



## City Council

### Public Hearing on the 2015 - 2020 Capital Facilities Plan (CFP)

**Agenda Date:** 11/18/2014  
**Agenda Item Number:** 5.B  
**File Number:** 14-0990

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**Type:** public hearing **Version:** 2 **Status:** Filed

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#### **Title**

Public Hearing on the 2015 - 2020 Capital Facilities Plan (CFP)

#### **Recommended Action**

##### **Committee Recommendation:**

The Finance Committee has reviewed the Draft CFP.

##### **City Manager Recommendation:**

Open the public hearing and take comments on the 2015 City of Olympia Preliminary Capital Facilities Plan (CFP). At the end of comments, close the public hearing for oral presentations; accept written comments until Friday, November 21, 2014 at 5:00 p.m.

#### **Report**

##### **Issue:**

Hold a public hearing to receive testimony on the 2015 - 2020 CFP.

##### **Staff Contact:**

Jane Kirkemo, Administrative Services Director, 360.753.8499

Rich Hoey, Public Works Director, 360.753.8495

Paul Simmons, Parks, Arts, and Recreation Director, 360.753.8462

##### **Presenter(s):**

Jane Kirkemo, Administrative Services Director

##### **Background and Analysis:**

The City Manager is required to present a six-year Capital Facilities Plan (CFP) to the City Council for adoption. The CFP must be balanced (revenues received realistically pay for proposed projects). Such planning involves determining not only where the facilities will be needed, but also when; and not only how much they will cost, but also how they will be paid for and maintained. The CFP is forwarded to the Planning Commission and other advisory committees for their input and comment. (Advisory committee letters are attached.)

The Planning Commission held a public hearing on the CFP on August 4<sup>th</sup>.

The six-year plan is 17% more than the current plan. The drinking water section accounts for substantially all of the increase.

Because the City of Olympia collects impact fees for the Olympia School District, their CFP is incorporated into the City's document and the City Council adopts their impact fees by ordinance.

**Neighborhood/Community Interests (if known):**

Staff has made some presentations to the coalition of Neighborhoods Associations and advisory groups on the preliminary document.

*Note: The preliminary CFP document is posted on the City's website.*

**Options:**

Hold the public hearing. The Council may close the public hearing tonight but continue to take written testimony until a later date specified. (Suggested date of 11/21/14, no later than 5:00 p.m.)

**Financial Impact:**

The 2015 - 2020 CFP is \$142.5 million. The 2015 budget is \$21.7 million. There are sufficient revenues from approximately 16 different sources to cover this plan. One financial area for discussion is REET. The legislature made a change in 2012 allowing the use of 35% of the annual REET proceeds for operations and maintenance. This change will sunset in 2016. The current plan assumes all of the REET money will remain in the CFP. The CFP does include the application of the 6% utility tax on cable TV effective January 1, 2015.

Since presenting the CFP, staff and advisory committees have been reviewing utility rates and impact fees. The CFP does include increases in transportation, parks, and school impact fees. (See attachment.)