

CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL

Mayor Hunter T. George called the special meeting to order at 6:00 P.M. and led the pledge of allegiance. Councilmembers David M. Viafore, Shannon Reynolds, Brett Wittner, Denny Waltier, and Blake Surina were present. Councilmember Jamie Nixon was absent and excused.

AGENDA MODIFICATIONS

There were none.

PRELIMINARY 2018 BUDGET

Finance Director Corcoran presented a General Fund overview, which included personnel changes, capital projects, and transfers. Corcoran presented that the General Fund revenue projections broken out by major categories, noting that the numbers in the preliminary budget were different based upon the draft estimates the City received from Pierce County regarding the assessed and EMS Levy values. George inquired about the sales tax projection; Corcoran indicated projections were based on trends and major projects, and that she would return to Council with the actual projected percentage. Surina inquired where donations from foundations were listed; Corcoran indicated there was not a specific line item and City Manager reported that he had been notified by the Edwards Foundation that they would be donating to the City one million dollars over four years (\$250,000 a year for four years starting in 2018) and that it would be included under line item Park Donations. Pingel indicated that with that additional revenue source, staff would bring to Council budgeted items for design development, public education, and other things to get ready for an April bond. Corcoran indicated that the state capital grant of \$750,000 would be under Intergovernmental Revenues. Viafore requested if line items for park capital donations, identifying pool, community center, and other projects, could be created to capture smaller donations. Pingel indicated Edwards would submit a letter stating the donation for the pool and/or community center project.

Corcoran presented the major changes to the General Fund operating revenues, stating the change in operating revenue was \$422,678. Viafore commented on the EMS levy renewal, proposing Council to consider renewing the levy for the next fall. Corcoran presented the General Fund operating budget expenditures by department, stating the total operating costs without transfers was \$5,286,622. Surina and Viafore inquired about the impacts to the budget from the proposed dialysis center; Planning and Building Administrator Stahlnecker briefed the Council on the status of the project and indicated the impact would be minimal. Viafore requested staff to help contractors be aware of destination based sales tax in order to help increase local revenues and Surina added to communicate that the sales tax in Fircrest was lower than nearby localities to help incentivize contractors to have their deliveries shipped to Fircrest. There was a brief discussion on the Judicial Services including staffing, software, and revenues. Viafore inquired about the costs of the three year audit; Corcoran indicated the increase in cost was mainly due to it being a three year audit instead of a two year audit and that staff decided to go to a three year audit because it was less time on staff. Viafore recommended returning to a two year audit if it was going to cost the City more money. Viafore inquired about the increase in the landscaping contract; Corcoran indicated the increase was due to going from a partial year maintenance to a full year maintenance. Pingel indicated that the existing partial year contract was discounted with the landscaper to meet the City's 2018 budget and that staff anticipated an increase for 2019 annual contract. Council requested more information about the contract and the

services they would provide in 2019. There was a brief discussion on liability insurance; Pingel indicated that the premium was based on the City's loss history and that staff was taking proactive measures to reduce the City's rating. Viafore inquired about the Facilities smartphone upgrade; Corcoran indicated the Facilities Maintenance Supervisor's phone would be upgraded to a smartphone and that it was not identified as a major variance because it was under \$1,000. Pingel indicated staff would provide a breakdown of what was being provided for in the budget as it related to the smartphone upgrades. Viafore inquired about the South Sound 911 fees; Police Chief Cheesman stated there would be no bail out and that there were talks about revamping the fees. George indicated that at a recent Pierce County Cities and Town meeting, there was a briefing regarding changing the South Sound 911 governance and that feedback was given to South Sound 911 that a seat, not a liaison, was requested to represent small cities. Corcoran called out the departments with little or no change to the General Fund other than salaries in those. Viafore inquired about the Jail contract; Cheesman stated there may be a slight increase but nothing has been finalized yet. Pingel indicated that he and Cheesman met with the Humane Society recently and fees would be based on actual costs. Corcoran indicated that \$3,800 for Pagefreezer would be included in the budget and that staff would obtain several quotes for the painting of four flag poles. Viafore inquired if staff could paint the flag poles in house; Corcoran stated light repair would be included in the quotes and broken out to determine feasibility.

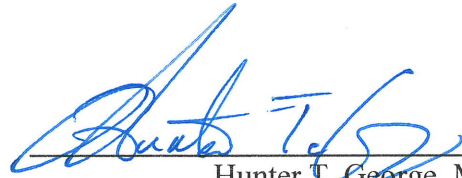
Corcoran presented the General Fund capital expenses, stating there would be \$35,000 in expenditures for Judicial Services, \$90,500 for Facilities, \$100,000 for Police, and \$165,000 for Parks. Viafore inquired about extending the bullet resistant glass to the Municipal Court window counters; Pingel indicated staff could return to Council with an estimate. Pingel briefed the Council on bullet resistant window film and stated that CIAW's research indicated the film was not as effective as it claimed to be. Wittner stated he would prefer bulletproof glass rather than new carpet. Viafore inquired about the cost for the new stair rails at the Public Safety Building; Cheesman indicated they were in need of being replaced and Corcoran indicated she would review the bid and provide more information. George inquired if money was being set aside for the replacement of the two 2011 police vehicles due to be replaced in 2021; Corcoran indicated no money was currently being set aside and that the money for capital would come out of General Fund Balance. Wittner inquired if the City would be back on the ERR schedule after the purchase of the two police vehicles in 2021; Corcoran responded yes. Wittner inquired about the Whittier Park restrooms renovation; Parks and Recreation Director indicated it included a new roof and new fixtures inside the restrooms. There was a brief discussion regarding the Whittier Park basketball court resurface and landscaping project and replacement of the gym floor as it related to the master plan, the bond, and the potential redevelopment of the community center. George recommended freezing the Whittier Park basketball court resurfacing project and having a larger discussion on Whittier Park. Reynolds commented on deferred maintenance as it related to the potential redevelopment of the community center. Pingel stated he would not want all the Parks capital projects contingent upon the bond. Surina and George commented on potentially using the funds could be used as a leveraging opportunity to partner with the City of Tacoma for the schools. Viafore inquired if staff could consider going out to bid with all the roof projects together.

Corcoran presented the budget schedule, indicating that the salary ordinance and public hearings on the budget were schedule for October 9th, 3rd budget work session on October 22nd, a public

hearing on the second reading of the budget on October 23rd, and adoption of the 2019 budget on November 13th. George inquired about the community center and pool special meeting; Pingel indicated that the Council would have to change the October 29th special meeting for budget to include the community center and pool project. Viafore stated he anticipated the final preliminary 2019 budget to be presented to the Council at the October 29th meeting. Viafore commended staff on the budget. Reynolds requested more information on the after hour's scope of work as it related to the smart phones upgrade; Pingel indicated he would provide that information.

ADJOURNMENT

Reynolds MOVED to adjourn the meeting at 7:21 P.M., seconded by Waltier. The Motion Carried (6-0).



Hunter T. George, Mayor



Jessica Nappi, City Clerk