

CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Mayor Hunter T. George called the regular meeting to order at 7:00 P.M. and led the Pledge of Allegiance. Councilmembers David M. Viafore, Shannon Reynolds, Brett Wittner, Blake Surina, Denny Waltier, and Jamie Nixon were present.

PRESIDING OFFICER’S REPORT

George submitted an agenda modification to add a proposed resolution regarding proposed changes to state legislation relating to annexation. George reported that he, City Manager Pingel, and Parks and Recreation Director Grover met with the Names Foundation regarding the Community Center and Pool project. George indicated that the Foundation was very interested in the project and asked the City to keep them apprised of the project’s progress. George shared that there was proposed state legislation requesting funding for additional classes at the law enforcement academy, and stated he could send a letter to the delegation in support of this legislation. Chief Cheesman stated that the Pierce County Chief’s Association was also in support of this legislation. Reynolds requested to add an item under Committee, Commission and Liaison Reports for the Pierce Council Regional Council report.

CITIZEN COMMENTS FOR ITEMS NOT ON THE AGENDA

George invited public comment. None were provided.

COMMITTEE, COMMISSION, AND LIAISON REPORTS

A. Administration

Waltier indicated that he and the Mayor were scheduled to meet with Pingel weekly. Waltier reported on the pool repair progress and stated that the blockage removal in the pool line was successful and that the next step would be to do a pipe insert and make the pipe sound. Waltier stated that this particular fix, due to where the leaks are located, would only be guaranteed for two summer seasons, which would give the City time to strategize a plan of action for a more permanent solution.

B. Environment, Planning and Building

Reynolds indicated that she had not met with Planning and Building Administrator Stahlnecker and would meet prior to the upcoming Council/Planning Commission joint meeting.

C. Finance, IT, Facilities

Nixon reported that W-2 forms have been completed and distributed to employees, and stated that beginning of the year budget amendments, including the rolled over budgeted 2017 amount for the Whittier gazebo roof, would be brought to Council soon. Nixon reported that IT staff was working on replacing the police server, and stated that Chromebooks had been ordered for councilmembers who had already expressed interest and recommended councilmembers who would like one to notify staff. Nixon indicated that City computers will be replaced this year per the ERR schedule, and that Facilities staff was working on the City Hall breakroom upgrades and 2018 projects list. Councilmember Viafore commented on promoting businesses within the City whenever possible as it related to bidding opportunities.

D. Parks and Recreation

Wittner stated that in addition to the pool repair updated provided by Waltier, the City was preparing for the upcoming Daddy Daughter on February 16th.

E. Pierce County Regional Council

Reynolds reported that the Pierce County Regional Council (PCRC) Annual Meeting of the General Assembly was scheduled for February 15th and was an opportunity for all elected officials to participate and adopt the annual work program. Reynolds reported that at PCRC January 18th meeting, she was asked if Fircrest had a position on the Tacoma-Ruston land annexation issue, to which Reynolds replied that the City had not issued an official statement at that time. Reynolds reported that there would be renovations to a Pierce Transit park and ride facility at the Tacoma Dome that may affect Fircrest residents. Reynolds stated that she volunteered to serve on the PCRC Operations Committee and was appointed to represent PCRC on the Puget Sound Regional Council Economic Development Board. Reynolds reported on the vision statement of the PCRC and of proposed legislation that would preempt cities from making rules against selling marijuana.

CONSENT CALENDAR

George requested the City Clerk read the Consent Calendar as follows: approval of Voucher No. 210665 through Voucher No. 210729 in the amount of \$766,578.73; approval of Payroll Check No. 13049 through Payroll Check No. 13054 in the amount of \$97,411.13; approval of Payroll Check No. 13055 in the amount of \$466.21; approval of the January 9, 2018 regular Council meeting minutes; and approval of the January 16, 2018 special meeting minutes. **Reynolds MOVED to approve the Consent Calendar as read; seconded by Wittner.** George removed the January 9, 2018 regular meeting minutes for discussion and to be voted on separately. **The Motion Carried Unanimously.** George brought attention to a scrivener's error in the January 9, 2018 regular meeting minutes, which included the misplacement of public comments within the document. **Viafore MOVED to approve the January 9, 2018 regular meeting minutes; seconded by Reynolds. The Motion Carried Unanimously.**

PUBLIC HEARING

No public hearing was scheduled.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

A. Ordinance: Proposed Solid Waste Rate Adjustment

Pingel briefed the Council on the proposed ordinance setting new solid waste rates due to the disposal fee adjustment and the annual CPI adjustment. Pingel stated that the notice of public hearing was advertised in the December 29, 2017 Tacoma Daily Index and that no public comments were received during the January 9, 2018 public hearing. **Wittner MOVED to adopt Ordinance No. 1613, amending Ordinance No. 1595 and Fircrest Municipal Code 6.08.130 relating to the schedule of rates and charges for solid waste collection; seconded by Viafore.** George invited councilmember comment; Reynolds stated that the disposal fee increased from \$153.48 to \$157.38 per ton (\$3.90 per ton). George invited public comment; none were provided. **The Motion Carried Unanimously.**

B. Motion: Bond Counsel Services Engagement Letter

Pingel briefed the Council on the proposed engagement letter with Foster Pepper PLLC for the issuance of bonds to finance the costs of rehabilitating and improving the City's Pool and Community Center. Pingel stated Foster Pepper attorney Lindsay Coates was present and

available for questions. **Viafore MOVED to authorize the City Manager to sign an engagement letter with Foster Pepper PLLC for bond counsel services; seconded by Nixon.** George invited Coates to brief the Council; Coates provided the historical background of bond counsel and today's role of bond counsel, and provided an overview of what bond counsel services included. Wittner inquired about the fee schedule for issued bonds in excess of \$10 million; Coates indicated the fee would be negotiable, flexible, and would be determined. Wittner inquired how prevalent the services of bond counsel was in the region; Coates stated there were a couple of firms in the state of Washington that specialize in providing bond counsel. George reiterated that there would be no upfront cost to the City in authorizing the engagement letter and costs would be included in the bond if the City proceeded with a bond offering. George inquired about what would happen in the scenario if the City proceeded with a bond ballot and the voters denied the measure; Coates replied that as long as the City continued to move forward with the project, and the City continued to utilize Foster Pepper services for financing, they would still have the opportunity to recoup their costs. George invited councilmember comment; none were provided. George invited public comment; none were provided. **The Motion Carried Unanimously.**

C. Motion: Architectural Firm for Design Services Recommendation

Pingel briefed the Council on the RFQ interview committee's recommendation to award the RFQ for architectural services for the rebuild or renewal of the Community Center and Pool to ARC Architects and to authorize the City Manager to enter into contract negotiations accordingly. Pingel indicated a total of four firms sent in RFQ proposals and that the interview committee, comprised of the City Manager, Parks and Recreation Director, Public Works Director, and Councilmembers Surina, Waltier, and Reynolds, held interviews on December 13 and 14, 2017. **Reynolds MOVED to authorize the City Manager to enter into contract negotiations with ARC Architects for architectural services for the Community Center and Pool project; seconded by Waltier.** George invited councilmember comment; Surina stated he was very pleased with the quality of presentations that were made and that ARC was able to build upon its previous work with the City with its knowledge of the hydrology and history of the City. George and Waltier stated they were impressed with ARC's experience and previous work with the City. George invited public comment; none were provided. **The Motion Carried Unanimously.**

D. Presentation: Community Center and Pool Bond Financial Information

Pingel introduced Jim Nelson from D.A. Davidson who presented voted bond information, which included a background on types of bonds, estimated payments, case examples, bond rating grades, financial management policy, ballot measure preparation recommendations, and a suggested timeline. There was a brief discussion on the estimated payments scenarios and schedules for a \$4 million bond:

- 20-years/Level Debt – the tax levy impact would be \$0.33 per \$1,000 of assessed valuation, which would equate to \$8.13 monthly increase in real estate taxes on a home valued at \$300,000.
- 20-years/Level Levy 2.5% assumed annual assessed value growth rate – the tax levy impact would be \$0.26 per \$1,000 of assessed valuation, which would equate to \$6.52 monthly increase in real estate taxes on a home valued at \$300,000.
- 10-years/Level Debt – the tax levy impact would be \$0.55 per \$1,000 of assessed valuation, which would equate to \$13.76 monthly increase in real estate taxes on a home valued at \$300,000.

- 30-years/Level Debt – the tax levy impact would be \$0.26 per \$1,000 of assessed valuation, which would equate to \$6.49 monthly increase in real estate taxes on a home valued at \$300,000.

Nelson indicated the City had adequate debt capacity, with a \$20 million of debt capacity with voter approval for parks and open space, and the City’s bond rating would fall in the AA high investment grade. Nelson stated the City could update its financial management policies to help achieve higher investment grade. Finance Director Corcoran indicted updating the financial management policies were a staff goal for 2018. There was a brief discussion on preparing for a ballot measure, which included filing dates, validation requirements, and voter education. Nelson stated that bond proceeds must be spent on capital improvements and spent within 36 months from the delivery date; Coates indicated that the Internal Revenue Service may question the reasonable expectation in the form of an audit and the City would have to restrict the types of investments the bond proceeds are in in the meantime, and added that the City should be careful in crafting the description of the project as voted bond proceeds could only be used for the purpose that was voted on. There was a brief discussion on issuing bonds in series and Nelson recommended one or two series for a bond issue of this project’s size as to minimize the number of fixed costs (rating fees). Wittner inquired whether the November election is a feasible timeline; Nelson stated it was achievable and inquired whether the City was prepared to do the necessary outreach to garner voter support. Nelson stated that City officials, including councilmembers, could only present the facts and could not promote the ballot measure. There was a general consensus to keeping the project a Council priority and to be flexible with the timing of the bond as the pool repairs would allow the City to develop a strategy for an outreach and voter education plan.

E. Resolution: Opposition to House Bill 2880 and Senate Bill 6487

Pingel presented the proposed resolution to address the proposed state legislation that would create a provision that allows property to be annexed from one city or town to another city or town without approval from the legislative body of the city or town from which the territory would be taken. **Viafore MOVED to approved Resolution No. 1519, opposing House Bill 2880 and Senate Bill 6487, regarding annexation without proper approval from the local governing body or its residents; seconded by Waltier.** George invited councilmember comment; Nixon recused himself for the discussion and vote per his workplace ethic rules. Nixon departed at 8:33 P.M. Councilmembers expressed their concerns over the proposed legislation and their support for the proposed resolution. George invited public comment; none were provided. **The Motion Carried Unanimously (6-0).** Nixon returned 8:46 P.M.

CITY MANAGER COMMENTS

Pingel indicated that the beginning of the year budget amendment would be brought to Council soon and would include an additional \$2,000 for the purchase of a park mower as the bids came in higher than the \$28,000 budgeted amount, and a rollover amount of \$6,000 for Whittier gazebo roof. Pingel stated that he was in communications with Senator O’Ban’s office for the submittal of the capital budget request for the Community Center and Pool project. Pingel briefed the Council on the Chromebooks and the general consensus was to purchase them as needed.

DEPARTMENT HEAD COMMENTS

None provided.

COUNCILMEMBER COMMENTS

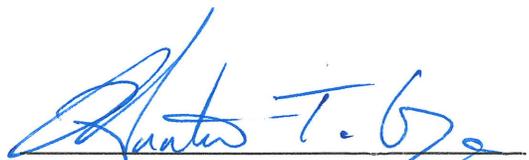
- Nixon stated his concerns over the six-year legal debate that has cost county taxpayers over \$600,000 regarding the disclosure of text messages on Pierce County Prosecutor Mark Lindquist's private phone.
- Surina commented on unleashed dogs in Fircrest Park and requested the Finance Director to provide information on the City's reserves.
- Waltier commented on the passing of Fircrest resident Albert Niebergall.
- Wittner thanked staff on distributing the AWC Scholarship Fund opportunity.
- Reynolds commented on the Washington State Archives Local Records Grant Program and public records training opportunities.
- Viafore commended the quality of work done on the tree trimming on Regence Boulevard and to staff on the development of Resolution No. 1519. Viafore commented on the lack of coordination on the scheduling of the Council photograph session and outdated content on the Fircrest website.
- George thanked staff on the Community Center and Pool information and Resolution No. 1519. George stated his intent was not to walk on agenda items on a regular basis as to not compromise the public notification process unless absolutely necessary. George indicated he was coordinating with staff on adding content on the City's website that have citizen interest (i.e., Community Center and Pool project, NewCold Warehouse project). George passed on compliments he received regarding the Fircrest Municipal Court's passport services. George commented on the date scheduled Council photography session, and staff indicated there was an error of the scheduled date sent out in the notification and that staff would notify the Council with the correct date.

EXECUTIVE SESSION

There was none.

ADJOURNMENT

Viafore MOVED to adjourn the meeting at 9:03 P.M., seconded by Waltier. The Motion Carried Unanimously.



Hunter T. George, Mayor



Jessica Nappi, City Clerk