

**FIRCREST CITY COUNCIL
SPECIAL MEETING AGENDA**

**MONDAY, FEBRUARY 18, 2020
6:00 P.M.**

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

- 1. Call To Order**
- 2. Pledge Of Allegiance**
- 3. Roll Call**
- 4. Agenda Modifications**
- 5. [2020 Department Work Plans](#)**
- 6. [Westside Disposal Surcharge Request Discussion](#)**
- 7. [Water Meter Upgrade Discussion](#)**
- 8. Adjournment**



THE CITY OF FIRCREST

2020 WORK PLAN

STAFF PRESENTATIONS

Tuesday, February 18, 2020



2020 WORK PLAN: PLANNING & BUILDING

Planning

- Form-Based Code Zoning and Comp Amendments
- School Design Review
- Middle-Income Housing
- Four Corners Discussions

Building

- Finish Address File Records Retention
- Finalize Condo Development
- Permit and inspect Fircrest Pool/Community Center

Other

- US Census Promotion
- Update GIS building footprints, aerial photography, and other data

2020 WORK PLAN: PUBLIC SAFETY

Police

- Assist in developing and become a member of the Pierce County Force Investigation Team.
- Become a partner with Pierce County Co-responder Team.
- Department Statistics presentation to City Council – 1st Quarter
- Implement contract with SS-911 to take care of all police department computer needs.
- Hire and Train New Officers
- Update Policy and Procedure Manual
- School Educational Programs
- Complete Lockdown Drills at the Schools – Access Cards for all officers

Emergency Management

- Complete Hazard Mitigation 5-year plan and present to City Council.
- Host citywide preparedness class.
- Attend Pierce County Emergency Management Meetings.

2020 WORK PLAN: ADMINISTRATION

- Establish Continuity of Operations Plan by year end (ongoing)
- Police Officer's Guild Negotiations (2nd and 3rd Quarter)
- Pursue Grant funding for archiving historical documents (ongoing)
- Continue to establish a grant program (ongoing)
- Pool and Community Center Project oversight (ongoing)

2020 WORK PLAN: MUNICIPAL COURT

- Court collection amnesty project (3rd Quarter 2020)
- Participate in the CLJ-CMS pilot project for the new Statewide Court Management system.
- Review and implement any enacted 2020 legislation affecting the Court. (on-going)
- Continue to cross train the full time and part time Court Clerks. (on-going)
- Research/Implement methods in becoming a more “paperless” court. (on-going)
- Update Court manuals regarding policies and procedures. (on-going)

2020 WORK PLAN: FINANCE/IT/FACILITIES

Finance

- Review and update Financial policies: On-going
- Assist Recreation with online registration and payment services: On-going
- Research Paperless Accounts Payable Process: On-going
- 5-Year Forecast: On-going
- Continue review of replacement financial software system

Information Systems

- Coordinate implementation of network maintenance with Right Systems and South Sound 911

Facilities

- Replace or repair gutters at City Hall and Public Safety Building
- New flag poles at Public Safety Building and Alice Peers Park
- Repair entry columns at City Hall

2020 WORK PLAN: PARKS & RECREATION

On-going

- Evaluate past events and bring new and community focused events and programs to Community Center and Parks.
- Work with Community Events Specialist on enhancing our community events program.
- Continue to accommodate our recreation programs, sports leagues, and events through the construction of the Community Center.
- Facilitate Community Center and Pool planning and design/construction process.

1st, 2nd Quarters

- Replace Swings at the Tot Lot

3rd, 4th Quarters

- Oversee Demolition and Construction of Community Center
- Continue to design and develop Community Center through Community Center Construction.

2020 WORK PLAN: PUBLIC WORKS

Water

- Water main replacement on 400 block of Summit (2nd, 3rd Quarters)
- Water Meter replacements (2nd, 3rd Quarters)
- Water system plan update (Throughout 2020)

Sanitary Sewer

- Estate Place Lift Station (2nd, 3rd Quarters)

Storm Sewer

- NPDES Permit Compliance (Throughout 2020)
- Estate Place Storm Pond and access road (2nd, 3rd Quarters)

Street Improvements

- Emerson Sidewalk Extension Project (2nd, 3rd Quarters)
- Street Light LED Conversion (3rd, 4th Quarters)
- Alameda Overlay Project (2nd, 3rd Quarters)
- 6-Year TIP (2nd Quarter)

AGENDA ITEM #6: Westside Disposal Surcharge Request Discussion**FROM: Scott Pingel, City Manager**

BACKGROUND: In 2018, the commodity market for recyclables flipped and became a liability instead of a revenue source for most solid waste companies. Along with last year's annual solid waste rate adjustment per our contract with Westside Disposal, Westside Disposal request approval of a surcharge based on what it cost them to dispose of recyclables. At that time, the City Council was not in favor of approving such a surcharge request since it fell outside of the contract with Westside Disposal, and the commodity change was very new.

This year, Westside Disposal has made a similar request. They report that 2019 harder on them than 2018. City staff asked several questions of Westside Disposal in preparation for the Study Session. Those questions and the answers provided by Westside Disposal are included with this memo along with the letter from Westside Disposal detailing the surcharge request.

ATTACHMENTS: [Westside Disposal Letter](#)
[Recycling Surcharge Q&A](#)



Westside Disposal Services, Inc.

Scott Pingel, City Manager
 City of Fircrest
 115 Ramsdell St.
 Fircrest, WA 98466

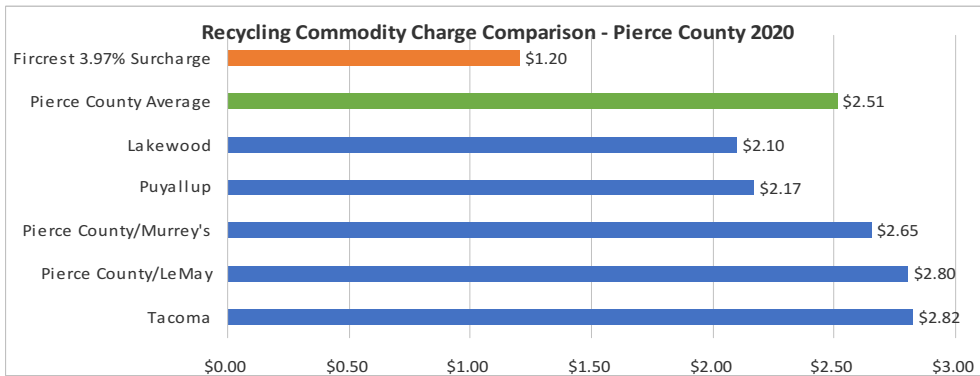
December 31, 2019

Re: Annual Rate Adjustment, disposal site fee increase, request for recycling commodity surcharge.

Dear Scott:

Enclosed you will find the following:

1. Letter from Pierce County for the disposal fee increase effective March 1, 2020. LRI will raise the rates from the current rate of \$164.34 to \$167.38 per ton, an increase of \$3.04 per ton, or 1.85%.
2. The Sept. – Sept. Consumer Price Index for figuring the Annual Rate Adjustment. The rate this year is 2.1 %. We then multiply that times 85% as allowed in the contract, resulting in an Annual Rate Adjustment of 1.79%.
3. An Excel Spreadsheet with the following:
 Schedule 1. – Worksheet showing the effect of disposal site fee increase and how it gets applied to each level of service.
 Schedule 2. – Worksheet showing how the Annual Rate Adjustment is calculated and added along with the disposal fee increase to determine the new rates.
 Schedule 3. - This shows the new “Schedule A” rates effective March 1, 2020. They are shown both with and without the 8.5% Fircrest Utility Tax and the 3.6% Washington State Refuse Collection Tax.
4. **Recycling Commodity Surcharge Request –**



As referenced in our current contract, we have always relied on the revenue from the sale of the commodities collected in our recycling programs to help offset cost of operations. Average annual revenues from such sales 2005 to 2017 were \$26,421 per year. In 2018 and 2019 **WE HAD TO PAY -\$32,307 & -\$47,767, respectively,** to take it to

the recycling facility. We are in the 3rd year of a severe negative global market phenomenon that has not occurred ever since we began offering recycling in 1988. We are asking for a 3.975% surcharge to be placed on all base rates for 12 months beginning March 1, 2020. This will recover over the next year only the amount that we had to pay to the recycling facility over the past year, or \$47,767. The cost to customers for the most popular residential garbage service, a 64 gallon cart picked up every-other week, would be \$1.20 per month..

Rate Sample (Taxes not included)

Garbage Service Level	Pickup Frequency	Current Rate 3-1-19	Proposed Rate 3-1-20	Adjustment Amount	Adjustment Percent	Recycling Commodity Surcharge 3.97%
12 gal garbage Toter	1 X per week	\$17.49	\$17.85	\$0.36	2.1%	\$0.71
24 gal garbage Toter	Every-other wk	\$16.26	\$16.59	\$0.33	2.0%	\$0.66
64 gal garbage Toter	Every-other wk	\$29.48	\$30.08	\$0.60	2.0%	\$1.20
1 Yard Container	1 X per week	\$104.63	\$106.93	\$2.30	2.2%	\$4.25

Please contact us with any questions you may have regarding this. Thank you.

Sincerely,
 Neil Holden, Vice President
 Westside Disposal Services, Inc.

Neil Holden

Scott,
Please see the answers to your questions below:
Neil Holden

February 12, 2020

Neil,

Here are a few questions that we have come up with regarding the surcharge request in preparation for the Study Session on Tuesday, February 18th. The more we provide the council ahead of time, the better. We will be finalizing council packets for the Feb. 18th meeting by Thursday, Feb. 13th.

- **How many tons of recycle do you pick up per year?**

A: In the 12 month period used (Nov. 2018 – Oct. 2019) we delivered 520.19 tons of commingled recycling.

- **Of that amount, how many tons of recycle do you have to pay to dispose of that is unusable?**

- A: It all goes to one of two recycling / sorting plants, JMK Recycling in Tacoma, or Pioneer Recycling in Fredrickson. They sort it, and there is a small fraction that is considered reject, it is typically between 3% to 7% that gets landfilled. The average cost per ton was \$91.83 taken to the recycling facilities.

- **How much do you make on recycling? Is the \$47,000 a net loss or a gross loss?**

A: Right now, we PAY to recycle. That is the amount that we spent to take the commingled recycling to the sort plant. During the 12 years between 2005 and 2017 we were **PAID** an average of **\$26,421** a year for that same material.

- **How much have you made in the past on recycling?**

A: As stated above, we were **PAID** an average of **\$26,421** a year for the commingled recycling material.

- **If the tipping fee is \$164.34/ton then it looks like there is 290 tons per year of recycling (47,766.74/164.34 per ton). Is that accurate?**

- A: No. The charge to us per ton at the recycling plant changes month to month based on what the commodity markets are doing. The average **CHARGE** to us for the 12 month period was \$91.83 per ton X 520.19 tons = -\$47,767

- **Is it worth it to keep offering recycling?**

- A: My answer is based on 30 years of being a part of a successful curbside recycling program. Pierce County had the first county-wide program in the nation. Of the other programs we studied, the best customer participation rate we could find was 65% When we first began, we had an astonishing 93% participation rate, which grew to 98%.

- The recycling commodity market will eventually turn around. To what level, though, and when, is anyone's guess.

- **Can recycling be optional?**
- A: It depends on what you mean. Customers aren't required to participate in recycling, but they don't pay any different rate than those who do. The Pierce County recycling program chose to charge those not wishing to recycle more than those who did. It's still cheaper for customers than to put the material in the garbage.

- **Does Westside Disposal have any plans for re-educating customers on proper recycling items such as a recycling class or public meeting? Or possibly an online course before having the option for recycling?**
- The County sends out their Waste Matters newsletter several times a year that includes the latest instructions for recycling. We also send out our Annual Recycling Calendar/Newsletter that include recycling instructions. It can also be found on our website.

- **Are dirty recycling materials the main problem with the commodity? Are there things that need to or could change to make recyclables valuable again?**
- A: Generally, the more contaminated the material is, the lower the value. The main problem with the markets is due to China erecting their Green Fence. They made the decision to stop receiving commingled recycling material. This meant that there was far more recycling material than could be processed by the rest of the market. This caused the price to drop dramatically. New plants are being built , which, over time, will use up the excess and cause prices to normalize.

Thanks Neil!

Scott Pingel, City Manager
City of Fircrest

Water Meter Upgrade Presentation to Council

2/25/2020

- ❖ In early 2019, started looking at meters as a result of needing to upgrade our meter reading software as our current software will become unsupported in 2020.
 - Completed a meter inventory of the size, type and date installed of our water meters
 - Found most of the meters were beyond their expected life, 10-12 years. Installed in 2001.
 - Looked into meter failures and current replacements
- ❖ Looked into what other utilities are doing for meters, meter reading software and billing software
- ❖ We have used MSR/V metering reading software we obtained as surplus from the City of Tacoma in 2001. In 2014, we upgraded to our own software and handheld meter reading equipment using Itron, the same technology as previously obtained from Tacoma only we had our own maintenance agreement and software from the vendor Itron. As previously stated this software becomes unsupported in 2020.
- ❖ In looking at what other technology was available for metering, we found that most utilities are presently using an AMR type meter and software that allows the meters to be read by driving by and getting the signal from the meter via radio reads. The other method of meter reading is called AMI, which the meter transmits to a receiver and then back to the office, so no meter reading is done and it is real time.
- ❖ Public works started to review the different options for this type of upgrade from our present system to the future of AMI.
- ❖ Various meter vendors presented what was available to the City. This was evaluated by the public works staff that installs the meters, reads the meters and does the utility billing.
- ❖ After review of the vendors information and evaluation of the meters and meter reading capabilities, this was summarized in a memo dated 6/12/19 and presented to the City Council at a study session June 17th, 2019. This was a budget presentation session that outlined the following:
 - Move towards AMI as the ultimate technology
 - Do the program within the budget constraints of pay as you go rather than increase rates or borrow monies for this work. This provides a 4-5 year program of replacement of the meters
 - Initial phase of the meter upgrades will be to replace meters, final software and AMI capabilities would be in future years as funds allow.
 - Look for possible funding for the program with grants and possible funding through the State Legislature.
- ❖ Based on this feedback at the study session, Public works began developing a program to replace the meters and head toward AMI.
- ❖ Since the City of Tacoma was doing a similar process, we met and discussed their program and ours. City of Tacoma was ahead of our program as they already selected a meter and software to get to the AMI Technology. We discussed with City of Tacoma trying to piggy-back on their program and purchase meters through them. We were not able to do that as the legal opinion from the City of Tacoma would not allow us to be part of the contract as it was already executed.

- ❖ We continued to look at meters that met our needs. See memo dated 1/22/2020, which was presented to the City Council at the January 28th Council meeting.
- ❖ The Kamstrup meter was selected and has been installed in some parts of the City already to provide for an evaluation of the meter and ease of installation. They have been installed where meters are having problems, Whittier School and a few existing residents. Also, they have been installed at the new pool installation and also the new development at the 11th Tee. See attached photos and meter.
- ❖ The meter program being done by City of Tacoma is the Sensus meter system. This would require the meter box to be updated to include an antenna in the box and wired to the meter. See attached photos. This would take additional installation time and costs. This meter system even without the meter box replacement is approximately \$100,000 more expensive than the Kamstrup meter. This type of installation is also required with the other meters that were evaluated.
- ❖ It is Public Works recommendation that we continue the program of replacing our meters with Kamstrup meters on a pay as you go basis over the next 4-5 years. With the \$150,000 budgeted this year, this will get about 500 meters replaced. In future years as the capital water budget has about \$108,000 added to it each year based on current rates, the meter replacement program would continue using those funds. If the City was successful in obtaining additional funds we applied for with the State, the program could accelerate using those funds.