CALL TO ORDER
Mayor Hogan called the meeting to order at 7:05 PM.

Roll Call
Present:  Mayor Jeffery Hogan, Deputy Mayor Mike L. Kelley, Jr., Councilmember Paul Crowley, Councilmember Daryl Eidinger, Councilmember Donna J. O'Ravez.
Absent/Excused:  Councilmember Dave Olson, Councilmember Steve Cope.

Staff Present:  City Manager Mark Bauer, Finance Director/City Clerk Debbie Zabell.

COUNCIL BUSINESS
East Pierce Fire & Rescue Proposed Maintenance and Operation Levy.
Presentation by Assistant Chief Ed Goodlet, East Pierce Fire & Rescue

Mayor Hogan introduced the item for discussion noting for clarification that no lobbying, for or against, could take place, all comments must be kept to questions, answers and facts.

City Manager Bauer expanded the clarification noting this was a fact finding discussion on the Districts proposed Maintenance & Operations Levy slated for a special election in August 2012.  He provided Council with the Districts budget information that was requested by Council at their June 12, 2012 regular Council meeting.  City Manager Bauer also noted East Pierce Fire & Rescue Deputy Chief Goodlet would be providing the presentation in place of Chief Thorson.

Deputy Chief Goodlet provided Council with an informational flyer, noting he would be referring to the document throughout his presentation.  Deputy Chief Goodlet explained the two-year maintenance & operations levy was at the direction of the Districts Board and that currently 90% of the Districts revenue comes from property tax, 9% from ALS transport fees and the remaining from miscellaneous revenue.  He noted the reductions in revenue and explained the District has been able to sustain the reductions since 2009 for various reasons, noting one was due to the merger with the City of Edgewood (District 8) which, when Edgewood annexed into the District, the Districts levy increased to the current level of $1.50
for Fire and $.50 for EMS; and another through operating efficiencies, which included reduced overtime, training, public education programs as well as deferred maintenance to the District’s fleet and facilities.

The District is currently at the point that if revenues are not recovered, there will be significant impact to emergency response, and likely shutting down or browning out units. The two year levy sustains today’s level of service, not the service levels of 2009.

Council and Deputy Chief Goodlet discussed the staffing levels at the District with Deputy Chief Goodlet clarifying the number of uniformed firefighters and administrative staff, as well as noting the reduction in staffing levels was through attrition, not lay-offs. He also clarified the number of firefighters versus administrative staff has remained relatively the same since 2009 and that no new administrative positions have been added.

Salaries and benefits relating to the levy were also discussed. Deputy Chief Goodlet noted that in 2011 there was no cost of living allowance, along with a 2% wage reduction. The Labor Contract requires the 2% wage reduction to be made up in 2013 and 2014. City Manager Bauer noted the salary reduction translates to $650,000, and further noted the overtime reduction of 48% represents $600,000 from 2011 to 2012 according to the District’s budget.

Council inquired as to how much of the $3 million levy increase was due to wage increases in 2013. Deputy Chief Goodlet stated that he was not able to provide the information due to labor negotiations were currently underway and it is estimated the negotiations will not be completed before the ballot.

Council inquired if the remaining revenue from the levy would be used to maintain status quo of maintenance and operations. Deputy Chief Goodlet explained revenue from the Levy would be used to replenish the $1.2 million that was taken from reserves to balance the 2012 budget and $1.6 used to cover the anticipated tax revenue loss in 2013.

Council inquired about the proposed new Fire Station 18 (Edgewood) referred to by Chief Thorson at a Council meeting earlier in the year and the property that was purchased in Bonney Lake. Deputy Chief Goodlet explained the District’s Capital Facility Replacement Plan included a complete re-build of Station 18 and noted all plans have been put on hold. He further noted it was the District’s intention to bond for the replacement of Station 18. In
addition to the proposed re-build of Station 18, Deputy Chief Goodlet explained the Districts Headquarter facility in Bonney Lake is a rented facility and based on the Districts Capital Facility Plan and response data, the District was tied to an approximate four-block radius from its current rented location. When the property became available, the District purchased with an interest-only loan. The funds for the property are coming from the Capital Equipment Reserves fund.

Council and Deputy Chief Goodlet discussed the possibilities of the Levy not being approved by the voters. Deputy Chief Goodlet explained the Board of Directors directed the Command staff to prepare a Plan C Budget for 2013 that does not include the levy revenue. He further noted 90% of what is in the budget proposed would have to be negotiated due to a good portion of having to do with labor and benefits. The balanced Plan C Budget calls for further reductions totaling $4.8 million. The Districts first goal was to identify all areas that could withstand cuts before staff reductions are recommended.

ADJOURN

Mayor Hogan adjourned the meeting at 7:35 PM.

Debbie Zabell, Finance Director/City Clerk Jeffery Hogan, Mayor