

# FINANCE COMMITTEE MEETING MINUTES

## March 12, 2013

### Councilmembers Present

Councilmember Yamamoto  
Councilmember Fraley-Monillas  
Council President Petso

### Public Present

Ron Wambolt  
Roger Hertrich  
Bruce Witenberg

### Staff Present

Ronald Cone, Interim Finance Director  
Stephen Clifton, Comm. Svcs./Econ. Dev. Dir.  
Phil Williams, Public Works Director  
Carrie Hite, Parks and Recreation Director  
Deb Sharp, Accountant  
Sarah Major, Accountant  
Jeannie Dines, Recorder

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Councilmember Yamamoto called the meeting to order at 6:37 p.m.

### **A. Purchasing Policy Revision for Public Works Projects**

Mr. Williams explained under the proposed revision, staff would no longer be required to seek Council approval for requests to go to bid or requests to issue a RFQ/RFP for projects the Council has already approved on the CIP and included in the budget. If the construction contract meets the threshold amount, Council approval of the contract will still be required.

Action: Schedule on full Council agenda.
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### **B. Addition of a Project to the 2013 CIP, CFP, and TIP (Capital Improvement Program, Transportation Improvement Program, and Capital Facilities Plan) Titled "Edmonds Gateway/SR 99 Revitalization – Phase 1" For \$10,000,000**

Mr. Williams explained the State Legislature is considering a number of transportation packages with various funding sources. As the list of candidate projects did not include a large project in Edmonds; Representative Marko Lias requested the City quickly submit a project in the \$5 - \$10 million range. From a list of potential projects Mr. Williams submitted, Representative Lias felt this project, Edmonds Gateway/SR 99 Revitalization – Phase 1, had the best chance. The project would start redoing Edmonds' frontage on Hwy 99 similar to what Shoreline has done to improve access control, congestion relief, safety improvements, bike lanes, pedestrian improvements, landscaping, decorative lighting, etc. A project must be on the CIP, CFP, TIP to qualify for funding; revising the CFP requires a public hearing. Committee members expressed support.

Action: Schedule on full Council.
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### **C. Street Funding (REET)**

Mr. Williams explained this issue was raised at the retreat; it was here for discussion. Ms. Hite explained the first \$750,000 of REET is the only funding source for park capital; REET funds above \$750,000 are designated for streets. Approximately \$200,000 of the \$750,000 is allocated for general park maintenance and the remaining \$500,000 for parks projects, often used to leverage grant funds.

Mr. Williams explained there are no funds in the City's budget for overlays; the City has not paved a street in five years. In 2013, \$100,000 was allocated from the General Fund to balance the street budget for maintenance/repairs. Ms. Hite referred to discussions in the community about a Metropolitan Park District or park levy which could free up REET funds for streets, noting a street levy could also be added. Councilmembers discussed a MPD, park levy and/or street levy and other cities' success with park and street levies.

Action: Information only

**D. Ordinance Consenting to the Assignment of the Non-Exclusive Franchise Granted to Metromedia Pursuant to Ordinance No. 3295, to ZAYO Group.**

Mr. Clifton relayed telecommunications attorney Mike Bradley's recommendation to assign the existing the franchise agreement which will expire in 2015 to ZAYO. None of the terms of the franchise agreement change. This is nearly identical to the Astound – Blackrock franchise agreement assignment. ZAYO has no plans to deliver television so the City does not collect a 5% franchise, only a 6% utility tax on gross revenue. A \$5,000 deposit was paid to handle the assignment/transfer; funds in excess of expenses will be refunded.

Action: Schedule on Consent Agenda.

**E. January 2013 Monthly Financial Report**

Mr. Cone explained a lot of changes were made between the December 2012 and January 2013 reports. He reviewed several large expenditures paid in January 2013 to Fire District 1, ESCA, SnoCom, Snohomish County Voter Registration and WCIA that totaled \$2.5 million.

Councilmember Fraley-Monillas asked for a comparison of actual monthly expenses to previous years. She will email staff with the specific expenses she wants compared. Ms. Major agreed to provide Council President Petso the date and amount of FD1's 2012 first quarter payment.

Action: Schedule on Consent Agenda.

**G. Parks Staffing**

Ms. Hite explained 2.5 FTEs were cut from Parks, 1.0 FTE seasonal, 1.0 FTE office staff via Voluntary Separation Incentive Program (VSIP), and 0.5 FTE office admin assistant, resulting in 1.5 FTE less office staff to do nearly the same amount of work. After 2½ months, the workload is too heavy for the remaining staff, affecting morale and requiring recreation coordinators to staff the front desk instead of programming classes that generate revenue. She proposed restoring 0.5 FTE Park front office staff to relieve workloads. The \$24,000 cost for April – December 2013 would be funded from Park fund balance carried over from 2012 and she will determine ongoing funding. She relayed Mayor Earling is supportive and requested she make a presentation to the Finance Committee and then full Council. Discussion followed regarding duties of the person who took VSIP and the 0.5 FTE office admin assistant.

Action: Schedule on full Council agenda.

**F. Public Comments**

**Bruce Witenberg, Edmonds**, encouraged the Council to consider Ms. Hite's proposal to add back .5 FTE due to the impact on morale, possibly losing staff and potential impacts on revenue. He asked what type of claims WCIA covers, which claims have been paid by WCIA, which claims have been paid from the General Fund, what claims are pending against the City, how much money is in the litigation reserve fund to pay future claims, WCIA premiums for 2013 compared to previous years and whether the City was paying to defend claims against the former Mayor.

Adjournment – The meeting adjourned at 7:28 p.m.