

**EXECUTIVE SESSION**

An Executive Session was held in the Council Conference Room at 6:00 PM for the purpose of Potential Litigation per RCW 42.30.110 (1)(i). All Council members were present along with City Manager Zabell and City Attorney Combs. The Executive Session ended at 6:20 PM with no action taken.

**CALL TO ORDER & ROLL CALL**

Mayor Pro Tem Hull called the Fife City Council Study Session to order at 6:20 PM.

**Present:** Mayor Cerqui, Mayor Pro Tem Hull, Councilmembers Godwin, Curtis, Hulcey, Dukes-Gethers and Wolfrom.

**Staff Present:** City Manager Zabell, City Attorney Combs, Finance Director DeGroot, Public Works Engineer Gill, Community Development Director Osaki, Chief of Police Blackburn, Executive Assistant Edwards and City Clerk Etgen.

**PLEDGE OF ALLEGIANCE**

Councilmember Curtis led the Pledge of Allegiance.

**FEMA MITIGATION PLANNING PROCESS**

Katie Gillespie of the Federal Management Association (FEMA) presented an overview of Fife's Mitigation Plan, explaining the Plan has to be reviewed and updated every five years. FEMA is providing a \$534,000 grant to the City to assist with the process. The City will provide an in-kind donation of Assistant Chief Mears' time. The target date for approval is November 13<sup>th</sup>.

**BUSINESS RECRUITMENT & RETENTION UPDATE**

Economic Development Specialist Potter reported she has been working closely with Pierce County's Economic Development and the Economic Development Board of Pierce County on the goals of retention and expansion of business. Interacting with businesses to ensure they are able to move forward with required signage and permits is one way to provide assistance.

A welcome packet is sent to new businesses and businesses are met with on a weekly basis to discuss sales, possible expansion plans, staffing, trends and the market and the way the City can assist them with their business venture, along with keeping the businesses current in regards to City projects which may impact their business.

Staff works with brokers and individuals who call to fit businesses into the City to create an efficient process; this year 11 businesses relocated to Fife. Of 17 businesses responding to a survey, 76% reported an increase in sales this year; 12% reported flat sales and 12% reported a decline in sales. 41% of the businesses had expanded with staff and 17% say they plan to hire more staff by 2013.

**DISCUSSION/UPDATE - LODGING TAX FUND**

Economic Development Specialist Potter reported on the 2012 and 2013 Lodging Tax (stadium/convention) Fund budgets. For 2013, lodging tax revenue is projected at a slight

decrease to \$452,600; comprised of \$445,000 in lodging tax revenue plus \$7,600 in other revenues. The twenty percent set-aside amount would be \$89,000; leaving \$356,000 available for allocation from annual proceeds.

The projected 2012 ending fund balance is \$192,611, coupled with the \$89,000 set aside for 2013, could make available an additional amount of approximately \$281,611 for allocation in 2013. The process of requesting proposals for tourism promotion closed on August 15, 2012. The City has received requests totally \$822,382 from entities wishing to enhance tourism. Those proposals will be reviewed by the Lodging Tax Advisory Committee (LTAC) on August 27, 2012.

Ms. Potter and City Manager Zabell asked Council for direction pertaining to the amount of funds to be made available for LTAC for disbursement recommendations.

Council concurred on their comfort level with maintaining a decent fund balance for a good reserve for larger future projects. They would like to see events that will bring high visibility to the community and those which have venues in Fife to receive the highest consideration for the best use of the lodging tax dollars.

### **FLOODPLAIN REGULATIONS**

Community Development Director Osaki briefed Council on an administrative decision regarding which floodplain map to use; one was adopted prior to 2005 and which is still currently recognized by the Federal Emergency Management Association (FEMA) and another which was adopted in 2005 using best available science and studies conducted by the City and FEMA at that time.

The City participates in the National Flood Insurance Program which is administered by FEMA. Under the program the City adopts and enforces floodplain regulations and the Federal Government in return makes flood insurance available in the community. The regulations are codified in the Fife Municipal Codes and relate to the floodplain maps. The maps depict a 100-year floodplain as recognized by FEMA.

Mr. Osaki reviewed some of the type of regulations outlined in the Code. Maps were developed originally in 1980 to 1987 which identified approximately 10% of the City of Fife in the floodplain. In 2005 the Puyallup River levy was decertified by FEMA; the draft map then identified approximately 70% of the City of Fife as being within the 100-year floodplain.

In 2005 based on the anticipation that the maps would be adopted by FEMA, the City administratively adopted the maps to ensure building codes met the standards based on the new floodplain maps. With changing circumstances, FEMA halted its remapping process based on concerns raised across the nation. In 2011 FEMA announced it would use other methodology and replace the 2005 maps. The City continues to participate in the National Flood Insurance Program and has reevaluated the maps. Staff has reinstated the official 1980-1987 floodplain maps which affect approximately 10% of the City.

### **LID 2008-1 & 2008-2 SCHEDULE UPDATE**

Mayor Cerqui excused himself from the meeting in order to avoid any perceived conflict of interest.

Assistant City Engineer Ken Gill reported Ordinance No. 1659 created Local Improvement District (LID) No. 2008-1 for water and sewer service from 70<sup>th</sup> on Valley to Freeman. The project was awarded in September of 2009 and completed in October of 2011. 31 lots were

impacted and the project came in at \$1,700,000 under budget.

Ordinance No. 1683 created LID No. 2008-2 which benefited three areas; some for only sewer, some water and some sewer and water. The project was awarded in October of 2010 and completed in December of 2011. The project came in at \$4,400,000 under budget.

Dan Gottlieb, the City's Bond Counsel from Gottlieb Fisher PLLC, reported the LID projects need to be closed out before the bond anticipation notes come due in February of next year.

Council Member Godwin expressed frustration about the process taking so long after completion. Council Member Wolfrom asked how the project had come in so much below budget with the logs encountered. City Manager Zabell explained the original timelines were estimates at the beginning of the process, and that the two projects had been linked to get a better interest rate on the bonds to provide a lower interest rate for participants. Working with the Puyallup Nation to convey trust property for the project also took time.

A resolution will come before Council next week to designate a hearings examiner for the process.

Mayor Cerqui rejoined the meeting.

#### **REVIEW OF UPCOMING AGENDAS**

City Manager Zabell reviewed some of the agenda items scheduled for the next couple of Council meetings.

#### **EXECUTIVE SESSION**

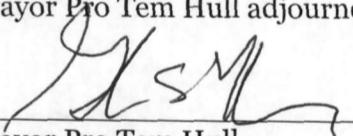
Council adjourned into executive session with City Manager Zabell and City Attorney Combs at 7:39 PM for 15 minutes to discuss pending litigation, with no anticipated action. At 7:54 the Executive Session was extended for an additional 25 minutes.

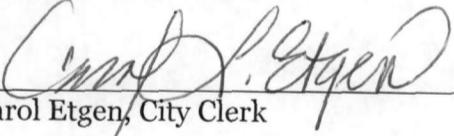
The meeting resumed at 8:21pm.

City Attorney Combs and City Manager Zabell provided additional information on the anticipated schedule of major events to complete LID 2008-1 and 2008-2.

#### **ADJOURNMENT**

Mayor Pro Tem Hull adjourned Study Session at 8:29 PM.

  
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Mayor Pro Tem Hull

  
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Carol Etgen, City Clerk