

BLACK DIAMOND CITY COUNCIL MINUTES
Council Special Meeting of October 27, 2022
Hybrid Meeting Via Zoom and In-Person
Council Chamber, 25510 Lawson Street, Black Diamond, Washington

CALL TO ORDER, FLAG SALUTE:

Mayor Benson called the special meeting to order at 6:00 p.m. and led us all in the Flag Salute.

ROLL CALL:

PRESENT: Councilmembers Deady, Smith, Mulvihill, de Leon, O'Donnell.

ABSENT: Councilmember Page (excused)

Staff present: Mayene Miller, Finance Director; Scott Hanis, Public Works Director; Mona Davis, Community Development Director; IS Manager, Rob Reed, 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 and both have been increased this year as gas tax is not supporting this fund. 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 revenue supports the maintenance activities on existing city streets. It was discussed about possibly raising the fee.

- Traffic Mitigation Fees Fund – Funds collected from developers for specific traffic improvements.
- ARPA Fiscal Recovery Funds – Some of the funds were used for utility and rent assistance and the majority is going for the 3rd Avenue watermain project. There is still funds available and these funds can be spent through 2024.
- 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 new legislation Council adopted last year and only a minimal amount has been collected.

Internal Service Funds

- Equipment Replacement Funds which comprise:
 - Fire Equipment Replacement – money set aside yearly for replacing equipment
 - Public Works Equipment Replacement - fund was heavily used last year and increased transfer for this year.
 - Police Equipment Replacement – transfer into fund for a boat purchase.
 - Public Works Building Improvements

Utility Funds

- Water Operating Fund 401 – new citizens will add to revenue, decreased permits and meter purchases. Highlighted expenditures for this fund, and Ms. Miller noted a rate review needs to be done in the Spring of 2023.
- Water Debt Service – Ms. Miller discussed the debt payment and when those debt payments will end (2024).
- Sewer Operating Fund 407 – Ms. Miller discussed the pass-through rate increase of 5.75% for King County Metro. She highlighted expenditures for this fund and noted it meeting its reserves.
- Stormwater Operating Fund 410 – She discussed the expenditures going up and having to pull down its fund balance. Need to look long range at this fund.

Capital Project Funds

Finance Director Miller discussed how REET money works and the land sales that have contributed to these funds.

- 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 city must set aside retainage.

Capital Improvement Projects

- Fund 310 – General Government Capital Projects – Ms. Miller reviewed the projects in this fund along with the revenue sources and expenditures.
- Fund 320 - Public Works Capital Projects – Finance Director Miller reviewed the projects listed in this fund and touched on revenue sources and expenditures.
- WSFFA Partners – Fund 402 Capital Projects –.
- Water Capital Projects – 404 – Finance Director Miller reviewed the projects listed in the fund along with their revenue sources and expenditures.
- Sewer Capital Projects - 408
- Stormwater Capital Projects - 410 — Discussed how the projects are funded and the options available to keep money in this fund.

Finance Director shared the 2023 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 and pointed out that adoption of the budget is proposed for December 1st.

NEW BUSINESS:

2) AB22-083 – Resolution Regarding Changing City Desk Phone Service to Zoom

IS Manager Reed reported on this item.

Councilmember de Leon **moved** to adopt Resolution No. 22-1510 authorizing the Mayor to execute an agreement with Zoom for desk phone service; **second** Councilmember Mulvihill.

There was Council discussion.

Vote: Motion **passed** with all voting in favor (5-0).

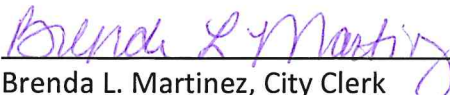
ADJOURNMENT:

Councilmember de Leon **moved** to adjourn the meeting; **second** Councilmember Deady. Motion **passed** with all voting in favor (5-0). The meeting ended at 7:50 p.m.

ATTEST:



Carol Benson, Mayor



Brenda L. Martinez, City Clerk