

August 19, 2014
6:00 PM

CALL TO ORDER & ROLL CALL

Deputy Mayor Curtis called the Fife City Council Study Session to order at 6:00 pm.

Present: Mayor Curtis, Deputy Mayor Hulcey, Councilmembers Yambe, Johnson, Cerqui, Marsh and Wolfrom.

Staff Present: Interim City Manager Mukerjee; City Attorney Combs; Finance Director DeGroot; Public Works Director Blount; Community Development Director Osaki; Chief of Police Mears; City Attorney Combs; Executive Assistant Rota and City Clerk Etgen.

EXECUTIVE SESSION

Council immediately went into Executive Session for the purpose of discussing Personnel per RCW 42.30.110(1)(g) and Litigation per RCW 42.30.110(1)(i) for one-half hour and extended the session for another half hour at 6:30 PM. Council reconvened into regular session at 7:02 PM.

PLEDGE OF ALLEGIANCE

Councilmember Cerqui led the Pledge of Allegiance.

DISCUSSION TOPICS

Zoning Code Amendment – Gambling Premises

Community Development Director Osaki stated the current gambling moratorium was established on April 22nd and expires on October 23rd. The Planning Commission has made a recommendation which will be considered by Council at a Public Hearing on September 9th. An ordinance can be prepared for first reading at the meeting of September 23, 2014, with passage at the October 14, 2014 meeting.

In April Council remanded the proposed ordinance back to the Planning Commission to provide direction as to whether or not gambling could be allowed as an accessory use. Currently gambling premises are allowed with a Conditional Use Permit (CUP) in the Regional Commercial (RC) and Business Park (BP) zoning districts. They must be located at least 500 feet from the closest property line of any public school, park, adult use business, residential use and residential zoning district.

The Planning Commission recommendation is to allow gambling premises as an accessory use to a hotel only in the RC zone, subject to conditions, and prohibit gambling premises in all other City zoning districts, including the BP zone. The conditions include:

- The hotel has a three diamond or greater AAA rating; and
- The hotel has at least 100 rooms; and
- The gambling premise is physically located within/inside the hotel; and
- Only one gambling premise per hotel is allowed; and
- Gambling premise must be in building with greatest number of rooms, if hotel has multiple-buildings.

Social Card Games are prohibited pursuant to FMC 5.62.010, so additional modifications would need to be made to the Business License section of the Code if this recommendation passes Council.

2015-16 Budget – All Utility Funds

Interim City Manager Mukerjee and Public Works Director Blount introduced John Ghilarducci and Chris Gonzalez of FCS Group who reviewed the purpose setting utility rates as being to recover the cost of providing the service. Costs incurred by utilities include operating costs and capital costs. The methodology used to establish a rate recommendation include consideration of fiscal policies, the capital improvement program, operating budget, capital funding strategy, connection charges, rate revenue requirements, debt service and cost allocations.

The city most recently conducted a sewer rate study in 2004 with rate adjustments. Revenues have been insufficient to cover costs due to the recession, declining water use and no rate increase since 2010, despite increasing costs. Fife is currently 2nd to last in lowest rates compared to other cities. Wholesale wastewater treatment cost increases have reduced available funding for sewer utility costs.

A recommendation to establish an indexing policy to apply between rate updates which would automate annual rate adjustments based on cost increases to keep current with costs. Key assumptions were reviewed which include an operating reserve and construction fund. Revenue bond coverage is at a ratio of 1.75% of debt service. Capital forecast needs are also taken into consideration.

Based on the assumed inflation rates, the weighted average inflation index would be:

Sewer – 4.07%
Water – 2.71%
Stormwater – 2.84%

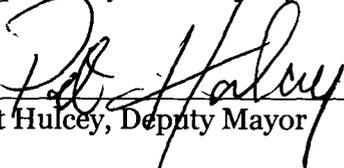
It is recommended a 45% increase be implemented in 2015.

REVIEW OF UPCOMING COUNCIL MEETING AGENDAS

Interim City Manager Mukerjee reviewed upcoming agenda items.

ADJOURNMENT

Deputy Mayor Hulcey adjourned Study Session at 8:08 PM.



Pat Hulcey, Deputy Mayor



Carol Etgen, City Clerk