



2021 Budget Questions

To: City Council
From: Mayor Gregerson and City Administrator Powers
Date: September 28, 2020

Please find below information in response to questions raised by the City Council at the September 14, 2020 Council meeting.

Sales Tax From Major Projects

Harbour Reach Corridor Project is a \$12m construction contract, which included \$29,481 in sales tax expenses, as sales tax is applied only to the utility work on the project. Reference: [Agenda Bill from January 21, 2020](#)

The City is waiting to hear from Washington State Ferries on the breakdown of sales tax that has been remitted to the City. WSF have reported approximately \$900,000 as their budgeted sales tax expense on their entire Mukilteo Terminal project. The City receives the sales tax for elements of the project that take place in city limits. There are a variety of project elements that were purchased or constructed outside the City and transported to the project site.

Community Outreach Reductions

Staff affirms that some copies of the Recreation Guide can be printed and made available to those who might have trouble with the online access.

WSU Beachwatchers contract: The Beach Watchers program, affiliated with WSU extension in coordination with Snohomish County, provides volunteer recruitment and training for environmental awareness along our waterfront. In 2019, for instance, BW recruited and trained 18 new volunteers. BW also goes into the local schools for awareness presentations. In 2019 more than 500 Mukilteo District students received presentations on environmental awareness and stewardship for our waterfront and Puget Sound. BW led 9 school related field trips, as well. The City advertises their events in the recreation guide. This contract is proposed for cancellation in the 2021 Budget.

Rosehill Continued Closure

Rosehill Community Center is budgeted for a full 12 months of operations in 2020. A three month closure in the first quarter would cost approximately \$110,000 in revenue. Savings have already been realized in the budget, with the vacancy savings from the 4 Customer Service Clerks and 1 remaining Clerk on quarter time (10 hours per week).

Management of Fire Department Overtime

City Administrator Powers and Chief Alexander are committed to managing the budget within the parameters of the proposed preliminary budget. Some strategies that are planned to be implemented include:

- Forgo providing training instructors for the County Fire Academy; Limit specialty training opportunities; Limit training attendance to the Puget Sound region; Limit conference to those not requiring overtime to backfill, including for the National Fire Academy
- Maintain eligibility lists for hiring even when a vacancy does not exist. This reduces the time needed to recruit candidates and reduces overtime needed during vacancies
- Negotiate some staffing adjustments with the IAFF including backfilling Acting Captains instead of Captains when necessary due to absence or vacancy
- Only use on-duty crews for public education (savings of \$5,000)

Small Cell Fees

The City will be fully reimbursed for our time spent on these applications under the adopted fee structure. The current way the fee structure is set up will result in the City getting reimbursed for 100% of staff time involved. The applicant will pay a \$500 deposit at time of application. City staff will then track their hours spent reviewing and approving the application. Any excess deposit funds will be returned if deposit exceeds actual costs. If fee deposit is insufficient to cover actual costs, applicant must pay the overage amount. The way this is set up will ensure we get reimbursed for our actual costs. After we process several of these applications we can reevaluate whether we want to leave the fee structure as-is or whether we want to change to a flat rate based on historical costs.

Streets Maintenance Worker

A question was raised regarding the Streets MW vacancy and what impacts there would be on landscaping/beautification if we proceeded with the hiring. In 2020, the justification supporting the need for the position was additional workload due to increased service requests, federally required retroreflectivity program, traffic calming and the development of a required sight-distance vegetation inspection program. Under the existing staffing levels (3 FTE's), the Streets Crew often must pull from other crews to be able to complete projects, especially those where traffic control is required, which limits the ability of other crews to complete work and is subject to staff availability. Adding this FTE will reduce the amount of support needed from those other divisions. This position does not relate to specific beautification efforts which are projects that are primarily completed by the Parks Crew, and will not bring an increased level of service for city beautification.

Capital NBI Priorities:

Projects are ordered below as Transportation-# reflecting their priority (T-1, T-2, etc). All are funded in the 2021 Preliminary Budget.

- T1- 76th Street SW Sidewalks & SR525 Crosswalk - Grant funded, continuation of work started in 2020.
- T2- Annual Pavement Preservation (incl. HRD/CBR Grant) – Grant funded, deferring would result in loss of grant funds.
- T3- Annual ADA Upgrades/Transition Plan – Continuing to fund this program shows commitment to meeting federal requirements
- T4- Annual Sidewalk Repair Program – Investing in maintaining what we currently have.
- T5- Annual BTW (set-aside for BTW) – Investing in the vision of Mukilteo's future.
- T6- Annual Traffic Calming Program – This is not a required program and the City has some carry forward amounts that can be used in 2021.

- T7- Pedestrian Crosswalk Enhancement Program – This is not a required program and the City has some carry forward amounts that can be used in 2021