

**Mount Vernon
Finance Committee
Parks & Enrichment Services Committee
Minutes
February 26th, 2020**

Present: Councilmembers Beaton, Brocksmith, Hudson, Hulst, Molenaar

Excused: Councilmembers Carías & Moberg

Staff present: Mayor Boudreau, Project Development Manager Donovan, City Attorney Rogerson, Police Chief Cammock, Finance Director Volesky, Parks & Enrichment Director King, Development Services Director Phillips, Human Resources Director Keator, Library Director Huffman, and Wastewater Treatment Plant Manager Duranceau

Citizens present: 8

- 1) Minutes from the January 22nd, 2020 committee meeting were approved
- 2) Public-Private Partnerships, A Legal Perspective presented by City Attorney Rogerson
 - a) City Attorney Rogerson provided an overview of what Public-Private Partnerships are and their pros and cons. He also provided some observations, legal restrictions, 3 case studies for consideration, and an overview of the process to use when entering into these partnerships. Finally, he included his parting thoughts from others who've been through it.
- 3) Parks and Enrichment Services Department Update by Parks and Enrichment Services Director Bill King
 - a) Project Status Update by Director King
 - i) Little Mountain Tree Planting has been going on at the parking lots and trails to replaced diseased and dying trees.
 - ii) WTA trail work continues at Little Mountain.
 - iii) Hillcrest Restroom restoration project completed.
 - iv) Little Mountain Project - Budget to Actuals Status Report
 - (1) Semrau will have additional charges of \$22,900 due to redo surveying and staking work impacted by the heavy rainfall over the winter season.
 - (2) P&P Excavating had some additional expenses which were unaccounted for in the initial budget. The Parks department has been working closely with Public Works and P&P Excavating to bring some of the work in house and reduce the project expenses to offset the unaccounted for expenses.
 - v) Pickleball Court Development is moving forward and, weather permitting, is slated for completion in May 2020.
 - vi) Street Tree planting and preparation of the City's baseball fields has begun as well.
 - vii) Director King provided an update on the SVC Welding Club sculpture.

- b) Upcoming Programs and staffing update by Director King
 - i) Director King reviewed Seasonal/Summer staffing requirements and progress to date.
 - ii) Director King reviewed the upcoming programs.
 - (1) Illuminight Winter Walk rescheduled to March 27th, 2020
 - (2) Registration for Big Hitters Tee Ball & Coach Pitch is now open.
- 4) Finance Department Update by Finance Director Doug Volesky
 - a) 2020 Budget Books have been complete and are now on the website.
 - b) 2020 Debt Report by Director Volesky
 - i) Government Debt Overview
 - (1) Riverside Bridge loan is slated to be paid off in 2021
 - (2) HUD Section 108 loan is on pace to mature in 2022
 - (a) Each of these loans has been paid from designated revenue sources and no general funds were used to pay these down.
 - ii) City Utility Debt Overview
 - (1) The City currently owes \$17.1 million on its \$35.9 million debt incurred to complete the Wastewater Treatment Plant upgrades in the early 2000s.
 - iii) City General Fund Debt Overview
 - (1) The City currently has no General Obligation debt and could legally incur up to \$94.9 million worth of debt based on the City's 2019 property assessment with a value of approximately \$3.8 billion.
 - c) Utility Rates Update review by Director Volesky
 - i) Utility Rate Update - Year to Year Revenue Comparison
 - (1) Director Volesky presented a utility rate update showing the year to year revenue comparison noting the substantial drop in telephone taxes. Director Volesky confirmed that many of the other cities in the area are experiencing the same type of telephone tax decline. This decline is due to recent court cases that exempted the data package component of cellphones from utility taxes, which resulted in the significant drop.
 - ii) Current Utility Rates and Skagit County City Comparison
 - (1) Director Volesky reviewed the current utility tax rates for the City of Mount Vernon and compared them to other cities in Skagit County.
- 5) Miscellaneous, for the good of the order
 - a) Councilmember Hulst requested a review of the City's Downtown and Waterfront Area Master Plan with the Development Services Department.

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The meeting adjourned at 6:50 p.m.

Submitted by:

Chase Kinney

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