. She stated that gas, insurance and repairs and maintenance costs are also reflected in the ERR

Expenditures. Corcoran noted that the replacement life of police vehicles has been reduced from 10 to 7 years.

Capital

- Capital consists of the purchase of seven new computers, two servers, two Police Interceptors, one Police motorcycle, and a Street sweeper (plus \$116,128 from Storm Fund)

Discussion continued as follows:

- Bring back additional information at a future study session regarding the street sweeper that includes the Operations and Maintenance section completed as well as the mileage section
- What is the trade-in value of the current sweeper
- The plan to use accumulated money from the Public Safety Building generator to purchase the two Police Interceptors and the replacement cost and contributions if a used police motorcycle is purchased from Tacoma's traffic unit
- Creating a policy for the ERR fund that continues with replacement costs on items that aren't purchased on their scheduled replacement dates
- Contributions need to keep up with replacement costs and not estimated life of use
- Change the replacement life of police interceptors from 7 to 10 years
- Conduct a study session on the ERR fund at mid-year 2016

Public Works Director Wakefield gave an overview of the updated spreadsheet regarding Public Works equipment due for replacement.

STREETS

Revenue

- \$7,000 of revenue for Right of Way Road and Utility Permits
- \$141,500 of Motor Vehicle Fuel Tax
- \$400 Investment Interest
- \$10,000 Beautification Donations
- \$10,000 Transfer in for Street Beautification
- \$190,339 Transfer from Property Tax (12.5% of General Fund Property Tax Revenue received)
- \$60,000 Transfer for Light-Street Maintenance from Designated Light Fund Balance
- \$50,000 Transfer from REET 1-Capital

Street Maintenance

- \$1,000 reduction in Crack sealing
- \$17,466 increase in ERR Replacement

Capital

- \$1,250 for Machinery & Equipment (1/4 of the GIS mapping improvements)
- \$50,000 major street patching

Streets Light Maintenance

- No major changes from 2015 other than a small increase in Salaries & Wages and Personnel Benefits

Capital

- \$30,000 for additional LED lighting, including the cost of the lights and rebates (\$38,000 is the cost of the project but that includes staff time to replace the lights)

Street Beautification

- \$2,000 increase for supplies (based upon historical usage)
- \$8,000 reduction in Banners/Flags Supplies (budget was increased in 2015 to purchase flags)
- \$6,360 reduction in contracted Beautification

Discussion continued regarding the recent resignation of the Landscape Maintenance Worker and the possibility of contracting the landscaping out for 2016.

**STORM**

Revenue

- There is a high probability that the City will received a Department of Ecology NPDES grant in the amount of \$50,000
- The storm drain fees, charges and penalties haven't changed much from 2015

Expenditures

- \$3,000 reduction in Professional Services (\$5,000 for on-call engineering, \$12,000 for NPDES compliance activities, and \$2,000 for upgrades to the GIS System)
- \$3,346 reduction in ERR Interfund Replacement

Discussion continued on the trade-in value for the current sweeper and a request that there be a future discussion on the funding source for its proposed replacement.

Capital

- \$25,000 for stormwater catch basin and fame & grate replacement
- \$5,000 for engineering related to storm drainage improvements
- \$2,000 for ¼ of the GIS mapping improvements

**WATER**

Revenue

- Few changes from 2015

Expenditures

- \$17,000 reduction in Professional Services
- \$2,000 for ¼ of the GIS mapping improvements
- \$13,015 increase in Interfund ERR Replacement
- \$1,800 reduction in the State Operating Permit based on historical data
- \$1,107 reduction in the debt service payment

Capital

- \$60,000 to replace the water main on Summit Avenue from Princeton Street to Columbia Street
- \$7,500 for engineering services to finalize the plans and specifications for the water main project
- \$2,000 for ¼ of the GIS mapping improvements

**SEWER**

Revenues

- Revenues are remaining the same as in 2015

Expenditures

- \$5,000 for Professional Services
- \$2,000 for upgrades to the GIS system
- \$200,000 increase to Sewage Treatment costs

Public Works Director Wakefield provided an overview of the sewage treatment costs, the formula used to determine the costs, and the inclusion of the capital costs that are now added by Tacoma. Wakefield concluded by stating that when the contract was initially presented, the information wasn't as comprehensive as it is now.

Capital

- \$150,000 in Other Improvements that include the purchase of standby power for the lift stations, Condition 4 sewer main point repairs, \$12,000 for engineering services for the sewer projects and \$2,000 for upgrades to the GIS system

Discussion continued as follows:

- Phase in the purchase of the generators identified for the lift stations

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- Bring back additional information on the sewer capital at a future meeting

**BACKYARD SEWER MAIN**

- Includes principal and interest payments for outstanding loans
- Future point repairs will be paid by the Sewer fund and not the Backyard Sewer Main Fund

**REET**

REET 1 will be reduced to \$52,165 after the Transfer Out and REET 2 equals \$1,088,358.

Revenues

- No change from 2015
- REET 1 is estimated at \$60,300

Expenditures

- \$50,000 is budgeted to be transferred from REET 1 to the Street Fund for Capital Improvements

Discussion continued as follows:

Bring back additional information on the available uses of REET 2.

**CUMULATIVE RESERVES**

- No change from 2015
- \$3,000,000 in General Fund, \$150,000 in the Street Fund and \$380,763 in the Sewer Fund
- The General Fund Cumulative Reserve is presently invested in bonds

Discussion continued as follows:

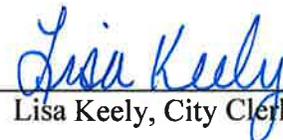
- Bring back additional information on the split of the Water and Sewer Fund.

**ADJOURNMENT**

**Moved by Reynolds, seconded by Jolibois, to adjourn the meeting at 7:40 P.M. Ayes: Jolibois, Reynolds, Viafore, George and Medley. Noes: None. Excused: Goodsell and Waltier. Motion Carried.**



David M. Viafore, Mayor



Lisa Keely, City Clerk