

**FIFE CITY COUNCIL
REGULAR MEETING MINUTES**

Fife City Hall
Council Chambers

Date: April 28, 2009
Time: 7:00 p.m.

EXECUTIVE SESSION

Mayor Johnson convened an executive session at 6:00 p.m. for the purpose of Real Estate RCW 42.30.140 for approximately 35 minutes.

ADJOURNMENT

Mayor Johnson adjourned the executive session at 6:35 p.m.

**CALL TO ORDER AND
ROLL CALL**

Mayor Johnson called the regular meeting of the Fife City Council to order at 7:01 p.m. with the following Councilmembers present: Glenn Hull, Butch Brooks, Barry Johnson, Rob Cerqui, Nancy de Booy, and Kim Roscoe.

Excused: Councilmember Richard Godwin.

Staff present: City Manager Steve Worthington, Assistant City Attorney Gregory Amann, Finance Director Steve Marcotte, Assistant Police Chief Mark Mears, Public Works Director Russ Blount, Administrative Assistant Andrea Richards, Financial Analyst Dave DeGroot, Acting Community Development Director Carl Durham, Assistant City Engineer Ken Gill, Deputy Clerk Helen Ware, Senior Administrative Assistant Cindy Dunn, and Recording Secretary Cheri Lindgren.

**PLEDGE OF
ALLEGIANCE**

Councilmember Hull led the pledge of allegiance.

**CHANGES, ADDITIONS,
OR DELETIONS TO
AGENDA**

Item 8a, canceling the May 12, 2009 meeting and setting a special study session meeting for May 19, 2009, were added to the agenda.

Motion

Councilmember Roscoe moved, seconded by Councilmember de Booy, to approve the agenda as amended. Motion carried.

CITIZENS COMMENTS

There were no citizen comments.

CONSENT AGENDA

- a. Approval of Minutes: Date: April 14, 2009
- b. Approval of Vouchers:
 - Payroll: #45563-45598 \$382,186.28
 - Claims: #75853-75991 \$420,267.33

Adopt:

- c. #1695; Unlawful Transit Conduct

Motion

Councilmember Roscoe moved, seconded by Councilmember Hull, to approve the consent agenda as presented. Motion carried.

**SPECIAL
PRESENTATIONS**

**Parks Appreciation Day /
Arbor Day Recap**

A slide show highlighting Parks Appreciation Day/Arbor Day activities on April 18, 2009 was presented. Mayor Johnson reviewed sponsors, local

organizations, and community groups represented at the event. Two birch trees were planted near Wapato Creek at Wedge Park.

Proclamation – Municipal Clerks Week, May 3-9, 2009

Mayor Johnson read a proclamation declaring May 3-9, 2009 *Municipal Clerks Week*. He presented Administrative Assistant Dunn and Deputy Clerk Ware with special achievement awards.

ESGR – Employer Support of the Guard and Reserve

James Sheppard, State Chairman of the Washington Committee for Employer Support of the Guard and Reserve, reported the committee is seeking to develop and promote a culture in which employers support and value the military service of their employees.

Mayor Johnson signed a Statement of Support on behalf of the City of Fife. The Statement of Support Program seeks to provide a formal process to enable employers to publicly support employee participation in the National Guard and Reserve. Mr. Sheppard presented the framed Statement of Support to Mayor Johnson.

COUNCIL DELEGATE REPORT

Councilmember Hull called for nominations for outstanding community members helping to keep Fife's streets safe. Nominations are due by July 31, 2009. A recognition dinner will be held in September.

Councilmember Hull reported on his attendance to a recent meeting involving representatives from the Fife and Puyallup School Districts and the Master Builders Association to discuss school impact fees. Staff will provide the Council with additional information at a future meeting.

Councilmember Brooks reported he attended the Puget Sound Regional Council (PSRC) meeting. Members were briefed on the federal stimulus funding transportation project contingency list, transportation 2004 updates, and potential block grant opportunities for energy efficiencies. The Growth Management Policy Board (GMPB) discussed affordable housing regulations.

Councilmember de Booy commented on the successful Parks Appreciation Day event. The day was filled with activities including a softball tournament at Dacca Park. Everyone was invited to the Fife Community Center for a dinner on May 10, 2009. Seniors were also invited to participate in upcoming senior trips.

Councilmember Roscoe reported the Fife School Board discussed a military leave policy. The first day of school for the 2009/2010 school year is Wednesday, September 2, 2009. A public hearing on Initiative 728 was held in April. The Board accepted the 2009/2010 school calendar. The Board acted on Resolution 09-4, a program reduction plan.

Mayor Johnson reported on his attendance to the Pierce County Mayors' Breakfast. A report on the state's budget and pending legislation was

provided. Eaton Mayor Tom Smallwood proposed having cities within Pierce County host a tour to provide an opportunity to share ideas. Pierce County Executive Pat McCarthy spoke about an "open door policy."

Mayor Johnson reported he and Director Blount attended a PSRC subcommittee meeting to request \$8 million in funding for the 70th Avenue project.

Mayor Johnson said he plans to attend the April 30, 2009 PSRC meeting followed by a Destination 2040 awards celebration. Fife will receive an award for the Wapato Creek relocation project.

Mayor Johnson reported he, Councilmember Hull, and City Manager Worthington are traveling to Washington D.C. on May 12, 2009, to meet with congressional delegates to discuss issues important to Fife.

ORDINANCES AND RESOLUTIONS

ORDINANCES

#1696, Directing Pierce County to Place Library District Annexation on November Ballot

Motion

Councilmember Roscoe moved, seconded by Councilmember Hull, to approve Ordinance #1696; Declaring the intent to annex the City of Fife into the Pierce County Rural Library District.

City Clerk/Finance Director Marcotte read the title of Ordinance #1696:

An ordinance of the City Council of the City of Fife, Pierce County, Washington, declaring the intent to annex the City of Fife into the Pierce County Rural Library District, and submit to the qualified voters of the City at an election to be held on November 3, 2009, in conjunction with the state General Election, a proposition authorizing the annexation of the City into the Pierce County Rural Library District.

City Manager Worthington provided an overview of the proposal and process to date. The City conducted an extensive public process on the issue. The City and Library District entered into an interlocal agreement establishing expectations and outcomes in the event of annexation. If approved, properties within the City would be assessed approximately \$.43 for each \$1,000 of assessed valuation for library services beginning in 2011.

Motion

Councilmember Brooks moved, seconded by Councilmember Hull, to

amend section 1 on page 2 of Ordinance #1696 as follows: “The City Council hereby declares its intent to have the City of Fife join and annex into the Pierce County Rural Library District subject to taxation by the District, and it finds that the public interest will be served thereby.”

Councilmember Brooks commented that’s he unable to identify a reason not to present the measure to voters to make a decision. Citizens have commented about concerns involving the timing of a ballot measure. It’s important voters have the necessary information to make an informed decision. He expressed support of the proposed amendment.

Councilmember de Booy said voters and not the Council should make the decision concerning library services for Fife. She pointed out that if the measure is approved, property owners in the City will be taxed. The timing of a measure is of concern because of the economy. She said she’s not opposed to libraries, but doesn’t believe Fife is ready for a library and cannot support the motion.

Councilmember Cerqui agreed and indicated he’s not entirely comfortable with the interlocal agreement. The location of a library is unknown. He suggested including a project in the Capital Facilities Plan (CFP) for the City for construction of a facility or expansion of the community center to include specifics on location, square footage, and timeframe. The City could then decide whether to annex into the district. It’s not the time to place a measure on the ballot. The ultimate decision is up to voters. Another concern is business owners who will also pay additional property taxes.

Councilmember Roscoe agreed citizens should vote on the issue. She said she supports having a library in Fife. Although property owners would not be assessed until 2011, Fife residents will have immediate access to library services. Using Fife resources to build a library is not a good option.

Councilmember Hull said the issue is whether to place the annexation issue on the November ballot. It’s not about the interlocal agreement and other considerations at this point. Placing a ballot during the general election does not cost the City more than a special election. The Library District has ultimate taxing authority.

Mayor Johnson acknowledged the Council, Library District, and staff’s efforts on the issue, which initially emerged 12 years ago. The interlocal agreement is the best possible solution to provide library service to Fife residents. He supports the City moving forward. Young people during the summer months suffer because they do not have access to a library.

Motion

The amendment to the motion carried unanimously.

Citizen Comments

Fred Thomas 4704 12th Street East, said he’s not opposed to libraries and

urged the Council to inform citizens that the cost could be as high as \$.50 for each \$1,000 of assessed valuation. Residents should also have some idea of where a library would be located.

Councilmember Brooks said a library is part of building a solid community, but that she doesn't support annexing to the Library District and taxing Fife residents at this time. However, citizens have a right to decide whether to annex to the district.

Motion

The amended motion carried. Councilmember Cerqui opposed.

**MAY COUNCIL
MEETING SCHEDULE
CHANGES**

Motion

Councilmember Roscoe moved, seconded by Councilmember Hull, to cancel the May 12, 2009 regular meeting and add a special study session for May 19, 2009 at 7:00 p.m. Motion carried.

**CITY MANAGER
REPORT**

City Manager Worthington reported on the following:

- Information Technology (IT) staff are updating the City's website. Changes include email accounts and log in screens. The Council will be able to access packet materials online from off-site locations.
- The Parks Department recently hosted the last teen night event of the year at Columbia Junior High School.
- The Council will host a dinner on May 28, 2009 at 7:00 p.m. at the community center honoring Fife community volunteers. Volunteers planning to attend are asked to RSVP by email or telephone.
- Staff submitted funding requests through Congressman Smith's office for federal highway appropriations for improvements to 70th Avenue and Port of Tacoma/I-5 interchange. Staff is working closely with state agencies concerning the completion of State Route 167.

**COUNCILMEMBER
COMMENTS**

Councilmember Hull commented on his intent to seek another Council term in November.

Councilmember Brooks referred to the amendment of Ordinance #1696; declaring the intent to annex the City of Fife into the Pierce County Rural Library District. The change to the ordinance is important. Staff and legal counsel were asked to follow up with the County Auditor on whether the language as proposed is stated properly.

Councilmember Brooks thanked volunteers who participated during Parks Appreciation Day.

Councilmember Roscoe commented on a citizen's concerns about private vehicles utilizing the access road in Dacca Park to unload sports equipment. The issue is whether motorists are circumventing the bollard and driving up on the sidewalk. She asked Parks Department staff to follow up.

Councilmember Roscoe reported on her decision not to seek another Council term in November. She commented on positive experiences over the last several years.

Mayor Johnson thanked Councilmember Roscoe for her service over the years.

CITIZEN COMMENTS

Pat Hulcey provided an update on Fife Historical Museum activities. The concrete floor inside the barn was poured. A crew is scheduled to begin framing walls within the next several weeks. Mr. Hulcey thanked everyone for their support.

Mayor Johnson asked Mr. Hulcey to compile a list of volunteers and organizations that have donated to the museum.

RECESS:

Mayor Johnson recessed the meeting from 8:05 p.m. to 8:11 p.m. for a break.

Councilmember Cerqui left the meeting.

2010 BUDGET PLANNING WORKSHOP

Mayor Pro Tem Brooks convened a budget planning workshop at 8:11 p.m.

Overview of Public Works

Director Blount presented a summary of the Public Works Department budget by divisions. Facilities, grounds, engineering, street operations, street maintenance, and fleet divisions are funded from the General Fund. Enterprise funds include water, sewer, and drainage involving the City and District #21. Enterprise funds also support General Fund through rental rates, vehicle storage, and engineering staff. The approved 2009 budget is substantially lower than the approved 2008 budget. The department scaled back capital programs, reduced expenses for additional equipment, and is not filling the Assistant Public Works Director position vacated by Mr. Jurica when he retires at the end of May. There is a substantial increase to the City's insurance rates. The street operations division is responsible for a portion of those increased costs.

General Fund subtotals include:

Approved 2008 Budget	Actual 2008 Expenses	Approved 2009 Budget
\$3,163,565	\$1,836,960	\$2,661,466

The street maintenance division includes a \$79,300 increase in traffic control signs and signals, which will be deferred. Pacific Highway East from 54th to

62nd is illuminated. The lights were dedicated to the City creating a higher energy bill.

Enterprise fund subtotals include:

Approved 2008 Budget	Actual 2008 Expenses	Approved 2009 Budget
\$5,323,286	\$5,286,855	\$5,825,861

A portion of costs related to union contracts are apportioned to the enterprise funds.

Director Blount presented a photograph of the Fife Public Works Department and reviewed a department organizational chart.

Director Blount responded to questions and verified the Public Works Department will under expend General Fund accounts by approximately \$200,000 based on actions for scaling back programs, reduced personnel costs, and deferring increases in traffic control signs and signals. However, street lighting costs will increase.

City Manager Worthington added that other changes were implemented that could result in additional reductions in expenses.

Discussion ensued on the fleet division and capital expenses. Mayor Pro Tem Brooks asked staff to develop a list of deferred fleet expenditures to help inform 2010 budget discussions.

Director Blount provided additional information on enterprise funds. He pointed out that the sewer fund continues to show steady growth.

Mayor Pro Tem Brooks suggested the City focus on saving costs to support future capital expenses rather than moving funds from one account to another account to maintain programs.

Street Construction

Director Blount provided an overview of the street construction budget. The Council previously identified the Valley Avenue segment of the 70th and Valley corridor as the City's top priority. Staff submitted a funding request to PSRC's Regional Project Evaluation Committee for the 70th Avenue East project.

Director Blount reviewed the status of projects reduced and/or eliminated because of revenue shortfalls:

- 70th Avenue, 20th to 2900 block
- 20th Avenue East, 54th to 63rd
- 34th Street East, 12th to Pacific

Design for the 20th Street East project will proceed to right-of-way plans only.

City Manager Worthington added that Fife has adequate resources to complete the first phase of the Valley Avenue project.

Director Blount reported approximately \$20 million in local funds is required to complete the three projects. Staff will continue to pursue grant funding opportunities.

Director Blount reviewed the status of fully funded street construction projects from other funding sources:

- Port of Tacoma Road Interchange
- Southbound off-ramp
- 59th Avenue East, 12th to Pacific
- 48th Street East
- Freeman Road East

Director Blount reviewed a revised Construction Fund 301 financial table. Initially, right-of-way acquisition costs were identified at \$349,000. However, it's now anticipated the City will need to expend approximately \$1.8 million in 2009 for right-of-way. Funds from a previous bond issue are available to borrow to address the gap, which the Council recently approved.

Director Blount reviewed the revenue summary. Total expenses for the 2009-2014 timeframe are estimated at \$16,750,000. Staff estimated a shortfall of approximately \$4.2 million. One option is using the estimated \$2 million in public safety fund collections in 2009 and 2010 for the 70th Avenue/Valley project.

Director Blount reported a \$1.9 million request is moving forward through Congressman Smith's office. To move forward with the project, the City must certify it can build the project without those funds. Once the City declares a certification, there is a potential that funding could be pulled. City Manager Worthington added that the project was dropped from the federal transportation budget, which was released in March 2009. Fife will learn whether the \$1.9 million request is successful in November 2009.

Director Blount reminded the Council that the overall plan included a second round of borrowing in 2009. The current proposal is to borrow funds and commit to a general obligation bond using Real Estate Excise Tax (REET) revenues of approximately \$200,000 to fund the bond. Other options include an interfund loan or funding the project from General Fund reserves through an internal note to replenish the reserve from other revenue streams. Staff is seeking Council direction on how to address the \$2 million gap to fund the 70th Avenue/Valley project.

Director Marcotte advised that a repayment source is required for an interfund loan, which must be paid back in three years.

Mayor Johnson and Councilmember Roscoe said they prefer using REET revenues to fund a bond.

The Council generally agreed it's appropriate to use red light photo enforcement collections in 2009 and 2010 to cover a portion of the budget shortfall.

The Council considered options to address the remaining \$1.9 million for the 70th Avenue/Valley project.

Council and staff discussed the City's councilmanic debt capacity.

Mayor Pro Tem Brooks asked whether staff considered deferring work on the 70th Avenue project. Director Blount said constructing the double left turn lane is the key component.

Mayor Pro Tem Brooks inquired about the availability of additional Surface Transportation Program (STP) funding. Director Blount said the application deadline is June 11, 2009. However, funding will not be allocated until 2011-2012. Mayor Pro Tem Brooks agreed with the option of pursuing bonding.

Councilmember Hull said he'd rather not borrow funds, but acknowledged loan financing is affordable at this time. Fife could utilize reserve funds or other sources. City Manager Worthington replied that the City has approximately \$4 million in General Fund reserves that the Council could utilize. Pursuing a loan in today's environment would be less expensive. The Council has other goals and there will be competing interests for reserve funds.

Discussion ensued on the cost to finance bonds and other options available to fund the project.

Councilmember Hull proposed bonding the entire shortfall as long as interest rates remain low rather than utilizing red light photo enforcement revenues.

Mayor Pro Tem Brooks said he prefers bonding as it provides the City with the most flexibility in the long-term. The short-term target is having the project certified by the Washington State Department of Transportation (WSDOT) to enable the project to proceed.

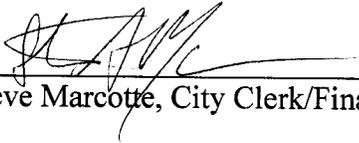
Councilmembers generally agreed with the concept of bonding for the \$1.9 million shortfall.

ADJOURNMENT

With there being no further business, Mayor Pro Tem Brooks adjourned the meeting at 9:14 p.m.

A handwritten signature in black ink, appearing to be 'B. Johnson', written over a horizontal line.

Barry Johnson, Mayor

A handwritten signature in black ink, appearing to be 'S. Marcotte', written over a horizontal line.

Steve Marcotte, City Clerk/Finance Director

Prepared by Cheri Lindgren, Recording Secretary
Puget Sound Meeting Services