

**FIRCREST CITY COUNCIL
STUDY SESSION AGENDA**

**MONDAY, OCTOBER 18, 2021
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. [Through Lots Discussion](#)
6. [2022 Preliminary Budget Changes and Items for Additional Discussion](#)
7. Motion: Cancel October 25th, 2021 Budget Study Session
8. Adjournment

Join the meeting:

Our City Council meetings will be physically closed to the public. Below is the call-in information for the public to listen via Zoom.

Zoom Meeting Details:

Dial-in Information: 1-253-215-8782 Webinar ID: 857 7769 7009 Password: 312044

FIRCREST CITY COUNCIL STUDY SESSION

AGENDA ITEM: Amendments to FMC 22.58.003, Accessory Buildings

DATE: OCTOBER 18, 2021

FROM: Jayne Westman, Administrative Services Director

BACKGROUND: Staff received a request from a property owner to consider amending the setback restrictions for accessory buildings in the rear yard of through-lots. The homeowner inquired about building a pool house with a bathroom/ shower in his backyard that would exceed 200 square feet.

Accessory buildings are garages, carports, garden sheds, structures, and ADUs over 200 square feet. Structures over 200 sq feet are regulated by the building code. Structures 200 sf and under (such as a prefab shed) are currently allowed to be within five feet of the rear property line.

The current code mandates a 20- or 25-foot rear setback for through-lots versus the standard five-foot rear setback. Since the restriction is due to a code standard and not a uniqueness to the property, they would not qualify for a variance.

PUBLIC HEARING

At the most recent Public Hearing, the comments received were mostly regarding ADUs and not accessory buildings, such as garages or carports. The Code treats them the same in many aspects. They would both be beholden to the same size limits, setbacks, and design guidelines. But if an application was received for a 600 sq foot garage, there would be no notification to neighbors. If an application was received for a 600 sq foot ADU, there would be an additional process through the hearing examiner, which would require notification to neighbors and a public hearing.

Council comments were received concerning visibility/ aesthetics from the street and concerns about potential parking issues should the accessory building be an ADU. Public comments were received, and the concerns were building size and heights, owner-occupant/ rental issues, minimum lot sizes, second driveways, and increasing notification radius.

Parking Issue: We could put up ‘No Parking’ signs along Alameda and Claremont. The photos below show that street parking does not allow a car to pass without passing over the median on Claremont and Alameda creating a dangerous situation.

Visibility Issue: The maximum size an accessory building can be is 600 square feet and 18’ to the top of the ridge. If an applicant wanted something bigger or taller, they could apply for an AUP. The AUP requires notification to neighbors within a 100’ radius. One thing to note: Many of the through lot properties are either on a downhill slope or an uphill slope meaning that visual impacts will be lessened if there was adequate fencing (up to 7 feet)

Other Public Comment Responses:

- We already regulate heights, square footage, design, and driveways for accessory buildings.
- For an ADU, we require an owner to live in one or the other unit. The owner places the agreement on the title of the house so any future owner would be subject to the covenant.
- We do not mandate a minimum lot size for an Accessory Building. We have setbacks and maximum sizes/ heights that a garage or ADU would have to comply with.

- To amend the notification radius of any permit application, we would have to amend the FMC.
- Any AUP/ CUP application that is approved can be appealed. The appeal costs \$100 plus actual costs. Appellants who substantially prevail on appeal or reconsideration shall not be billed for the actual cost of the application. Appellants who do not substantially prevail on appeal or reconsideration, or whose appeal is dismissed for lack of standing, shall be billed for the actual cost of the application.

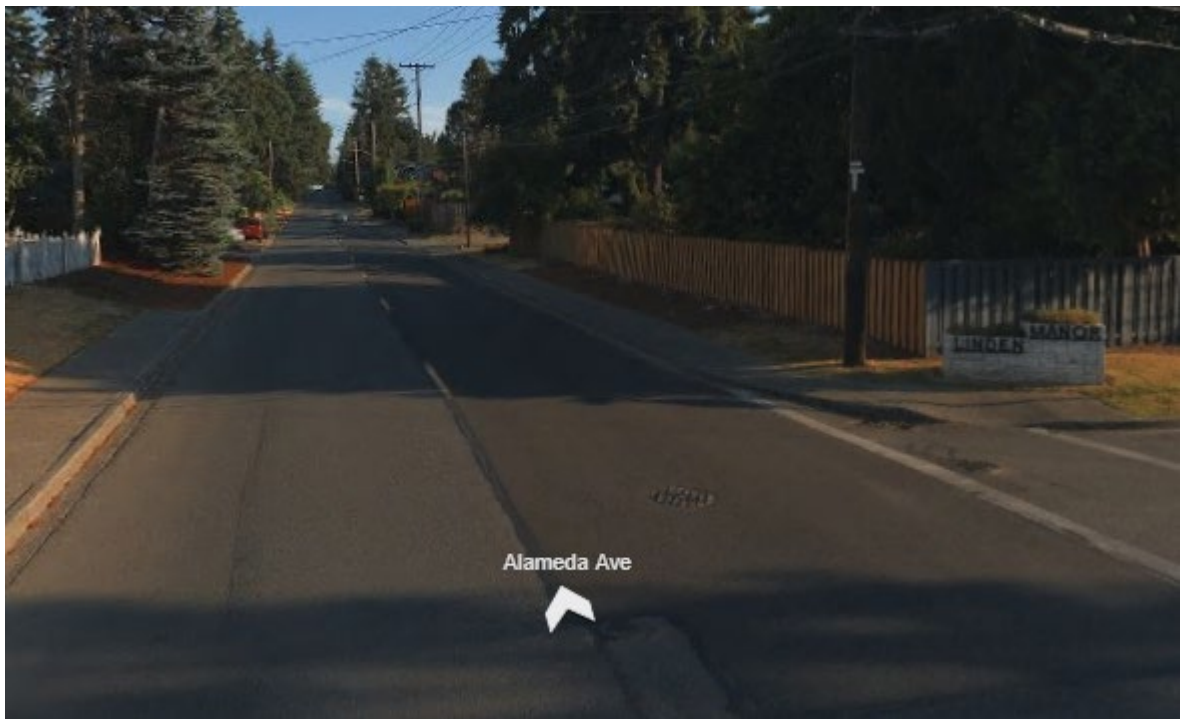
Options for moving forward:

1. Move forward with the Code amendment and place “No Parking” signs along Claremont and Alameda.
2. Move forward with the Code amendment but do not allow larger/ taller structures (requiring an AUP) for through lot applications.
3. Stop the Code amendment process altogether and dive deeper into our ADU requirements at the future joint meeting.

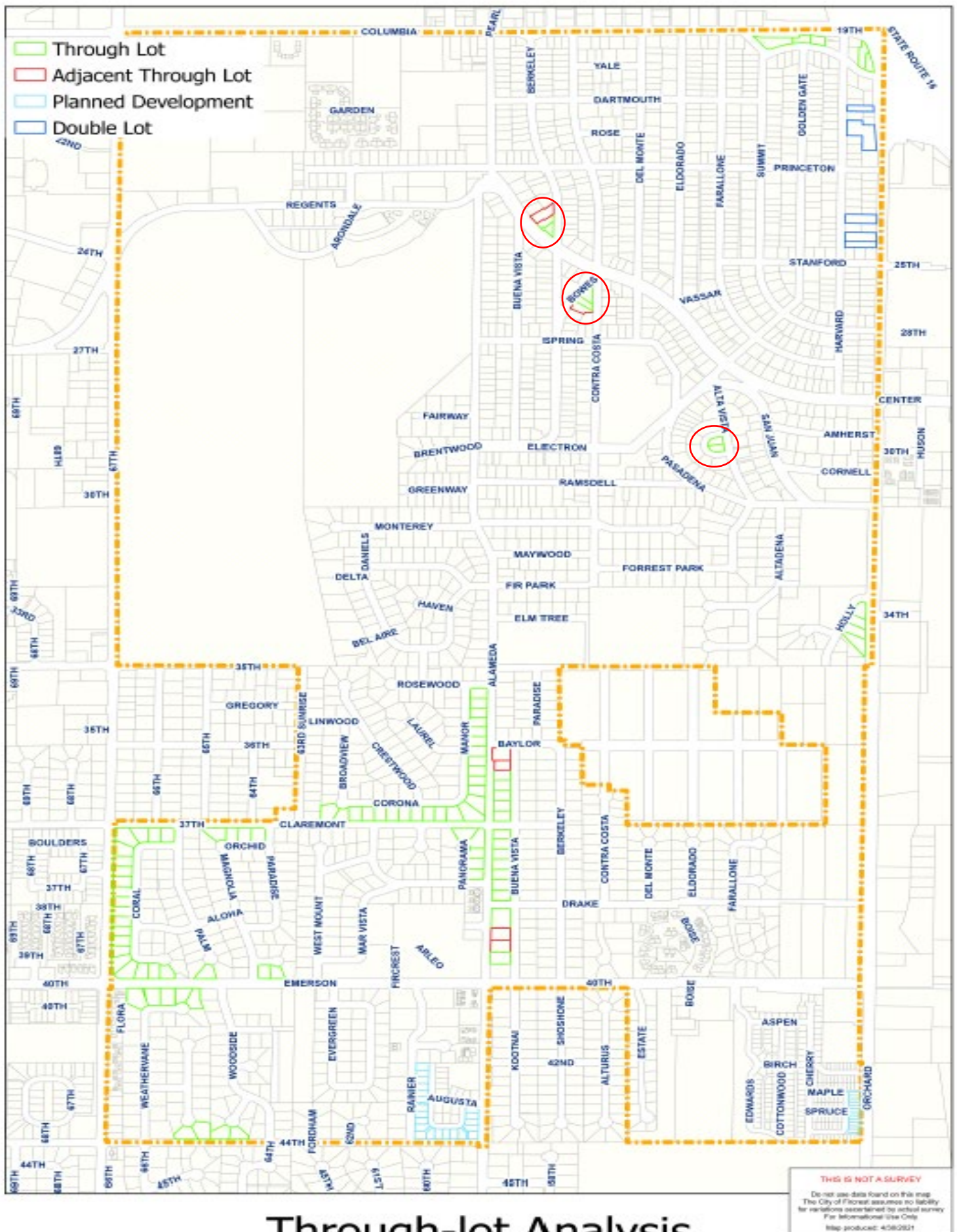
If we decide to open the door on amending our FMC regarding ADUs, it may be beneficial to collectively meet with our Planning Commission. It may also be worthwhile to dive deeper into separating the requirements for accessory structures and ADUs.

ATTACHMENTS:

[Street View Pictures of Alameda and Claremont](#)
[Through-Lot Analysis](#)







Through-lot Analysis

AGENDA ITEM: 2022 Preliminary Budget Changes and Items for Additional Discussion

FROM: Scott Pingel, City Manager

BACKGROUND: Below is a summary of items that are being changed in the preliminary budget per Council discussion throughout the Budget Study Sessions. Additionally, information is provided based on questions or requests for information that have come out of the Budget Study Sessions.

Preliminary Budget Changes

- Add \$5,000 to Emphasis Patrol providing \$20,000 in Emphasis Patrol line item for 2022. The request was made to add a line item for Community Engagement. Staff recommends that Community Engagement be identified as an emphasis for the police department and made a part of their work plan rather than adding an additional wage line item for it to be tracked separately. Historically, emphasis patrol has been used for whatever the Council directed through the budget process. Community engagement will work the same way. If we want to emphasize through the line item that those funds are not just for patrols, we can call it Emphasis Overtime, rather than Emphasis Patrol Overtime.
- Remove \$250,000 for the Fox Property Improvements.
- Add \$50,000 to the Parks capital for the Readerboard. The readerboard was included in the 2020 budget, and we thought we had rolled that cost over to the 2021 budget as a part of the first budget amendment, and then we could roll it over again to 2022. It was not included in the first budget amendment this year, so it is not in the current 2021 budget to be rolled over. We need to add it to the 2022 budget.
- Split out the Public Utility Services expenses between the Parks Fund and Recreation Fund. Historically, public utility services costs for the parks and for the community center have been accounted for under the Parks Fund Public Utility Services line item. It was requested to split the Community Center cost out and account for it separately under the Recreation Fund. This will not change the total General Fund budget.

Items for Additional Discussion

Banking the 1% Property Tax Revenue Increase

It was proposed that the City bank the 1% allowed property tax revenue increase. The City also banked the 1% increase in 2020 and 2021. The 1% property tax revenue increase amount for 2022 is \$16,384. Banking the 1% would reduce the preliminary budget revenues by that amount. The preliminary budget operating over/under is currently + \$9,324. Adding the \$5,000 to emphasis overtime reduces this amount to + \$4,324. The reduction in property tax revenue by banking the 1% would put the preliminary budget operating over/under to the negative by \$12,060. If this is the direction the Council would like to go, staff believe there are a couple options for filling the \$12,060 gap.

- Increase Retail Sales Tax from \$635,000 to \$650,000. Sales Tax continues to be strong this year beyond what we have expected, and beyond Sales Tax revenues being high just due to construction activity. This is staff's preferred option.
- Decrease Personnel Benefits by about \$4,500 in the General Fund. For the preliminary budget, we only had an estimate of how medical, dental and vision rates may change. We now have actual rates for the following year that we can implement in the budget. Instead of a 7% increase on medical, it is 5.8%, and instead of 4% on dental, it is 2%. Staff recommends that we do not change our Personnel Benefits budget since these costs can change when we have any turnover, but going into next year, we now have actual 2022 rates.

2% Water Rate Increase

A few Councilmembers expressed concern over the proposed water rate increase. This recommendation follows the financial plan in our updated water system plan. The 2% increase for water would not be a matter of breaking even in 2022 for the water fund, but it is part of an overall strategy in our 10-year water system plan to do smaller, consistent rate increases in order to transfer more to the Water Capital Fund from year to year so that when it is time to complete the next capital project, the funds to do it are there. Below is additional information from our water system plan financial analysis.

As has been discussed, we are paying off the loan in the Water Fund in 2022, and the actual amount of ARPA Funds that we may spend on water infrastructure has not been finalized. Also, part of our 2022 work plan in Finance is to establish a working forecast for the Water Fund. If the Council's preference is to leave the water rate alone in 2022 until the dust settles on ARPA Funds and we have a working forecast, staff believes that is doable. The change to the Water Fund budget would be that the operating over/under would be reduced from + \$173,093 down to + \$152,093. After the transfer out to the Water Capital Fund of \$108,160, the total change in fund balance would be reduced from increasing by \$64,933 down to increasing by \$43,933.

Table 10-12 Water 10-Year Financial Outlook											
WATER UTILITY 10-YEAR OUTLOOK	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Comments
Operating Revenue											
Water Sales	1,050,000	1,050,200	1,050,400	1,050,600	1,050,800	1,051,000	1,051,200	1,051,400	1,051,600	1,051,800	adds # new homes x rate
Service Connections	5,000	2,106	2,148	2,191	2,235	2,280	2,326	2,372	2,419	2,468	new homes x conn fee
Rent Property/Tanks	80,000	81,600	83,200	84,900	86,600	88,300	90,100	91,900	93,700	95,600	2 sites, incr. 2%
Miscellaneous Revenue	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	19,400	flat
Subtotal Water Revenues	1,154,400	1,153,306	1,155,148	1,157,091	1,159,035	1,160,980	1,163,026	1,165,072	1,167,119	1,169,268	
Expenses											
Water Operating Expenses	935,870	926,900	954,700	983,300	1,012,800	1,043,200	1,074,500	1,106,700	1,139,900	1,174,100	by cost escalation
ERR Replacement	45,072	46,400	47,800	49,200	50,700	52,200	53,800	55,400	57,100	58,800	by cost escalation
Existing Debt: DWSRF	46,429	45,323	-	-	-	-	-	-	-	-	by debt schedule, ends 2022
Transfer to Capital Improvements	108,160	160,000	200,123	196,127	192,011	187,771	183,404	178,906	174,274	169,502	annual amount escal by constr.
Subtotal Expenditures	1,135,531	1,178,623	1,202,623	1,228,627	1,255,511	1,283,171	1,311,704	1,341,006	1,371,274	1,402,402	
Increase/(Use) of EFB	18,869	(25,317)	(47,475)	(71,536)	(96,476)	(122,191)	(148,679)	(175,934)	(204,154)	(233,134)	with rate funding for CIP
Estimated Percentage Change to Balance		2%	2%	2%	2%	2%	2%	2%	2%	2%	
Estimated Monthly Residential Rate	\$18.50	\$18.95	\$19.34	\$19.76	\$20.20	\$20.65	\$21.12	\$21.60	\$22.09	\$22.60	
Estimated 2-Month Residential Base	\$37.00	\$37.89	\$38.67	\$39.52	\$40.40	\$41.30	\$42.23	\$43.19	\$44.18	\$45.20	
Typical SF 2-Mo Bill @ 1,700 cfbill	\$59.31	\$60.74	\$61.99	\$63.35	\$64.76	\$66.21	\$67.70	\$69.23	\$70.82	\$72.46	
Typical SF Increase per 2-Mo. Bill		\$1.43	\$1.25	\$1.36	\$1.41	\$1.45	\$1.49	\$1.54	\$1.59	\$1.63	

Table 10-14 Water Capital Fund 426 Balance											
WATER CAPITAL FUND 426	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Comments
Resources											
Beginning Balance	337,324	506,284	654,472	766,673	728,169	730,243	720,372	537,632	330,192	281,921	actual 2020 end bal
Capital Contributions/GFC	64,800	4,488	4,578	4,669	4,763	4,858	4,955	5,054	5,155	5,258	GFC x new homes/ERU
Grant - 2020 grant rec'd in 2021	75,000										
Grants (Amer. Rescue, WA St. Leg.)	171,000	200,000	200,000	100,000							see CIP Funding Sources
Transfer - Rate-Funded CIP	108,160	160,000	200,123	196,127	192,011	187,771	183,404	178,906	174,274	169,502	
Subtotal Capital Resources	756,284	870,772	1,059,173	1,067,469	924,943	922,872	908,732	721,592	509,621	456,682	
Expense											
CIP Improvement Projects (escalated)	250,000	216,300	292,500	339,300	194,700	202,500	371,100	391,400	227,700	340,500	
Subtotal Capital Expense	250,000	216,300	292,500	339,300	194,700	202,500	371,100	391,400	227,700	340,500	
Estimated Ending Capital Balance	506,284	654,472	766,673	728,169	730,243	720,372	537,632	330,192	281,921	116,182	Available for Emergencies
Estimated Total Emergency Reserve										123,133	Funds 425 & 426

Table 10-8 Water 10-Year Capital Improvement Program (CIP), 2021-2030											
The individual 2020 cost estimates shown by project are escalated at the bottom of the table to the scheduled year at 4% per year.											
CIP No.	Project	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
R1	8" Main Replacement Old & Undersized Mains			200,000	200,000	160,000	160,000	160,000	0	160,000	160,000
L1	12" Main on Summit Ave							122,000	286,000		
F1	Golf Course 0.6 MG Tank recoating			60,000	90,000						
F2	Water Meter Upgrades & Software	250,000	200,000								
CW1	Comprehensive Plan										70,000
	Total Ten-Year CIP - W (\$2020)	250,000	200,000	260,000	290,000	160,000	160,000	282,000	286,000	160,000	230,000
	Total Ten-Year CIP W (Escalated)	250,000	216,300	292,500	339,300	194,700	202,500	371,100	391,400	227,700	340,500
	Total 10-Year CIP (Escalated)	2,826,000									
	Average Annual 2022-2030 (Escalated)	287,000									

Budgeted Roles and Responsibilities

It was requested that roles and responsibilities be clarified along with budgeted funds. To be clear, the 2022 preliminary budget does not propose changes to levels of service for Streets or Utilities, but the Public Works Director has been tasked with taking a critical look at what gets done and how. Any recommended changes moving forward will be communicated to the City Council.

Below you will find the main budgeted funds along with who is responsible for it, budgeted expenses, and the main budgeted goals and work plan items.

Legislative: City Council, City Manager Pingel

- Total Budgeted Expenses = \$82,845
 - o Wages and Benefits = \$38,895
- Continue to increase electronic medium for correspondence between council, citizens, and staff.
- Participate in training for City Council as a team.
- Continue to participate on regional boards and commissions.
- Establish a Centennial Planning Committee.

Judicial Services: Judge Miller, Court Administrator Olivarez

- Total Budgeted Expenses = \$397,925
 - o Wages and Benefits = 370,200
- Process traffic infractions, criminal misdemeanors and gross misdemeanors.
- Process violations of the Fircrest Municipal Code.
- Review and implement new legislation.
- Provide fair, accessible and timely resolution of cases in an atmosphere of respect for all.
- Improve efficiency while maintaining quality justice/customer service.

Administration: City Manager Pingel, City Clerk/Administrative Services Director Westman

- Total Budgeted Expenses = \$331,780
 - o Wages and Benefits = 325,700
- Establish a Sustainability Plan
- Assist with capital improvement projects.
- Continue to digitize archived ordinances, resolutions, minutes and agendas.
- Implement Accident Prevention Plan and continue to update as needed.
- Continue the records management program.
- Update the FMC as needed.
- Work with departments to ensure completion of projects and work plans.
- Continue to update the public records process.
- Continue to develop partnerships with businesses, neighboring cities and other regional agencies.

Finance and Non-departmental: Finance Director Corcoran

- Total Budgeted Finance Expenses = \$381,750
 - o Wages and Benefits = \$364,800
- Total Budgeted Non-departmental Expenses = \$541,275
 - o Wages and Benefits = \$38,200
- Work with Administration to develop the 2023 budget.
- Prepare 2021 Annual State Reports.
- Establish a 5-year Forecast for the Water Fund.
- Establish a Pool and Community Center Major Maintenance Fund.

Personnel: City Clerk/Administrative Services Director Westman

- Total Budgeted Expenses = \$41,950
 - o Wages and Benefits = \$34,200
- Recruit and replace staff as needed.
- Provide workplace training to Council, staff and volunteers.
- Work with liability insurance provider to establish ongoing DEI training for all City staff.
- Formalize new employee orientation process and training.

Facilities: Public Works Director Bemis, Maintenance Lead Wakefield

- Total Budgeted Expenses = \$939,875
 - o Wages and Benefits = \$227,200
 - o Capital = \$400,000
- Provide timely and efficient maintenance and repair of all city buildings, grounds and equipment.
- Upgrade HVAC units at City Hall, Public Safety Building and Public Works Facility.

Police: Chief Cheesman

- Total Budgeted Expenses = \$1,860,276
 - o Wages and Benefits = \$1,447,700
- Implement Body Worn Camera Program.
- Work with TPS on lock down drills.
- Continue to explore ways to positively engage with the community.
 - o Participate in discussions with underrepresented groups in the community.
- Continue to implement Lexipol to update the Policy and Procedure Manual.
- Select and train a new Crime Prevention Officer.
- Select and train a backup Firearms Instructor.
- Host National Night Out.
- Complete annual required officer training.
- Provide Court security.

Building: City Clerk/Administrative Services Director Westman

- Total Budgeted Expenses = \$81,350
 - o Wages and Benefits = \$50,100
- Continue to issue permits and conduct inspections.
- Implement online permitting and plan review.
- Work on moving property files to the cloud.

Planning: City Clerk/Administrative Services Director Westman

- Total Budgeted Expenses = \$69,200
 - o Wages and Benefits = \$50,100
- Continue to streamline processes, including compliance.

- Update form-based code with urban landscaping design.
- Update public building design guidelines and standards.
- Update landscape policy and design guidelines.
- Adopt Comprehensive Plan and development code updates.

Recreation, Pool and Events: Parks and Recreation Director Grover

- Total Budgeted Recreation Expenses = \$357,150
 - o Wages and Benefits = \$340,000
- Total Budgeted Pool Expenses = \$251,055
 - o Wages and Benefits = \$180,455
- Total Budgeted Participant Recreation Expenses = \$36,100
- Total Budgeted Events Expenses = \$38,650
- Open new Community Center to the public.
- Provide recreational opportunities to meet the leisure needs of all age and interest groups.
- Develop, staff, train and support a professional Parks and Recreation Department that effectively serves the community.

Parks: Public Works Director Bemis, Maintenance Lead Wakefield, Parks/Rec Director Grover

- It is worth noting that the Parks Fund primarily covers maintenance of our parks, which falls under the Public Works Department now. Mr. Grover will continue to play a lead role in park development and capital projects in the parks.
- Total Budgeted Parks Expenses = \$327,330
 - o Wages and Benefits = \$157,600
 - o Capital = \$55,000, however we plan to add \$50,000 for the readerboard, which would move this number to \$105,000.
- Maintain community's park system of 26 acres including two multi-use parks that contain six competition size tennis courts, three outdoor basketball courts, seven soccer fields, two playgrounds, and four baseball fields.
- Foster partnerships with agencies such as Pierce Conservation District and Kiwanis for park stewardship.
- Enhance a high quality, diversified system of parks, recreation facilities, and open spaces that are attractive, safe, functional, and available to all segments of the population.
- Develop athletic facilities that meet the highest quality competitive playing standards and requirements for all age groups, skill levels, and recreational interests.
- Provide a park, recreation and open space system that is efficient to administer and maintain.

Street: Public Works Director Bemis

- Total Budgeted Expenses = \$574,429
 - o Wages and Benefits = \$99,000
 - o Total Street Maintenance = \$329,560
 - o Total Street Light Maintenance = \$40,600
 - o Total Street Beautification = \$90,550
 - o Capital = \$100,000
- Perform street patching as needed.
- Continue crack sealing/pavement preservation.
- Paint all street, curb, and intersection markings throughout the City.
- Plant summer and winter foliage.
- Hanging baskets, flags & banners, and holiday decorations.

Storm: Public Works Director Bemis

- Total Budgeted Expenses = \$560,710

- Wages and Benefits = \$176,750
- Clean and inspect ½ of City catch basins.
- Renew NPDES Permit approval and report.
- Revamp handouts and delivery of water quality message for community outreach events.
- Street Sweeping Program.

Water: Public Works Director Bemis

- Total Budgeted Expenses = \$1,112,417
 - Wages and Benefits = \$382,330
- Continue emphasis on water conservation outreach.
- Repair and replace existing fire hydrants as needed. Anticipate 2 hydrants this year.
- Complete and mail 2021 Consumer Confidence Report and water use efficiency reporting.
- Water Quality Monitoring and Operations.
- Cross Connection Control Annual Report.
- Water meter replacement.

Sewer: Public Works Director Bemis

- Total Budgeted Expenses = \$2,863,127
 - Wages and Benefits = \$278,300
- Maintain and rehab the general sewer system.
- Upgrade telemetry and GIS mapping system as needed.