BLACK DIAMOND CITY COUNCIL MINUTES
Council Special Meeting of October 28, 2021
Virtual Meeting Via Zoom

CALL TO ORDER, FLAG SALUTE:

Mayor Benson called the special meeting to order at 5:30 p.m. and led us all in the Flag Salute.

ROLL CALL:

PRESENT: Councilmembers Deady, Wisnoski, Mulvihill, and de Leon.

ABSENT: Councilmembers Oglesbee, O'Donnell, Page (excused)

Staff present were: Mayene Miller, Finance Director; Mona Davis, Community Development Director; Boettcher, Public Works Director; Shane O'Neill, Deputy Finance Director; Scott Hanis, Capital Project/Program Manager, and Brenda L. Martinez, City Clerk/HR

WORK SESSION:

1) Review of 2022 Preliminary Budget of Revenues and Expenditures for Public Works for Streets, Water, Sewer, and Stormwater Funds, and review of 2022 Budgets for Capital Projects, other Special Revenue and Internal Service Funds

Ms. Miller reviewed with Council the following funds:

Special Revenue Funds

Ms. Miller shared that these funds are established by governments to collect money that must be used for a specific project.

- Street Fund – Noted this fund does not get enough dedicated revenue to pay expenditures. Revenues are from gas tax, street right of way permits, other miscellaneous permits. and TBD car tab fee transfer along with general fund transfers are the primary sources of revenue for the street department. She highlighted expenditures for this fund.
- Fire Impact Fee Fund – These funds are to be used to replace growth related fire equipment and facilities.
- Transportation Benefit District Fund – Ms. Miller shared revue supports the maintenance activities on existing city streets.
- Traffic Mitigation Fees Fund – Funds collected from developers for specific traffic improvements.
- ARPA Fiscal Recovery Funds – This money will be used in recovering budgetary, economic, and financial impacts of the COVID-19 pandemic.

- School Impact Fees Fund – Finance Director Miller noted revenue in this fund has slowed down. This covers all four school districts within the city limits.

- Traffic Impact Fees – this is a new legislation Council adopted this year.

Internal Service Funds

- Equipment Replacement Funds which comprise:
    - Fire Equipment Replacement
    - Public Works Equipment Replacement
    - Police Equipment Replacement
    - Public Works Building Improvements

Utility Funds

- Water Operating Fund 401 – It was noted building activity continues to increase water sales as well as the installation of new irrigation meters. Highlighted expenditures for this fund.
- Water Debt Service – Ms. Miller discussed the payments that are due for 2022 and when those debt payments will end.
- Sewer Operating Fund 407 – Ms. Miller discussed the pass-through rate increase for King County Metro. We will need to look at this fund next year for any needed rate increase.
- Stormwater Operating Fund 410 – It was noted that this is the second year the City has been able to transfer money out to capital projects.

Capital Project Funds

Finance Director Miller shared that each project comes from the Capital Plan and those budgets carry over until completion of the project.

- Real Estate Excise Tax Funds– She noted these funds can only be used for capital items.
    - General Government REET I – Fund 311
    - General Government REET II – Fund 321

- Public Works Retainage - Fund 322 – She noted the State Auditor's now require that these fees be tracked as a special revenue fund.

Capital Improvement Projects

- Fund 310 – General Government Capital Projects – Ms. Miller reviewed the projects in this fund along with the revenue sources and expenditures. Need to change the gym floor replacement project to $80,000.

Mayor Benson shared that she will be bringing forward a contract with a commercial real estate broker regarding professional services for future campus needs.

- Fund 320 - Public Works Capital Projects – Finance Director Miller along with Public Works Director Boettcher reviewed the projects listed in this fund and touched on revenue sources and expenditure. Suggested to increase the budget by $10,000 on CIP # T14 and fund CIP # T15 within the next two years.
- WSFFA Partners – Fund 402 Capital Projects – Finance Director Miller commented on the $70,000 deposit and Public Works Director Boettcher updated Council on the phases of the Spring Source Rehab.
- Water Capital Projects – 404 – Finance Director Miller reviewed the projects listed in the fund along with their revenue sources and expenditures.
- Fund 408 - Sewer Capital Projects
- Fund 410 – Stormwater Capital Projects – Reviewed the projects listed in the fund and the corresponding revenue sources and expenditures.

Finance Director shared 2022 employee allocations by funding source, proposed funded positions along with each position's salary range.

In closing, Ms. Miller then reviewed with Council the upcoming budget meetings in accordance with the adopted budget calendar.

Councilmember de Leon discussed the increase of police officers and wanting to hear more about what these positions would be doing.

Chief Kiblinger briefly addressed Councilmember de Leon's concerns.

Councilmember Deady asked about the two million dollars that is being set aside for campus improvements and how it will be spent, and the process that will happen moving forward.

Councilmember Wisnoski asked if we need to allocate money to do repairs to the modulars staff is currently in.

ADJOURNMENT:

Councilmember Deady **moved** to adjourn the meeting; **second** Councilmember Wisnoski. Motion **passed** with all voting in favor (5-0).

The meeting ended at 7:26 p.m.

ATTEST:

Carol Benson

Carol Benson, Mayor

Brenda L Martinez

Brenda L. Martinez, City Clerk