



## City Council

### Continued Discussion on the 2015 - 2020 Capital Facilities Plan (CFP)

**Agenda Date:** 10/21/2014  
**Agenda Item Number:** 6.A  
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#### **Title**

Continued Discussion on the 2015 - 2020 Capital Facilities Plan (CFP)

#### **Recommended Action**

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

The Finance Committee has reviewed the Draft CFP.

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

Tonight's meeting is for discussion only. Council should ask questions and provide direction to staff regarding the 2015 - 2020 CFP. Additional information may be provided as part of the 2015 budget process.

#### **Report**

##### **Issue:**

Discussion 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

Jennifer Priddy, Olympia School District Assistant Superintendent

Department representatives will be available to answer questions.

##### **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 5.

The City Council held a public hearing on October 14.

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. (OSD representative will be available to answer questions.)

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

Staff has made presentations to the Coalition of Neighborhoods Association and advisory groups on the preliminary document.

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

**Options:**

Continue the discussion. If there are additional questions or requests for information that can't be answered tonight, staff will provide responses during budget deliberations in November.

**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.

Since presenting the CFP, staff and advisory committees have been reviewing utility rates and impact fees. Utility rate increases, impact fees, and General Facility Charges will be discussed as a part of the operating budget hearing (November 18).