

CALL TO ORDER & ROLL CALL

Mayor Cerqui called the Regular Meeting of the Fife City Council to order at 6:00 PM.

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

Absent: Councilmember Hulcey, excused.

Staff Present: City Manager Zabell, Finance Director DeGroot, Public Works Director Blount, Community Development Director Osaki, Parks, Recreation and Community Services Director Reuter, Chief of Police Blackburn, Assistant City Attorney Amann and City Clerk Etgen.

PLEDGE OF ALLEGIANCE

Councilmember Roscoe led the Pledge of Allegiance.

CHANGES TO AGENDA

Mayor Cerqui noted that the agenda item "Freight Mobility Strategic Investment Board Update" will be moved to a future agenda when Councilmember Hulcey is present.

CAKE AND COFFEE FOR COUNCILMEMBERS KIM ROSCOE AND DEE DEE DUKES-GETHERS

Mayor Cerqui called for a brief recess in order to honor Councilmembers Roscoe and Dukes-Gethers at what is their last Council meeting for the year.

Council reconvened at 6:23 PM.

The Mayor thanked Councilmembers Dukes-Gethers and Roscoe for their service.

NEW BUSINESS

2014 City of Fife Washington State Legislative Agenda

City Manager Zabell introduced Doug Levy who reported the State Legislative is going into a short 60-day session where they will be fine-tuning the budget and performing some policy work. There was one regular session and three special sessions during the past year. Levy reviewed the proposed legislative priorities for Fife for the upcoming year, along with key issues where the City will support initiatives or coalitions and work to minimize legislation which would be damaging to the City.

Council reviewed and discussed the agenda and a final version will be brought back to Council at the next regular meeting.

PUBLIC HEARING

Stormwater Utility Rate Increase

Mayor Cerqui opened the public hearing at 7:01 PM.

Public Works Director Blount introduced John Ghilarducci of FCS Group, who prepared the analysis for the Rate Study which provides the foundation for the rate increase request. Blount pointed out all the materials from the presentation are available on the City's website.

Blount gave an overview of the stormwater utility, stating it is the newest utility, formed a decade ago to protect the environment and properties from stormwater by cleaning it before it is discharged into creeks, rivers and the bay. In order to comply with State and Federal regulations the City developed new standards for the utility. The greatest number of dollars in the proposed increase will fund construction of projects within the City in order to reduce localized flooding. The projects were included in the capital improvement projects budget presentation previously made to Council.

Blount noted current rates are extremely low compared to the region and there is not enough revenue generated to fund the projects. The proposed increases are front-loaded in order to bring the revenue up to a level where projects can be completed. Single-family home owners are paying a relatively small portion of the utility, and over the next six years the rates will be in the middle of the region's other stormwater utility rates.

Credits are given to businesses and home owners associations that provide their own stormwater pond. Single-family residents are only contributing 11 percent of the stormwater revenues in Fife. The proposal includes a 20 percent increase in 2014, 2015 and 2016, with three percent increases afterwards to keep up with inflation.

Councilmember Curtis asked if the project list would take care of people experiencing flooding currently; Blount stated yes, that the larger projects have broader impacts. There was a brief discussion about the project priority listing and types of projects on the list. Councilmember Curtis stated it was important to note that water, sewer and stormwater are all separate utilities and the funds are not mixed. He expressed concern about making sure people who were experiencing flooding now are high on the project list.

Blount stated Council has the authority to adjust the list over time, if priorities change. Grant funds will be used when and as they become available. The proposal forecasts inflation maintaining at the current rate for the next three years. Ghilarducci explained they escalated labor at five percent and used a three percent rate for materials and services.

City Manager Zabell stated staff would come back to Council with two proposals for consideration; one for the six-year rate structure and another with a policy of maintaining an inflationary index after year seven.

With no one coming forward to testify, the hearing was closed at 7:45 PM.

ORDINANCES

Ordinance No. 1851 - Passage

Amending the 2013-2014 Biennial Budget, as Adopted

Councilmember Curtis moved and Councilmember Roscoe seconded a motion to pass Ordinance No. 1851.

Finance Director DeGroot stated the proposal before Council is as the result of several months of meetings and hearings wherein policy recommendations and alternatives were considered and direction given. The proposed amendment includes estimated revenue adjustments for the 2013-2014 budget and increases to programs and projects which were not identified in the original budget. The beginning fund balance is adjusted and interfund loans have been clarified. A capital projects interfund loan for detention services is included and the three utilities have been separated into separate funds with sub-funds and accounts as needed.

Councilmember Wolfrom pointed out a typographical error in expenditures – the amount should read \$17 million and not \$7 million. DeGroot stated it would be changed in the final document. In response to a question from Councilmember Roscoe, DeGroot explained that the fleet fund had temporarily not been funded in 2012 and that the 2013 and 2014 budget included replacement of the maintenance funding, which required an increase in the General Fund expenditure budget.

Upon vote, motion carried unanimously.

**Ordinance No. 1852 – Waive First Reading and Pass
Amending Ordinance 1731 Regarding Salaries for Certain Employees Not Covered by a
Collective Bargaining Agreement**

Mayor Pro Tem Hull moved and Councilmember Dukes-Gethers seconded a motion to waive first reading and pass Ordinance No. 1852.

Assistant City Attorney Amann reported Ordinance 1731 provided for an annual cost of living adjustment for employees not covered by a collective bargaining unit. The adjustment was suspended at the end of 2012 due to budget constraints. Revenues for 2013 have been more than anticipated and 2014 revenues are expected to be higher than originally predicted. The proposed ordinance would restore the cost of living increase for 2013 and 2014.

City Manager Zabell expressed appreciation for the willingness of non-bargaining employees to give up the cost of living increase. Mayor Cerqui and Mayor Pro Tem Hull also expressed their appreciation for the sacrifice.

Upon vote, motion carried unanimously.

EXECUTIVE SESSION

Mayor Pro Tem Hull moved and Councilmember Dukes-Gethers seconded a motion to go into executive session to address a personnel issue per RCW 42.30.110 (1) (g) at 8:01 for five minutes.

Council came out of executive session with no action taken at 8:07 PM.

RESOLUTIONS

Resolution No. 1572

Authorizing Fourth Amendment to City Manager Agreement

Councilmember Roscoe moved and Mayor Pro Tem Hull seconded a motion to adopt Resolution No. 1572.

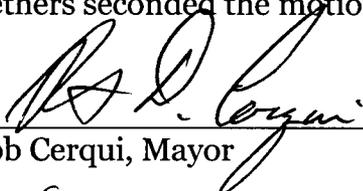
Assistant City Attorney Amann stated Dave Zabell was hired on January 10, 2011. With a recent evaluation and in recognition of his accomplishments, a 7.87% wage increase is proposed.

Mayor Cerqui presented Zabell with a performance evaluation stating he has done an exemplary job over the past year, which Council appreciates. Councilmembers expressed their appreciation for the work Zabell has done with each of them. Zabell thanked Council for their kind words, stating Fife is an incredible place to work.

Upon vote, motion carried unanimously.

ADJOURNMENT

Councilmember Roscoe moved for an adjournment at 8:19 PM. Councilmember Dukes-Gethers seconded the motion and the motion carried unanimously.



Rob Cerqui, Mayor



Carol Etgen, City Clerk