

CITY OF SULTAN COUNCIL WORKSHOP – June 2, 2022

Mayor Wiita called the regular meeting to order at approximately 7:00 p.m. The meeting was a hybrid with attendees both in person at City Hall Council Chambers and via Zoom Internet Conference Service. Mayor Wiita called roll and the following were in attendance:

Councilmembers: Morgan, Aldrich, Dearborn, Hund, Sivewright, and Beeler.

Councilmember Absent: Neigel.

Staff: City Administrator Ibershof, Public Works Director Morgan, Community Development Director Galuska, Finance Director Erdman, and Deputy Treasurer Kryger.

CHANGES/ADDITIONS TO THE AGENDA

None Noted

DISCUSSION

2023 Budget

Finance Director Erdman started the discussion with the current budget thru May 31, 2022. She reviewed the budgeted revenues versus expected revenues in relationship to year-to-date revenues while taking into account one-time revenues over the expected budget. She also reviewed the expense budget analysis taking into account the same factors. She reminded council that the 90-day cash reserves are being projected to increase as expenses increase as well. She explained this review included items that are being prepared for a budget amendment approval and she reviewed the items requiring budget amendment coming forward at a future council meeting.

Deputy Treasurer Kryger reviewed the revenue assumption process beginning with the cash fund balance and estimate revenues anticipated. She explained how taxes are reviewed to determine what is anticipated regarding the upcoming budget preparations.

Finance Director Erdman reviewed the expenditure assumption process to determine salary, benefits, consumer price index, allocations, and potential public works projects being planned. She then reviewed the budget process timeline and statutory deadlines per Municipal Research and Services Center of Washington (MRSC).

Deputy Treasurer Kryger explained the trend of the revenues and expenditures and that revenues are trending upward while expenses are trending below budget. In addition, she explained the 2023 budget expects strong one-time revenues.

Administrator Ibershof explained that due to expenses, staff is focusing on a smaller number of projects in 2023 that will be the most impactful for the city moving forward. He then turned the discussion over to departmental project review.

Community Development Director Galuska presented the projects planned for 2023 include the following:

- Prepare for the 2024 Comprehensive Plan Update by working with consultants on the update, as well as researching new approaches.
 - Discussed the current Housing Action Plan, Transportation Element, and Pros Plan, as well as seeking grants to help with the funding.
- Continue to invest in Economic Development after processing the Storefront Studio Project results by offering Downtown Façade Grants and other related projects that can be incorporated into the 2023 budget.

Discussion held regarding what portion of the work can be done in house versus utilizing consultants. Galuska confirmed the skills needed will require outside; however, he did explain that the department is working in advance of other cities in Snohomish and King Counties who are also up against a 2024 Comprehensive Plan Update deadline to

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account for the staffing setbacks that might occur in finding consultants and getting them up to speed on the project. Administrator Ibershof stated the state is allocating \$125,000 to cities to assist with the cost involved in the update.

Discussion also touched on the Chamber of Commerce budget and ARPA funds being utilized regarding the Economic Development Director position and sustaining that position into future years with ongoing revenues.

Public Works Director Morgan presented the projects planned in the Public Works Department for 2023 as follows:

- Wastewater Treatment Plant Upgrades in construction phase now anticipated to continue through 2024.
- Water Treatment Plant Construction Design anticipated to be completed September 2022 and applying for grants thru the Dept of Health in October 2022; with construction anticipated to start in 2023.
- Street projects for 2023 to include US 2 Corridor Design and US 2/Main Street Roundabout Design with grant funding secured for US 2/Main Street Roundabout Design and property acquisition needed when design is completed.
- Discussion on a new requirement due end of 2023 regarding an ADA transition plan.
- Create a Storm Water system comprehensive plan to guide the growth and planning for the stormwater utility as it grows and will complement the comprehensive plan work being performed.
- New park on Sultan Basin construction as design will be completed early 2023 and grant funding will be available to construct the minimum aspects and amenities discussed.

Councilmember Beeler inquired if the city is considering adding speed reminder signs at various intersections and roads within the City in the upcoming budget year. Also, inquiry if intersection issue corrections and signal realignment possibilities for US2/Sultan Basin Road intersection as well as Sultan Basin Road/Eagle Drive intersection were being considered to assist traffic and safety issues at these two intersections. Public Works Director Morgan explained lane and signal changes affecting US2 would need to be reviewed by WSDOT, but that the city in collaboration with TSI are working to obtain approval for known issues at various intersections within the city along US 2 as a stop gap while they work on the longer-term solution regarding US 2 troubles. In addition, Public Works Director Morgan confirmed striping issues are part of general maintenance planned for streets in 2023 and confirmed that staff would review speed reminder sign budgeting as requested.

Councilmember Sivewright requested safety and traffic impacts be considered for the upcoming bus barn relocation on Cascade View Drive; and a new crosswalk be considered at High Street due to many students jaywalking as they travel to and from the Elementary School to the High School. Also expressed desire to not utilize a 1% sales tax because of other increases that will impact the citizens as the city considers updated utility rate increases for 2023.

Councilmember Hund inquired about photo enforcement signs versus speed reminder signs and felt they are more impactful to citizens and have enforcement fees help pay for the cost of the signs. Public Works Director Morgan confirmed staff will review that option to see what requirements are needed as well as the cost. Administrator Ibershof explained the city does have a mobile speed sign that counts traffic and provides data.

Councilmember Morgan confirmed prior park discussions had involved the park construction in phases and Public Works Director Morgan confirmed the basic elements planned for 2023 would include parking, bathrooms, and a small playground but that staff would be looking to grants to see how many additional elements could be incorporated in the initial construction. Councilmember Morgan also requested staff to review upgrades to various streets that are still graveled to see if they can be paved. Public Works Director Morgan confirmed the various streets the city is maintaining that are gravel, but that staff can review pricing needed to pave those streets. Councilmember Morgan also requested expansion and additional pedestrian safety features be incorporated that are missing at various intersections on Sultan Basin Road from US 2 up to 124th Street. Public Works Director Morgan discussed various gap improvements that are

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being reviewed as the city waits for development to fully incorporate the various areas, as well as improvements needed in county areas that the city is working with Snohomish County to correct.

Administrator Ibershof then shifted the discussion to ARPA funds and reminded council that the funds need to be allocated no later than 2024. Staff requested confirmation from council on how much they wanted to see allocated for the storefront façade program. He also discussed the Build Back America plan and grant opportunities coming available through that plan. He then discussed the third element of focus is US 2 improvements and expansion challenges and provided updates on work with TSI and WSDOT discussions being held to date. Requesting input from council on funding they anticipate the city should budget toward this and other projects.

Mayor Wiita requested the focus be on uncommitted ARPA funds currently at \$1.2 million as this will help guide staff in preparing the 2023 budget projections. In addition, he reminded council that staff is trying to ensure that the projects determined for the final budget are attainable and manageable by the current staffing levels.

Councilmember Dearborn asked if the city could assist the school district in security improvement funding as they lack the funding necessary to make these improvements as well as technology improvements the school needs to stay competitive in education. Administrator Ibershof discussed the current security measures implemented at the school with the goal currently in keeping children safe. Ibershof did share discussions with the Mayor and Police Chief to provide additional security officers and the challenges the Sheriff's Office is current facing regarding staffing. Mayor Wiita confirmed city staff will continue discussion with the School and the role the city might play in security measures needed at the school while keeping mindful of funding provided directly to schools by the state.

Councilmember Sivewright acknowledged conversations regarding safety where the city and school meet such as gate access and other areas where the city can assist.

Councilmember Hund suggested ARPA funding to go to Sultan Education Foundation for seniors graduating and moving on to college. Also inquired if budget cost suggestions had been presented regarding the Storefront Studio Project suggestions and would like to see most of the ARPA dollars go towards those city improvements. Staff confirmed no budget dollars had been suggested or discussed yet regarding the storefront studio improvement ideas.

Administrator Ibershof and Mayor Wiita encouraged continued consideration and input regarding ARPA funding allocations and decisions that need to be reviewed to help move the projects and ideas forward. Ibershof discussed the various budget amounts anticipated and suggested for the various projects presented and stated staff will be bringing rate increase discussions forward over the next 60 days as the current rate study progresses forward.

Administrator Ibershof stated the only other department that wasn't presented this evening is the clerk's office. He explained the clerk's office is reviewing a potential Electronic Content Management System for the city in 2023 and will be presenting that to council at a later date during the budget discussions.

Administrator Ibershof then switched gears to discuss current projects wrapping up in 2022 to include Travelers Park improvements, evacuation trail lighting, city hall parking lot improvements and the work that has been completed by in house staff. He briefly touched base on various maintenance improvement projects planned for 2023 to include VIC roof and flashing replacement, public works shop roof replacement, as well as dog water drinking fountains being added to the dog parks, as well as park benches and trash receptacles to enhance park enjoyment.

Lastly Administrator Ibershof expressed his desire to continue the Communications Specialist position in 2023 to continue to be shared between the City, Fire District, and School District. Brief discussion on possible additional partnership with the City of Gold Bar regarding the communications specialist and the pros and cons of this possibility.

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Councilmember Sivewright inquired about the possibility of having a student representative back on the council board in the upcoming school year. Mayor Wiita discussed the challenges the school has faced during Covid and confirmed he will be meeting with the school in the next weeks on ways the students can be engaged in the community to include a student representative on council.

Council also suggested review of potential staffing increases needed to accommodate the additional work anticipated in the upcoming budget year. Confirmation of Mayor and Administrator that staff keep this in consideration as they move forward in the budget planning process. Staff did express appreciation to council for additional positions they have been authorized to add to date to include an additional deputy treasurer position.

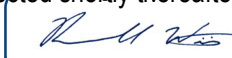
Homework for council was additional input regarding amounts they would like to see placed in the various projects discussed and encouraged councilmembers to reach out to staff if they have additional questions that would help them in this decision.

PUBLIC COMMENT:

None Noted.

ADJOURNMENT

On a motion by Councilmember Morgan, seconded by Councilmember Aldrich the meeting was ended at approximately 8:30 pm. The Zoom meeting connection was disconnected immediately thereafter.



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Russell Wiita, Mayor

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Tami J. Pevey, City Clerk