

**City of Puyallup
City Council Study Session
Mayor Turner Presiding
October 12, 2010**

(These minutes are not verbatim. The meeting was recorded, and copies of the recording are retained for a period of six years from the date of the meeting and are available upon request.)

COUNCILMEMBERS PRESENT: Mayor Turner, Deputy Mayor Brouillet, Councilmember Knutsen, Councilmember Martineau, Councilmember Malloy, Councilmember Boyle, Councilmember Hansen.

APPROVAL OF THE AGENDA

Council Action: A motion was made by Deputy Mayor Brouillet, second by Councilmember Martineau, to approve the October 12th agenda as presented. The motion passed 7-0.

PRESENTATION ON THE EMERGENCY MANAGEMENT DEPARTMENT

Emergency Management Director Merle Frank identified necessary priority services relative to security/emergency preparedness and stated that staff and citizens will rely on the city council for leadership during a disaster. He spoke of the need for the council to be prepared and address the goals and expectations for emergency management and community preparedness and explained that emergency management was established and defined within state law and the Puyallup Municipal Code.

Mr. Frank reviewed the roles, responsibilities and expectation before, during, and after an event. He stressed the need for the declaration of an emergency proclamation as the first step. He discussed various aspects of a possible emergency, and spoke of a separate administrative emergency center to be activated within city hall, where administration and elected officials will meet to work with the community towards recovery. Responding to Council questions, Mr. Frank indicated that the council would receive information on further training, and he affirmed that training exercises would be conducted that would include both staff and members of the city council.

UTILITY RATE STUDY UPDATE

Finance Director Cliff Craig stated that the rate study has nothing to do with balancing the 2011 budget, and any changes made will have a very minimal impact on the general fund. However, the study does have everything to do with planning for the future, where the needs are significant and the costs are great to protect the city's failing infrastructure. The consultant was directed to determine the magnitude of the problem, what the needs are, and use the approach with rates to make a small start and increase funding consistently over a period of time.

HDR Engineering, Inc. representatives Tom Gould and Priscilla Pierce provided an overview of the study and provided information on the option of fully funding the annual replacement costs of each

utility, and associated rates for the average residential customer. Alternatives for funding the existing system were also discussed and the individual utility of water, sewer, storm and surface water, and sanitation were reviewed in relation to costs of service, revenue requirements, and financial planning considerations. A summary of the Water, Sewer, Storm Surface Water, and Sanitation proposed rate adjustments reflected an increase of \$34.14 from present rates to those in 2016.

Additional discussion centered on how the proposals for rates were designed and the goals of providing revenue stability, promoting conservation and efficient use of resources, the need to be equitable and non-discriminating, and that those who benefit should be paying for the benefit. It was recommended that rates not be set for more than a three-year period.

Council raised questions regarding capacity, the difference in charges for larger meters, and how water usage affects rates charged for sewer service.

Council Action: A motion was made by Councilmember Hansen, second by Councilmember Boyle, to extend the time of adjournment by 20 minutes to 8:20 p.m. The motion passed 7-0.

Mr. Gould briefly discussed system development charges (sdc) which is a onetime fee for new customers as their equitable share of system costs. He provided a summary of system development charges from the current amount charged to new recommended charges, noting that direction from the Council would be needed to determine if and when the rate adjustments would be implemented.

CITIZEN COMMENTS

Mr. Robin Ordonez spoke to the proposed utility fee rate study, relative to the Shaw Road Annexation area. He pointed out that the Urban Growth Area portion of West Hills and the Shaw/East Pioneer annexation area does not contain sewers. He felt the residents should not be responsible to pay for system improvements to increase the capacity to allow for development of the site.

Mr. Bud Metzger pointed out that the continual underfunding of the Public Works department had hampered the city's ability to maintain the infrastructure and he felt the problem should be addressed.

Mr. Howard Schick spoke of an old lahar warning system and neighborhood participation in an emergency plan, and questioned the current warning methods and suggested that the Emergency Operations Center work more closely with residents on a plan and evacuation routes.

Mr. Steven Shores referenced an earlier statement made regarding "those who benefit pay," and suggested that council consider offering an incentive to residents living in sections of town with older systems. He felt neighborhoods with failing infrastructures should not be assessed at the same rate as those with a solid infrastructure.

ADJOURNMENT: 8:15 p.m.