

**FIFE CITY COUNCIL
STUDY SESSION
MINUTES**

**Fife City Hall
Council Chambers**

**Date: July 21, 2009
Time: 7:00 p.m.**

EXECUTIVE SESSION Mayor Pro Tem Brooks convened an executive session at 6:00 p.m. for the purpose of Real Estate Potential Litigation RCW 42.30.140 for approximately 55 minutes.

ADJOURNMENT Mayor Pro Tem Brooks adjourned the executive session at 6:56 p.m.

CALL TO ORDER AND ROLL CALL Mayor Pro Tem Brooks called the study session of the Fife City Council to order at 7:01 p.m. with the following Councilmembers present: Richard Godwin, Glenn Hull, Butch Brooks, Barry Johnson, Rob Cerqui, Nancy de Booy, and Kim Roscoe.

Staff present: City Manager Steve Worthington, Finance Director Steve Marcotte, City Attorney Loren Combs, Police Chief Brad Blackburn, Public Works Director Russ Blount, Parks, Recreation & Community Services Director Kurt Reuter, Administrative Assistant Andrea Richards, Acting Community Development Director Carl Durham, Financial Analyst Dave DeGroot, and Recording Secretary William T. Gow II.

PLEDGE OF ALLEGIANCE Councilmember Hull led the pledge of allegiance.

CHANGES, ADDITIONS, OR DELETIONS TO THE AGENDA A discussion on the Transportation Improvement Plan and an update from the City Manager was added to the agenda.

STUDY SESSION

2010 Council Goals City Manager Worthington reported the approach to the City's 2010 budget has been somewhat different this year because of the economy. Consequently, the process of establishing next year's goals hasn't occurred at this point. He asked the Council for feedback on the Council's goals for finalization of the initial draft budget. He noted that some of the goals have been completed or are underway.

City Manager Worthington reviewed the draft 2010 Fife City Council goals:

- A. First, do no harm to the bond rating of the City. The 2010 budget decisions will not diminish the bond rating of the City of Fife.
- B. Systematic shift within the City from aggressive development to sustaining and improving our core services to our customers. (In order of importance; Police, Parks, Maintenance, Transportation.)
- C. Systemic review of the City operations (Departments) based on function and cost benefit. City Manager Worthington indicated the goal may have been completed. Task each group with evaluating their

operation and function(s) that they provide with an eye towards:

- 1) Sustainability of current structures versus direct revenue produced (where applicable) and limited resources
 - 2) Efficiency of current service methodology
 - 3) Cost effectiveness of performing these services internally
 - 4) Expense in relation to fixed costs
- D. Reinvest our system of governance to reflect today's issues that are most important to our citizens, with a goal of mapping out a responsible course for every endeavor that we use the people's money for:
- 1) Systematically review each department of City Government.
 - 2) Systematically review each dedicated fund and understand any related restrictions.
 - 3) Conduct ourselves in an unbiased manner and be considerate of all parties' opinions.
 - 4) The process must be open and with the highest level of transparency possible.
 - 5) Keep the public informed throughout the process.
 - 6) Stop doing things that don't work or are no longer relevant.
 - 7) Continue with an open mind on accomplishing the things that we think are worth investing the people's money.
 - 8) The process is currently underway and can be completed by summer 2009.
- E. Open and effective government
- 1) Firm plans for Brookville Gardens
 - 2) See progress on road projects (Valley)
 - 3) Create a compatible work agreement w/residents addressing their property concerns regarding Wapato Creek Restoration/Maintenance. Plan with Parks Dept.
 - 4) Interact more with residents and government. Council could be involved w/community activities and show support. Keep residents informed and up-to-date on City happenings.
 - 5) Be prudent with our money reflected in our budget. Prioritize spending through and with each department head. Review their budget quarterly.

City Manager Worthington advised that items D and E, although relatively similar, have been in process and could be considered partially completed. The departments are working to reevaluate approaches to governance with the community as well as working on cost effectiveness and efficiencies.

Mayor Pro Tem Brooks acknowledged that the City has made some good progress. It will be necessary to continue course corrections given today's financial uncertainty.

Mayor Johnson said both C and D pertains to developing a culture where the City constantly reevaluates itself and looks at the items rather than

undergoing a one time review. Reevaluation should be ongoing. Goals within D add an element of openness that is not present in C.

Mayor Pro Tem Brooks commented on the importance of transparency as the City moves forward.

City Manager Worthington advised that plans for Brookville Gardens will be presented to the Council in August.

City Manager Worthington responded to Councilmember Godwin's inquiry about timing associated with initiating construction on Valley Avenue. The Valley roadway project will likely begin construction at the end of August. The bids are ready for release but cannot be released until all right-of-way has been secured. The bid must be released for three weeks followed by at least one week to select the bidder. Director Blount reported that if the contract is awarded in August, it will be another 14 to 15 months to complete the project. The project will ramp down over the winter while undergrounding of electrical and utilities is completed. The City is working quickly with the Department of Transportation on the transfer of right-of-way. After undergrounding of utilities occurs, the contractor can remove poles and complete roadwork work by next spring. The bulk of the roadway work will be completed in spring 2010. Councilmember Godwin said the project timeline is different than he understood it to be. Director Blount responded that staff has been apprising the Council about right-of-way issues. The completion for next summer was based on completing right-of-way the first of the year, which did not occur.

Councilmember Roscoe inquired about other transportation projects. City Manager Worthington indicated that some funding progress is occurring for the 70th roadway improvement. The City is mothballing 20th until funding is in place.

Mayor Pro Tem Brooks indicated the Council has previously placed Valley as the highest priority for capital projects. The issue is whether funds are available for other capital projects in 2010. Today, that situation is uncertain. Typically, the Council would have a list of projects that the Council would prioritize. The Council acknowledged that based on the current funding status, the priority is completion of the Valley Avenue project.

Councilmember Roscoe inquired about the status of the pavement overlay program. City Manager Worthington advised that it's a budget decision. Councilmember Godwin suggested the program should be a goal because of the need. Mayor Pro Tem Brooks suggested evaluating the roads with the greatest need regardless if they are residential or main arterials. City Manager Worthington advised that the program will be added to the Council goals stating, "A return to the City's annual overlay program." Councilmember Godwin asked the Public Works Department to review residential streets for

possible pothole patching rather than an entire overlay to help address residential street concerns.

City Manager Worthington referred to the goal for creating a compatible work agreement with residents for Wapato Creek restoration and maintenance. The issue was a concern to residents. The City has stepped away from the issue using a less formal approach of pursuing the work similar to previous years without the benefit of a formal easement agreement.

Mayor Johnson noted that the goal mentions both restoration and maintenance. If restoration occurs along the creek, much of the maintenance needs will be minimized.

The Council agreed the goal should focus on restoration rather than maintenance. Mayor Johnson suggested that if the City took a more proactive approach by developing a plan it could include some funds to help residents restore habitat along the creek voluntarily. City Manager Worthington reminded the Council that there are limited budget dollars.

Councilmember Godwin commented that the City should lead by example. Some maintenance will be necessary to maintain flows. City Manager Worthington said the goal could be a restoration project or projects on City property along the creek.

Councilmember Hull suggested individual projects shouldn't be included in the Council goals because of the likelihood that they can't be achieved because of the overall economic condition. The intent is accomplishing the broader perspective of City Government. It's a conversation that should occur during the budget process in terms of what projects to pursue.

Councilmember Roscoe agreed somewhat but pointed out that with less funds it's important for the Council to focus. Staff is seeking the Council's direction because during this economic downturn it's not possible to provide broad goals where staff can propose projects. Staff is seeking input on those projects that should be of focus. She said she's interested in providing a good example for Wapato Creek restoration. The Brookville Gardens plan includes a creek restoration element.

Councilmember de Booy referred to the goal for Wapato Creek and suggested there is a need for some kind of ongoing plan even if it entails working with residents informally. The goal should be more specific and should include some kind of ongoing plan either formally or informally with residents or through the Brookville Gardens project.

Councilmember Hull said his concern is that the discussion is on issues and that the City is struggling to maintain core services, jobs for employees, and keeping facilities open. The Council is discussing projects that will benefit

many people but in specific areas of the community. He indicated he's not agreeable with funding a study or project while reducing the number of police officers simply because it's included within the Council's strategic goals.

Mayor Pro Tem Brooks suggested there are three factors involving Wapato Creek. They include the easement issue, which shouldn't be discussed at this point. The second and third involve maintenance and restoration. The City has engaged in ongoing discussions about maintenance. The City has initiated some restoration activity. The intent is not initiating a new project but as Natural Design Systems provides recommendations; it is something the Council can consider at a future time.

Mayor Johnson said Wapato Creek is a component of a broader goal in the commitment to restoration of the watershed within the City. There are multiple components to achieve that goal involving working with citizens, City projects, and zoning and planning changes.

Councilmember Cerqui agreed with maintaining broader Council strategic goals rather than project specific goals.

City Manager Worthington reviewed goals on interacting with residents and prudent decision-making in terms of the budget. He asked for any additional goals.

Councilmember Godwin questioned the goal pertaining to interacting with residents and government (E3). City Manager Worthington said he couldn't recall who initiated the goal but that the Council goals were drafted by staff for the Council's review and discussion. Mayor Pro Tem Brooks agreed a goal of keeping residents informed and up-to-date is important.

Councilmember Roscoe said she's not interested in expending additional funds to increase public communications. The City currently employs many avenues for public outreach and communication. Mayor Pro Tem Brooks reminded the Council that the goals are not necessarily related to budget goals. The intent of the goal doesn't appear to indicate an expense of more funds. Councilmember de Booy said she may have provided input on the particular goal, which didn't involve any additional expenditures. The Fife Flyer is a good way to disseminate information. The City also has a website, which is proving effective. Mayor Johnson suggested the City could be more proactive on larger projects and issues by setting up a tent in neighborhoods and inviting residents to receive information on major projects, similar to how the City of Auburn handles major issues by visiting neighborhoods and disseminating information to residents.

City Manager Worthington said if there are no other additions to the goals, the next step for the Council is to consider removing some goals. Staff will reorganize and refine the goals prior to finalization of the document.

Mayor Pro Tem said the City’s emphasis this year is on core services and that the Council wants to maintain a reasonable and balanced budget, maintain the financial viability of the City, keep in touch with residents, continue some capital projects, continue work on Brookville Gardens, and pursue some activities for Wapato Creek.

Councilmember Roscoe suggested the goal for Wapato Creek could be revised to state, “Continue with commitment Wapato Creek restoration efforts.”

Mayor Pro Tem Brooks suggested summarizing the goals. The Council agreed with the suggestion for the City Manager to summarize and finalize the goals into a common format by the Council’s next meeting.

LTAC Proposed Discussion

City Manager Worthington referred to a copy of Lodging Tax fund requests from department directors. As the Council is aware, it’s a difficult time for the City in terms of revenue. To some extent, the Council may have some flexibility within the Lodging Tax fund. The amount of the funds may change and within the last several years the restrictions for expending Lodging Tax funds has been relaxed. However, the funds must be used to generate tourism activity within the City.

Staff discussed department budget requests with legal counsel to determine if the expenses are eligible for funding from Lodging Tax. Funding applications are due to the Lodging Tax Advisory Committee on August 13, 2009. Staff requests the Council provide guidance on whether staff should submit funding applications based on the list of projects.

City Manager Worthington reviewed and described the list of qualified department projects and costs:

Department	Item	Cost
PRCS	Hylebos Nature Area Maintenance Operations	\$6,500
PRCS	Hylebos Nature Area Entrance	\$25,000
PRCS	Dacca Park Maintenance Operations	\$30,000
PW	Park Illumination-Direct Cost	\$10,251
PRCS	Swim Center Operations	\$671,000
PRCS	New Pool Slide	\$15,000
PRCS	New Water Sterilization (Chlorination) System	\$25,000
PRCS	New Water Sterilization (Salt) System	\$25,000
PRCS	Brookville Garden Community Park – Interpretative Signage	\$7,500
PRCS	Brookville Garden Community Park –	\$400,000
PRCS	Brookville Garden Community Park –	\$300,000

PRCS	Brookville Garden Community Park –	\$80,000
PW	Pedestrian Overpass between 5 acre park and Dacca Park	\$4,990,180
PW	Fife History Museum – Sewer Lateral and Sidewalk Frontage	\$35,000
Exec	Fife School District – Performing Arts Center	\$40,000
Exec	Caboose Rebuilding	\$60,000
PW	Illuminated Street Signs	\$62,000
PW	Holiday Lighting – Direct Cost	\$22,476
PW	Decorative Lighting Premium – Valley Ave	\$40,000
PW	PHE Planter Strips Maintenance – Direct Cost	\$58,765
PW	(2) VMS Boards	\$32,535

Councilmember Godwin expressed some uneasiness with the list. Some of the projects make sense in terms of utilizing Lodging Tax while many of them do not. He questioned whether they relate to tourism and indicated a preference to be conservative and err on the side of allowable uses. City Manager Worthington said some of the proposed projects are considered to be “outside the box” and the list includes more projects than can be funded. However, the projects have been deemed to be qualified for funding with Lodging Tax. The Finance Director and the City Attorney reviewed the proposals to determine if the projects are a qualified expense. However, just because they are qualified, doesn’t mean they need to be supported by the Council.

Mayor Pro Tem Brooks added that in fairness to the City Manager, the Council directed the City Manager to think “outside of the box.” The request by staff is to discuss the projects, not necessarily fund all of them.

Discussion followed on some of the projects with the Council offering varying opinions. Councilmember Cerqui pointed out that many of the members of the Lodging Tax Advisory Committee question whether such improvements increase tourism activity in the City even if the project is qualified to receive Lodging Tax funds. Perception is an important aspect in the process.

Councilmember Roscoe said she reviewed the list and removed projects associated with maintenance. For the pool, the department should retain the salt system, as it’s a unique system that attracts people looking for a non-chlorinated option. She suggested providing passes to the hotels allowing guests to receive the resident rate or providing some free passes.

Councilmember Cerqui offered a suggestion of working with the City of Tacoma during the booking of events and concerts to help hotels fill vacant rooms as well as improving the relationship with Tacoma.

Councilmember Godwin said he tends to lean against funding any of the department requests. Additionally, the City is paying a substantial amount for coordination activities with the Convention and Visitor Bureau. He suggested looking for efficiencies in terms of that funding or retaining the funds and having the City pursue its own marketing efforts.

Mayor Pro Term Brooks asked for Council feedback on the list of projects.

Councilmember Godwin expressed interest in considering the following projects:

- Hylebos Nature Area Entrance
- Fife History Museum – Sewer Lateral and Sidewalk Frontage
- Fife School District - Performing Arts Center
- Holiday Lighting – Direct Cost

Councilmember Hull expressed interest in considering the following projects:

- Brookville Gardens Community Park – Interpretative Signage
- Brookville Gardens Community Park – Restroom Bldg/Utility Infrastructure/Park Access Bridge
- Brookville Gardens Community Park - Parking Lot and Lighting
- Brookville Gardens Community Park - (2) Picnic Shelters
- Dacca Park Maintenance Operations – Staff has worked to attract tournaments creating hotel stays and tourism activity

Councilmember Hull noted that the Council needs to be clear on the plans for the Brookville Garden park and the timing for construction of the park.

Councilmember de Booy referred to the amount for the Performing Arts Center and indicated she understood that to attract the Nutcracker performance at the center, a new floor is required in the facility. City Manager Worthington advised that it's a temporary floor that can be rented.

Councilmember de Booy commented on the mutual efforts through the Convention and Visitor Bureau and suggested having Marketing Coordinator Potter provide additional information on efforts to date and actual tourism results. She expressed disinterest in obtaining a slide for the pool because of other pool options. She supported using the saltwater sterilization system. She acknowledged the work needed for the Brookville Gardens Community Park project. She didn't support portable signage.

Mayor Johnson agreed the City shouldn't use Lodging Tax to fund maintenance activities and should focus on capital expenditures. The Hylebos Nature Area Entrance is a reasonable expense that could attract visitors to the City. The pool slide and the salt system for the pool appear to be a marketing

approach for drawing visitors. The Fife History Museum project has not been completed for many years. Sidewalks are needed to fill that gap. The City needs to complete the work on the caboose or determine the next course of action. The City has committed and accepted funds from other organizations and parties and should pursue completion of the caboose project. He said he struggles with the projects for the Brookville Gardens Community Park and agreed with the logic for funding park restrooms. The City already accepted \$100,000 to build a bridge, which appears to be a funding source for the bridge. The Council should discuss the Brookville Gardens Community Park projects as a whole.

Councilmember Roscoe referred to the agreement with the Convention and Visitor Bureau and questioned how the discussion will impact current funding to the organization. City Manager Worthington reported that the City of Tacoma booked a women's volleyball tournament within the Tacoma Dome creating business for Fife hotels because sports events tend to attract business to Fife hotels/motels. However, when the Dixie Chicks were booked at the Tacoma Dome, which generated more revenue for the City of Tacoma, it did not positively affect business for Fife hotels. The issue is working with the City of Tacoma on a way to develop a plan when the City of Tacoma books music acts to create a better decision that positively impacts Fife businesses as well.

Mayor Pro Tem Brooks commented on the Lodging Tax funding process, which appears to be the most convoluted issue that comes before the Council. The committee provides funding recommendations that the Council appears never to approve. It appears there are varying opinions on what should be funded. The Parks Department has done a good job in filling Dacca Park fields this year attracting many people to the City. Those tournaments can bring more visitors to the City in a weekend than the Fife History Museum can attract in a year. He said he will never support funding the pool as the City loses \$400,000 a year with 15% of its usage by Fife citizens. He acknowledged that the pool projects qualify for Lodging Tax funding because 85% of the use is by visitors to the City. He suggested discussing the Brookville Gardens Community Park projects because they appear to qualify. He said he doesn't support the pedestrian overpass and has difficulty in supporting rebuilding of the caboose. The City has committed paying \$50,000 to the Fife History Museum. He requested a full report on activities to date prior to approving any additional funding for the museum. He expressed approval for funding holiday lighting and suggested there may be other ways to accomplish attracting more events to the performing arts center. The Council should consider an appropriate use of the funds for helping fund a civic enter, youth center, or participating in the Boys and Girls Club. It's not necessary to expend the funds because they are available, the Council could consider retaining the funds over the longer term for a larger project.

The Council reviewed and discussed each project and informally expressed a

preference for further discussion:

Item	Further Discussion
Hylebos Nature Area Maintenance Operations	No
Hylebos Nature Area Entrance	No
Dacca Park Maintenance Operations	No
Park Illumination-Direct Cost	No
Swim Center Operations	No
New Pool Slide	No
New Water Sterilization (Chlorination) System	No
New Water Sterilization (Salt) System	Yes
Brookville Garden Community Park – Interpretative Signage	Yes
Brookville Garden Community Park –	Yes
Brookville Garden Community Park –	Yes
Brookville Garden Community Park –	Yes
Pedestrian Overpass between 5 acre park and Dacca Park	No
Fife History Museum – Sewer Lateral and Sidewalk Frontage	Yes
Fife School District – Performing Arts Center	Yes
Caboose Rebuilding	Yes
Illuminated Street Signs	No
Holiday Lighting – Direct Cost	No
Decorative Lighting Premium – Valley Ave	No
PHE Planter Strips Maintenance – Direct Cost	No
(2) VMS Boards	No

2nd Quarter Financial Report

Director Marcotte reported the 2nd quarterly report is consistent with the 1st quarterly report. The state updated its economic revenue forecast as of July 13, 2009, and affirmed that the expectation for recovery of the economy will begin in the third quarter. As the City is heavily dependent upon auto sales, the City’s recovery may not follow the pattern of national and state economic trends.

Director Marcotte referred to information recapping cash and investment balances. The City is collecting property tax at the anticipated rate of the City’s levy. Revised expectations for sales tax are \$5.2 million. Sales tax revenues are tracking well below budget expectations. Sales tax spikes are caused by receipt of state mitigation funds.

Building related permits are well below expectations, with only \$65,629 received to date for building permits representing only 22% of the budgeted revenue of \$300,000.

Tribal payments are expected but have not been received.

General Fund expenditures continue to track well below budget.

The Public Safety Fund is tracking well in revenue projections.

Lodging Tax revenue is consistent with expectations.

The Growth Management Fund has increased slightly with the receipt of transactions totaling approximately \$100,000.

City utilities are performing as expected.

Director Marcotte addressed questions pertaining to sales tax receipts. In order to achieve the projected revenue, the City needs to receive \$400,000 each month in sales tax revenue until the end of the year. City Manager Worthington added that the City has adjusted its expenses accordingly to absorb \$400,000. The City's forecast should improve as well, as there are several projects that might contribute to an increase in sales tax receipts.

Mayor Pro Tem Brooks referred to information on predictions for increase in home foreclosures and asked whether that will impact property tax collections. Director Marcotte said the issue relates to a timing issue, but there is a risk in receiving delinquent property tax payments. However, each time a property is sold; it increases the City's excise tax receipts.

Councilmember Roscoe asked whether the website provides an explanation on the drop in property valuation and how that drop may not necessarily result in reduced property taxes. Director Marcotte said the control on the amount of property tax the City collects is based on 1%. If assessed valuations decline, as some have, the variable that changes is the City's property tax rate, which increases so that the City can increase its property tax collection to the maximum of 1% over last year's collection.

Transportation Improvement Program

City Manager Worthington reported the Transportation Improvement Program (TIP) is established each year by the Council. The TIP establishes a list of projects that the City uses in its review of development projects. For example, the City uses the list when a developer or nearby jurisdiction proposes a development project to determine what the fair share contribution should be in terms of impact fees or through the State Environmental Protection Act (SEPA) process. The list is also used for transportation impacts. Another reason for the list is that it demonstrates for those projects on the list, that the project has undertaken a review process coordinated with the comprehensive plan process encompassing a well-thought and coordinated planning effort adhering with the Metropolitan Planning Organization (MPO) regional process. Projects also qualify for grant funding from the state and federal government.

Prioritization of the list is not necessarily reflective of a strict prioritization, but is used to group projects. Generally, the top 10 projects are the highest priority for the City. Projects 10 through 20 are also of importance and are considered tier 2 projects with staff expending efforts to secure funding for any of the top 20 projects. Typically, projects are completed based on funding opportunity. Because of the need to secure funding for multi-million dollar projects, the process is somewhat opportunistic in that funding secured for a project will advance the project for completion.

City Manager Worthington referred to the previous concerns about the listing of the pavement overlay program. The overlay program has been on previous lists and typically is included in the tier 2 list. Director Blount said there are relatively few opportunities to obtain funding for the overlay program because that program doesn't score well in project competition. The City has successfully implemented the pavement overlay program for a number of years. Given that it's a Council discretion and is locally funded, it doesn't compete well on the list of the top 10 projects staff actively works to secure funding. Because the TIP is subject to a public hearing, there is the opportunity for the public to testify on transportation projects. There is an obligation to advertise and conduct a public hearing and adopt the TIP by the end of July. Director Blount noted that in his absence at the next meeting, Assistant City Engineer Gill will present the TIP for the Council's review.

City Manager Worthington advised that the Council can change the priorities within the list. The Council will also adopt the TIP as part of its annual comprehensive plan process.

Councilmember Godwin said the City has expended \$750,000 to reserve some right-of-way, which is reflected as project on #24 on the list. Other projects higher on the list do not benefit local citizens. Levee Road is one that is important and it's not high on the priority list. He suggested that a project that is large and serves the community deserves a better rating than #24. There are in excess of 1,000 homes that are hampered by a poor road with very few roadway choices. With the City's history of pursuing projects, such as Valley Avenue, the City's #24 project needs to be higher on the list. Additionally, the pedestrian overpass at the same location does not make sense financially.

Councilmember Hull commented that the TIP is a policy document of the Council that appears to be rubber stamped by the Council based on priorities established by staff. Director Blount indicated that perception is incorrect. The TIP is reviewed each year and modified yearly based on accepted changes. The document is reviewed twice a year. The document reflects 20 years of the Council's efforts with adjustments occurring annually. Staff responds to specific amendments by previous comments. While it's true, a tremendous number of projects haven't been removed, there have been a

number of projects completed that were on the list. Staff basically takes last year's list and amends it to reflect input from the Council during various meetings and retreats. It may not appear the Council spends a tremendous amount of time on the document. However, the document reflects decades of Council review and modifications.

Councilmember Hull reported that when he visited Washington, D.C., the Council presented two transportation proposals (#10 & #13) to local congressional delegates. He questioned whether the Council's political capital is better focused on the City's higher needs rather than taking a political opportunity to pursue funding for other projects.

Councilmember Cerqui commented that the Planning Commission also reviews the TIP. Director Blount acknowledged that the Planning Commission reviews the TIP twice annually.

City Manager Worthington advised the Council that it can reassess priorities. The document is important and if significant projects are removed from the list, staff may be less successful in securing funding.

Mayor Pro Tem Brooks said the City is receiving some significant grants for projects through political, coalition-building, and other avenues. It takes many years for a project to appear at the top of the list. It needs to be acknowledged that changes in the midstream will result in projects dropping to the bottom of the list. The issue with the Port of Tacoma Interchange Justification Report may not involve agreement with the Port on all issues, but that project will move forward at some point. During the Council retreat earlier in the year, there was some discussion about establishing a subcommittee to discuss another connector through the City. He suggested the Council likely doesn't have the expertise to move forward on that issue. However, in the future it might be beneficial to schedule a study session on the TIP as well as inviting a member of the Planning Commission to share input as part of the process. If there are projects the Council wants to move forward, then the Council should take action while considering other controlling interests.

Councilmember Godwin acknowledged the concerns involving funding sources for projects. It appears the list includes two proposals that haven't moved up in priority with one of the projects accomplishing half the job. That's a concern. The projects involve a pedestrian bridge at 54th and a grade separation project. One well-planned project would solve both issues. He noted the City has already expended funds on the project to preserve right-of-way and that the project should be consolidated and moved up in priority so that funding can be secured.

Mayor Pro Tem Brooks asked whether it's possible to revise the project to reflect a north/south connector or whether it needs to be specific to a 54th

street underpass/overpass. Director Blount said the only reason for a vague project is if the City funded a corridor study. A corridor study that meets the guidelines could receive some federal funding but would involve a major undertaking involving an examination of several options. Previously, a Councilmember undertook a lengthy and detailed process involving a complicated model of what was required for a 54th underpass. The remaining Council decided to make it a low priority. That was not a staff decision. Several elections have since occurred. The Council is free to redo the list and establish different priorities.

Councilmember de Booy asked about the responsibility for designating pavement overlay projects. City Manager Worthington advised that the process begins by staff with a technical review with follow on discussions with the Council for input.

Councilmember Cerqui expressed support of Councilmember Godwin's comments and concerns with the two projects that could potentially be combined into one project. He said he's been concerned that the project is included lower on the list in the last several years and would like to see the project moved up the list.

City Manager Discussion

City Manager Worthington reported a draft 2010 budget will be prepared for the Council's review. To afford adequate review time, he recommended the Council utilize the first, third, and fifth Tuesday in September to review the budget. The Council agreed with the recommendation.

A special joint meeting with the cities and Edgewood and Milton is scheduled on August 4, 2009. The meeting time has been changed to 5:30 p.m. City Manager Worthington advised that he's delayed scheduling agenda items for the August 18, 2009 study session pending the Council's decision to skip the meeting. The Council agreed not to schedule an August 18, 2009 study session.

Motion

Mayor Johnson moved, seconded by Councilmember Roscoe, to schedule an executive session at 6:00 p.m. on August 5, 2009, to discuss a personnel item. Motion carried.

City Manager Worthington referred to the replacement of the HVAC system at the pool. The first step in the process involves installing a roof component for removal of the HVAC system. Originally, the City budgeted approximately \$40,000. However, bids reflected a price of \$80,000. The City sought other bids with several bids received in the \$46,000 range. Funding for the project is a shared cost between Lodging Tax and Growth Management Funds. The issue is whether to move forward at this point. If so, the City must act quickly to take advantage of a near-term pool closure that is already scheduled and to accommodate the equipment-ordering schedule.

The Council directed staff to move forward with the project.

City Manager Worthington advised that he's extended an invitation to meet with all Council candidates and will extend an invitation for them to attend the budget meetings.

The Council agreed to a request by Councilmember Roscoe to discuss CMU standards and car dealerships as an allowed use with specific construction standards. City Manager Worthington acknowledged that staff will prepare a report on the issue.

ADJOURNMENT

Mayor Pro Tem Brooks adjourned the meeting at 9:15 p.m.

Butch Brooks, Mayor Pro Tem

Steve Marcotte, City Clerk/Finance Director

Prepared by Valerie Gow, Recording Secretary/President
Puget Sound Meeting Services