



MINUTES

City Council Regular Meeting

6:00 PM - Tuesday, November 10, 2020

Virtual and Audio Meeting Format during COVID-19 Pandemic

Minutes are the official record of Mill Creek City Council meetings. Minutes summarize the council meeting and documents any actions taken by City Council.

A recording of this City Council meeting can be found [here](#):

The agenda packet for this City Council meeting can be found [here](#).

VIRTUAL MEETING INFO:

Topic: City Council Regular Meeting

Time: Nov 10, 2020 06:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://zoom.us/j/97450221117>

Meeting ID: 974 5022 1117

One tap mobile

[+12532158782](tel:+12532158782),,97450221117#US (Tacoma)

[+16699006833](tel:+16699006833),,97450221117# US (San Jose)

CALL TO ORDER

Mayor Holtzclaw called the meeting of the Mill Creek City Council to order at 6:01 p.m.

PLEDGE OF ALLEGIANCE

- A. The Pledge of Allegiance was led by Mayor Pro Tem Vignal

ROLL CALL

Councilmembers Present:

Brian Holtzclaw, Mayor
Stephanie Vignal,, Mayor Pro Tem
Vince Cavaleri, Councilmember
Mark Bond, Councilmember
John Steckler, Councilmember
Benjamin Briles, Councilmember
Adam Morgan, Councilmember

Councilmembers Absent:

AUDIENCE COMMUNICATION

- B. Public comment on items on or not on the agenda were given by the following meeting participants:

Barb Heidel, a Mill Creek resident, thanked Mayor Holtzclaw and Mayor Pro Tem Vignal for hosting Mill Creek's first virtual town hall meeting and suggested to advertise the event well in advance. Ms. Heidel also commented on the Veterans Day event and thanked City staff members Matthew Combs, Public Works Supervisor and Kristen Rasmussen, Community Engagement & Marketing Coordinator for their assistance with the display of letters from elementary school aged children to Veterans.

Terry Ryan, a Mill Creek resident, spoke about the grant funds provided by Snohomish County for a crosswalk near Jackson High School and urged Council to dedicate funds to the crosswalk instead of reallocating the monies to another project.

PUBLIC HEARING

- C. Public Comments/Hearing on the preliminary 2021 - 2022 Preliminary Budget Councilmember Bond made a motion to open the Public Hearing on the Preliminary 2021-2022 Budget. Councilmember Briles seconded the motion. The motion passed unanimously.**

Mayor Holtzclaw opened the public hearing at approximately 6:08 p.m. and introduced City Manager Michael Ciaravino who made opening remarks regarding the budget process. Finance Director Jeff Balentine continued by providing a presentation on proposed budgetary projections and recommendations.

The [presentation](#) included:

- City Manager Letter - Introduction of the overall budget plan
- Council 2021-2022 Budget Directives - Service levels, revenue generators, and economic recovery and reserve levels
- Biennial Approach - A balanced budget, no increase in property taxes, funding for CIP and per capita resources and expenses
- Organization of the Budget - City operations and policies, an overview of all funds, and WA State statutory requirements
- Process - The development of the preliminary budget through Council directives, staff input, and a focus on the City's three central operating funds
- City of Mill Creek Fund Overview - The general fund, the City's street fund and the surface water fund
- General Fund Departments - Increases or decreases in the biennial budget by department
- Personnel - funded/unfunded positions, professional development and staff reorganization
- Financial Condition - Economic impacts of Covid-19, expansion of revenue sources and protection of local businesses
- Financial Benchmarks - Projected fund balances vs. State Auditor's Office benchmarks
- 2021-2022 Proposed Budget - Proposed revenues and expenses and line item departmental budget proposals
- Conclusion

Council engaged in discussion and engaged in Q&A.

Mayor Holtzclaw opened the public comment portion at approximately 7:15 p.m..

Terry Ryan, a Mill Creek resident, stated that the budget presentation was the best he has seen for the City of Mill Creek and commended Staff.

Wil Nelson, a Mill Creek resident, stated that there has been no reduction in activity of home sales and therefore no drop in revenue in the area.

Barb Heidel, a Mill Creek resident, thanked City Staff on the efforts of putting together the preliminary budget. She commented on the City's legal expenses and hopes a new Human Resources Specialist will help bring legal expenses down.

At 7:18 p.m. Councilmember Cavaleri made a motion to close the public hearing. Councilmember Morgan seconded the motion. The motion passed unanimously.

Mayor Holtzclaw opened the floor to Councilmembers for discussion and Q&A.

Council engaged in discussion and Q & A.

Councilmember Steckler asked the following questions and clarification:

- What is the breakdown of projected lost revenue due to the COVID-19 pandemic through the next biennium?
- What is the cost to move and what is the business case for Passports to move to City Hall North?
- Marketing reductions; what is marketing position and hire date expectations?
- What is the cost of a dedicated HR professional versus contract labor?
- Detail the difference in the PD versus prior biennium.
- What is the expense decrease in Recreation and impact of revenue?
- Detail the most current quarter Sales and Use Tax versus prior year.
- What are our expectations for incremental Sales and Use tax from the Farm post build?
- What were the legal fees 2017-2018 (detail)?
- Salary comparison on City Clerk versus past biennium?

In order to address Councilmember Steckler's questions as well as any additional questions from Council, Mayor Holtzclaw recommended that Members of Council submit their questions to the City Manager in advance in order for Staff to address.

Councilmember Morgan commended the City Manager and Staff for presenting a balanced budget and inquired about the City's plan to open passport services to the public. Jeff Balentine stated that the projected plan for passport services takes into account the number of people present and social distancing requirements.

Council and Staff continued discussion and Q & A.

[11-10-20 Finance Agenda Summary](#)
[Nov 10 2020 Public Hearing - 2021-2022 Budget](#)
[2021-2022 COMC Budget](#)

D. Public Comments/Hearing on the 2021 Property Tax Levy

Councilmember Cavaleri made a motion to open the public hearing on the 2021 Property Tax and EMS Levies. Mayor Pro Tem Vignal seconded the motion. The motion passed unanimously.

City Manager Michael Ciaravino introduced Finance Director Jeff Ballentine who gave a presentation of proposed property tax increases. The presentation included the following:

- Key information
- Assessed values
- Levy examples
- Property tax examples
- General reserve fund forecast
- 2021-2022 proposed budget levies

Council engaged in discussion and Q& A.

Councilmember Cavaleri asked Director Balentine to explain the meaning of over certification. Jeff Balentine explained that the certificate authority of last years budget was approved for a greater payment. Director Balentine off-set this years budget to reflect the difference.

At approximately 7:52 pm Mayor Holtzclaw opened the Public Hearing for public comments on the proposed property tax levies:

Barb Heidel, a Mill Creek resident, stated that she is in favor of the EMS levy increase, but not in favor of an increase in the property tax levy due to the pandemic.

Wil Nelson, a Mill Creek Resident, stated that he agreed with Barb Heidel's comments.

At 7:54 pm Councilmember Morgan made a motion to close the public hearing on the 2021 Property Tax Levy. Councilmember Briles seconded the motion. The motion passed unanimously.

Council continued discussions.

[11-10-20 Finance Agenda Summary #2](#)
[Nov 10 2020 Public Hearing - Property Tax](#)

STUDY SESSION

- E. 2021 - 2026 Capital Improvement Plan (CIP)
(Mike Todd, Public Works and Development Services Director and Jeff Balentine, Finance Director)

City Manager Michael Ciaravino made introductory statements and asked Public Works and Development Services Director, Mike Todd, to provide Members of Council with information on the 2021- 2026 Capital Improvement Plan (CIP). Director Todd described the build-out of the CIP in which projects are assigned a specific phase in order to keep Council abreast in real time as the project progresses.

The following points were discussed:

- All new projects start at the Concept Phase: an idea that Council and staff explicitly agree is worthy of a minimal investment of staff time and money to explore further.
- When a rough definition of scope, budget, and possible schedule are established, staff will bring that information to Council to consider explicit action to move the project to the Scoping and Planning Phase. If approved, staff will spend more effort and money developing a “business case” to be presented to Council for affirmation to move forward, revise, or terminate.
- If it moves forward to the Design Phase, staff will engage outside consultants to develop a design, typically generate a document package ready to go out to bid. If that definition of scope, estimated budget is acceptable to Council, the project is put out to bid.
- Council again has final say on accepting or rejecting the bids; acceptance of a bid and execution of a contract moves the project to the Construction/Implementation Phase.

At 8:07 pm Councilmember Cavaleri made a motion to extend the meeting until 9:30 pm. Mayor Pro Tem Vignal seconded the motion. The motion passed unanimously.

Director Todd continued with the presentation regarding the preliminary 2021-2026 CIP.

Council engaged in discussion and Q&A regarding specific projects including the Jackson High School crosswalk.

[Agenda Summary CIP Study Session 11.10.2020 version 2](#)
[Nov 10 2020 study session - CIP MT 11.6 2 pm](#)

CONSENT AGENDA

- F. Approval of Checks #62604 through #62656 and ACH Wire Transfers in the Amount of \$348,356.12
(Audit Committee: Mayor Pro Tem Vignal and Councilmember Briles)
[ACH 11.10.2020](#)

- G. Payroll and Benefit ACH Payments in the Amount of \$219,960.93
(Audit Committee: Mayor Pro Tem Vignal and Councilmember Briles)
[11.10.2020 Payroll](#)
- H. City Council Meeting Minutes of November 3, 2020.
[City Council Regular Meeting Minutes- 03 Nov 2020](#)

Councilmember Steckler requested that the meeting minutes be pulled off the agenda in order for Council to discuss a detailed vs. action meeting minute format.

Mayor Pro Tem Vignal made a motion to approve items F and G of the consent agenda. Councilmember Briles seconded the motion. The motion passed unanimously.

REPORTS

I. Mayor/Council

Mayor Holtzclaw expressed appreciation for the virtual town hall event held on 11/3/20 and agreed that early notification to the public will improve participation.

Mayor Pro Tem Vignal expressed her appreciation for all that attended the virtual town hall meeting on 11/3/20 and updated Council that she will attend the upcoming Transportation Policy Board meeting

Councilmember Bond expressed his appreciation to Staff regarding their efforts to compile and present the proposed budget

Councilmember Steckler requested to have a discussion about the content of meeting minutes

Councilmember Cavaleri expressed his appreciation and commented on the following:

- the switch to Zoom online format
- the efforts of staff regarding the budget presentations
- the efforts of staff and volunteers who worked on the Veteran's Day Memorial.
- his attendance at a Diwali celebration and his gratitude for having the opportunity.

Councilmember Briles expressed his appreciation to Staff regarding the detailed budget reports and CIP presentation. He also commented that he prefers the switch to the Zoom online platform. He also thanked Naomi Fay, City Clerk and the attendees for their efforts in coordinating and hosting the Virtual Town Hall Meeting.

Councilmember Morgan expressed his appreciation to City Staff for the budget and CIP presentations.

J. City Manager

[Planning Schedule](#)

City Manager Michael Ciaravino reported:

- Veterans Day Celebration details and thanks to staff and volunteers
- the need for a special meeting on 11/12/20 to approve a change order for the Seattle Hill Road project

Public Works and Development Services Director Mike Todd provided Council with more detail on the change order and request for a special meeting on November 12, 2020.

K. Staff

- Report, etc.

Finance Director Jeff Balentine provided Members of Council with an update on City of Mill Creek CARES Act grant.

AUDIENCE COMMUNICATION

L. Public comment on items on or not on the agenda

Wil Nelson, a Mill Creek resident, commented on the importance of giving appreciation to Veterans.

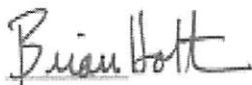
Terry Ryan, a Mill Creek resident, commented on the funding and project regarding the proposed Jackson High School crosswalk

Sid Siegel, a Mill Creek resident commented on:

- the CARES Act funds and his appreciation for the efforts of City Staff
- the CIP and budget presentations and expressed his appreciation for Staff's efforts
- the importance of a human resources specialist to help reduce legal costs.

ADJOURNMENT

With no objection, Mayor Holtzclaw adjourned the meeting at 9:27 P.M.



Brian Holtzclaw, Mayor



Naomi Fay, City Clerk