



CITY COUNCIL MINUTES PLANNING SESSION APRIL 27, 2021

CALL TO ORDER AND ROLL CALL

Mayor Benson Wong called the Planning Session to order at 5:01 pm from a remote location.

Mayor Wong, Deputy Mayor Wendy Weiker (5:22 pm), and Councilmembers Lisa Anderl, Jake Jacobson, Salim Nice, Craig Reynolds, and David Rosenbaum participated remotely using a video teleconferencing platform by Zoom.

City Manager Bon participated remotely from City Hall, 9611 SE 36th Street, Mercer Island, Washington. The City Attorney and Mercer Island City Leadership Team participated from remote locations.

AGENDA APPROVAL

It was moved by Jacobson; seconded by Reynolds to:

Approve the agenda.

Passed 6-0

FOR: 6 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, and Wong)

PLANNING SESSION

AB 5864: Financial Management Policies Framework and Kickoff Discussion

Matt Mornick, Finance Director, explained that the City Council Ad Hoc Finance Committee met in late March and agreed on the following five step process:

1. Define the purpose for each policy.
2. Draft policies that reflect legal requirements and community priorities.
3. The Ad Hoc Committee will work with staff to review and edit the draft policies.
4. The Ad Hoc Committee will provide a policy recommendation to the full City Council for consideration and adoption.
5. Once approved by the City Council, staff will implement and communicate new policy directives.

Mornick went onto explain that at the March meeting, staff introduced background information for four (Items 1, 2, 10, and 11) of the eleven sections of the new draft Financial Management Policies:

1. **Background & Purpose**
2. **Fiscal Sustainability Philosophy**
3. Operating Budget
4. Revenues & Expenditures
5. Capital Budget
6. Reserves & Fund Balance
7. Long-term Financial Planning
8. Utilities
9. Accounting, Financial Reporting, & Auditing
10. **Investments**
11. **Debt Management**

Mornick further noted that completion of the work would outline a clear vision for how Mercer Island would manage its financial resources to provide the best value to the community, thereby increasing accountability, and

minimizing confusion. Financial management policies would also support good bond ratings, reduce the cost of borrowing, and promote long-term and strategic thinking. Furthermore, the financial policies would provide a framework for the State's Auditor's Office to assess compliance during regular audits, for credit ratings agencies to determine the City's fiscal stability, and for other financial professionals as a basis for providing services.

Mornick explained that the Policy would not include Internal Administrative Procedures:

- Purchasing & procurement guidelines
- Cost allocation
- Credit card use
- Travel and expense reimbursements
- Utility billing procedures

The Finance Committee is meeting monthly and anticipate that the first reading will be presented to City Council in September, with a second reading and adoption anticipated for early October.

Council Consensus: Council was supportive of the Financial Management Policies Framework.

AB 5857: American Rescue Plan Act (ARPA) Funds Report

Merrill Thomas-Schadt, Recreation Coordinator and EOC Grants Coordinator, explained that the American Rescue Plan Act (ARPA) is a Federal economic stimulus package signed into law on March 11, 2021 in response to the economic and public safety impacts of the COVID-19 Pandemic. Mercer Island is estimated to receive \$5.64 million. She further explained that cities are expected to receive half of their allocated funds by June 10, 2021 and a second installment one year later and that the deadline to spend the funds is December 31, 2024.

Eligible uses of ARPA funds include:

- Responding to or mitigating the public health emergency with respect to the COVID-19 emergency or its negative economic impacts.
- Replacing lost revenues due to the COVID-19 public health emergency associated with the provision of government services relative to revenues collected in the most recent fiscal year prior to the emergency.
- Making necessary investments in water, sewer, or broadband infrastructure.
- Providing assistance to small businesses and nonprofits related to the economic impact of the Pandemic.
- Responding to local government workers performing essential work (via safety measures and/or hazard pay).
- Supporting the tourism, travel, and hospitality industries.

ARPA funds cannot be used to directly or indirectly offset tax reductions or delay a tax/tax increase or be deposited into any pension fund. In addition, tracking and reporting requirements for the ARPA funding and other potential grant funding spans multiple years and will be significant.

Sarah Bluvas, Economic Development Coordinator, addressed small business relief and support associated with economic recovery activities.

Council Consensus: to support the suggested early action items and bring back more information for a final determination.

- Parks Maintenance "catch-up" costs to address the backlog of work throughout the parks system due to (seasonal) staff reductions in 2020 (\$400,000).
- Continued small business relief and support associated with economic recovery activities (Cost TBD).
- Technology modifications to City Hall Council Chambers to accommodate a hybrid model of in-person and online public meetings in the near future (Cost TBD).

AB 5865: Youth & Family Services (YFS) Levy Discussion

Ali Spietz, Chief of Administration, reviewed the Youth and Family Services (YFS) funding timeline and the impacts of the Pandemic on that timeline. Tambi Cork, YFS Administrator, outlined the services and programs

provided by YFS:

- Family Assistance
- Food Pantry
- Community-Based Counseling
- School-Based Counseling
- Senior Services
- Healthy Youth Initiative
- Mercer Island Thrift Shop

Chief of Administration Ali Spietz outlined the YFS Programmatic Elements and the estimated costs as follows:

- Levy Base Proposal (Part 1) – Long term funding for MIYFS School Based Counseling Program (\$685,000):
 - 4 counselors at the elementary schools (Northwood, Island Park, West Mercer, and Lakeridge)
 - 1 counselor at Islander Middle School
 - 1 counselor at Mercer Island High School
 - 1 substance use prevention/intervention professional at Mercer Island High School
- Levy Base Proposal (Part 2) – Clinical supervision of MIYFS School Based Counseling Program (\$50,000)
- Levy Options identified included:
 - Restore Programs Assistant to full-time (\$40,000)
 - Restore Second Counselor at Island Middle School (\$100,000)
 - Expand Mobile Integrated Health (MIH) position to full-time (\$60,000)
 - Restore Geriatric Specialist to full-time (\$60,000)
 - Restore Part-time Community-Based Counselor (\$60,000)
 - Stabilize funding for Healthy Youth Initiative starting in 2025 (\$175,000)

AB 5858: Planning Session - Work Plan Tool

Jessi Bon, City Manager, briefly reviewed the 2021-2022 work plan, explaining that the tool is used to track goals and action items adopted by the City Council in the 2021-2022 budget. To help streamline the 2021-2022 goals and work plan items, and make them more accessible to all, staff developed two work plan tools:

1. **All Work Plan Items by Department** - includes the detailed work plan goals and action items for each department and were pulled directly from the 2021-2022 Adopted Budget (Section D).
2. **Major Work Plan Items** - visual tracking tool that identifies select projects by department, shows project progress (percent complete), and when the project began and is slated to be completed (with accompanying visual three-year outlook).

Council asked for periodic updates on the Work Plan.

AB 5863: City Council Rules of Procedure/Meeting Efficiencies

Jessi Bon, City Manager, reported that the following amendments were included for Council consideration:

- Advisory Boards & Commissions Appointments - Language was added to clarify the process for transmitting information from the board or commission to the City Council and to allow flexibility beyond the proposed 60-day requirement to fill board and commission vacancies
- Remote Meeting Changes - Rules were updated to reflect a general meeting venue rather than the customary reference to "City Council Chambers." Meeting times were also adjusted to allow for more flexibility.
- Order of Regular City Council Meeting Agenda:
 - City Council meeting venue and times were adjusted.
 - Appearances was modified to address registration for remote public comments.

- The term “Consent Calendar” was changed to “Consent Agenda” throughout the document.
- Housekeeping - Language was updated to correct scrivener errors, reflect changes to department names and staff titles, clarify references, and reflect the City Manager-Council plan of government as needed.

Bon continued, explaining that since the packet was distributed, the following amendments were suggested by Councilmembers:

- Clarify the Mayor and Presiding Officer’s duties.
- Clarify who can make requests or submit nominations for the Key to the City.
- Require that individuals wishing to address the Council during public appearances should identify their city of residence
- Clarify the language for Section 11.1 Sanctions for Rule Violations.

There was **Council Consensus** to include the proposed amendments and to require that all public appearances, remote or in person, register with the City Clerk by 4 pm the day of the meeting.

ADJOURNMENT

The Planning Session adjourned at 9:21 pm.

Benson Wong, Mayor

Attest:

Deborah Estrada, City Clerk