

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

**SEPTEMBER 26, 2016
6:00 P.M.**

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

CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL

Mayor Matthew Jolibois called the special meeting to order at 6:00 P.M. and led the pledge of allegiance. Councilmembers Blake Surina, Shannon Reynolds, Brett Wittner, Denny Waltier and Jason Medley were present. Councilmember Hunter T. George was absent. George arrived at 6:22 P.M.

2017 Preliminary Budget

Finance Director Corcoran provided an overview of the 2017 Preliminary Budget.

SALARIES

- 2.0% increase in Salaries, based on the CPIW
- 6% increase in the AWC medical premium
- Continues the 10% employee contribution for medical premiums
- 50% reimbursement for gym fee costs, up to a maximum of \$25 per month
- Provides the opportunity to roll over the \$150.00 provided each year for eye glasses to use up to \$300 in one year
- Increases the level of staffing of the Administrative Assistant in Planning and Building to full time. The time would be split 50% in Administration, 25% in Planning and 25% in Building. This would backfill the open Administrative Assistant in Administration and provide a person to research grants and be present to add coverage in Planning and Building when needed.
- Seasonal and Casual wages have increased to mirror the minimum wage in the City of Tacoma
- Salaries and Wages in Facilities includes a part-time Landscape Maintenance Worker
- The vacant position in the police department is budgeted at salary Step C with medical benefits calculated at the full family rate

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) and highlighted a spreadsheet showing revenues and expenditures. She reported that the net decrease to ERR is \$122,850 and the total fund balance in ERR that is set aside to purchase new vehicles is \$1,820,537.

Expenditures

Corcoran outlined the overhead costs included in the ERR Expenditures, and noted that the Police Department is the only department that is negative in their interest balance (\$41,953).

Capital

Capital consists of the purchase of five computers, a 2017 Ford Escape, a 2016/2017 Ford F150 ¼ ton pickup, three 2017 Utility Trucks and a 2017 Dump Truck. Corcoran stated there have been problems with one of the mowers in Parks and a request to replace it might come forward as well.

Discussion continued as follows:

- Consider replacing the Cavalier with a hybrid vehicle instead of a Ford Escape

STREETS

Revenue

- Intergovernmental Revenues includes grant monies (Regents Boulevard, Alameda Overlay, Traffic Signal), multimodal transportation, and motor vehicle fuel taxes that come from the State and are on a per capita basis
- The Traffic Signal Grant to update the box and signalization at the intersections of Alameda and Emerson and Alameda and Regents, if awarded, is \$337,560, and there is no match from the City
- Transfer in of \$10,000 to cover a portion of the Street Beautification Budget
- Transfer from Property Tax is figured at 12.5% of General Fund Property Tax received
- Transfer from Light-St Maintenance is to cover a portion of the Street Light Maintenance Budget
- Transfer from REET 1-Capital includes \$50,000 for major street patching improvements
- Transfer from REET 2-Capital includes \$30,440 for the match on the Alameda Overlay grant project, rollover of \$131,815 for the match on the Emerson-Orchard to Alameda Sidewalk grant project and \$125,000 for the match on the Emerson-Alameda to 67th Sidewalk grant project

Expenditures

- Small Tools & Minor Equipment increased \$500 to cover 1/5th of the cost (split between Street, Water, Sewer, Storm and Planning/Building) for a large scale printer
- Interfund ERR Replacement is going down in 2017, as the vehicles are being purchased, but the line item will go up in 2018 to put in the replacement costs
- Interfund Service Charges is a distribution of overhead costs from the General Fund based on a percentage of how much each department in each fund is using

Streets Maintenance Capital

- Machinery & Equipment of \$12,000 is for ¼ the cost of a new mini excavator (split between Street, Water, Sewer and Storm). Once purchased, the equipment will be moved to ERR to start replacement in 2018
- The Street Improvement projects reflect projects identified in the Six Year Comprehensive Transportation Program

Streets Light Maintenance

- Pole Attachment Charge (\$3,000) has been removed due to inactivity for ten years

Capital

Capital Improvements includes \$30,000 for this year's cost of the program to convert the existing street lights to LED lighting, including the cost of the lights and rebates. The cost to install the lights is included under the salaries and benefit line items, for a total project cost of \$38,000 for 2017.

Street Beautification

- Includes a correction in the amount that should be budgeted for contracted Beautification

STORM

Revenue

- Includes the proposed rate increase
- No changes to revenue other than the increases due to the rate increase

Staff responded to Council inquiries regarding the rate study and suggestions on the use of the Storm Ending Fund Balance.

A request was made for the results of the rate study and the effect on each utility.

Expenditures

- Excise Taxes increased \$1,163
- The City Utility Tax in the amount of \$26,544 is an addition to the Storm Fund and goes to the General Fund

Capital

- Consists of \$25,000 for storm water catch basin and minor main improvements
- \$5,000 for engineering related to the storm drainage improvements
- Machinery & Equipment is for ¼ the cost of a new mini excavator

WATER

Revenue

- Includes the proposed rate increase
- No significant changes other than not including the 2016 Department of Health Grant.

Expenditures

- Includes \$8,500 for chlorine
- Includes State Excise and City Utility taxes based on the rate increase
- Includes the principal loan payment in the amount of \$44,218

Capital

- Includes \$380,000 to construct a new water main on Ramsdell Street
- \$10,000 for costs to abandon Well #5
- Project engineering services to finalize the plans and specifications and provide bidding assistance for the Ramsdell water main project
- \$16,000 for the purchase of four fluoride meter pumps and \$12,000 for ¼ the cost of a mini excavator

Staff responded to Council inquiries regarding Well #5 and painting of the high tank.

SEWER

Revenue

- Includes the proposed rate increase
- No changes to revenue other than the increases due to the rate increase
- No transfer from REET as money for capital is coming out of the fund balance

Expenditures

- Includes State Excise and City Utility taxes based on the rate increase
- Small Tools includes ¼ the cost of the large format printer
- Sewage Treatment Costs are presumed to increase 6% per year

Capital

- Includes \$350,000 for the Alameda lift station improvements and standby power
- Includes \$25,000 for condition 4 sewer main point repairs
- Includes \$12,000 for project engineering
- Machinery and Equipment is for ¼ the cost of a new mini-excavator

Sewer Relocation

- Includes transfer of \$324,864 from Sewer Fund for debt service

A request was made for the loan balances for both the Department of Ecology and Public Works Trust Fund loans.

REAL ESTATE EXCISE TAX (REET)

Revenue

- REET 1 and REET 2 will probably be adjusted from \$60,000 to \$90,000
- The balances in REET 1 and REET 2 are increasing but it took a long time for them to be built up
- REET 2 was used to fund sewer and street projects

Expenditure

- \$50,000 is budgeted to be transferred from REET 1 to the Street Fund for Capital Improvements
- \$30,440 is budgeted to be transferred from REET 2 to the Street Fund for the local match for the Alameda overlay grant project
- \$256,815 is budgeted to be transferred from REET 2 to the Street Fund for the local match for the sidewalk grant projects

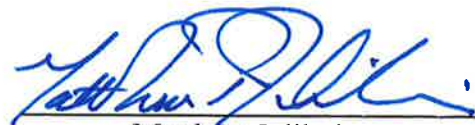
CUMULATIVE RESERVE

- Includes \$3,000,000 in General Fund, \$150,000 in the Street Fund, \$11,513 in the Water Fund and \$369,250 in the Sewer Fund
- Nothing scheduled to go in or out of the Cumulative Reserve Fund in 2017


Staff responded to Council inquiries about the Cumulative Reserve Fund.

ADJOURNMENT

Moved by Reynolds, seconded by Waltier, to adjourn the meeting at 8:01 P.M. Ayes: Surina, Reynolds, Wittner, Jolibois, George, Waltier and Medley. Noes: None. Motion carried.



Matthew Jolibois, Mayor



Lisa Keely, City Clerk