



# City of Olympia

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360-753-8447

## Meeting Minutes Finance Committee

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**Thursday, March 14, 2013**

**5:30 PM**

**Room 207**

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### 1. ROLL CALL

**Present:** 3 - Chair Stephen H. Buxbaum, Committee Member Jim Cooper and Committee Member Nathaniel Jones

### 2. APPROVAL OF AGENDA

The agenda was amended to include a discussion on the financing of LED streetlights.

### 3. APPROVAL OF MINUTES

#### 3.A [13-0199](#) Approval of February 12, 2013 Finance Committee Meeting Minutes

The minutes were approved.

### 4. COMMITTEE BUSINESS

#### [13-0267](#) LED Streetlight Financing

Public Works Director Rich Hoey told the Council on Tuesday, March 12, the City had received a state grant to replace all City-owned streetlights with LED lights. The Council referred the project financing to the Finance Committee. Mr. Hoey explained the total cost is \$2.9 million. In addition to the state grant, the City is anticipating \$344,839 from Puget Sound Energy. The City's cash contribution is \$376,441; leaving \$1,723,054 to be financed. Mr. Hoey reviewed both the energy and maintenance savings. The Committee was comfortable with the project but concerned about the City's remaining councilmanic debt capacity.

Administrative Services Director Jane Kirkemo told the Committee the City currently has \$20 million of capacity available. However, by using \$1.7 million for the LED lighting and \$4.2 million for the Washington Center repairs, the capacity will fall below \$15 million. In addition, the County anticipates one more decrease in assessed value for next year. A 2 percent decrease would reduce the capacity by \$1.5 million. This would reduce the City's capacity to about \$12 million. Staff said the real concern is the City's ability to attract bidders for bonds along with the City's need for debt over the next couple of years. In addition to the councilmanic debt the City has \$57 million in voted capacity available.

The Committee asked if there were other alternatives or internal borrowing options available.

Chair Buxbaum asked if the City could use the Washington Center endowment to help offset the borrowing needs for the Center.

**The Committee approved the financing for the LED project to move forward and asked staff to look for additional financing alternatives.**

**4.A**      [13-0127](#)              Approval of Finance Committee Workplan

All advisory committees submit a work plan to the City Council for review each year. The Finance Committee typically submits a “skeleton”, allowing time at each meeting to respond to emerging issues and Council referrals. Ms. Kirkemo presented a draft Calendar for the Finance Committee to review. Chair Buxbaum added several items and then the Committee agreed to forward the agenda to the full Council. The work plan includes two meetings scheduled for separate dates. The Committee asked staff to bring suggested dates for the meetings (budget discussions with advisory committees and budget meeting with the Coalition of Neighborhood Associations) to the April meeting.

**The discussion was completed.**

**4.B**      [13-0200](#)              2012 Year End Financial Review

Staff reviewed the year-end financial report with the Committee. No action was requested. Chair Buxbaum encouraged Committee members to contact Ms. Kirkemo if they had additional questions or wanted additional information.

**The report was received.**

**4.C**      [13-0201](#)              Disposition of City Property West of Smith Building

Assistant City Manager Jay Burney briefed the Committee on the possible sale of land adjacent to the Smith Building parking lot on the west side. The assessed value of the property, as determined by the County Assessor, is \$125,000. The City has not had an appraisal done. The City has received three inquiries regarding the possible sale of the land.

**After discussion the Committee decided not to sell the property at this time.**

**5.            ADJOURNMENT**

The meeting adjourned at 7:04 p.m.