

CITY COUNCIL AGENDA

15728 Main Street, Mill Creek, WA 98012 (425) 745-1891



Pam Pruitt, Mayor • Brian Holtzclaw, Mayor Pro Tem
Mark Bond • Mike Todd • Vince Cavaleri • Jared Mead • John Steckler

Regular meetings of the Mill Creek City Council shall be held on the first, second and fourth Tuesdays of each month commencing at 6:00 p.m. in the Mill Creek Council Chambers located at 15728 Main Street, Mill Creek, Washington. Your participation and interest in these meetings are encouraged and very much appreciated. We are trying to make our public meetings accessible to all members of the public. If you require special accommodations, please call the office of the Acting City Clerk at (425) 921-5725 three days prior to the meeting.

The City Council may consider and act on any matter called to its attention at such meetings, whether or not specified on the agenda for said meeting. Participation by members of the audience will be allowed as set forth on the meeting agenda or as determined by the Mayor or the City Council.

To comment on subjects listed on or not on the agenda, ask to be recognized during the Audience Communication portion of the agenda. Please stand at the podium and state your name and residency for the official record. Please limit your comments to the specific item under discussion. Time limitations shall be at the discretion of the Mayor or City Council.

Study sessions of the Mill Creek City Council may be held as part of any regular or special meeting. Study sessions are informal, and are typically used by the City Council to receive reports and presentations, review and evaluate complex matters, and/or engage in preliminary analysis of City issues or City Council business.

Next Ordinance No. 2018-841

Next Resolution No. 2018-577

**December 4, 2018
City Council Meeting
6:00 PM**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

AUDIENCE COMMUNICATION

- A. Public comment on items on or not on the agenda

OLD BUSINESS

- B. City Manager Recruitment Schedule and Process Discussion
(*Bob Stowe, Interim City Manager*)

NEW BUSINESS

- C. 2017-2018 Budget Amendments
(*Peggy Lauerman, Director of Finance & Administration*)
- D. Adoption of the 2019-2020 Biennial Budget

(Bob Stowe, Interim City Manager)

- E. Adoption of 2019 Legislative Priorities
(Bob Stowe, Interim City Manager)

STUDY SESSION

- F. Personnel Policies
(Laura Orlando, Director of Human Resources)

REPORTS

- G. Mayor/Council
- H. City Manager
 - Council Planning Schedule

AUDIENCE COMMUNICATION

- I. Public comment on items on or not on the agenda

ADJOURNMENT



Agenda Item # B
Meeting Date: December 4, 2018

CITY COUNCIL AGENDA SUMMARY

City of Mill Creek, Washington

AGENDA ITEM: CITY MANAGER RECRUITMENT SCHEDULE AND PROCESS DISCUSSION

ACTION REQUESTED:

Provide direction regarding the City Manager recruitment schedule and process.

KEY FACTS AND INFORMATION SUMMARY:

The Council authorized the Interim City Manager to enter into a professional services agreement with the executive search firm of Peckham & McKenney to conduct the search for the next City Manager at the November 27, 2018 meeting. The schedule of the search firm would allow for a kick-off meeting to meet with the Council, staff and other stakeholders (as determined by Council) to help develop a candidate profile for the position on one of the following dates:

- Monday, December 10, 2018 (between 8:00 am and 1:00 pm) with a follow-up conference call with Council during the December 11 meeting; or
- Early January (specific date and time to be determined).

CITY MANAGER RECOMMENDATION:

Provide direction regarding the schedule and process.

ATTACHMENTS:

None

Respectfully Submitted:

A handwritten signature in blue ink, appearing to read "Robert S. Stowe", is written over a horizontal line.

Robert S. Stowe
Interim City Manager

Agenda Item # C

Meeting Date: December 4, 2018

CITY COUNCIL AGENDA SUMMARY

City of Mill Creek, Washington

AGENDA ITEM: 2017-2018 BUDGET AMENDMENTS**PROPOSED MOTION:**

Adopt Ordinance 2018-___ adjusting appropriations for the 2017-2018 Biennial Budget.

KEY FACTS AND INFORMATION SUMMARY:

On December, 6, 2016, the City Council adopted the 2017-2018 budget for all funds, Ordinance 2016-810. RCW 35A.33.120 limits annual expenditures to the amounts appropriated for each fund for the current fiscal year. A standard year-end fiscal management procedure is to examine year-to-date expenditures and forecast them through the year-end period. When this analysis reveals a variance between the budgeted appropriations and expenditure projections, a budget amendment is necessary. Based on the foregoing analysis, the recommended budget amendments for 2017-2018 are set forth on the exhibit to the attached ordinance.

In summary, the proposed 2019-2020 General Fund Biennial Budget Amendments include the following notable increased expenditures:

Revenue:

- Increased revenue of \$1,900,000 related to sales tax, charges for services & interest

Expenditures:

- Interfund transfer of \$1,045,000 to the Capital Improvement Fund in accordance with the adoption of the 2019-2024 Capital Improvement Plan, Ordinance 2018-837.
- Interfund loan of \$500,000 to the Surface Water Fund as approved by Ordinance 2018-836.
- Increased expenditures of \$450,000 related to legal, professional, and employment costs.
- Funding of the Equipment Replacement Fund as prescribed by the State Auditor's Office in compliance with RCW 35.21.088. Expenditures for depreciation and capital outlay of \$450,000 excluded from general fund expenditures in the 2017-2018 budget as adopted on December 2, 2016, Ordinance 2016-810.

An additional appropriation of \$1,000,000 for the Surface Water Fund is required as a result of the Sweetwater Ranch Storm water infrastructure failure (sinkhole). On March 13, 2018, the City Council adopted Resolution 2018-572 declaring the failure an emergency. Additional funds of \$850,000 were expended to accommodate the repairs. Other costs incurred include additional staff time along with consulting fees for a rate analysis.

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In addition to the General Fund and Surface Water Fund, there are modifications to a variety of funds as noted in Exhibit A attached to the ordinance.

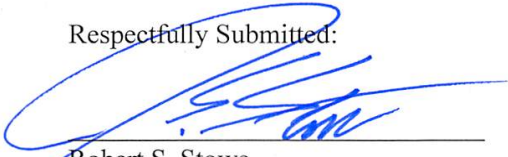
CITY MANAGER RECOMMENDATION:

To adopt the proposed budget amendments as summarized in the attached ordinance.

ATTACHMENTS:

- Ordinance 2018-____ amending the 2017-2018 Biennial Budget

Respectfully Submitted:



Robert S. Stowe
Interim City Manager

ORDINANCE NO 2018-_____

AN ORDINANCE OF THE CITY OF MILL CREEK, WASHINGTON, RELATING TO THE 2017-2018 BUDGET; AMENDING THE 2017-2018 BUDGET, TO ADJUST REVENUES AND APPROPRIATIONS FOR SPECIFIED FUNDS; ORIGINALLY ADOPTED BY ORDINANCE 2016-810.

WHEREAS, the City Council (the "Council") of the City of Mill Creek, Washington ("City"), previously adopted the 2017-2018 budget by adopting Ordinance 2016-810.

WHEREAS, the City adjusted appropriations in the 2017-2018 budget by adopting Ordinance 2017-825; and

WHEREAS, the City is required by law to ensure appropriations do not exceed revenues in any fund; and

WHEREAS, revenues and expenditures have been identified for amendment in certain funds.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1: Section 1 of Ordinance 2017-825 is hereby amended as follows: In accordance with the provisions of RCW 35A.33.075, the revenues and appropriations budget of the City of Mill Creek for the years 2017-2018 in the aggregate amount of \$42,721,989 and \$42,460,495 respectively.

Section 2: Ordinance 2017-825 is amended as shown in Exhibit A attached to this Ordinance.

Section 3: This Ordinance shall take effect and be in full force five (5) days after publication of the ordinance, or a summary thereof, consisting of the title.

Passed in open meeting this 4th day of December, 2018 by a vote of _____ for, _____ against, and _____ abstaining.

APPROVED:

PAM PRUITT, MAYOR

ATTEST/AUTHENTICATED:

GINA PFISTER, ACTING CITY CLERK

APPROVED AS TO FORM:

SCOTT MISSALL, CITY ATTORNEY

FILED WITH THE CITY CLERK: _____

PASSED BY THE CITY COUNCIL: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

ORDINANCE NO. _____

**City of Mill Creek
2017 - 2018 Biennial Budget Amendments
Exhibit A**

FUNDS	2017-2018 Budgeted Revenues previously Amended	Change	2017-2018 Budgeted Revenues as Amended
General Fund	\$25,029,600	\$1,935,400	\$26,965,000
City Streets	\$1,016,446	\$0	\$1,016,446
Municipal Arts	\$7,822	\$0	\$7,822
Paths & Trails	\$4,000	\$0	\$4,000
Drug Buy Fund	\$0	\$4,264	\$4,264
City Hall North	\$359,482	\$24,757	\$384,239
Debt Service Fund	\$66,218	\$0	\$66,218
Local Revitalization Fund	\$66,000	\$25,000	\$91,000
Real Estate Excise Tax	\$1,520,000	\$1,970,000	\$3,490,000
Capital Improvement	\$2,128,242	-\$883,242	\$1,245,000
Park Improvement	\$969,000	-\$799,000	\$170,000
Road Improvement	\$7,477,000	-\$1,700,000	\$5,777,000
Surface Water	\$1,426,000	\$500,000	\$1,926,000
Recreation Enterprise	\$1,225,000	\$0	\$1,225,000
Equipment Replacement Fund	\$0	\$310,000	\$310,000
Unemployment Fund	\$0	\$40,000	\$40,000
Total Budget	\$41,294,810	\$1,387,179	\$42,721,989

FUNDS	2017-2018 Budgeted Expenditures previously Amended	Change	2017-2018 Budgeted Expenditures Amended
General Fund	\$25,029,600	\$2,442,865	\$27,472,465
City Streets	\$1,016,000	\$100,000	\$1,116,000
Council Contingency	\$3,000	\$0	\$3,000
Municipal Arts	\$6,500	\$18,500	\$25,000
Paths & Trails	\$500	\$0	\$500
Drug Buy Fund	\$25,000	\$20,000	\$45,000
Beautification Fund	\$7,822	\$0	\$7,822
City Hall North	\$861,243	-\$350,000	\$511,243
Debt Service Fund	\$66,218	\$0	\$66,218
Local Revitalization Fund	\$0	\$0	\$0
Real Estate Excise Tax	\$3,046,032	\$0	\$3,046,032
Capital Improvement	\$1,448,032	-\$1,148,032	\$300,000
Park Improvement	\$1,320,000	-\$320,000	\$1,000,000
Road Improvement	\$6,860,000	-\$1,700,000	\$5,160,000
Surface Water	\$1,248,735	\$1,000,000	\$2,248,735
Recreation Enterprise	\$1,225,000	\$0	\$1,225,000
Equipment Replacement Fund	\$1,556,210	-\$1,350,000	\$206,210
Unemployment Fund	\$7,270	\$20,000	\$27,270
Total Budget	\$43,727,162	-\$1,266,667	\$42,460,495

GENERAL FUND	2017-2018 Budgeted Expenditures previously Amended	Change	2017-2018 Budgeted Expenditures Amended
Legislative	\$125,897	\$320,000	\$445,897
City Manager	\$1,487,915	\$145,000	\$1,632,915
Finance & Administration	\$1,409,405	\$0	\$1,409,405
Information Technology	\$834,375	\$0	\$834,375
Police	\$9,475,826	\$464,266	\$9,940,092
Fire	\$7,557,900	\$26,000	\$7,583,900
Non-Departmental	\$1,041,850	\$1,417,599	\$2,459,449
Public Works and Development Services	\$3,096,432	\$70,000	\$3,166,432
Total Budget	\$25,029,600	\$2,442,865	\$27,472,465



Agenda Item # D

Meeting Date: December 4, 2018

CITY COUNCIL AGENDA SUMMARY
City of Mill Creek, Washington

AGENDA ITEM: ADOPTION OF THE 2019-2020 BIENNIAL BUDGET

PROPOSED MOTION:

Adopt Ordinance 2018-___ adopting the 2019-2020 Biennial Budget

KEY FACTS AND INFORMATION SUMMARY:

The City's preliminary and proposed 2019-2020 Biennial Budget was presented to the City Council by the Interim City Manager on November 2, 2018 with an overview and public hearings occurring during the November 6, November 13, and November 27, 2018, meetings. Study sessions on the proposed Budget also occurred during the November 13, and November 27, 2018, meetings.

In summary, the proposed 2019-2020 Budget initially presented to Council on November 2, 2018 includes the following modifications: 1) Council's recent decision for a new surface water fee with associated expense; 2) Reallocation of staff hours related to the Supervising Engineer position to better align with expected job tasks (\$68,000); 3) Carryover of capital project elements related to 35th Avenue Reconstruction (\$1,700,000) and Mill Creek Sports Park Turf & Light Replacement (\$775,000) originally expected to be completed in 2018.

- Total budgeted revenues (plus beginning fund balances) are \$59,138,265 for 2019-2020. Expenses match revenues for these same years.
- Total General Fund revenues are projected at \$28,195,366 and the total General Fund operating expenditures are budgeted at \$28,181,353.
- Overall, the 2019-2020 Biennial Budget includes 61.9 employees as compared against the prior authorized 2017-2018 Budget amount of 62.2 employees.

During the November 27, 2018 Study Session, Council requested information regarding:

- Current use and/or participation of the Mill Creek Senior Center by Mill Creek residents; and,
- How City funds have been used to support the Mill Creek Senior Center. Attached is information the City received from the Northshore Senior Center in response to the Council's request.

City Council Agenda Summary
Page 2

Currently, the proposed Budget maintains the same amount as historically provided to the Senior Center (\$25,000 for the biennium). The Northshore Senior Center is requesting \$50,000 in the next biennium to support the Mill Creek Senior Center. Upon direction by the Council, additional funding for the Mill Creek Senior Center could come from the Council contingency fund within the proposed budget.

Upon adoption of the 2019-2020 budget ordinance (Attachment 1) staff will modify the budget document (Attachment 2) that was initially presented to the Council on November 2, 2018.

CITY MANAGER RECOMMENDATION:

Following Council discussion and deliberation, adopt the 2019-2020 Biennial Budget.

ATTACHMENTS:

Attachment 1: Ordinance adopting the 2019-2020 Biennial Budget
Attachment 2: 2019-2020 Budget Document – Presented November 2, 2018
Attachment 3: Funding Request from Northshore Senior Center

Respectfully Submitted:



Robert S. Stowe
Interim City Manager

ORDINANCE NO. 2018-_____

**AN ORDINANCE OF THE CITY OF MILL CREEK, WASHINGTON,
ADOPTING BUDGETED REVENUES AND EXPENDITURES FOR THE
FISCAL BIENNIUM COMMENCING JANUARY 1, 2019.**

WHEREAS, the City of Mill Creek, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of the City for the fiscal biennium commencing January 1, 2019; and

WHEREAS, a notice was published that the City Council would meet on December 4, 2018, at 6:00 p.m., in the Council Chambers of City Hall for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of the City an opportunity to be heard in a public hearing upon said budget; and

WHEREAS, the City Council held Public Hearings on the Proposed 2019-2020 Biennial Budget November 6, November 13 and November 27, 2018, at that time and place and did then consider the matter of the proposed budget for the fiscal biennium commencing January 1, 2019; and

WHEREAS, the City Council held Public Hearings on the 2019 Tax Levy November 13 and November 27, 2018, at that time and place and did then consider the matter of the proposed budget for the fiscal biennium commencing January 1, 2019; and

WHEREAS, the proposed budget does not exceed the limit of taxation allowed by law to be levied on the property within the City for the purposes set forth in the budget, and the estimated expenditures set forth in the budget being all necessary to carry on the government of the City for

the fiscal biennium commencing January 1, 2019, and being sufficient to meet the various needs of the City during that period.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. In accordance with the provisions of RCW 35A.33.075 the appropriations budget of the City of Mill Creek for the years 2019-2020 in the aggregate amount of \$59,138,265 is hereby adopted.

Section 2. The totals of the budgeted revenues and appropriations for each separate fund are set forth in summary form in Exhibit A, and the aggregate totals for all such funds combined, for the 2019-2020 biennium.

Passed in open meeting this ____ day of December 2018, by a vote of _____ for, ____ against, and _____ abstaining.

APPROVED:

MAYOR PAM PRUITT

ATTEST/AUTHENTICATED:

ACTING CITY CLERK GINA PFISTER

APPROVED AS TO FORM:

CITY ATTORNEY SCOTT MISSALL
FILED WITH THE CITY CLERK: _____

PASSED BY THE CITY COUNCIL: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

ORDINANCE NO.: _____

Exhibit A

Fund	2019-2020 Adopted Budget Revenues
General Fund	28,195,366
Special Revenue Funds	
City Street	1,051,000
Council Contingency	-
Municipal Arts	23,000
Paths and Trails	4,000
Drug Buy	-
City Hall North	374,000
Debt Service Fund	
800 MHz	20,640
Local Revitalization Fund	100,000
Capital Funds	
REET	1,550,000
Capital Improvement	740,000
Parks & Open Space Improvement	2,951,000
Road Improvement	8,020,000
Enterprise Funds	
Storm & Surface Water	4,200,000
Internal Service Funds	
Equipment Replacement	262,449
Unemployment	-
Total Appropriation All Funds	47,491,455
Less Interfund Transactions	(5,306,000)
Total Revenue All Funds Less Transfers	42,185,455
Biennium Beginning Fund Balance	16,952,810
Total Appropriation Plus Ending Fund Balance	59,138,265

Fund	2019-2020 Adopted Budget Expenditures
General Fund	28,181,353
Special Revenue Funds	
City Street	1,079,047
Council Contingency	-
Municipal Arts	30,000
Paths and Trails	10,500
Drug Buy	-
City Hall North	817,441
Debt Service Fund	
800 MHz	34,632
Capital Funds	
REET	4,771,641
Capital Improvement	1,062,640
Parks & Open Space Improvement	2,980,000
Road Improvement	7,140,000
Enterprise Funds	
Storm & Surface Water	3,980,748
Internal Service Funds	
Equipment Replacement	375,155
Unemployment	20,000
Total Appropriation All Funds	50,483,157
Less Interfund Transactions	(5,306,000)
Total Expenditures All Funds Less Transfers	45,177,157
Biennium Ending Fund Balance	13,961,108
Total Appropriation Plus Ending Fund Balance	59,138,265



Ada's Story

Ada raised her 3 children here in Mill Creek, they have grown up and moved away. But for Ada, Mill Creek is her home and she planned to stay. Then unexpectedly her husband of 40 years died, and Ada's world shattered. All their plans for retirement disappeared, and what was left was a heart broken Ada. Ada had heard about the Senior Center, but had thought, that's not for me.

After Ada's yearly physical her doctor wanted her to keep track of her blood pressure, weekly and start exercising, eating right and for her mental health, get out of the house. Ada took the first step and come to the Center for a weekly blood pressure. Loved the nurse and heard about cooking classes taught by a Bastyr University Naturopath. While attending the class she starting talking to another student and was invited to join the twice weekly walking group. Loved walking but was experiencing back pain, decided to try 'Pain Free Posture Alignment Therapy' at the Center. Ada learned gentle exercises and stretches, this she does before her walks and the pain has disappeared. Ada's days are full as she signed up for Mill Creek Fitness on Monday/Wednesday and Friday, but for Ada the best part of Mill Creek Fitness is the after class coffee and the friends she has made. As an avid reading Ada has joined the Book club, and started attending Osher Lifelong Learning classes at the Center.

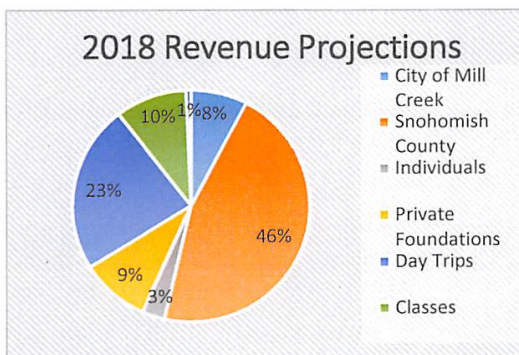
Ada still misses her husband and children, but has started a new chapter in her life of health, learning and adventure. Last week she went on the Overnight Day Trip to the San Juan Islands and her roommate was Nadine her first friend here at the Center.

2018 Services and Supports*

- Total Individuals Served (unduplicated): **848**
- Total Mill Creek Residents Served (unduplicated): **279**
- Total visits to Mill Creek Senior Center: **8,176**
- 689 Workshops/classes provided a total of **14,265** services to individuals



Funds currently received from the City of Mill Creek go towards supporting general operations of the Mill Creek Senior Center. See below for full list of expenses supported.



Expense	Projected 2018	
	Actuals	2019 Budget
Salaries and Benefits	\$ 58,700	\$ 59,048
Fees for Classes	\$ 20,000	\$ 20,000
Supplies	\$ 6,500	\$ 5,700
Day Trip Program	\$ 28,000	\$ 15,200
Bank Fees	\$ 1,000	\$ 1,000
Copier Rental	\$ 3,600	\$ 3,600
Janitorial	\$ 3,000	\$ 3,600
Outside Facility Rental	\$ 600	\$ 2,500
Utilities	\$ -	\$ 4,600
Repairs and Maintenance	\$ 5,000	\$ 1,200
Telephone/Internet	\$ 4,000	\$ 4,000
Administrative Overhead	\$ 36,000	\$ 36,000
	\$ 166,400	\$ 156,448

*Day trip revenue and expense reduced in 2019 due to lack of sufficient number of volunteer drivers.

The Northshore Senior Center's largest funder is Snohomish County, providing \$75,000 of support annually. The second largest source of funding in 2018 were private grants, totally approximately \$15,500. The City of Mill Creek currently funds the Northshore Senior Center at \$12,500 per year.

**Data presented here is as of 11.28.18 and is not representative of a full year of service.*

REQUEST

Northshore Senior Center is respectfully requesting an increase in annual funding from the City of Mill Creek from our current level of \$12,500/year (\$25,000 per biennium) to a total of \$25,000/year (\$50,000 per biennium).

2019 Funding Needs for Mill Creek Senior Center

There are a number of needs related to both the Mill Creek Senior Center facility and the community of older adults in Mill Creek that we would address if sufficient funding were available.

Item	Estimated Cost
Rental of space at The Grange for classes that can't be accommodated at Mill Creek Senior Center Vintage	\$2,500
Signage on 132 nd Avenue	\$2,500
Acoustic Panels for program rooms to dampen sound	\$2,500
Additional utility costs not budgeted (we have just been informed that we need to set up our own water meter for senior center)	\$2,400
AED (Automatic External Defibrillator)	\$1,500
Emergency supply kit (3-day for 50 people)	\$1,200
Volunteer Transportation Program-- Given the shortage of parking, we'd like to pilot a volunteer transportation program, encouraging carpooling to the Northshore Senior Center from a central location such as Town Center. This program could also be used to provide transportation to medical appointments, etc. Funding would support incentives for volunteer drivers such as mileage reimbursement.	\$10,000
Parking-- Because of the shortage of parking, we would like to purchase a handful of covered parking spots (the only ones available for rent) from Vintage for some of our least ambulatory seniors. Currently, available free parking spots are being used by residents, and Mill Creek Senior Center visitors are parking at a nearby church and walking over. Parking \$75/month @ 4 spots. (Do not yet have confirmation of this option w/ Vintage)	\$3,600
Mobile Technology Lab-- We currently have a designated computer lab space, with software and hardware that is aging and rapidly becoming obsolete. We would like to convert our computer lab into a "mobile" lab, purchasing new laptops, tablets, smart-phones, etc. such that we will both have updated technology and so that the current space can be used for other purposes when technology classes are not in session.	\$15,000
Support Staff-- We would like to hire a part-time support staff to ensure that we always have staffing in the facility, including when our Program Manager is out of the building for organizational and community meetings, and ensure our volunteers and members receive adequate support.	\$22,000
Food for Hungry Seniors-- Northshore Senior Center is currently exploring a possible mobile food bank to service all our NSC communities, including Mill Creek. In the meantime, we continue to provide food gleaned from local grocery stores to seniors in need.	No request to Mill Creek at this time. Likely to be funded through other sources.
Social Worker-- Full-time social worker to provide individual consultations to older adults focused on depression, anxiety, resources for seniors, and other needs. Speakers Bureau focused on behavioral health in older adults.	\$50,000 Requested from Snohomish Cty. No funding needed from Mill Creek.
	\$113,200

**Data presented here is as of 11.28.18 and is not representative of a full year of service.*



PROPOSED 2019-2020 Biennial Budget

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Introduction and Overview



City Manager Letter

November 2, 2018

Honorable Mayor and Councilmembers
City of Mill Creek

SUBJECT: Proposed 2019-2020 Biennial Budget

I am pleased to present the 2019-2020 Biennial Budget. This is a financial plan that allows us to carry out the City's Guiding Principles while maintaining high standards of service to the community. It was developed with three perspectives in mind: our situation today; our shared priorities; and our plan for the future.

The City's budget presents the overall plan for allocating resources to a variety of programs. These resources are necessary to protect the community's physical security, maintain the quality of life, and also provide for significant capital investments back into the community to enjoy and use for generations to come. This budget defines and carries forward capital investments and service levels to create a lasting and positive legacy for our community.

This Budget serves as a financial planning and policy document for use by the community, staff and Council members. The staff's mission is to prepare the best information possible – including the detailed impact of choices related to fiscal issues, along with program costs and levels of service.

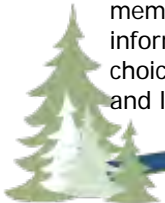
The Budget was developed based on Council's Desired Outcomes, as well as the City's 2019-2024 Capital Improvement Plan. Readers are encouraged to review the Desired Budget Outcomes, as well as the Departments' individual work programs and performance measurements, to gain a clearer understanding of the services the City is providing in 2019-2020.

The City's Budget is an operations guide prepared for Council, as well as for public examination and deliberation. It is one of the most important and comprehensive communication tools the City has to advance the community's vision and to offer a sound fiscal, operational and service delivery plan.

Budget Development Process

City management utilizes a collaborative, decentralized approach to budgeting, involving Council, staff and the community. See the full budget development calendar in **Appendix A**. This approach:

- exposes the broadest number of people to the process;
- encourages a strong sense of community; and
- allows all those involved to take ownership of the budget process, as well as the final adopted spending plan and its quarterly oversight.



The City recognizes its ethical and fiduciary responsibility to its citizens to carefully account for public funds, wisely manage municipal finances, and plan adequate funding for services and facilities desired and needed by the public.

Washington State law requires the City to adopt a balanced budget. Appropriations are therefore limited to the total estimated revenues for the upcoming biennium, plus any unencumbered fund balance estimated to be available at the close of the 2017-2018 fiscal biennium. In addition, State law requires that the Finance Director provide quarterly revenue and expenditure budget updates to the City Council. The Fiscal Policy used to develop the City's 2019-2020 Budget is detailed in **Appendix H**.

In August, Department Directors were asked to submit their budget requests in recognition of the Council's Desired Budget Outcomes. Preliminary department budget requests were compiled and submitted for my review in September.

During the months of September and October, I worked with the department directors to refine and reduce expenditure requests in recognition of the City's available resources. Mill Creek is similar to most local governments as there is far greater need than resources. Initial department proposed expenditures (excluding new staff positions) exceeded available revenues by \$134,000. Adding the proposed new staff positions would raise the deficit in revenue to \$795,000.

New positions proposed but not currently supported in this budget included the following:

- Public Works Maintenance Worker (\$175,000 for the biennium)



- Police Officer (\$262,000 for the biennium)
- Deputy City Clerk (\$175,000 for the biennium)

In the event that revenues exceed the City's projections at the mid biennium or a new or expanded revenue source is directed and authorized by Council (e.g., property tax levy increase), I recommend that the above staff positions be considered in the order listed.

It was also necessary to further adjust non-personnel related expenses to create a balance between revenues and expenses.

Readers are encouraged to review each Department's individual work programs and budget highlight sections to gain a more comprehensive understanding of services provided and which services have been modified from prior budgets.



Overview of 2019-2020 Biennial Budget

The 2019-2020 total General Fund revenues are projected at \$28,195,366 and the total General Fund operating expenditures are budgeted at \$28,181,353.

Revenue Assumptions and Key Changes

For the 2019-2020 Biennial Budget, General Fund revenues are projected to increase \$1,329,605 or 5% over the previous biennium. This increase is due to:

- Property and EMS taxes have increased \$172,000 due to new construction.
- Moving the Recreation Fund into the General Fund, which is a \$748,000 increase (though offset by regular Recreation expenses).
- An interfund loan repayment of \$344,000 from the Surface Water Utility for the Sweetwater Ranch emergency project.

In accordance with the City Council's Desired Budget Outcomes, the proposed Budget does not include any allowed property tax levy increase. Washington State law allows the City to increase its property tax levy up to one percent annually. If enacted, one percent would generate approximately \$62,343 per year in additional compounding revenue for the City. Over a six-year period, a 1% property tax levy increase each year would provide approximately \$1,300,000 in resources for desired City services.

Based on the reasons for the revenue increases, it is clear that our revenues remain relatively flat. Therefore, the City's expenditures must follow suit. While the operational



costs will increase as inflation occurs, the City must carefully review programmatic elements and make decisions to ensure we provide a balanced budget.

Expenditure Assumptions and Key Changes

The City's General Fund expenditures have increased \$708,888 or 3% from the previous biennium.

Departmental budget proposals were reviewed critically against the City's Guiding Principles and the Council's Desired Budget Outcomes. The 2019-2020 Budget includes the following key expenses:

- Wages and benefit costs reflect a 15% increase over the previous biennium.
- An increase of \$515,000 due to the fire service contract.



- Recreation expenses moved into the General Fund (\$715,821), though offset by Recreation revenue.
- The purchase of five police vehicles out of the Equipment Replacement Fund to replace five depreciated police vehicles (\$272,000).
- Information technology needs, including server infrastructure and Police laptop replacements, increased software costs, and upgrading the wireless network in both buildings (\$328,201).
- A development feasibility study for the Dobson-Remillard property and the adjacent area estimated at \$50,000. This study will evaluate potential and desired land uses, including but not limited to recreation, hospitality, retail, office and housing to advance the City's tourism and economic development interests.
- A new Project Engineer in Public Works, with an anticipated biennial cost of \$210,000 in wages and benefits (funded in the Capital Improvement Plan).
- A significant increase of \$9,342,108 (94.1%) in the Capital Improvement Plan due to a programmatic focus (**Appendix K**).

Personnel Budget Changes

The 2019-2020 Biennial Budget includes the following key personnel changes:

- A **Support Services Supervisor** for the Police Department. This role will serve as a first-level

supervisor to the record and property room technicians. It also will be able to help with administrative / executive support for the Administrative division, particularly as the Police Department undergoes transformation from a best-practices and accreditation standpoint. To accommodate this new position within available revenue sources, a vacant and authorized police officer position will not be filled.

- A **Project Engineer** to manage / deliver capital projects. This position is funded within the Capital Improvement Plan.
- The **Human Resources Director** will retire in the first quarter of 2019. This reduces a 0.8 full-time equivalent budgeted position. At that time, I will evaluate departmental needs and organizational structure for any proposed changes to Council.
- **Finance Department** reorganization to reduce one of three existing Accountant positions (due to a resignation effective Oct. 31, 2018), as well as to reclassify the other two Accountant positions to a Senior Accountant position and a Accounting Technician position.

Overall, the 2019-2020 Biennial Budget includes 61.9 employees (excluding the planned reduction in Human Resources) as compared against the prior authorized 2017-2018 Budget amount of 62.2 employees.

Details about each department's goals and activities for the 2019-2020 biennium are included in the Departmental Overview section of this document (**Pg. 72**).



Total Budget – All Funds

Total budgeted revenues, including the Capital Improvement Plan, are \$58,796,945 for 2019-2020, which is an increase of \$1,085,409 (2%) over the previous biennium. Total expenditures are \$58,796,945 for an increase of \$10,065,417 (27%) over the previous biennium. Charts of *Revenues and Expenditures* are on **Pg. 14-15**.

A potential budget impact – in terms of both revenues and expenditures – relates to the Surface Water Utility. The City of Mill Creek's surface water rate has remained unchanged since 1999. The current fee is not enough to cover basic maintenance and operations along with the proposed improvements in the CIP. A rate study currently is underway and new rates will be proposed for 2019-2020 and beyond prior to adoption of the Budget. Until such a rate has been approved, the Budget includes the assumption of revenues of \$1.8 million corresponding to the adopted Surface Water infrastructure projects and is subject to the Council's discussion and adoption of a surface water rate.

A discussion of the funds, including fund balances and key impacts in the new biennium, is detailed below in the Biennial Budget section (starting on **Pg. 21**).

Policy Changes

For the 2019-2020 biennium, there are several policy changes that impact the City's financial operations.

1. The Recreation Fund has been moved into the General Fund. This will keep the entire



Communications and Marketing revenues and expenditures within the General Fund, and will reduce some of the transfers occurring between funds, which complicated the ability to fully understand the entire departmental budget. However, the Recreation expenditures still will be reconciled as a division; Recreation revenue will only support Recreation expenditures.

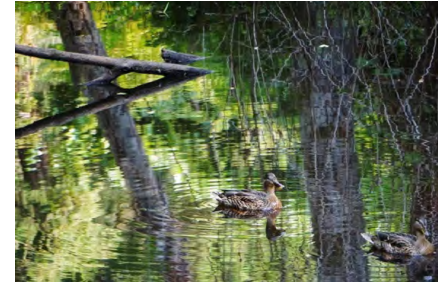
2. The budget also reflects the unwinding of several funds, most notably the Equipment Replacement Fund with the CIP (see **Appendix H, City Fund Structure**).



3. As approved as part of the 2019-2024 Capital Improvement Plan (**Appendix K**), there is a new two-fold policy change related to the City's General Fund Reserve. This reserve sets aside funds to be able to respond to economic fluctuations, cash flow needs and catastrophic events.

- The City's previous policy was to maintain a General Fund Operating Reserve equal to at least 15% of the total annual General Fund budgeted revenue. The policy change increases this amount to 15% of the biennial General Fund budgeted revenue, which significantly increases the required reserve dollar value.
- Further, 33% of all reserve funds anticipated at the end of 2018 above the General Fund Reserve minimum will be transferred to the CIP for capital project investment. The rationale for this transfer is to better align and allocate previous tax payer dollars or one-time funds associated with development toward a capital project providing community benefits to those who paid for the benefits within a reasonable time frame. This one-time transfer at the end of 2018 was \$829,703. With this transfer, the General Fund Reserve is projected to be 21% of general fund budgeted revenue.

4. Similarly, in accordance with the adopted 2019-2024 CIP, this budget also reflects the new policy to transfer one-time revenues into the Capital Improvement Plan Fund on an annual basis. One-time revenues are those which are not expected to reoccur, such as development related revenues



(e.g., construction sales tax and permit fees). To implement this policy and transfer, management analyzed funds that are one time for inclusion in the CIP Fund, recognizing that the City receives a base and recurring amount of development related revenues that should be excluded from any transfer. The City transferred \$400,000 as one-time revenue into the adopted 2019-2024 CIP.

5. Finally, another policy change this year is creation of a "CIP Contingency Fund." As adopted by Council as part of the 2019-2024 CIP, a minimum of 10% of projected revenues from Real Estate Excise Tax (REET) should be designated as a CIP Contingency Fund to be used to support transportation, parks and trails, and City facilities and equipment. REET revenue receipts fluctuate from year to year. Although staff projects revenues realistically, it is prudent to establish an adequate reserve as CIP Contingency Funds and not allocate these revenues until the funds are actually received. Only at Council discretion can these funds be appropriated toward currently unidentified projects or increases in planned projects.



Conclusion

Adopting and monitoring the budget to ensure fiscal stability is a major responsibility for the City of Mill Creek. The budget process affords the City the opportunity to balance the needs of the community against available resources. The budget does not constitute a mandate to spend – only the authority to do so. A conscientious effort has been made to evaluate all budget requests and set priorities that can be judiciously undertaken with available funding.

The notable budget highlights and key activities identified in this document are significant. Yet, these goals are only a portion of what the City will accomplish in the next biennium. Daily operations – such as responding to 9-1-1 calls, investigating crimes, making timely repairs to City infrastructure, responding to code complaints, maintaining landscaping, managing contracts, conducting recreational programming, communicating with diverse audiences, providing general customer service and handling public records requests – make up our basic operational services and are the bulk of what our budget funds.

Funding these basic operational functions in conjunction with new investments in capital improvement and still presenting a balanced budget is evidence of our efforts to be a fiscally responsible, receptive and proactive government. This Budget not only maintains basic services, it makes strategic investments into the City's future and helps preserve our infrastructure and previous investments as we carefully steward taxpayer dollars.

Overall, the City's fiscal position is sound, but service delivery demands, non-discretionary obligations and the Council's Desired Budget Outcomes place financial pressure on the City's resources. Therefore, the 2019-2020 Biennial Budget has been carefully developed to maximize services to the Mill Creek community.

Finally, I cannot conclude this budget message without thanking the many devoted employees who have worked countless hours preparing this budget. Without the expertise, professionalism and steadfast dedication of the staff, this comprehensive budget document could not have been developed. I also thank the Mill Creek City Council for its leadership as policy makers and the citizens of Mill Creek for their input and guidance during the development of this budget.

Respectfully submitted,



Robert S. Stowe
Interim City Manager



Ordinance Adopting the Budget

ORDINANCE NO. 2018-_____

AN ORDINANCE OF THE CITY OF MILL CREEK, WASHINGTON, ADOPTING BUDGETED REVENUES AND EXPENDITURES FOR THE FISCAL BIENNIUM COMMENCING JANUARY 1, 2019.

WHEREAS, the City of Mill Creek, Washington completed and placed on file with the City Clerk a proposed budget and estimate of the amount of moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of the City for the fiscal biennium commencing January 1, 2019; and

WHEREAS, a notice was published that the City Council would meet on December 4, 2018 at 6:00 p.m., in the Council Chambers of City Hall for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of the City an opportunity to be heard in a public hearing upon said budget; and

WHEREAS, the City Council did hold a public hearing at that time and place and did then consider the matter of the proposed budget for the fiscal biennium commencing January 1, 2019; and

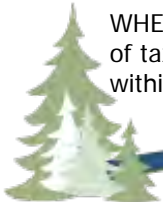
WHEREAS, the proposed budget does not exceed the limit of taxation allowed by law to be levied on the property within the City for the purposes set forth in the budget, and

the estimated expenditures set forth in the budget being all necessary to carry on the government of the City for the fiscal biennium commencing January 1, 2019 and being sufficient to meet the various needs of the City during that period.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. In accordance with the provisions of RCW 35A.33.075 the appropriations budget of the City of Mill Creek for the years 2019-2020 in the aggregate amount of \$58,796,945 is hereby adopted.

Section 2. The totals of the budgeted revenues and appropriations for each separate fund are set forth in summary form in **Exhibit A and B**, and the aggregate totals for all such funds combined, for the 2019-2020 biennium.



Passed in open meeting this ____ day of _____ 2018, by a vote of _____ for, _____ against, and _____ abstaining.

APPROVED:

ATTEST/AUTHENTICATED:

MAYOR PAM PRUITT

ACTING CITY CLERK GINA PFISTER

APPROVED AS TO FORM:

CITY ATTORNEY SCOTT MISSALL

FILED WITH THE CITY CLERK: _____

PASSED BY THE CITY COUNCIL: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

ORDINANCE NO.: _____



Exhibit A - Revenues (All Funds)

Fund	2019-2020 Budget
General Fund	\$ 28,195,366
Special Revenue Funds	
City Street	\$ 1,051,000
Council Contingency	\$ -
Municipal Arts	\$ 23,000
Paths and Trails	\$ 4,000
Drug Buy	\$ -
City Hall North	\$ 374,000
Debt Service Fund	
800 MHz	\$ 20,641
Local Revitalization	\$ 100,000
Capital Funds	
REET	\$ 1,550,000
Capital Improvement	\$ 740,000
Parks & Open Space Improvement	\$ 2,176,000
Road Improvement	\$ 6,320,000
Enterprise Funds	
Storm & Surface Water	\$ 3,240,000
Recreation	\$ -
Proprietary Funds	
Equipment Replacement	\$ 262,449
Unemployment Comp	\$ -
Total Revenue All Funds	\$ 44,056,455
Less Interfund Transactions	\$ (5,306,000)
Total Revenue All Funds Less Transfers	\$ 38,750,455
Biennium Beginning Fund Balance	\$ 20,046,489
Total Revenue Plus Beginning Fund Balance	\$ 58,796,944

Exhibit B - Expenses (All Funds)

Fund	2019-2020 Budget
General Fund	\$ 28,181,353
Special Revenue Funds	
City Street	\$ 1,079,047
Council Contingency	\$ -
Municipal Arts	\$ 30,000
Paths and Trails	\$ 10,500
Drug Buy	\$ -
City Hall North	\$ 817,441
35th Avenue Reserve	\$ -
Debt Service Fund	
800 MHz	\$ 34,632
Capital Funds	
REET	\$ 4,771,641
Capital Improvement	\$ 1,062,640
Parks & Open Space Improvement	\$ 2,980,000
Road Improvement	\$ 5,440,000
Enterprise Funds	
Storm & Surface Water	\$ 3,211,431
Recreation	\$ -
Internal Service Funds	
Equipment Replacement	\$ 375,155
Unemployment	\$ 20,000
Total Appropriation All Funds	\$ 48,013,840
Less Interfund Transactions	\$ (5,306,000)
Total Appropriation All Funds Less Transfers	\$ 42,707,840
Biennium Ending Fund Balance	\$ 16,089,104
Total Appropriation Plus Ending Fund Balance	\$ 58,796,944

City Organization



Guiding Principles

VISION

Mill Creek will be a City where everyone works together to foster an exceptional community experience – a place where people are safe, the natural beauty is preserved, neighborhoods flourish, businesses thrive and recreational opportunities abound.

MISSION

Mill Creek's mission is to set the standard of excellence for local government. Through dynamic and innovative strategies, we provide outstanding public services in a fiscally responsible manner to promote a safe, active and vibrant City.

STAR VALUES

Service

Through continuous improvement, innovation, creativity, professional competence and hard work, we enthusiastically provide outstanding service to all customers, internal and external.

Teamwork

In order to support our shared goals and successes, we teach, learn from, collaborate and cooperate with others, while being flexible, adaptable and inclusive.

Accountability

We are responsible for our actions and decisions, and always portray honesty, integrity, transparency and leadership in our contributions.

Respect

We take pride in our work and accomplishments, and in the work and accomplishments of others. We support an environment that honors the value and dignity of all individuals.

GOALS

Fiscal Responsibility

To responsibly manage the City's financial resources to provide quality public services, cultivate economic prosperity, and maintain a sustainable budget.

Community Preservation

To support the development, maintenance and revitalization of public and private property to ensure the continuation of Mill Creek as a safe, clean and well-maintained community.

Civic Pride

To achieve strong community spirit by promoting active civic participation, public-private partnerships and transparency in government.

Customer Service

To provide excellent service to all who interact with the City by recruiting, training and retaining a skilled, innovative and dynamic workforce.

Recreational Opportunities

To facilitate diverse recreational opportunities for people of all ages.

Public Safety

To protect the life, health and property of residents, visitors and businesses through the delivery of community focused public safety services.

Economic Prosperity

To engage in proactive economic development efforts that result in a robust local economy and position the City as a destination of choice.

Leadership

To influence regional, state and national matters impacting our community through the engagement of staff and elected officials.

Long Term Planning

To maintain the City's special community character by carefully evaluating future opportunities for short and long term benefits in order to protect land use, infrastructure, economic development and service delivery standards.



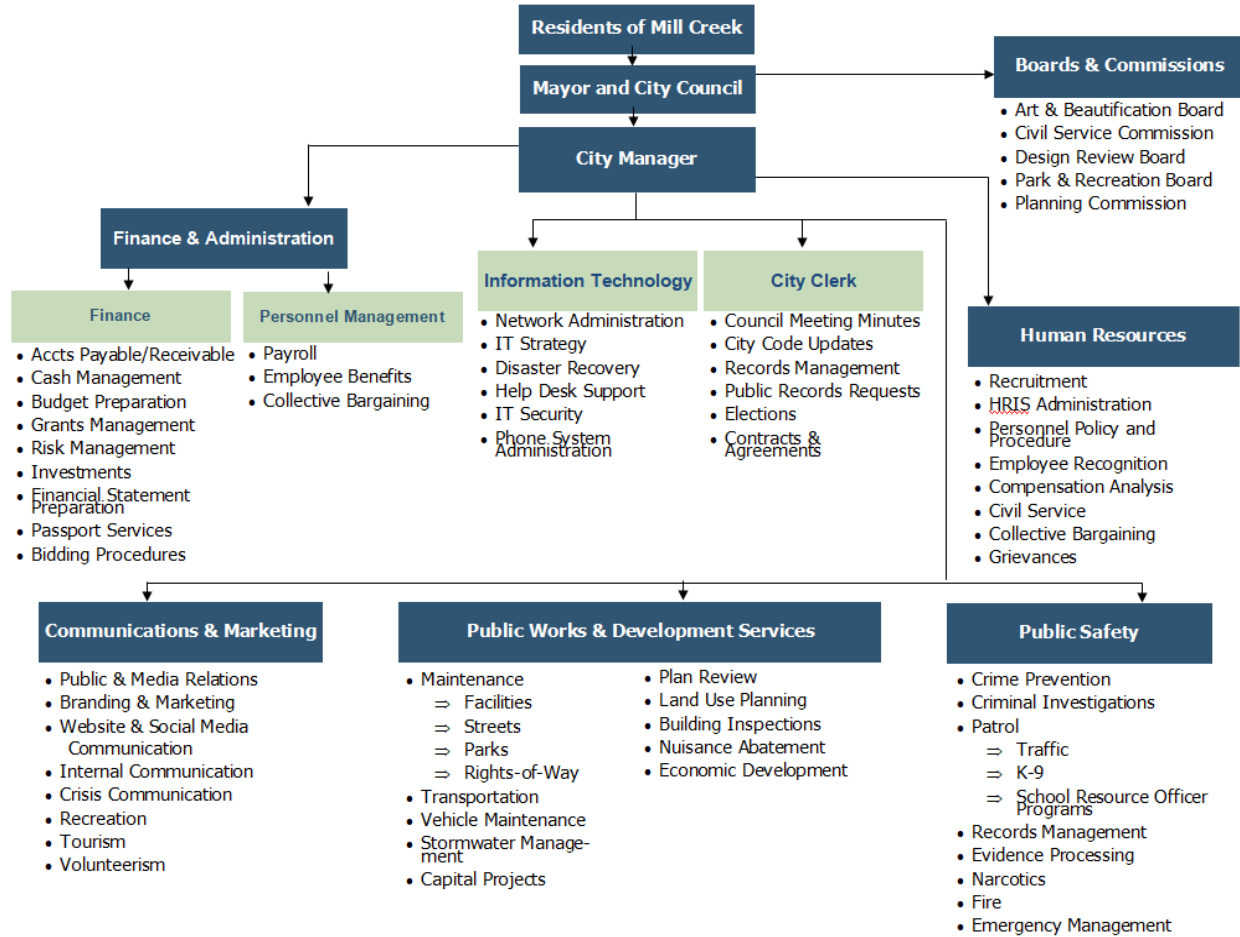
Desired Budget Outcomes

Based on a series of City Council brainstorming and work sessions in early 2018, the following Desired Budget Outcomes were created by the Council.

1. Develop a sustainable budget that aligns ongoing resources to ongoing expenses and one-time resources to one-time expenses.
2. Maintain the City's General Operating Reserves at a level equal to at least 15% of the total General Fund budgeted annual revenue, excluding the beginning fund balance and any significant one-time revenues.
3. Continue to limit the tax burden on Mill Creek's citizens by seeking operating efficiencies wherever possible.
4. Pursue economic development programs and initiatives to create sustainable revenue streams by evaluating and implementing the following:
 - Tourism (activities that draw people and create unique experiences).
 - Changes in development code to promote and incentivize development consistent with Mill Creek's vision.
 - Business recruitment and retention.
5. Continue to construct, maintain, and preserve capital investments as prescribed in the City's adopted CIP.
6. Evaluate and create recreation programs to meet demands and support revenue recovery goals.
7. Retain all existing park land.
8. Continue to grow public involvement, engagement, and volunteerism. Some examples include: officers in neighborhoods, neighborhood watch groups, citizen's academy/patrol, volunteer boards, budget and other topic specific issues of interest to the community.
9. Partner with schools and local groups to provide public safety education (e.g., gun safety, cybersecurity, opioid epidemic).
10. Obtain accreditation and ensure public safety practices protect the City from liability.
11. Ensure police and fire are properly staffed to meet service needs and respond to emergent situations (utilizing the Center for Public Safety Management study as a resource).
12. Develop a citizen satisfaction survey/index/poll via web and biennial mail/telephone survey of City services.



Organizational Structure



2019-2020 Biennial Budget



2019-2020 Biennial Budget Overview

Overview

The City of Mill Creek continues to maintain a healthy financial position. As a result of the Council's strong financial policies, diligent financial management and conservative budget planning, the 2019-2020 Biennial Budget is balanced.

Major budget assumptions when building the budget included:

- Service level increases are necessary to maintain and enhance service levels for the growing population of Mill Creek. The City's population has increased from 18,600 in 2013 to 20,070 in 2018, a growth of 10.14% in the last five years. This figure is important when determining distribution of State shared revenues on a per capita basis.
- City of Mill Creek population growth is assumed to increase significantly above projections in the 2015 Comprehensive Plan. The population growth was targeted to reach 20,196 by 2035; the City hit that mark in 2018.
- The 2018 assessed valuation (AV) is \$ 3,717,193 per thousand. The City's AV is determined by the Snohomish County Assessor.
- Building permit and land-use fees are estimated by the Planning division based on expected 2019 activity.

Fund Balances and Projected Revenues/Expenditures

Across all funds, the City has a projected balance of \$20,046,490 as of the start of the 2019-2020 biennium. The chart below shows the projected balances. The balances reflect annual revenues and deduct expenses reflected in the 2019-2020 Biennial Budget.

The 2019-2020 total General Fund revenues are projected at \$28,195,366 (an increase of 5% over the last biennium) and the total General Fund operating expenditures are budgeted at \$28,181,353 (an increase of 3% over the previous biennium).

Biennium-End Fund Balance	2017-2018	2019-2020
General Fund	\$ 5,742,799	\$ 5,756,811
City Street	\$ 165,512	\$ 137,465
Council Contingency	\$ 61,735	\$ 61,735
Municipal Arts	\$ 37,097	\$ 30,097
Paths and Trails	\$ 13,003	\$ 6,503
Drug Buy	\$ 13,037	\$ 13,037
City Hall North	\$ 556,223	\$ 142,782
Debt Service	\$ 13,991	\$ -
Local Revitalization	\$ 126,023	\$ 226,023
REET	\$ 4,710,993	\$ 1,459,352
Capital Improvement	\$ 1,416,555	\$ 1,093,915
Parks & Open Space Improvem	\$ 2,845,972	\$ 2,041,972
Road Improvement	\$ 2,157,430	\$ 3,037,430
Surface Water Utility	\$ 471,931	\$ 500,500
Recreation	\$ -	\$ -
Equipment Replacement	\$ 1,679,082	\$ 1,566,375
Unemployment Comp	\$ 35,107	\$ 15,107
TOTAL	\$20,046,490	\$ 16,089,105



Economic Drivers

There are several budget drivers that are impacting financial decisions in other municipalities around Washington State. Economic, demographic and social trends are related to one another and, in turn, affect government policies on spending and taxation.

A strong economy, for example, attracts more people to the City, which in turn boosts sales tax collections. At the same time, however, increases in population also put additional pressure on such areas of responsibility as roads, maintenance of public right of ways and public safety initiatives. Following is a brief summary of such drivers and the specific impact on the City of Mill Creek.

Economic Forecast

The Washington economy is expanding at a rapid pace. Washington's unemployment rate reached an all-time low in August. The series extends back to 1976. Seattle home prices continue to rise, but growth may be slowing and recent housing construction has been below the June forecast. Washington exports are rising and manufacturing is growing. The Seattle area consumer price inflation is well above the national average due to the higher shelter cost inflation.

The September economic forecast for Washington State is generally higher than the forecast adopted in June. The State Economic and Revenue Forecast Council now expects Washington nonfarm payroll employment to grow 2.9% this year compared to 2.5% in the June forecast. It also expects employment growth to average 1.2% per year in 2019 through 2023, which is slightly stronger than the 1.1% per year expected in the June forecast.

In addition, the State Economic and Revenue Forecast Council expects 43,800 housing units authorized by building permits this year, down from 45,400 in the June forecast. However, the Council also expects permits to average 42,800 in 2019 through 2023, up from 42,400 in the June forecast.

Inflation

According to the Bureau of Labor Statistics' Consumer Price Index, prices in 2018 are 11.78% higher than prices in 2013. The dollar experienced an average inflation rate of 2.28% per year during this period. Therefore, what \$100 could purchase in 2013 requires \$108.36 in 2018, a difference of \$8.36 over five years.

The State Economic and Revenue Forecast Council expects the all-items Seattle Consumer Price Index (CPI) to rise 3.0% this year, down from 3.3% in the June forecast. Seattle area inflation is anticipated to average 2.2% per year in 2019 through 2023.



Six-Year Forecast

According to the National League of Cities, General fund expenditures are outpacing revenues, a trend anticipated to continue into next year. Although revenues are not in decline, they grew only 1.25% in FY 2017, and are expected to stagnate in FY 2018. Expenditures grew 2.16% in FY 2017, with growth for FY 2018 budgeted at 1.97%.

Financial planning provides insight into the City's financial ability to meet current and future obligations. The charts on **Pg. 24** demonstrates the City's efforts toward achieving a minimum General Fund Reserve of 15%. By 2024, it is anticipated that the City's General Fund Reserve will be reduced to \$2,023,178 over the 15% threshold without consideration of a property tax levy.

The forecast on **Pg. 25** displays a six-year outlook of projected revenues and expenditures. Over the long term, the expenditures will outpace revenues by just under \$1.1 million annually. This disparity between revenues and expenditures is attributable to operational costs increasing at a higher percent than revenue growth. Between now and 2024, it will be important to review alternative revenue sources and monitor expenditures more closely.

The six-year forecast uses the following assumptions:

- The property tax and EMS levies are assumed 0% increase.
- Wages are assumed at a 3% increase and benefits are assumed at a 5% increase annually, which provides for anticipated increases in collective bargaining agreements.
- Operations and maintenance is assumed at 2% annually.

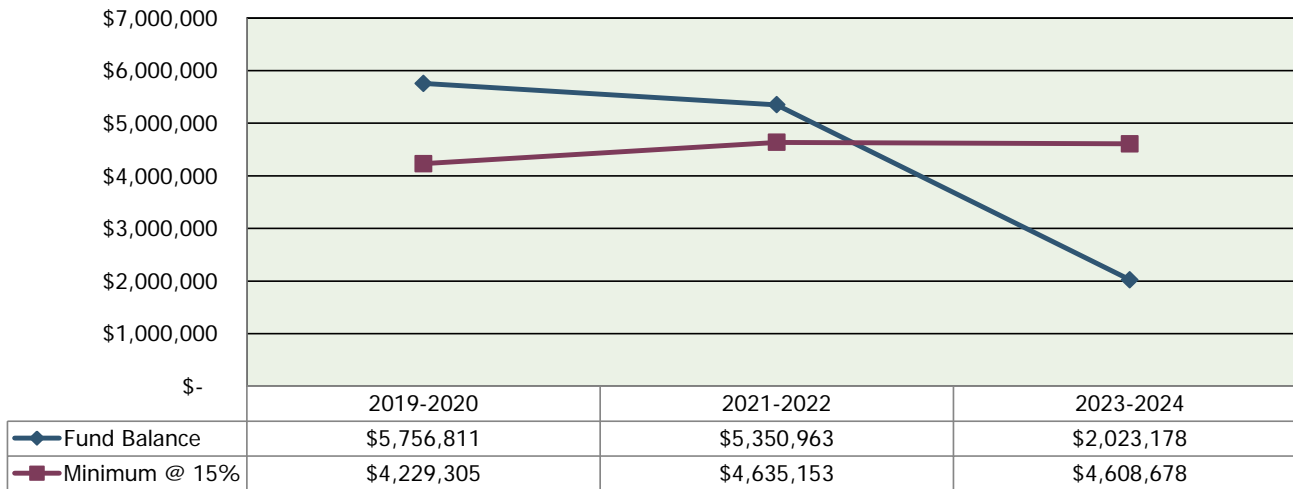
Short-term Issues Impacting Budgetary Decisions

Some short-term factors that influenced the decisions made in development of the budget include:

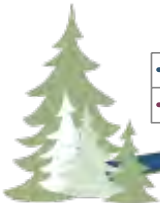
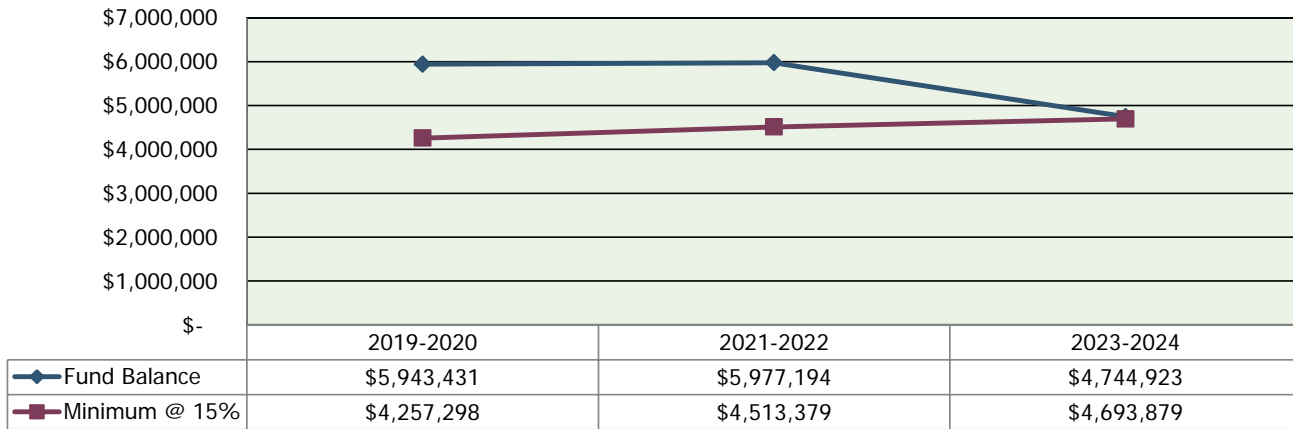
- The pressing need for infrastructure repairs and replacement.
- The long-term compounding effect of incrementally raising property taxes annually.
- The desire to minimize external consultants due to cost.
- Growing public safety concerns on traffic corridors.
- Snohomish County's exponential growth, which impacts the City's roadways.

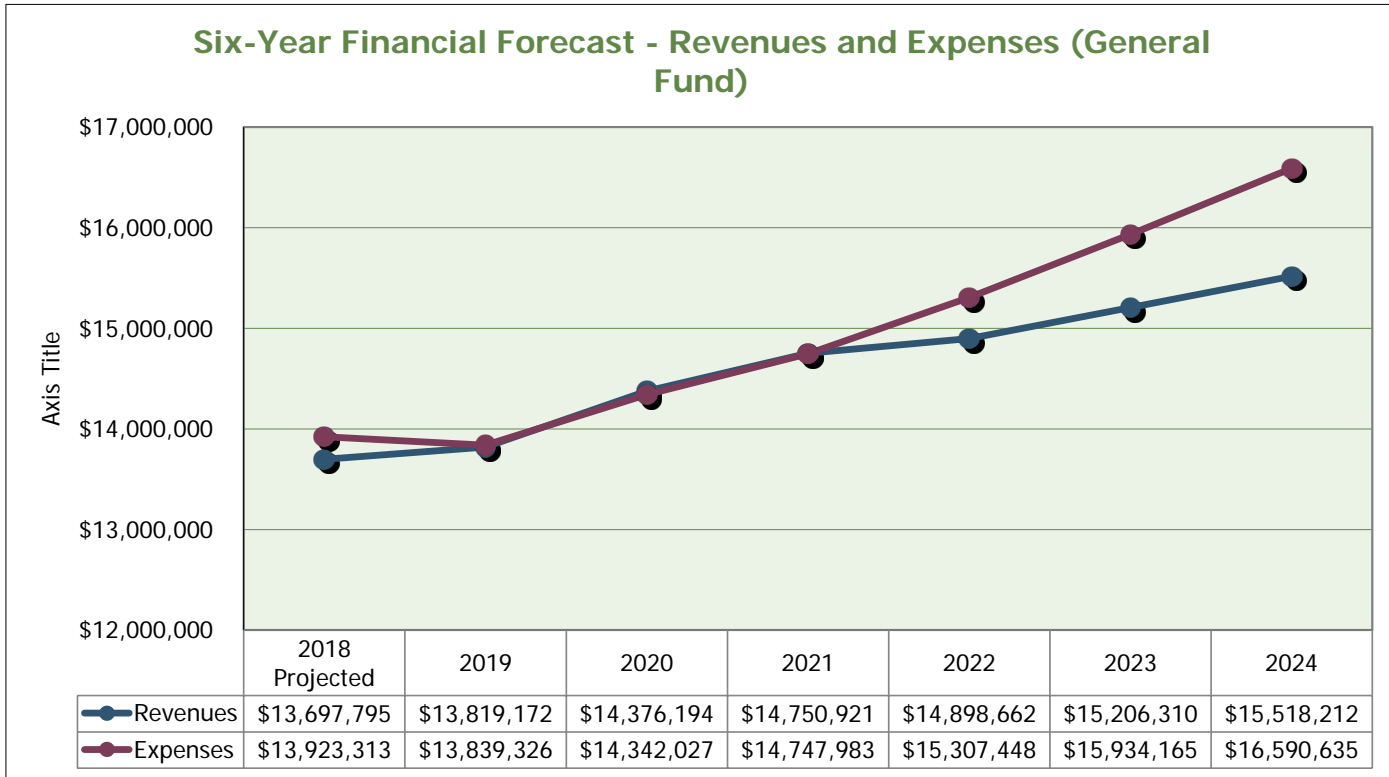


Six-Year Financial Forecast (Gen Fund) Without 1% Property Tax Levy



Six-Year Financial Forecast (Gen Fund) With 1% Property Tax Levy





Long-term Issues Impacting Budgetary Decisions

Following are some long-term issues facing Mill Creek, and potential solutions that the City is addressing incrementally through this budget.

- **Transportation:** As a municipality adjacent to Interstate 5, along SR 527 and SR 96, and with high volumes of north/south traffic through Mill Creek on 35th Avenue SE, transportation issues are top of mind for our community. The City must plan for capacity-increasing projects. The City is impacted by significant growth immediately outside its boundaries; these are people who use Mill Creek roads, shop in our stores and enjoy City amenities. Among the factors impacting budget are traffic calming measures, implementing modern technology to help with traffic flow, investment in infrastructure along transportation corridors and pedestrian safety measures. Though some of these transportation projects have funding in the 2019-2024 CIP, more than \$40 million in unfunded projects have been identified for the next six years.
- **Infrastructure:** The City has entered an infrastructure rehabilitation and replacement phase, meaning that much of its infrastructure is starting to show wear and tear, leading to repair or replacement needs. In particular, this impacts pavement and subterranean infrastructure. The City is reinstating a pavement preservation program to address critical needs. Further, surface water pipes need to be inspected, evaluated and scheduled for rehabilitation

or replacement as needed. A significant amount of funds is budgeted in the 2019-2024 Capital Improvement Plan to address these issues.

- **Environmental:** Preserving Mill Creek's green space and contributing to an environmentally friendly ethic is important for the City. As development opportunities become increasingly limited, the City must balance growth needs against preservation of key resources.
- **Development:** The City of Mill Creek is nearly built out. This provides the impetus for the City to be strategic in how it develops its remaining land. A Development Feasibility Study in this biennium will capture possibilities for strategic investment, particularly on lands surrounding the Dobson-Remillard property and along SR 527 in the northwestern quadrant of Mill Creek. The study's results will drive long-term plans for the area, which may require significant investment.
- **Business:** The business community is strengthening with the emergence of the Greater Mill Creek Chamber of Commerce. The City Council has discussed revisiting annexation discussions, which could provide opportunity to strengthen the City's business offerings. Annexation brings long-term costs, including service levels. The City must weigh long-term pros and cons against short-term impacts.



- **Public Safety:** A number of other related budget drivers can impact public safety levels and response times. An increase in population may require investment in personnel and equipment to ensure appropriate service levels. In addition, public safety work is directly impacted by the growing opioid crisis and issues of homelessness, resulting in impacts to training and service delivery costs.



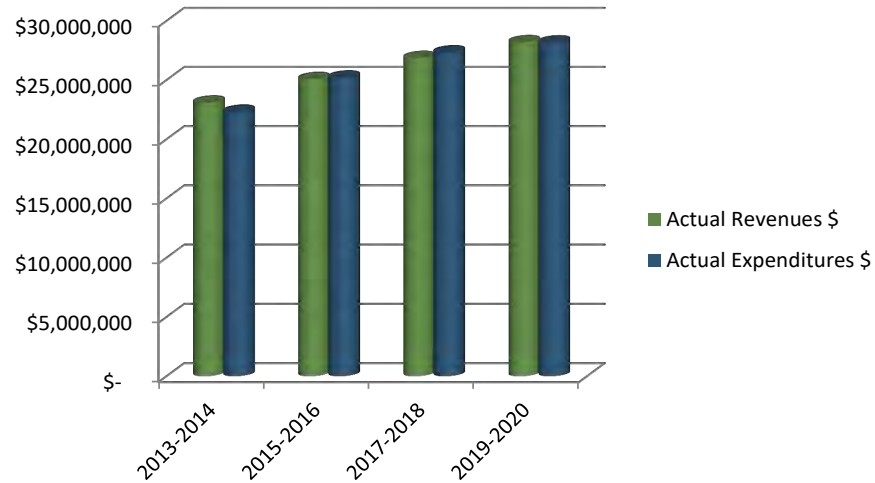
- **Tourism:** Snohomish County's fourth largest industry is tourism. Mill Creek's proximity to I-5, its selection of dining options, unique shopping opportunities, community events and emphasis on active lifestyles with an eye toward sports tourism provides a strategic opportunity to bolster tourism efforts. The long-term budget impact is the need to stay current and fresh in its tourism offerings, the need to portray a consistent and alluring message, and meet the needs and desires of those who come to Mill Creek to partake of what it has to offer.



Revenues and Expenditures (General Fund)

	2013-2014	2015-2016	2017-2018	2019-2020	Change Since 2013-2014
Actual Revenues \$	\$ 23,094,514	\$ 25,086,716	\$ 26,865,761	\$ 28,195,366	\$ 3,108,650
Actual Expenditures \$	\$ 22,325,212	\$ 25,351,657	\$ 27,472,465	\$ 28,181,353	\$ 2,829,696
Actual Revenues % Change	11.52%	2.89%	13.06%	5%	22.09%
Actual Expenditures % Change	11.74%	14.21%	3.12%	3%	26.23%

**The Recreation Fund has been consolidated with the General Fund for 2019-2020 for efficiencies. This adds \$748,000 in revenue and approximately \$715,821 in expenses.*



Revenue Assumptions and Significant Changes

The City's 2019-2020 total revenues in the General Fund over the biennium are projected at \$28,195,366.

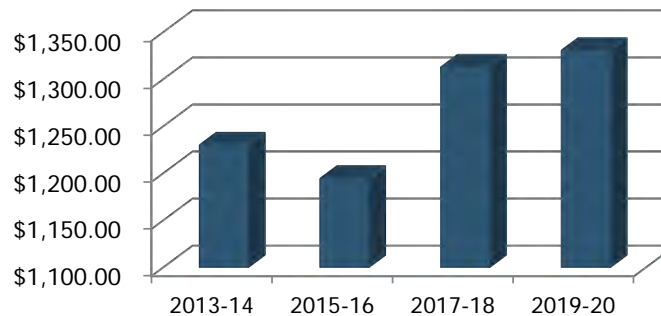
Revenues determine the capacity of a city to provide services. Under ideal conditions, revenues would grow at a rate equal to or greater than the combined efforts of inflation and expenditure pressures. The City's population has increased 10.14% in the last five years, from 18,600 in 2013 to 20,470 in 2018. This has exceeded projections of the 2015 comprehensive plan, which estimated the City would reach that population in 2035. In the last five years, Revenue per capita has increased from \$1,230 in 2013 to \$1,330 in 2018, or 8.18%. The *Revenue Per Capita* chart below demonstrates this increase.

Revenues come from taxes, fees and charges, and intergovernmental revenues. For the 2019-2020 Biennial Budget, General Fund revenues are projected to increase \$1,329,605 or 5% over the previous biennium.

This revenue increase is due to:

- Property and EMS taxes have increased \$172,000 due to new construction.
- Moving the Recreation Fund into the General Fund, which is a \$748,000 increase (though offset by regular Recreation expenses).
- An interfund loan repayment of \$344,000 from the Surface Water Utility for the Sweetwater Ranch emergency project.

Revenue Per Capita

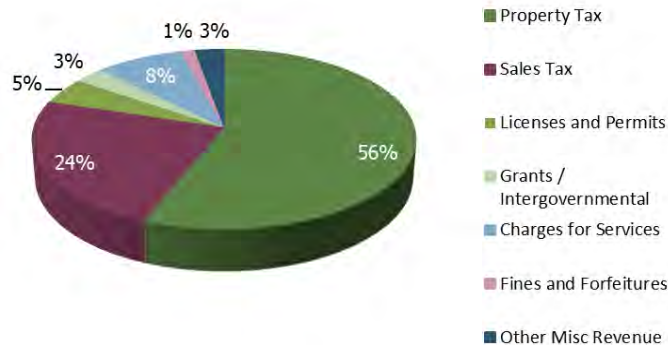


The *Revenue Summary – All Funds* chart below demonstrates the City’s total projected revenues for 2019-2020. The pie chart on the bottom right identifies the percentage of revenues that each source contributes to the General Fund.

Revenue Summary
General Fund

Source	2019-2020 Revenue	% of Revenue
Property Tax	\$ 15,800,000	56%
Sales Tax	\$ 6,715,000	24%
Licenses and Permits	\$ 1,366,000	5%
Grants / Intergovernmental	\$ 788,400	3%
Charges For Services	\$ 2,369,500	8%
Fines & Penalties	\$ 382,000	1%
Miscellaneous Revenue	\$ 774,466	3%
Total Revenue	\$ 28,195,366	100%

Revenue Summary



Taxes

The City’s taxes have significant impact on revenue.

According to the National League of Cities, all major tax sources grew slower in FY 2017 than in FY 2016, and all are expected to grow less than one percent in FY 2018.

This has not held true in Mill Creek. Property and EMS tax for the 2017-2018 biennium increased substantially over the previous biennium due to increased levy amounts for 2015, 2016 and 2017.

Property Tax

The City receives a majority of its revenue from property tax, or 58%. Currently, the City only receives 18% of the property tax assessed. The remaining property tax dollars go to Everett School District (46%), State of Washington (24%), Snohomish County (7%), Library (3%) and the Transit Authority (2%).

The table below shows the levy percentages since 2015. As a result, the 2017-2018 biennium realized a substantial increase in revenue of approximately \$1,064,000 over the same period in the 2015-2016 biennium.

Levy Increases Since 2015

	2015	2016	2017	2018
Regular Property Tax Levy	2.00%	3.00%	0.95%	1.00%
EMS Tax Levy	12.29%	1.00%	31.00%	1.00%

Generally speaking, property taxes increase for an individual taxpayer when the taxing district levies more than it did the previous year. The State of Washington



levies taxes under a budget-based system. As part of the budget process, the taxing jurisdiction establishes the amount of property tax revenue needed to fund the budget. That amount needed to fund the budget is called the levy. Individual taxpayers are responsible for their share of that tax based on their relative percentage of the total assessed value in the taxing district. The assessed value for the City of Mill Creek is the aggregate of residential property value, commercial value and personal property.

Taxing district budgets are limited by how much their budget can increase under Washington State's 1% levy limit.

For 2018, the City's assessed value increased by 17.8% to \$3,717,193 per \$1,000 of assessed value. Based on this, last year the City levied \$6,234,264 for property taxes.

Currently, the City's bank capacity is \$93,436. This is the amount available for tax year 2019, which is the difference between the highest lawful levy that could have been made and the actual levy that was imposed in 2018. This is a 1% increase that the City could use.

Senior citizens at least 61 years of age and disabled persons may receive a reduction or exemption for property taxes.

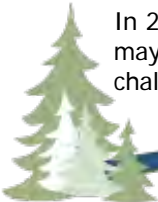
In 2018, several initiatives on the November 2018 ballot may further drive up regional taxes. This creates a challenging climate in which to increase taxes, even when

Example of Property Tax Levy: A city needs to raise \$1 million. The county Assessor estimates the assessed value (A/V) of all taxable property in the city, say \$500 million. A tax rate (levy rate) is calculated by dividing the amount of tax to be raised by the total A/V of the city: \$1 million/\$500 million = \$2 per thousand dollars of A/V. If your home's assessed taxable value is \$350,000, your share of the taxes will be .002 x \$350,000 = \$700. If the following year, the city needs to raise taxes again, it can only raise property taxes 1%. So if the city's budget was \$1 million the first year, it can only raise a \$10,000 tax. If that was Mill Creek, the \$10,000 tax increase would be shared by ~3,300 homes and the share depends on each home's taxable value.

such funds are needed to meet ever-increasing service levels. Cities operate in a continuum of financial stress. By design, cities are challenged to meet a wide range of community needs and desires while utilizing as little of the community's resources as possible. Based on the Council's Desired Budget Outcomes, the 2019-2020 Biennial Budget does not reflect a property tax levy increase.

Real Estate Excise Tax

Real Estate Excise Tax (REET) is a tax levied on the sale of real estate as measured by the full selling price. The City of Mill Creek collects REET funds at the maximum amount allowed by law, which is 0.5% on real estate sales in Mill Creek. REET receipts are subject to variations due to volatility in the local housing market. State law restricts the first and second one-quarter percent (0.25%) of REET



funds to the following uses: planning, acquisition, construction, re-construction, repair, replacement, rehabilitation or improvement of: streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water system and storm and sanitary sewer systems; and planning, construction, reconstruction, repair, rehabilitation or improvement of park and recreation facilities.

State law allows the first one-quarter percent (0.25%) to also be used for: acquisition of parks and recreation facilities; and Planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of: law enforcement or fire protection facilities, trails, libraries and administrative and judicial facilities.

Sales Tax

The City's population increased slightly from 19,900 in 2016 to 20,470 in 2018 (2.8% growth). This positively impacts the City in terms of sales tax revenue. Mill Creek has one of the highest sales tax rates in the state at 10.4%. However, the City only receives 1.1% of the 10.4% tax. Most of the tax revenue goes to the state, which assesses a 6.5% tax. Snohomish County receives .2%, and 2.6% is imposed by transit districts.

We have assumed in our forecast a moderate (2%) retail sales tax to increase. However, we have offset this by assuming a decline in construction sales tax dollars.

Construction Sales Tax

While the new biennium has the potential for an increase in construction sales tax due to proposed development, this is not a trend that we expect to see for the long-term since the City doesn't have much to build out.

According to the Puget Sound Economic Forecaster, a prominent local journal that provides economic forecasts, analysis and commentary for the Greater Seattle area, it is expected that taxable retail sales growth rate will average 3.7% over the next two years. Retail spending is expected to receive a slight bump from rising household wealth evident in the recent surge in home prices.



Interest

The City invests in U.S. Government Securities and the Local Government Investment Pool (LGIP). Investment interest has outperformed expectations in the previous biennium as a result of steadily climbing interest rates in LGIP. The City's net interest earning rate was 2.0612% compared to .5057% in December 2016.

Fees

The City has done well in generating revenue through the passport service fees and development services. The City anticipates being able to maintain this level of revenue for these streams. Charges for services are projected at \$2,369,500 in the 2019-2020 biennium.

The City charges for services such as passports, recreation programs, development services and the Surface Water Utility. The increase in receipts is mainly attributable to development and utility user fees.

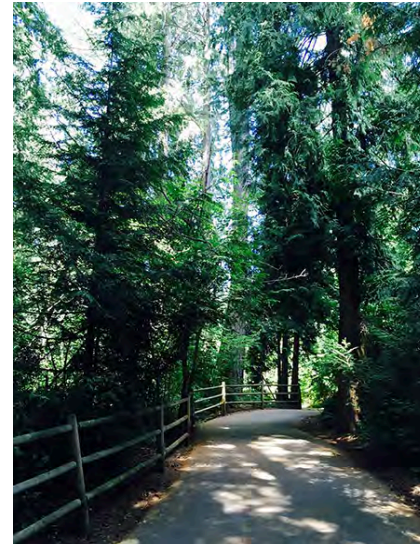
Mill Creek's challenge is keeping fees aligned with increasing costs and Consumer Price Index increases. For example, the Surface Water Utility Rate was set in 1999. In 2019, the \$78 annual fee does not cover the City's costs for basic service – let alone the growing costs associated with infrastructure repair and replacement. The City's business license rates have not been adjusted since they were first implemented.

At the Mill Creek Sports Park, fees for field rentals and light use have not been adjusted since March 2013. More than five years later, the fees are among the lowest in the region. A rate increase proposal is anticipated to be considered by the City Council in November.

These examples demonstrate the need to organize City-wide fees within the municipal code and establish a fee structure that increases with the CPI on a regular frequency. Such an approach will help ensure that operational costs are covered by those benefitting from the services.

Grant Funding

Federal and state grants are projected to make up approximately \$2,249,208 of citywide revenues in the 2019-2020 biennium. As was the case in the previous biennium, nearly all the City's grant funding is allocated for capital projects.



Revenues - All Funds
(Includes operating transfers and interfund transactions)

Fund	2015-2016 Actuals	2017-2018 Modified Budget	2019-2020 Budget	\$ Incr/(Decr) over Last Biennium	% Incr/(Decr) Over Last Biennium
General Fund	25,086,716	26,865,761	28,195,366	1,329,605	5%
Special Revenue Funds					
City Street	972,245	1,016,446	1,051,000	34,554	3%
Council Contingency	14	-	-	-	0%
Municipal Arts	9,904	7,984	23,000	15,017	100%
Paths and Trails	4,002	3,000	4,000	1,000	200%
Drug Buy	35,830	-	-	-	300%
City Hall North	342,854	384,725	374,000	(10,725)	-3%
Debt Service Fund					
800 MHz	71,004	66,218	20,641	(45,577)	-69%
Local Revitalization	35,023	91,000	100,000	9,000	10%
Capital Funds					
REET	2,944,172	3,490,500	1,550,000	(1,940,500)	-56%
Capital Improvement	805,017	1,245,542	740,000	(505,542)	-41%
Parks & Open Space Improvement	1,459,967	126,176	2,176,000	2,049,824	1625%
Road Improvement	2,612,888	7,603,338	6,320,000	(1,283,338)	-17%
Enterprise Funds					
Storm & Surface Water	1,447,387	1,960,762	3,240,000	1,279,238	65%
Recreation	1,206,628	1,140,229	-	(1,140,229)	-100%
Proprietary Funds					
Equipment Replacement	301,371	309,048	262,449	(46,599)	-15%
Unemployment Comp	3	44,000	-	-	-100%
Total Revenue All Funds	37,335,026	44,354,729	44,056,455	(298,273)	-1%
Less Interfund Transactions	\$ (3,020,265)	\$ (4,131,876)	\$ (5,306,000)	(1,174,125)	
Total Revenue All Funds Less Transfers	34,314,761	40,222,853	38,750,455	(1,472,398)	-4%
Biennium Beginning Fund Balance	\$ 15,762,961	\$ 17,488,683	20,046,489	2,557,806	
Total Revenue Plus Beginning Fund Balance	50,077,722	57,711,536	58,796,944	1,085,408	2%

Expenditure Assumptions and Significant Changes

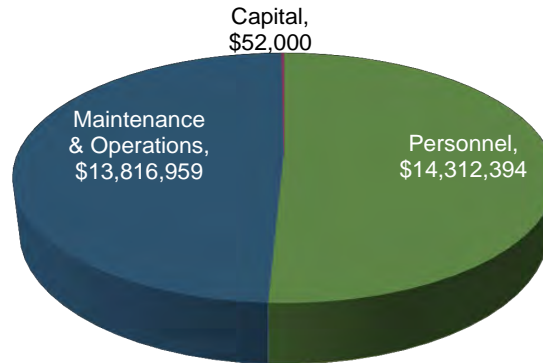
Expenditures are an approximate measure of a city's service output. Generally, the more a city spends in dollars, the more service it is providing. This reasoning does not take into account how effective the services are or how efficiently they are delivered. The first issue to consider is growth rate in order to determine whether the City is operating within its revenues.

Mill Creek takes a serious and proactive approach to managing the continuously escalating cost of maintaining residents' desired service levels and understands this must be accomplished without jeopardizing the City's long-term fiscal stability.

In 2018, the City Council identified 12 Desired Budget Outcomes. These were used by departments to determine their program service levels, staffing and operating needs, and ultimately their budget requests for the 2019-2020 biennium. Based on this, City General Fund expenditures for the new biennium are budgeted at \$28,181,353. The chart of the following page identifies expenditures across all funds.

Expenditures in the General Fund are broken out into personnel, maintenance and operations, and capital. The chart and table at right demonstrate the proportion of these expenditures in the General Fund.

Breakout of General Fund Expenditures



Expenditures - All Funds
(Includes operating transfers and interfund transactions)

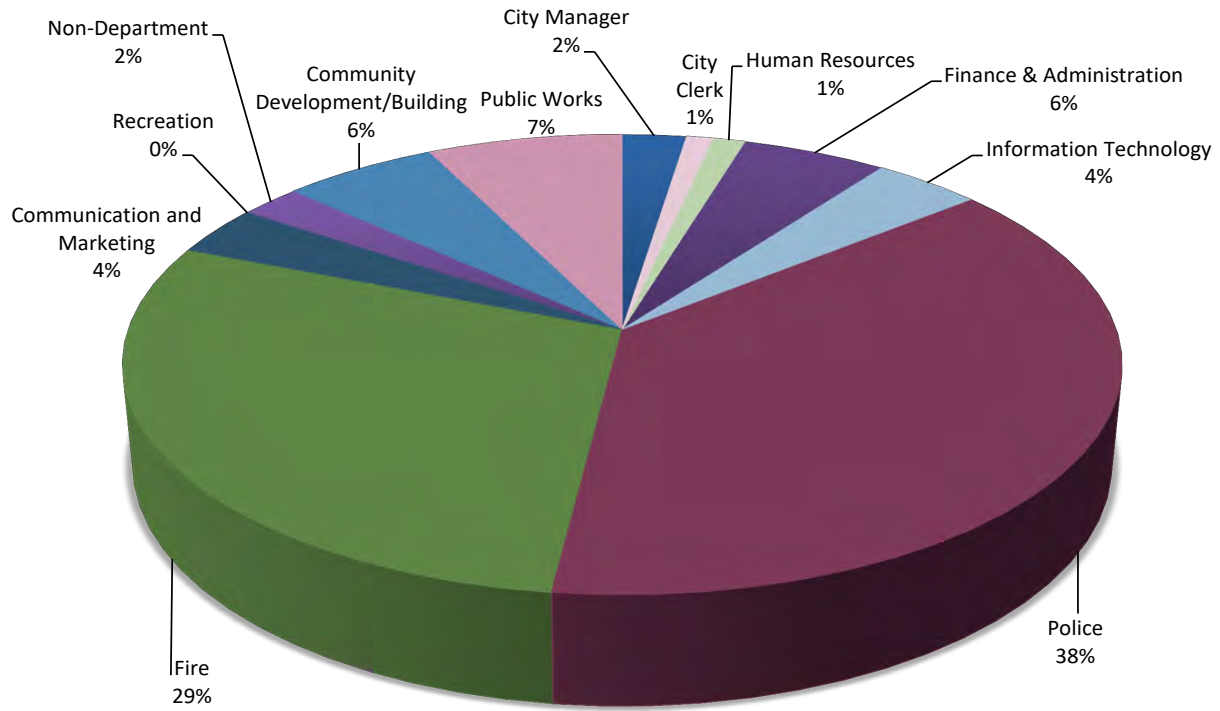
Fund	2015-2016 Actuals	2017-2018 Modified Budget	2019-2020 Budget	\$ Incr/(Decr) over Last Biennium	% Incr/(Decr) Over Last Biennium
General Fund	25,351,657	27,472,465	28,181,353	708,888	3%
Special Revenue Funds					
City Street	1,042,768	1,016,000	1,079,047	63,047	6%
Council Contingency	14,000	3,000	-	(3,000)	-100%
Municipal Arts	2,580	17,327	30,000	12,673	73%
Paths and Trails	327	155	10,500	10,345	6663%
Drug Buy	20,735	43,409	-	(43,409)	-100%
City Hall North	609,483	338,036	817,441	479,405	142%
35th Avenue Reserve	191,860	-	-	-	-
Debt Service Fund					
800 MHz	66,955	66,218	34,632	(31,586)	-48%
Capital Funds					
REET	2,093,606	1,766,965	4,771,641	3,004,676	170%
Capital Improvement	488,533	154,126	1,062,640	908,514	589%
Parks & Open Space Improvement	19,368	810,675	2,980,000	2,169,325	268%
Road Improvement	2,020,371	6,695,605	5,440,000	(1,255,605)	-19%
Enterprise Funds					
Storm & Surface Water	2,095,266	2,093,515	3,211,431	1,117,916	53%
Recreation	1,213,764	1,117,091	-	(1,117,091)	-100%
Internal Service Funds					
Equipment Replacement	355,816	186,176	375,155	188,979	102%
Unemployment	22,214	16,159	20,000	3,841	24%
Total Appropriation All Funds	35,609,304	41,796,922	48,013,840	6,216,918	15%
Less Interfund Transactions	(3,020,265)	(4,131,876)	(5,306,000)	(1,174,125)	28%
Total Appropriation All Funds Less Transfers	32,589,039	37,665,047	42,707,840	5,042,793	13%
Biennium Ending Fund Balance	17,488,683	20,046,489	16,089,104	(3,957,385)	-20%
Total Appropriation Plus Ending Fund Balance	50,077,722	57,711,536	58,796,944	1,085,408	2%

Expenditures Summary by Department (General Fund)

Expenditures	Actual 2015-2016	Modified Budget 2017-2018	Budget 2019-2020	\$ Incr/(Decr) over Last Biennium	% Incr/(Decr) Over Last Biennium
Legislative	141,431	472,897	148,102	(324,795)	-68.68%
City Manager	1,480,818	1,616,770	641,960	(974,810)	-60.29%
City Clerk		-	270,057	270,057	-
Human Resources	-	-	330,388	330,388	-
Finance & Administration	1,430,338	1,395,973	1,489,353	93,380	6.69%
Information Technology	-	789,422	1,099,698	310,276	39.30%
Police	9,694,994	9,996,114	10,349,517	353,403	3.54%
Fire	7,534,260	7,583,878	7,959,759	375,881	4.96%
Communication and Marketing	-	-	954,538	954,538	-
Recreation	-	-	715,822	715,822	-
Non-Department	1,231,257	2,472,976	636,560	(1,836,416)	-74.26%
Community Development/Building	2,206,045	1,338,539	1,588,813	250,274	18.70%
Public Works	1,632,514	1,805,897	1,996,787	190,890	10.57%
Total Expenditures	25,351,657	27,472,466	28,181,353	708,887	2.58%



Expenditures by Department



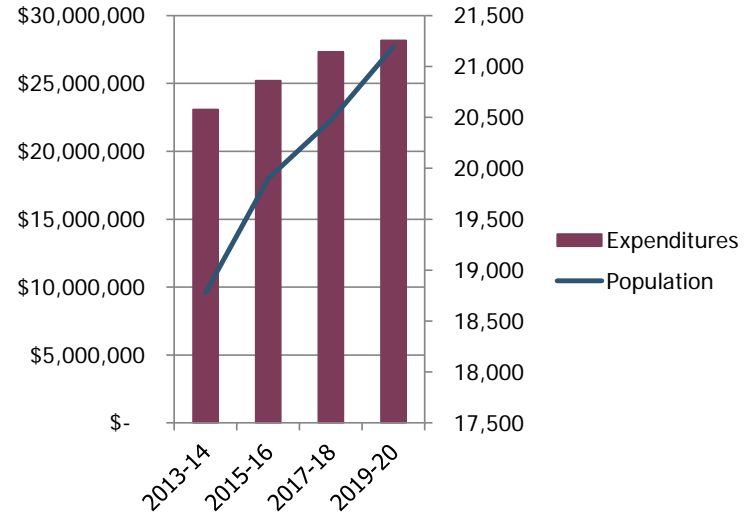
Notable Expenditure Highlights in the Budget

Though for several years, the City's expenditures have grown at a higher rate than population increase after the downturn of the economy between 2007 and 2013, the trend is now smoothing out the increase of expenditures in proportion to the population of Mill Creek (shown in the chart at right).

There are several areas of increased spending in the 2019-2020 biennium over the previous biennium. Notable expenditures supporting the Council's Desired Budget Outcomes are shown on **Pg. 40**.

- Wages and benefit costs reflect a 15% increase over the previous biennium.
- An increase of \$515,000 due to the fire service contract.
- The Communications and Marketing department's focus on public engagement adds a comprehensive communication resource, *City Connection*. The publication will include the Recreation Guide in 2019. The added cost of the publication is partially offset by advertising revenue.
- Recreation expenses moved into the General Fund (\$716,000), though offset by Recreation revenue.

Expenditures vs. Population Increase



- The purchase of five police vehicles out of the Equipment Replacement Fund to replace five depreciated police vehicles (\$272,000).
- Information technology needs, including a server infrastructure and Police laptop replacements, totaling \$328,201.
- A development feasibility study for the Dobson-Remillard property and the adjacent area estimated at \$50,000.
- A new Project Engineer in Public Works, with an anticipated biennial cost of \$210,000 in wages and benefits (funded by Capital Improvement funds).



Notable Budget Highlights

Following are key budget highlights for the next biennium as they pertain to the Council-identified Desired Budget Outcomes. Key activities in 2019-2020 that support each of the Desired Budget Outcomes are identified, along with the City Goal(s) they support, the department(s) responsible, the benefits and the budgetary impact.

Desired Budget Outcomes	Departmental Sponsor	Supports City Goal(s)	Initiative	Benefit	Budget Impact
Develop a sustainable budget that aligns ongoing resources to ongoing expenses and one-time resources to one-time expenses.	City Clerk	Fiscal Responsibility	Public Disclosure Page Development	Once the public disclosure landing page is published on the City's website, we will be able to collect fees established by Ordinance 2018-826.	Additional Revenue \$1500
	Public Works & Development Services	Fiscal Responsibility	Raise Surface Water Utility rate	Provides ongoing funding for ongoing infrastructure repair and replacement needs for the utility	TBD
	Public Works & Development Services	Fiscal Responsibility	Increase traffic mitigation fees	Provides funding for traffic mitigation programs	TBD
Maintain the City's General Operating Reserves at a level equal to at least 15% of the total General Fund budgeted annual revenue, excluding the beginning fund balance and any significant one-time revenues.	Finance & Administration	Fiscal Responsibility	Implement policies to preserve General Fund Reserve minimum balance while establishing one-time and opportunity funds	Responsibly stewards tax-payer dollars while funding capital improvement projects.	Additional \$830,000 in funding available for CIP projects; reserves 10% of REET for unanticipated needs
Continue to limit the tax burden on Mill Creek's citizens by seeking operating efficiencies wherever possible.	Communications and Marketing	Fiscal Responsibility	Consolidation of City publications into City Magazine	Reduces the cost to insert the Recreation Guide into another publication; enhances advertising revenue potential	Reduces costs by \$17,629 and provides about \$16,000 in advertising revenue opportunities
	Communications and Marketing	Fiscal Responsibility	Move recreation budget under the General Fund	By bringing recreation dollars into the General Fund for accounting purposes, we are able to eliminate inefficiencies caused by transferring funds between accounts.	Cost neutral
	Police	Fiscal Responsibility	Consolidate three positions into a Support Services Supervisor role.	Serve as a first-level supervisor to the record and property room technicians, helps with administrative / executive support for the Administrative division, including implementation of best-practices and accreditation initiatives.	Expected cost of wages and benefits is \$211,651 and is offset by the retirement of one employee and reassignment of another in the last biennium.



Desired Budget Outcomes	Departmental Sponsor	Supports City Goal(s)	Initiative	Benefit	Budget Impact
Continue to limit the tax burden on Mill Creek's citizens by seeking operating efficiencies wherever possible.	Public Works & Development Services	Fiscal Responsibility	Hire a Project Engineer instead of contracting out.	Reduces costs associated with project delivery over the biennium.	The full biennial cost (wages and benefits) is \$210,000. The cost is included in the CIP and is offset by a reduction in consulting fees.
Pursue economic development programs and initiatives to create sustainable revenue streams by evaluating and implementing tourism, changes in development code to promote and incentivize development, and business recruitment and retention.	Communications and Marketing	Community Preservation, Economic Prosperity, Long-Term Planning	Conduct a development feasibility study	Determines the opportunities for the Dobson-Remillard property.	Study cost is \$50,000
	Communications and Marketing	Community Preservation, Economic Prosperity, Long-Term Planning	Advertising to support tourism efforts	Highlights the City's signature events, which encourages more spending and thus more sales tax revenue.	Increased advertising funds by \$11,000
	Communications and Marketing	Community Preservation, Economic Prosperity, Long-Term Planning	Make improvements to the Farmers Market to grow customers and vendors	A self-supporting, revenue-generating program, the Farmers Market also provides a highly desirable community amenity.	Nets \$15,000 in revenue
Continue to construct, maintain, and preserve capital investments as prescribed in the City's adopted CIP.	Public Works & Development Services	Community Preservation, Economic Prosperity, Long-Term Planning	CIP transportation, parks and trails, and facilities projects	Helps preserve the City's infrastructure and cultivate economic prosperity.	\$19,270,140
Evaluate and create recreation programs to meet demands and support revenue recovery goals.	Communications and Marketing	Recreational Opportunities	Mill Creek Sports Park rate increases	Rate increases for Mill Creek Sports Park field rentals and light use. This increase aligns with regional market rates and provides some additional revenue.	Projected revenue increase of \$12,805
	Communications and Marketing	Recreational Opportunities	Conduct recreational program analysis and develop new recreational programming	Ensures programming is cost effective and doesn't compete with other community offerings; provides enhanced opportunities for underserved age groups; and generates new revenue.	Neutral budget impact, as some programs are cut and new programs are added
Retain all existing park land.	Executive	Community Preservation, Recreational Opportunities, Long-Term Planning	Conduct a development feasibility study	Determines the opportunities for sports tourism at the Dobson-Remillard property.	Cost included above
Continue to grow public involvement, engagement, and volunteerism.	Communications and Marketing	Civic Engagement, Leadership	Build volunteerism program	Creates civic engagement opportunities.	Cost neutral
Partner with schools and local groups to provide public safety education	Police	Civic Engagement, Public Safety	Continue with School Resource Officer program; work with Communications and Marketing to add and publicize public safety community programs; work with local civic organization to offer educational opportunities	Bolsters relationships with the school district and community groups while providing public safety education.	Cost neutral
Obtain accreditation and ensure public safety practices protect the City from liability.	Police	Public Safety	Continue to execute on recommendations provided in CPSM study	Demonstrates the Police Department's commitment to enhanced public safety and contributes to a safer community.	Cost neutral

Desired Budget Outcomes	Departmental Sponsor	Supports City Goal(s)	Initiative	Benefit	Budget Impact
Obtain accreditation and ensure public safety practices protect the City from liability.	Police	Public Safety, Fiscal Responsibility, Customer Service	Hire a Support Services Supervisor.	Serve as a first-level supervisor to the record and property room technicians, helps with administrative / executive support for the Administrative division, including implementation of best-practices and accreditation initiatives.	Cost included above
Ensure police and fire are properly staffed to meet service needs and respond to emergent situations (utilizing the Center for Public Safety Management study as a resource).	Police	Public Safety, Customer Service	Hire a Support Services Supervisor.	Serve as a first-level supervisor to the record and property room technicians, helps with administrative / executive support for the Administrative division, including implementation of best-practices and accreditation initiatives.	Cost included above
Develop a citizen satisfaction survey/index/poll via web and biennial mail/telephone survey of City services.	Communications and Marketing	Civic Engagement	Implement resident survey tools	Utilize existing resources to conduct resident satisfaction surveys to understand perceived benefit of City services.	Cost neutral



General Fund Expenditures Analysis

Maintenance and Operations Expenditures

Maintenance and operations are the general services provided by the City in the course of its daily operations. The expenditures cover the programmatic efforts of the City as detailed in the **Departmental Expenditures section** (starting on Pg. 70).

Maintenance and operations accounts for \$13,816,959. This represents 49% of the General Fund biennial budget.

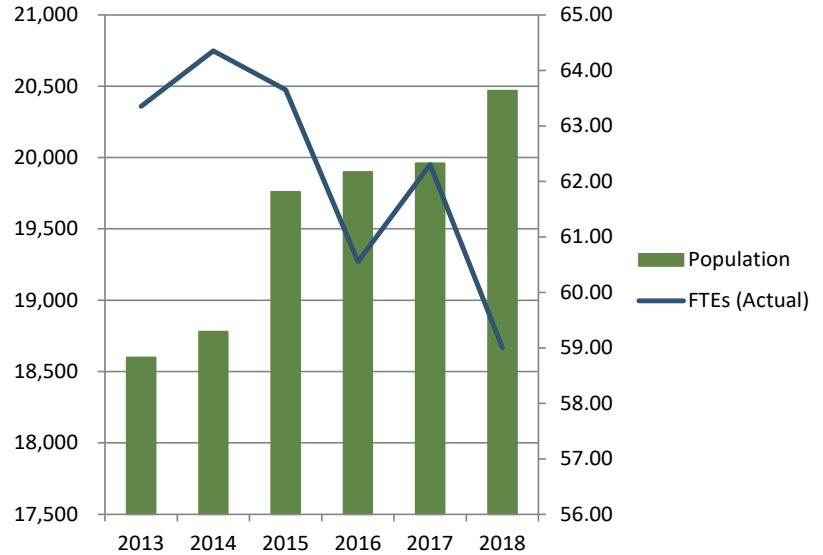
Personnel Expenditures

The City's largest expenditure in the General Fund is related to personnel, which accounts for \$14,312,394.

The City's population has grown 10.14% in the last five years. In the same six-year period, the City's personnel, measured in Full Time Equivalents (FTE), has decreased 8.13%. The number of FTEs does not include preschool, seasonal maintenance aides, any paid interns, or the seasonal basketball program employees (gym supervisor and referees).

The *Change in FTE Relative to Population* chart at right reflects that in 2012, 66.5 employees provided services for 18,450 people, or 1 FTE per 277.44 residents. In 2018, a lower number of employees (59.0) is servicing a higher population (20,470), or 1 FTE to 346.95 residents. This is a 25.05% FTE per capita increase.

Change in FTEs Relative to Population

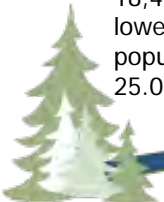


While the number of FTEs has decreased in the last several years, expenditures have continued to increase. This is due to a number of factors.

Wages and Benefits

Nationally, employee wages (88%), public safety (78%) and infrastructure (71%) are the most common areas for which cities increased spending. Fewer cities this year are contracting or privatizing city services and more are increasing spending on personnel and workforce expansion.

In the previous biennium, the City of Mill Creek focused on maintaining the same level of service with relatively fewer positions. This year's budget identifies some personnel



needs due to increased service expectations. Therefore, the 2019-2020 Biennial Budget includes \$14,966,704 in salaries and benefits (a 5.35% increase).

Except for a brief period in the mid-1990s and during the recession in 2008, health care costs have grown much faster than general inflation as measured by the Implicit Price Deflator for personal consumption. Beginning in 2002, cost shifts from employers to employees resulted in much of the decrease in growth of employer medical costs. More recent employer cost control efforts have included generic drug preferences, care management incentives, high-deductible consumer-directed health plans and health savings accounts (HSAs). Health care, including employee health insurance and medical assistance, is nearly 7% of the City's General Fund budget. The size of the health care budget, combined with rapid growth in per capital health care costs, make this a prime operational impact.

Reorganization for Efficiency

Related, as the City matures, its personnel needs have shifted slightly.

In the last biennium, this led to restructuring of departments to create a single Public Works and Development Services department. Personnel needs have shifted from development services to engineering and public works. This reflects a change from a heavy building period to one of preserving the City's existing infrastructure and meeting growth-related needs.

The City also created a Communications and Marketing department to overcome significant weaknesses identified

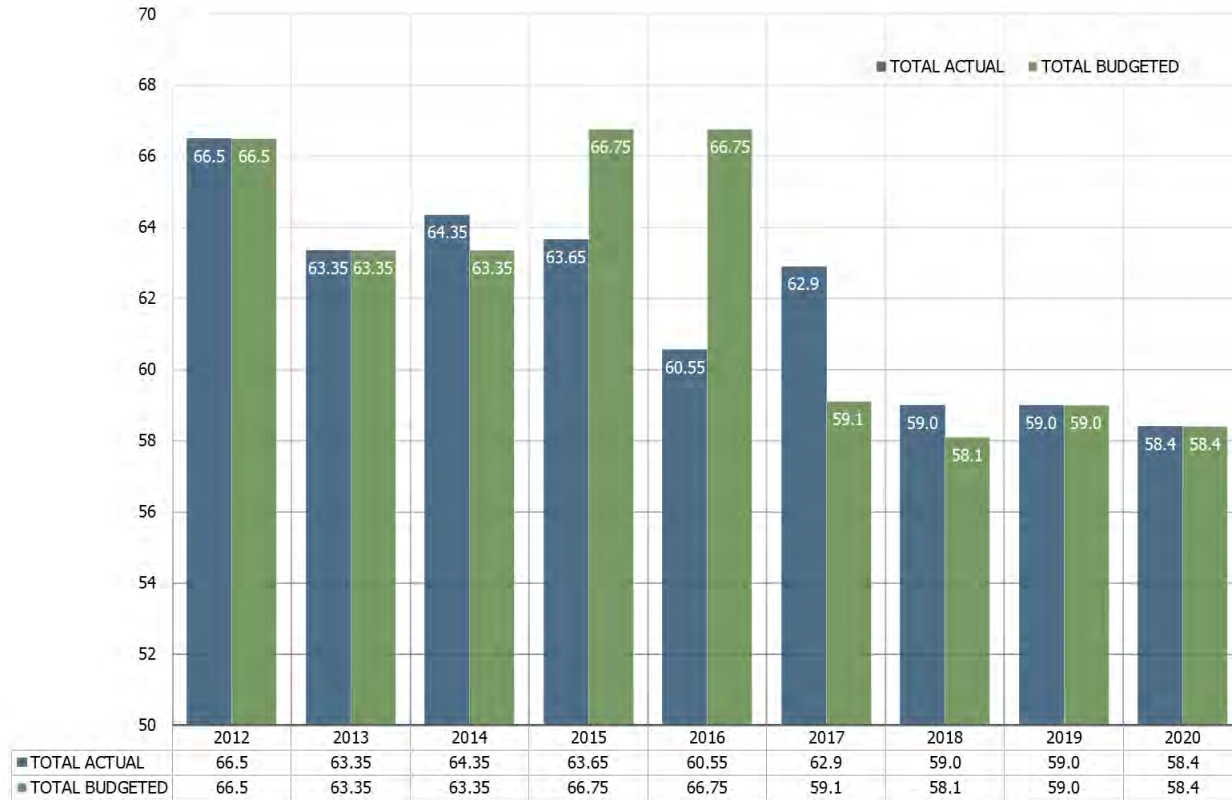
in a Marketing Solutions study in 2016. The PIO position was reclassified to a Director position. The Recreation division was also folded into the department to include a robust community engagement effort focused on developing civic pride, tourism and volunteerism, and maximizes the City's public-facing efforts. As part of the reorganization, a Recreation Manager position was eliminated. A Marketing and Communications Coordinator was hired to fill a vacant Recreation Coordinator role.

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. The City does not accrue accumulated unpaid vacation and associated employee-related costs when earned by the employee. The value of these absences as of September 30, 2018, was \$579,315.



2012-2020 Regular FTE Summary



*This does not include seasonal and irregular positions (e.g., preschool teachers, gym supervisors, basketball referees and seasonal maintenance workers). Lists of all positions budgeted in the 2017-2018 Biennial Budget and 2019-2020 Biennial Budget are provided in **Appendix E**.*



Capital Improvement Expenditures

The City's capital improvement needs also are escalating as much of its infrastructure is aging and is in need of repair or replacement. Capital improvements are major projects requiring the expenditure of public funds over and above routine operating expenses. A capital project is defined as new, replacement of or improvements to infrastructure (e.g., buildings, roads, parks) that has a minimum life expectancy of five years and a minimum cost of \$25,000.

The 2019-2024 Capital Improvement Plan is included as **Appendix K** and includes funded and unfunded projects. It includes 27 funded projects for a total of \$19,005,140. This is the same number of projects as the previous CIP, but with a larger programmatic focus (e.g., pavement preservation) instead of one-off projects. This results in an increased cost of \$9,077,108 (91.4%) over the previous CIP.

The CIP also identifies \$40,175,000 worth of projects for which the City has not identified funding. However, these projects will require the City's attention in the next decade.

This demonstrates that while the City has experienced some recent revenue growth, the City must start planning now for these long-term needs.



Capital Spending

Fund	Description	CFP Project Number	2019	2020	Project Funding
316 Capital Improvement					
	City Hall North HVAC	19-BLDG-01	80,000	-	CFP
	Public Works Workshop Value Engineering Study	17-BLDG-02	-	50,000	CFP
	Entryway ADA Upgrades for City Hall & Library	19-BLDG-02	-	40,000	CFP
	Emergency Operations Center	19-BLDG-03	59,640	-	CFP
	Gateway and Presence Improvement	18-ROAD-13	48,000	85,000	CFP
	Historical Preservation Project	19-BLDG-04	-	25,000	CFP
	City Hall North Roof and Seismic Retrofit	17-BLDG-03	50,000	625,000	CFP
			237,640	825,000	
317 Parks & Open Space Improvement					
	Construction of Exploration Park	17-PARK-03	1,300,000	-	CFP
	Mill Creek Sports Park Turf & Light Replacement	18-PARK-02	1,100,000	-	CFP
	Heron Park Playarea Upgrades	19-PARK-01	50,000	360,000	CFP
	Parks Restroom/Picnic Shelter Roof Replacement	19-PARK-03	-	50,000	CFP
	Trail Preservation Program	19-PARK-04	20,000	25,000	CFP
	North Creek Trail Study	19-PARK-05	-	75,000	CFP
			2,470,000	510,000	



Fund	Description	CFP Project Number	2019	2020	Project Funding
318 Roads Improvement					
	35th Ave SE Reconstruction	17-ROAD-02	350,000	-	CFP
	Seattle Hill Rd Pavement Preservation	18-PAVE-03	1,855,000	-	CFP
	35th Ave SE Pavement Preservation	19-PW-01	-	150,000	CFP
	132nd St SE Mid-block Crossing Improvements	19-PW-02	87,000	663,000	CFP
	Street Pavement Marking Program	19-PW-03	150,000	150,000	CFP
	Mill Creek Blvd Corridor Improvements Study	19-PW-04	250,000	-	CFP
	Concrete Sidewalk Replacement Program	19-PW-05	80,000	100,000	CFP
	Pavement Preservation and Rehabilitation Program	19-PW-06	100,000	855,000	CFP
	Citywide Traffic Signal Upgrades	17-ROAD-03	-	75,000	CFP
	Bridge Monitoring and Improvement Program	19-PW-07	-	50,000	CFP
	EGUV Spine Rd West Connection (Phase 1)	19-ROAD-15	500,000		CFP
	Traffic Safety and Calming Program	19-PW-08	-	25,000	CFP
			3,372,000	2,068,000	
401 Stormwater Management					
	Surface Water Aging Infrastructure Program	19-SW-01	937,500	750,000	Utility
			937,500	750,000	



Fund Review

The City of Mill Creek manages several funds. Following is a breakout of the different types of funds the City manages. On the following pages is a review of each City fund, including anticipated 2019-2020 beginning balance, projected 2019-2020 ending balance, the change from the previous biennium and a discussion of what is transpiring with each fund.

General Fund

The main operating fund is its general fund, which provides general purpose governmental services such as police, fire, park maintenance, general administration and facilities maintenance.

Special Revenue Funds

These funds are used to track the revenue from specific sources restricted to certain purposes. Special revenue funds provide an extra level of accountability and transparency to taxpayers that their tax dollars go toward an intended purpose.

Capital Projects Funds

These funds account for financial resources related capital projects. Capital improvements are major projects requiring the expenditure of public funds over and above routine operating expenses. A capital project is defined as new, replacement of or improvements to infrastructure (e.g., buildings, roads, parks) that has a minimum life expectancy of five years and a minimum cost of \$25,000.

Debt Service

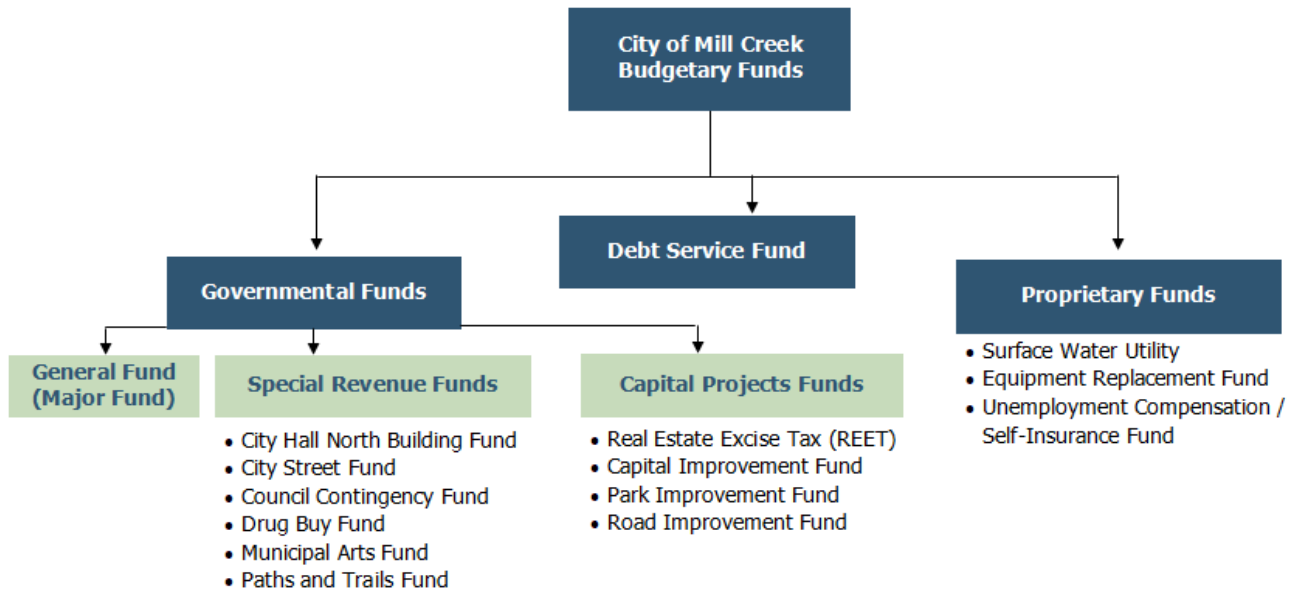
A debt service fund is a cash reserve that is used to pay for the principal and interest on certain types of debt.

Proprietary Funds

More than anything, proprietary funds operate like a business. They pertain to providing goods or services to the general public. It covers the services which are important but not essential to the way a government runs. The City maintains three proprietary funds.



Fund Organization



General Fund

	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$ 5,742,799	\$ 5,756,811	\$14,012	0.24%

Fund Overview:

The City's main operating fund is its General Fund, which provides general purpose governmental services such as police, fire, park maintenance, general administration and facilities maintenance. The General Fund's major sources of revenue are property taxes, sales tax, charges for services (e.g., passport and development services), licenses and permits, and other miscellaneous revenue. This fund is used for the day-to-day operations of the City.

Discussion:

The 2019-2020 total General Fund revenues are projected at \$28,195,366 (an increase of 5% over the last biennium) and the total General Fund operating expenditures are budgeted at \$28,181,353 (an increase of 3% over the previous biennium).

Expenditures	Actual 2015-2016	Modified Budget 2017-2018	Budget 2019-2020	% of Exp.
Personnel	12,700,007	12,609,660	14,312,394	51%
Maintenance & Operations	12,540,385	14,600,204	13,816,959	49%
Capital	111,265	262,601	52,000	0%
Total Expenditures	25,351,657	27,472,465	28,181,353	100%



Special Revenue Funds

CITY HALL NORTH BUILDING FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$556,223	\$142,782	(\$413,441)	-290%

Fund Overview:

On June 30, 2005, the City purchased the property and building at 15720 Main Street. This fund was created to account for the revenues and expenditures related to building lease activity and maintenance of that property. The reserves in this fund are available for any purpose by transfer to another fund.

Discussion:

In addition to the ongoing maintenance and operations of this facility, this fund will contribute resources to the Capital Improvement Fund for the HVAC system and seismic retrofit.

CITY HALL NORTH	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 600,947	\$ 67,866	\$ 36,552
Operations & Maintenance	\$ 8,536	\$ 215,878	\$ 260,889
Capital	\$ -	\$ 54,292	\$ 520,000
City Hall North	\$ 609,483	\$ 338,036	\$ 817,441



CITY STREET FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$165,512	\$137,465	(\$28,047)	-20%

Fund Overview:

This contains dedicated funds that must be separately accounted for from State distributed fuel taxes that are used for maintenance and repair of City streets, street lighting, sidewalks and traffic control devices.

Discussion:

In the 2019-2020 biennium, this fund will be used for operations of City streets. This fund includes a large capital outlay for a bucket truck (~\$120,000).

CITY STREET EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 528,972	\$ 434,000	\$ 332,429
Operations & Maintenance	\$ 513,796	\$ 566,000	\$ 593,909
Capital	\$ -	\$ 16,000	\$ 120,000
City Street	\$ 1,042,768	\$ 1,016,000	\$ 1,046,338



COUNCIL CONTINGENCY				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$61,735	\$61,735	\$0	0%

Fund Overview:

This fund was established pursuant to Revised Code of Washington (RCW) 35A.34.250 and is used to accumulate monies for emergencies or unanticipated needs of the City. Per RCW 35A.34.260, this fund cannot exceed \$.375 per \$1,000 of the assessed valuation.

Discussion:

There are no expenditures planned for this fund, and consequently no appropriation is requested.

COUNCIL CONTINGENCY	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 14,000	\$ 3,000	\$ -
Capital	\$ -	\$ -	\$ -
Council Contingency	\$ 14,000	\$ 3,000	\$ -



DRUG BUY FUND

	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$13,037	\$13,037	\$0	0%

Fund Overview:

This fund complies with RCW 69.50.505, which requires that funds collected or received as a result of drug-related confiscation must be expended on drug enforcement related expenditures.

Discussion:

The drug buy funds were utilized in the 2017-2018 biennium for the acquisition and training of the City's new K9, Bagira. The new K9 team is dual-certified, meaning that it also will have drug detection capabilities. No appropriation is requested for the new biennium.

DRUG BUY	2015-2016	2017-2018	2019-2020
	Actuals	Estimated Actuals	Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 20,735	\$ 43,409	\$ -
Capital	\$ -	\$ -	\$ -
Drug Buy	\$ 20,735	\$ 43,409	\$ -



MUNICIPAL ARTS FUND

	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$37,097	\$30,097	(\$7,000)	-23%

Fund Overview:

This fund contains monies dedicated for the selection, acquisition and/or installation of art work. Per Mill Creek Municipal Code Chapter 3.28, at least 1% of the total project cost for certain municipal construction projects are to be transferred from the originating department or fund to this special fund. This fund was created in order to fund the selection, acquisition and/or installation of works of art in accordance with MCMC 3.28.010.

Discussion:

This budget reflects funding in accordance with the Mill Creek Municipal Code. In the 2019-2024 CIP, the applicable projects from which 1% shall be transferred into the Municipal Art Fund include Exploration Park, park restroom/picnic shelter room replacement, City Hall North roof and seismic retrofit, and City Hall North HVAC. The projects have a combined total of \$2 million, providing for a \$20,000 revenue transfer into the Municipal Art Fund. In the 2019-2020 biennium, the Municipal Arts Fund will be used for the Historical Preservation Project, but may be offset by external funding.

MUNICIPAL ARTS	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 1,069	\$ 17,327	\$ 30,000
Capital	\$ 1,511	\$ -	\$ -
Municipal Arts	\$ 2,580	\$ 17,327	\$ 30,000



PATHS AND TRAILS FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$13,003	\$6,503	(\$6,500)	-100%

Fund Overview:

The Revised Code of Washington requires the City to earmark one-half of one percent of funds received from motor vehicle fuel taxes for paths and trails. These funds are restricted for that particular use.

Discussion:

Funding will be used for the trail preservation program in the 2019-2020 biennium.

PATHS AND TRAILS	2015-2016	2017-2018	2019-2020
	Actuals	Estimated Actuals	Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 327	\$ 155	\$ 10,500
Capital	\$ -	\$ -	\$ -
Paths and Trails	\$ 327	\$ 155	\$ 10,500



Capital Projects Funds

*See the Capital Improvement Plan below (**Appendix K**) for details about the expenditures for all Capital Project Funds.*

REAL ESTATE EXCISE TAX (REET) FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$4,710,993	\$1,459,352	(\$3,251,641)	-223%

Fund Overview:

Real Estate Excise Tax (REET) is a tax levied on the sale of real estate as measured by the full selling price. The City of Mill Creek collects REET funds at the maximum amount allowed by law, which is 0.5% on real estate sales in Mill Creek. REET receipts are subject to variations due to volatility in the local housing market. State law restricts the first and second one-quarter percent (0.25%) of REET funds to the following uses: planning, acquisition, construction, re-construction, repair, replacement, rehabilitation or improvement of: streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water system and storm and sanitary sewer systems; and planning, construction, reconstruction, repair, rehabilitation or improvement of park and recreation facilities. Further, State law allows the first one-quarter percent (0.25%) to also be used for: acquisition of parks and recreation facilities; and Planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of: law enforcement or fire protection facilities, trails, libraries and administrative and judicial facilities.

Discussion:

A significant amount of REET funding will be applied toward capital projects related to: pavement preservation; sidewalk replacement; street pavement marking; a Mill Creek Blvd corridor improvement study; a bridge monitoring and improvement program; a traffic safety and calming program; Mill Creek Sports Park turf and light replacement; and Heron Park playarea upgrades.



CAPITAL IMPROVEMENT FUND

	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$1,416,555	\$1,093,915	(\$322,640)	-29%

Fund Overview:

This fund is for capital improvement projects not funded elsewhere in the budget. This is the “savings” account for capital projects as identified in the Capital Improvement Plan. REET funds are moved into this fund. Capital improvement costs may include acquisition, development, engineering, architectural, or other related costs. The City’s current policy is to transfer one-time revenues into the CIP Fund on an annual basis. One-time revenues are those which are not expected to reoccur, such as development related revenues (e.g., construction sales tax and permit fees). In 2018, the one-time revenue transfer is \$400,000. The CIP Fund had some revisions from what was originally presented in the 2017-2018 biennial budget approved in November 2016. At the time the budget was presented, the CIP and the Equipment Replacement Fund (EORF) were collapsed into one fund. The EORF was originally set up by an ordinance and was not properly dissolved. In addition, the CIP is meant to track projects and not intended to account for capital assets considered rolling stock such as police cars, street sweepers, computers etc. These types of assets are commonly accounted for in an Internal Service Fund, which is considered best practices.

Discussion:

Projects in the biennium funded by the Capital Improvement Fund include the City Hall North roof seismic retrofit, the emergency operations center, ADA upgrades for City Hall and the Library, and the Public Works value engineering study.



PARK IMPROVEMENT FUND

	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$2,845,972	\$2,041,972	(\$804,000)	-39%

Fund Overview:

This fund contains monies to be used for the acquisition and/or development of parks. This City uses a dedicated revenue stream from developers called park mitigation fees. The funds can only be spent on park capital improvements, such as the development of Exploration Park or the Mill Creek Sports Park Turf and Light project.

Discussion:

An analysis of the Park Fund revealed amounts had been transferred to this fund from REET during the period 2000-2010. Statutes require money be returned if the original intent of the funding no longer exists. As a result, a transfer of \$641,000 (includes accumulated interest) was made back to the REET Fund in June 2018. This amount is higher than previously estimated as finance recalculated the information back to 2000. The fund included an inflow of \$200,000 from Snohomish County for the Mill Creek Sports Park turf and light replacement project and for Exploration Park. Fund use in the next biennium will largely be related to Exploration Park in the North Pointe neighborhood.



ROAD IMPROVEMENT FUND

	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$2,157,430	\$3,037,430	\$880,000	29%

Fund Overview:

This fund contains monies dedicated for the improvement of roads, bridges and sidewalks. Typical projects include road and intersection improvements; pavement preservation on arterial streets and highways; pedestrian and bicycle access improvements and bridges. Revenue comes from mitigation payments by developers. Road mitigation fees can only be spent on road capital improvements.

Discussion:

The Road Improvement Fund includes grant funding that was not projected in the 2017-2018 biennial budget. It includes funds from WSDOT and Snohomish County for a total increase in revenue of \$1,300,000. The City expects an influx of mitigation monies related to the proposed development of The Farm.



Debt Service Fund

DEBT SERVICE FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$13,991	\$0	(\$13,991)	-100%

Fund Overview:

This City fund is used to pay debt service on the City's voted and non-voted general obligation debt. The fund is required per bond covenants and governmental accounting principles.

Discussion:

The City has debt service on its portion of the Snohomish Emergency Radio System megahertz equipment that was funded 20 years ago, which will be paid off in 2019.

DEBT SERVICE	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 66,955	\$ 66,218	\$ 34,632
Capital	\$ -	\$ -	\$ -
800 MHZ	\$ 66,955	\$ 66,218	\$ 34,632



LOCAL REVITALIZATION FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$126,023	\$226,023	\$100,000	79.35%

Fund Overview:

In accordance with RCW 39.104, the State established a Local Revitalization Financing program, which permits municipalities to pass an ordinance designating Revitalization Areas to finance public infrastructure designed to attract private investment and stimulate economic development. In 2009, Mill Creek so identified the East Gateway Urban Village and was provided \$330,000 in funding from the state's Local Revitalization Financing program. This Local Revitalization Financing District allows the City to potentially participate in providing public infrastructure to support development. If the City determines that it is in the City's best interest to participate with a developer by building public infrastructure (public road or storm water facilities), the City can have the state pay half of the payments necessary to repay the debt. As part of the Local Revitalization Financing District, the City expects to receive 75% of the County's property tax on the value of new construction in EGUV. These funds will be placed in a debt service fund.

Discussion:

This fund began receiving property tax from the County's assessed valuation on new construction in EGUV. Since 2016, the City has received \$125,700 and anticipates receiving \$100,000 in 2019-2020.

LOCAL REVITALIZATION FUND	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ -	\$ -	\$ -
Capital	\$ -	\$ -	\$ -
Unemployment	\$ -	\$ -	\$ -



Proprietary Funds

SURFACE WATER UTILITY

	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$471,931	\$500,500	\$28,569	6.05%

Fund Overview:

This is an enterprise fund for the operation and capital improvement projects of the surface water utility. It is a self-supporting government fund that provides goods and services to the public for a fee – in this instance surface water services. Revenue comes from user fees billed to all properties in the City based upon equivalent residential units. Reserves in this fund can only be spent for surface water purposes.

Discussion:

The Sweetwater Ranch Storm Water Project, which cost \$843,000 in 2018, consumed the majority of the fund balance. An interfund loan was made to this fund on October 1, 2018, in the amount of \$500,000 to facilitate cash flow needs of routine operations along with increased expenditures for a rate analysis and design package in connection with future surface water infrastructure repairs. Quarterly payments for the principal and interest on the interfund loan are scheduled to be \$43,033 for a biennial total of \$344,264. A rate study currently is underway and new rates will be proposed for 2019-2020 and beyond prior to adoption of the Budget. Until such a rate has been approved, the Budget includes the assumption of revenues of \$1.8 million corresponding to the adopted Surface Water infrastructure projects and is subject to the Council's discussion and adoption of a surface water rate.

SURFACE WATER EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 192,293	\$ 379,160	\$ 635,616
Operations & Maintenance	\$ 1,054,976	\$ 1,710,413	\$ 712,000
Capital	\$ 847,997	\$ -	\$ 1,687,500
Surface Water	\$ 2,095,266	\$ 2,089,573	\$ 3,035,116



EQUIPMENT REPLACEMENT FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$1,679,082	\$1,566,375	(\$112,707)	-7.20%

Fund Overview:

This fund accumulates resources for the replacement of City-owned vehicles, equipment and other major assets previously purchased. Individual departments owning and operating vehicles/equipment pay into this fund based upon straight line depreciation over the useful life of the asset.

Discussion:

Throughout the period 2011-2014, transfers totaling \$160,000 were made to the Equipment Replacement Fund from REET for the anticipated replacement of the Mill Creek Sports Park turf. However, since this type of expenditure does not qualify as a revolving asset, the amount was transferred back to REET.

EQUIPMENT REPLACEMENT	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ -	\$ -	\$ -
Capital	\$ 355,816	\$ 186,176	\$ 375,155
Equipment Replacement	\$ 355,816	\$ 186,176	\$ 375,155



UNEMPLOYMENT COMPENSATION / SELF-INSURANCE FUND				
	Anticipated 2019-2020 Beginning Balance	Anticipated 2019-2020 Ending Balance	Increase (Decrease)	Percent Change Incr/(Decr) from 2017-2018
Funds Available for Appropriation	\$35,107	\$15,107	(\$20,000)	-132%

Fund Overview:

The City does not pay into the state's unemployment fund due to its historically low employee turn-over rate; funds paid to the state cannot be recovered if not used. Therefore, the City is self-insured and established a reserve fund to pay the cost of unemployment claims. The fund also covers insurance deductibles for property and auto insurance.

Discussion:

Money is placed into this fund for unanticipated events as noted above.

UNEMPLOYMENT	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 22,214	\$ 16,159	\$ 20,000
Capital	\$ -	\$ -	\$ -
Unemployment	\$ 22,214	\$ 16,159	\$ 20,000



2019-2020 Operating Transfers & Interfund Transactions			
Fund	Description	Transfers In	Transfers Out
REET	35th Avenue		\$ 350,000
	Seattle Hill Road Pavement Preservation		\$ 1,135,000
	35th Ave Pavement Preservation		\$ 150,000
	132nd Street SE Mid-Block Crossing Improvements		\$ 75,000
	Street Pavement Marking Program		\$ 300,000
	Mill Creek Blvd Corridor Improvements Study		\$ 250,000
	Citywide Traffic Signal Upgrades		\$ 75,000
	Bridge Monitoring and Improvement Program		\$ 50,000
	Traffic Safety and Calming Program		\$ 25,000
	Mill Creek Sports Park Turf & Light Replacement		\$ 816,000
	Heron Park Playarea Upgrades		\$ 410,000
	Trail Preservation Program		\$ 35,000
	Gateway and Presence Improvement		\$ 85,000
	Concrete Sidewalk Replacement Program		\$ 180,000
	Pavement Preservation and Rehabilitation Program		\$ 955,000
Capital Improvement	City Hall North HVAC	\$ 80,000	
	Gateway and Presence Improvement	\$ 85,000	
	Historical Preservation Project	\$ 25,000	
	City Hall North Roof and Seismi Retrofit	\$ 300,000	
City Hall North	City Hall North HVAC		\$ 80,000
	City Hall North Roof and Seismi Retrofit		\$ 300,000
Municipal Arts	Historical Preservation Project		\$ 25,000
Paths and Trails	Trail Preservation Program		\$ 10,000



Fund	Description	Transfers In	Transfers Out	
Parks	Mill Creek Sports Park Turf & Light Replacement	\$ 816,000		
	Heron Park Playarea Upgrades	\$ 410,000		
	Trail Preservation Program	\$ 45,000		
Roads	35th Avenue	\$ 350,000		
	Seattle Hill Road Pavement Preservation	\$ 1,135,000		
	35th Ave Pavement Preservation	\$ 150,000		
	132nd Street SE Mid-Block Crossing Improvements	\$ 75,000		
	Street Pavement Marking Program	\$ 300,000		
	Mill Creek Blvd Corridor Improvements Study	\$ 250,000		
	Concrete Sidewalk Replacement Program	\$ 180,000		
	Pavement Preservation and Rehabilitation Program	\$ 955,000		
	Citywide Traffic Signal Upgrades	\$ 75,000		
	Bridge Monitoring and Improvement Program	\$ 50,000		
	Traffic Safety and Calming Program	\$ 25,000		
	Total Operating Transfers & Interfund Transactions		\$ 5,306,000	\$ 5,306,000



Relationship Between Departments and City Funds

Departments	Executive	Communications & Marketing	Finance & Administration	Police	Public Works & Dev. Services
Governmental Funds					
General Fund					
Special Revenue Funds					
City Hall North Bldg Fund				X	X
City Street Fund					X
Council Contingency Fund	X				
Drug Buy Fund				X	
Municipal Arts Fund		X			
Paths and Trails Fund		X			X
Capital Projects Funds					
REET	X	X	X	X	X
CIP Fund	X	X	X		X
Park Improvement Fund	X				X
Road Improvement Fund					X
Proprietary Funds					
Surface Water Utility					X
Equipment Replacement Fund				X	X
Unemployment Comp / Self-Ins.	X				
Debt Service Fund					
				X	



Departmental Expenditures



Legislative Department

The City of Mill Creek operates as a Council-Manager form of government.

The City Council consists of seven officials, each elected to four-year terms. The terms are staggered and expire at the end of odd-numbered years. Individual Councilmembers do not have governing power as individuals, but only when meeting as a Council, when a quorum (4 or more) are present. Every two years, the City Council elects a Mayor from its members to serve as the Chair of the Council.

Under the Council-Manager form of government, the City Council establishes legislative policy and budgetary authority. The City Manager serves as the Chief Executive Officer of the City and prepares the proposed budget for

Council consideration, administers code and legislative policy, establishes administrative policy, handles complaints and appoints and removes City employees.

The City Council enacts laws and policies through the adoption of ordinances and resolutions. Through these legislative actions the Council establishes priorities for the City Manager and develops objectives designed to fulfill the City's vision and mission.

The City Council meets regularly on the first, second and fourth Tuesdays of each month.

See Council biographies in **Appendix G**.

2019-2020 Legislative Department Expenditures

LEGISLATIVE EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 95,759	\$ 92,308	\$ 96,102
Operations & Maintenance	\$ 45,673	\$ 380,588	\$ 52,000
Legislative	\$ 141,431	\$ 472,896	\$ 148,102



Executive Department

The City Manager, who serves as the City's Chief Executive Officer, is appointed by the City Council to manage the administrative affairs of the City through professional leadership and management practices. The City Manager:

- Provides management direction for all City departments and activities in accordance with City Council policies and direction;
- Makes policy recommendations to the City Council;
- Ensures appropriate execution of policies, laws and regulations;
- Develops the City's biennial budget for Council review and approval; and
- Represents the City within the community and at the regional, state and federal levels to advance Mill Creek's priorities and interests.

The City Manager heads the Executive Department, which includes five divisions: City Manager's Office, City Clerk, Human Resources, Information Technology and Legal (City Attorney).

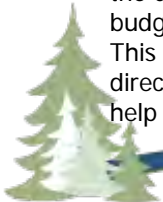
The City Clerk / PIO role was reorganized to the Communications and Marketing director role, equating to the department having 3.8 Full-Time Equivalents (FTEs) budgeted in 2017-2018. It now has 4.8 FTEs budgeted. This is a temporary increase; in anticipation of the HR director's retirement in 2019, an HR specialist was hired to help with knowledge transfer.

City Manager's Office

The City Manager prepares and submits the budget proposal for the fiscal period to the Council and oversees administration of budget upon adoption by City Council.

The Manager handles issues affecting the City with the proper local and state legislative officials to enhance the position of the City. Further, the City Manager directs and evaluates the development and implementation of City goals, strategies, policies and programs.

This role is responsible for overseeing day-to-day operational activities of all City departments in order to carry out policies and meet organizational goals. This includes direct supervision and leadership for members of the City's management team, enabling them to effect actions which carry out policies set forth by the City Council.



The City Manager reports regularly to the City Council on the status of City operations and programs, financial condition, and future needs of the City. To do this, the City Manager attends meetings of the City Council and other boards and commissions as necessary; and facilitates supportive and positive working relationships between Council members, boards, commissions and City staff.

The City Manager oversees the preparation of City Council agendas/materials, and coordinates regular Council meetings.

Further, the City Manager meets with various public and private officials, organizations, community groups, and others to resolve issues and, as necessary, present policy issues to the City Council for decision and direction.

City Clerk

The City Clerk is responsible for legislative support to the City Council, including preparing agenda packets and minutes for City Council meetings and fulfilling the statutory requirements of the position of City Clerk; maintaining the City's central filing and records management system; coordination of contract execution and processing; overseeing Board and Commission activities and recruitments; codifying and maintaining the municipal code; acting as the City's Public Records Officer, including managing the Public Disclosure Coordination Team; and serving as Executive Assistant to the City Manager.

Other duties include: processing special event permits; updating and maintaining the Council Planning Schedule;

serving as elections liaison to Snohomish County; investigating and submitting claims to WCIA; managing the City's citizen request management system, including training staff; coordinating VIP attendance for City and Community events; and serving as a City Recognition Committee member. The goal of the Clerk's office is to promote transparency in government.



Human Resources

Human Resources is responsible for providing policy recommendations to the City Manager on labor and employment matters. This division provides support and guidance to department directors, managers and supervisors regarding personnel policies and procedures, conflict resolution, disciplinary actions and other personnel matters.



Information Technology

The Information Technology division is responsible for the strategic development and professional management of the City's information technology infrastructure and related systems. The division maintains the integrity, security and performance of all information technology systems used in every aspect of City business. This includes maintaining more than 15 servers and network appliances, 86 workstations and laptops, 36 printers, 66 phones, and 34 cell phones, as well as other electronic equipment.

Legal

The City Attorney is hired by the City Manager and represents the City, and in that capacity provides legal advice to the Council, City Manager and staff. The City Attorney represents the City before judicial and administrative bodies in civil proceedings.

2017-2018 Biennial Accomplishments

City Manager's Office

- Negotiated a tentative agreement for the provision of Fire and EMS services.
- Negotiated a new contract with AFSCME for 2017-2020.
- Negotiated new telecommunications and cable franchise agreements.
- Conducted Comcast audit.

- Created a comprehensive policy and corresponding ordinance to govern the processing of public records requests.
- Published a formal budget book for the 2017-2018 biennium that is organized based on GFOA budget criteria.
- Reorganized and expanded the Recreation department into the new Communications and Marketing department.
- Conducted in-house executive recruitments for a Director of Communications and Marketing (started Feb. 1, 2017) and a Director of Public Works and Development Services (started Nov. 1, 2017).
- Completed the City Hall remodel and held a dedication ceremony and community open house in April 2017.
- Established monthly meetings with union leadership to facilitate two-way conversations.
- Updated the City's business expense policy.
- Implemented a policy on policies to help staff, the Council and outside parties know when something needs to be formalized and who has topical authority. The policy also created a cataloging approach, so policies developed in each department will have a specific numbering and dating system to make it easier to locate the policy.
- Developed legislative agendas for both years of the biennium and worked to advocate for the City's position on key issues.



- Developed a video for ICMA about the City of Mill Creek and how it is positioned for long-term success.
- Contracted with the Center for Public Safety Management to conduct studies of our Police and Fire operations.
- Implemented a City closure process, and identified who are considered essential personnel and their roles in an emergency.
- Held a Town Hall meeting in July 2017 to provide the community with an overview of what is transpiring in the City and allow them to ask questions.
- Worked with Council to identify strategic priorities, and desired budget outcomes for revenues and expenses.
- Developed the 2019-2020 Biennial Budget and 2019-2024 Capital Improvement Plan.
- Implemented a tracking process to respond to questions or issues raised during City Council meetings, which drives responsiveness and accountability.
- Supported a robust Wellness program, for which the City received a WellCity Award. As a result, the City receives a 2 percent premium discount on its AWC Employee Benefit Trust 2019 medical premiums for employees, spouses and dependents.



City Clerk

- Developed an ordinance and procedure governing policy development for all departments and enhanced transparency by setting up an online policy manual with Code Publishing.
- Streamlined the processing of public records requests by utilizing a centralized tracking system.
- Developed a new template for City Council minutes that creates uniformity with agendas and reduces staff time.
- Reviewed current and archived documents in iCompass, the City's cloud-based agenda management solution and document repository. Transitioned relative documents to the City's new website resulting in a cost savings of \$600 annually.
- Began using Request Tracker, the City's web-based citizen response tool, for all public disclosure requests providing for a centralized location of communication between requestors and staff.
- Worked with the Communications and Marketing department to produce a Citizen Response and Centralized Communications Log policy.
- Developed automatic escalation levels in Request Tracker resulting in a seven-day decrease in staff response time.
- Worked with Code Publishing to have policies and procedures codified and available online with the Municipal Code.
- Served as a member of the Web Team that designed the City's new website and ensured a successful launch.
- Worked with IT to research and deploy a replacement for the City's citizen request management system.
- Created and manages the Public Disclosure Coordination Team.
- Worked with Communications and Marketing to develop a universal board and commission application.
- Hosted a summer intern that helped export attachments from Request Tracker to be imported in the new citizen request management system.
- Selected, designed and configured office furniture for the administration department during the City Hall South remodel project.
- Worked with the State Auditor's Office to provide Lean training to the Leadership Team.
- Coordinated the following Employee Recognition Events, including
 - employee appreciation dinner,
 - turkey bowling,
 - take your dog to work day,
 - sweets with Santa,
 - meet and greet ice cream social,
 - retirement parties,
 - new employee welcome baskets, and
 - milestone anniversary acknowledgments.



Human Resources

- Implemented online recruitment, application and hiring process.
- Developed electronic position requisition allowing for appropriate internal controls.
- Completed job description review and updates for all non-police positions.
- Instituted internship program.
- Implemented online recruitment, application and hiring into the PR/HRIS (including Police Department recruitment).
- Conducted numerous recruitments, including several leadership level positions.
- Developed electronic position requisition requiring and insuring appropriate sign-off.
- Completed job description review and update on all positions.
- Built position information into HR database.
- Consolidated, audited and reorganized personnel files.
- Performed compliance audits of employee files (1-9, benefit information, etc.)
- Participated in labor negotiations with AFSCME and the Police Guild; reached agreements with both.
- Conducted a comprehensive biennial compensation survey and analysis.
- Began development of performance evaluation program; developed review forms for use in ADP.
- Began updating Accident Prevention Program, including assessment of some workplace hazards (e.g., audiometric and lead-exposure testing for Police officers).
- Recruited Civil Service Commissioner.
- Attended labor negotiation conferences through National Public Employer Labor Relations Association.
- Updated personnel policies, and facilitated internal and legal reviews.
- Provided CPR training for employees in customer-facing roles.



Information Technology

- Security and Event Management system brought online to provide better accountability and be in compliance with FBI criminal justice security policy requirements.
- Secondary internet connection established to improve redundancy and reliability for all City internet operations and cloud-based services.
- Smart phones deployed to Public Works staff for better field communications.
- Researched and deployed website and social media archiving solution to better comply with the Washington State public records act requirements.
- Researched and installed disk-based backup system to replace aging tape-based backup system. The new system provides for better disaster recovery and automated backups with no human intervention.
- Researched and deployed text message archiving solution for all city-issued cell phones to ensure compliance with the Washington State public records act requirements.
- Hosted two IT Interns from nearby high schools where they received credit for their time at the City.
- Worked with the Department of Communications and Marketing to design the City's new website and ensured a successful launch.
- Launched a cyber security awareness training program to educate all users on the dangers of cyber



criminals. Half of the cost of this training was reimbursed by WCIA.

- Hosted cyber security training at a monthly all-employee meeting to enforce the importance of being aware of malicious emails.
- Brought online virtual server to replace two servers that were out of warranty and to better diversify the existing server functions.
- Began deployment of ~60 workstations throughout the City as part of the computer workstation CIP project to replace the existing computers that were ~10 years old.
- Worked with the Acting City Clerk to research and deploy a replacement for the City's Requests and Feedback system.
- Worked with the Police Department to negotiate the contract for PowerDMS software and assisted with the implementation.



Performance Measures

City Clerk

	2017 Actual	2018 Projected	2019 Target	2020 Target
Grants Received	\$14,500	\$14,500	\$14,500	\$14,500
Request Tracker Tickets	441	431	480	495
Average # of Days Until Ticket is Closed	9	2	2	2
City Public Records Requests	61	120	240	480
Police Public Records Requests	576	785	788	807
Council Packets Posted to Website by Friday before Meeting	100%	100%	100%	100%
Council Minutes Posted to Website Within 14 Days of Meeting	30%	50%	75%	100%
Council Audio Posted to Website Within 2 days of Meeting	80%	90%	100%	100%



Human Resources

	2017				2017 Total
	Q1	Q2	Q3	Q4	
Recruitments*	3	5	8	4	20
New Hires*	2	6	4	3	15
Separations*	3	5	4	0	12
Turnover %*	4.29%	7.04%	5.63%	0.00%	16.96%
Safety Incidents (Near Miss)	1	1	1	0	3
Workers' Compensation Claims (Injury or Illness)	1	1	1	1	4
OSHA Recordable Injury Rate					
Number of Employees*	70	71	71	74	

	2018				2018 YTD Total
	Q1	Q2	Q3	Q4 (TBD)	
	3	1	4	-	8
	6	2	2	-	10
	4	3	1	-	8
	5.26%	4.00%	1.32%	-	10.58%
	0	1	0	-	1
	4	0	1	-	5
				-	
	76	75	76	-	

* Does not include volunteers or youth basketball referees . Note: number of employees does not equate to FTE count.

2019-2020 Performance Measures

- Decrease turnover to below 15% by end of 2020.
- Decrease work related injuries, illnesses and near misses by 10% by end of 2020.
- Train all employees and managers on updated Accident Prevention Program by end of 2020.
- Decrease organizational compa-ratio (relationship of actual salaries to midpoint).
- Performance Evaluations completed on time (ongoing).
- Documented acknowledgement of applicable personnel policies from all employees by end of 2019.
- Harassment awareness training completed for all employees by end of 2019.
- Settle Collective Bargaining Agreements prior to expiration date of 12/31/2020 (AFSCME and Guild).



Information Technology

Information Technology	2017 Actual	2018 Projected	2019 Target	2020 Target
Number of Closed Tickets	585	500	450	400
Server Uptime	100%	100%	100%	100%
Network Uptime	100%	100%	100%	100%
Internet Uptime	99.98%	100%	100%	100%
Number of Software Applications Supporting	43	43	N/A	N/A
Records Management/Disclosure Responses Processed	10	15	N/A	N/A
Email Viruses Detected	0	0	N/A	N/A
Number of Patches Deployed	416	550		
Equipment Moves/Replacements/Upgrades	14	65	N/A	N/A
Network Maintenance Performed After Hours	12	24	15	15
IT-Related Regional Meetings Attended	10	10	10	10

Devices Supported	2017 Actual	2018 Projected	2019 Projected	2020 Projected
Servers	7	15	15	15
Network Switches	9	9	10	10
Printers/Copiers	36	36	38	38
Workstations/Laptops	86	86	90	90



2019-2020 Executive Department Key Outcomes and Activities

City Manager's Office

As it sets executes the Council's long-term strategy, the City Manager's work in the 2019-2020 biennium includes:

- Recruit and onboard a new City Manager.
- Develop a long-term strategic plan for the City.
- Identify a vision for the Dobson-Remillard property and begin setting the groundwork to execute the vision based on a development feasibility study.
- Continue updating, developing and implementing City policies and procedures.
- Negotiate new contracts with AFSCME and the Mill Creek Police Officers' Guild by Dec. 31, 2020.

City Clerk

The City Clerk's office supports the Council, City departments and the community by performing efficient document processing and is actively working on programs and procedures to enhance transparency and ease of use for citizens. Work planned for the 2019-2020 biennium includes:

- Implement a document management and workflow solution for the City's structured documents, such as contracts and policies.



- Actively seek grants to offset costs of software systems.
- Create a records management team comprised of staff from each department.
- Develop resource materials for departments to ensure retention and destruction schedules are being followed and understood.
- Continue to consistently provide agenda packet materials the Friday before a Council meeting primarily in electronic format with a limited number of paper copies.
- Provide timely information to the City Council.
- Continue codifying ordinances and publishing resolutions in a timely manner.



- Transfer applicable records to the Washington State Digital Archives.
- Become an internship host with Everett Public School's new Summer Internship Program.
- Grow and enhance the Board and Commissions recruitment process.
- Hold quarterly meetings with staff contacts to Boards and Commissions to streamline activities and ensure consistency.
- Increase transparency by publishing Board and Commission meeting agendas and minutes on the City's website.
- Include Board and Commission meeting minutes in Council packet materials.
- Manage and track Public Records Act (PRA) and Open Public Meetings Act (OPMA) training for Board and Commission members.
- Implement a public records tracking and response solution that complies with JLARC mandated tracking and reporting requirements.
- Create PRA and OPMA training materials and incorporate into the onboarding process.
- Continue meeting with the Public Disclosure Coordination Team on a regular basis and develop streamlined processes that enhance workflows and production of records.

- Develop a comprehensive landing page on the City's website that details disclosure requirements, fee schedules, trending topics and provides transparency while creating a positive customer experience.
- Continue to provide customer response and records in accordance with applicable laws.

Human Resources

The Human Resources division's key work in the 2019-2020 biennium includes:

- Achieve certification in labor relations and negotiation (Certified Labor Relations Professionals through the National Public Employer Labor Relations Association).
- Lead and oversee payroll system development, audit and improvement efforts. Improvements to consider include:
 - Payroll system change to hourly pay.
 - Correct data inaccuracies in employment profiles for reporting purposes.
 - Update payroll codes for additional earnings (such as overtime codes).
- Develop management reports related to personnel and compensation management.
- Finalize volunteer guidelines.
- Develop necessary tools and resources for continuation of intern program.
- Develop formal new employee orientation program, including department level orientation guidelines.



- Develop user friendly Employee Handbook for use in new employee orientation.
- Implement position and FTE control procedures for processes such as:
 - Adding new positions or classifications.
 - Adding or reducing headcount.
 - Position justification and authorization for postings.
- In conjunction with other departments, finalize update Accident Prevention Program.
- Develop equipment tracking in ADP.
- Conducted a Civil Service Rules review; updated Civil Service Rules and processes to align with City practices; formally adopted.

Information Technology

The City's information technology is used primarily by City staff; therefore, providing up-to-date and reliable technology to internal users is key to ensuring all other City departments are able to fulfill their external customer service functions. Work in the 2019-2020 biennium includes:

- Upgrade the City's virtual server infrastructure to a hyper converged environment. This provides for numerous benefits including redundancy and automatic failover should a hardware failure to occur.



- Replace the Police Department vehicle laptops that will have reached end of life and out of warranty beginning in 2019.
- Upgrade the City's networking infrastructure to a redundant configuration to provide for redundancy and automatic failure should a hardware failure to occur.
- Replace Director laptops that will have reached end of life and are out of warranty.
- Upgrade several copiers in various departments that have reached end of life and are becoming increasingly expensive to maintain.
- Upgrade the City's Wireless Network throughout both buildings.





- Migrate the City's on premise email server to Microsoft's cloud email environment (Office 365).
- Research and deploy other software services available as part of the Office 365 cloud such as Microsoft Teams (formerly Skype for Business), OneDrive and SharePoint.
- Research and deploy mobile device encryption software solutions.
- Upgrade the Police Department scheduling software.
- Deploy a public records request tracking and response solution.
- Upgrade the Council meeting recording software, For the Record.
- Implement two-factor authentication in the police vehicle laptops.

Executive Department Notable Budget Highlights

City Manager's Office

The City Manager's Office has two 2019-2020 notable budget highlights.

- Recruitment and selection of a new City Manager. Costs include the executive search firm, as well as an estimate of wages and benefits for the position.
- Conduct a development feasibility study to identify opportunities for the Dobson-Remillard property and adjacent land.

City Clerk

Notable line item changes for the City Clerk division in the 2019-2020 biennium budget include:

- A decrease of \$50,000 in legal services due to the completion of the PRA policy and training accomplished by the City Clerk.
- The Recognition/Wellness line item moved to the department of Human Resources.
- Once the public disclosure landing page is published on the City's website, we will be able to collect fees established by Ordinance 2018-826. Annual revenue is estimated at \$1,500.



Human Resources

There are a couple notable budget highlights in Human Resources.

- HR Director plans to retire during the first quarter in 2019. This reduces the budget from 1.6 FTE to 1.0 FTE for a savings of \$60,000. At that time, departmental needs and structure will be evaluated by the City Manager.
- Annual Audiometric Testing is new to the budget and may be covered 50% by the Association for Washington Cities for a cost of \$4,800.
- Health benefit assumptions account for a 4.5% increase in 2019 and a 5% increase in 2020.
- Both bargaining units have built-in cost of living adjustments. AFSCME will receive a 2.25% increase in both 2019 and 2020, and the Guild will receive a 3.0% increase in both years. See Pay & Classification Table for 2019 (**Appendix C**) and Pay & Classification Table for 2020 (**Appendix D**).
- AFSCME and Police Guild contracts expire on Dec. 31, 2020. The budget impact is approximately \$35,000 in legal fees.
- A new Washington State law requires employer contributions to the Family and Medical Leave Program ([RCW 50A.04](#)) beginning January 1, 2019. The statutory default employer contribution is approximately 0.148% of gross wages. This contribution is reflected in the Worker's Comp bar of the chart on (**Pg. 47**).



Information Technology

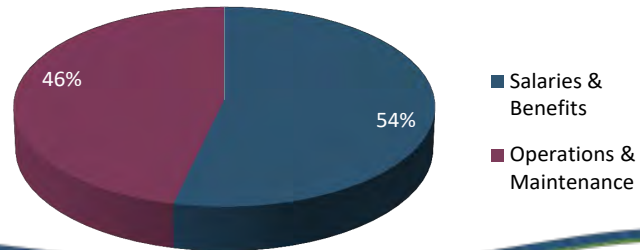
There are several capital improvements scheduled to be completed in the IT division in 2019-2020. These are necessary to provide operational resiliency to the citizens of Mill Creek for normal government and public safety operations. These upgrades are also required to accommodate data growth and support new applications.

- Upgrading the City's server infrastructure to a "hyper converged" system will greatly increase capacity and resiliency. This project has been scheduled to coincide with existing servers reaching the end of their useful life. This project is estimated to cost \$60,000. To complement the hyper converged server upgrade, the City's networking components will also be upgraded to provide additional redundancy and reduce points of failure. This project is estimated to cost \$16,000.
- Equipment has reached end of life and is due for replacement, including Police vehicle laptops, director laptops, and three copiers for a total of \$79,000.



2019-2020 Executive Department Expenditures

CITY MANAGER OFFICE EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 1,145,570	\$ 1,247,508	\$ 434,438
Operations & Maintenance	\$ 332,121	\$ 356,981	\$ 207,522
Capital	\$ 3,127	\$ 12,281	\$ -
City Manager	\$ 1,480,818	\$ 1,616,770	\$ 641,960
CITY CLERK EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ 232,757
Operations & Maintenance	\$ -	\$ -	\$ 37,300
City Clerk	\$ -	\$ -	\$ 270,057
HUMAN RESOURCES EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ 270,968
Operations & Maintenance	\$ -	\$ -	\$ 59,420
Human Resources	\$ -	\$ -	\$ 330,388
IT EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ 289,072	\$ 325,427
Operations & Maintenance	\$ -	\$ 432,665	\$ 774,271
Capital	\$ -	\$ 67,685	\$ -
Information Technology	\$ -	\$ 789,422	\$ 1,099,698
Departmental Total	\$ 1,480,818	\$ 2,406,192	\$ 2,342,103



Communications & Marketing Department

The Communications and Marketing department focuses on engaging the Mill Creek community through five focus areas: communications, marketing, recreation, tourism and volunteer programs. For budgeting purposes, there are two divisions: one encompassing recreation to identify cost-recovery for programs, and one for the rest of the Communications and Marketing function. Department staff seek to develop a strong community spirit through sharing information, event and activity offerings, and engagement opportunities.

A department that was created and included the merger of the Recreation staff, the Communications and Marketing team had 4.0 FTEs in the last biennium (the Director position replaced the City Clerk/PIO). For the 2019-2020 biennium, the same number of FTEs are budgeted. However, a recreation manager position has been reorganized to a coordinator role, resulting in savings.

Communications

Creates awareness and understanding of the City's places, programs, and people with external and internal audiences. Responsible for media outreach. Partners with first responders and other jurisdictions on emergency preparedness efforts and critical incident response. Leads community outreach and focus group efforts. Manages the City's social media channels.

Marketing

Implements the comprehensive City marketing plan to

ensure consistent branding and messaging across all platforms. Focuses on the design, creation, and management of various forms of print and digital marketing collateral to engage with community members. Cultivates long-lasting partnerships and sponsorships with various community stakeholders.

Recreation

Develops, plans and implements programs for all ages, including sports leagues, camps and workshops. Works with community partners to identify and deliver recreational programming and to secure space for programming.

Tourism

Responsible for tourism marketing projects, programs, events and parades to create maximum economic impact for Mill Creek. Works closely with civic and volunteer organizations, merchants, restaurants and business groups to seek out, develop and manage strategic partnerships to drive Mill Creek tourism. Pursues the development and implementation of grants and initiatives to benefit the community.

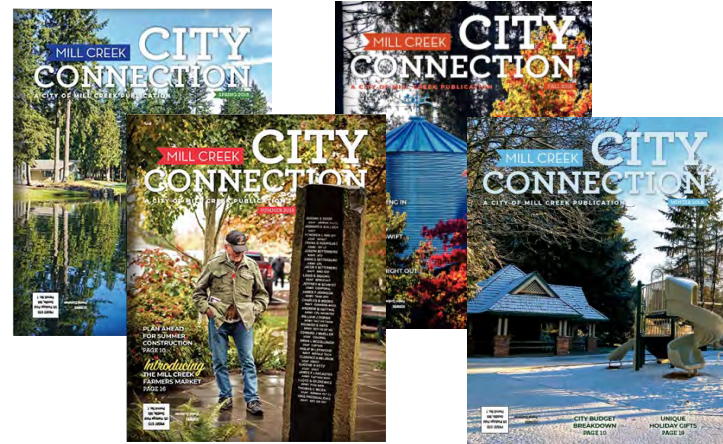
Volunteer Programs

Responsible for recruiting, training and supervising volunteers. Creates and manages the City's volunteer database. Coordinates the Youth Advisory Board. Partners with local organizations to identify volunteer engagement opportunities.



2017-2018 Biennial Accomplishments

- Developed communications strategy and communications and marketing work plan.
- Created new branded letterhead and PowerPoint templates.
- Distributed more than 200 press releases resulting in nearly 1,500 media articles.
- Developed a quarterly Neighborhood Focus Group and a quarterly Senior Center Focus Group to facilitate conversation on key City matters and to respond to issues raised by the groups.
- Launched the *City Connection* magazine and published four issues.
- Partnered with ICMA-TV to develop a television production about the City.
- Overhauled the website and created a tourism subsite, and more than doubled visits to the site year over year.
- Implemented a social media policy and launched social media channels: Facebook, Twitter and Instagram.
- Facilitated City participation in numerous grand openings, including Arena Sports, Vintage at Mill Creek, Stellar Kids Dentistry, Kids 'N Us, Club Pilates, Sprouts Farmers Market, Planet Fitness, AR Workshop, The Jewelry Source, Homestreet Bank, Brooklyn Brothers, Evergreen Health, and Ideal Wellness, among others.



- Created communications campaigns for:
 - Arena Sports
 - Pavement preservation work
 - Sweetwater Ranch stormwater pipe repair
 - 35th Avenue reconstruction project
 - 2018 construction projects in the Mill Creek vicinity
 - K9 Bagira
- Executed an employee communications survey and developed a weekly employee newsletter, *Monday Minute*, to facilitate information sharing.
- Procured current, high-quality images of the City for use in marketing materials and the City's publications.



- Created an events checklist and communications timeline to make sure staff are all on the same page when coordinating events.
- Planned and implemented 59 City-planned community events, and provided support for 38 other community events.
- Launched a Veterans Advisory Group to provide insights to better grow the City's key events to honor veterans: the Memorial Day and Veterans Day parades.
- Conducted a cost/benefit analysis of all recreational programming. Began critically analyzing programming for fall 2017. Reduced programming by 70 classes.
- Redesigned the Recreation Guide to incorporate branding and a more modern look.
- Continued to grow the Youth Basketball League with 765 participants.
- Provided recreational programs for 3,276 participants.
- Created the Party in the Park event series and launched a block party trailer.
- Created an events checklist and communications timeline to make sure staff are all on the same page when coordinating events.
- Planned and implemented 59 community events, and provided support for 38 other community events.
- Launched the Mill Creek Farmers Market.



Performance Measures

	2017 Actual	2018 Projected	2019 Target	2020 Target
Grants Received	\$100,000	\$255,000	\$35,000	\$40,000
# Press Releases Written	122	92	105	120
# News Articles	576	627	675	715
Sponsorship \$	\$11,449.61	\$31,171	\$33,000	\$37,000
Advertising Revenue	0	\$28,220	\$30,500	\$34,000
Community Events Produced and Supported	39	54	58	60
Sports Park Rental Revenue	\$40,913	\$47,830	\$48,557	\$57,257
# Recreation Classes Offered	299	298	310	325
# Youth Basketball Participants	765	775	790	800
Visits to Website	164,629	342,412	375,500	400,000
ActiveNet (Rec Signup) Sessions	17,002	19,384	21,000	23,500
Facebook Likes	822	2,032	3,500	5,200
Instagram Followers	270	550	735	1,000
Twitter Followers	308	585	755	1,020



2019-2020 Key Outcomes and Activities

The Communications and Marketing department is responsible for external and internal communications, community outreach and engagement, tourism development and marketing, and recreational programming.

The department actively supports the City goal of civic pride by promoting civic participation through volunteerism opportunities, creating events that bring community together, and transparently sharing information through social media and other channels.

Work in the 2019-2020 biennium includes:

- Expand the *City Connection* publication to be a comprehensive communications tool for the City, including approximately \$32,000 in ad revenue.
- Partner with internal and external groups to market economic development opportunities and resources.
- Expand media outreach to grow coverage of the City.
- Continue to develop and refine the City's website, including feature development.
- Enhance communications efforts through increased use of video.
- Develop and facilitate volunteerism opportunities for all age groups.
- Lead the Youth Advisory Board.
- Continue to develop and maintain partnerships with the schools and local civic and business organizations.

- Expand on events currently produced by the City to attract more residents and non-residents to experience Mill Creek.
- Grow the City's presence on social media through posting of current and interesting content, and through engagement with social audiences.
- Enhance the City's gateway presence through a cohesive, modern approach to foster community spirit and attract non-residents to the City.
- Actively seek grants to enhance the City's tourism offerings.

As the department is directly responsible for the City's recreational opportunities goal, it provides diverse offerings for all ages throughout the year. Recreation-related activities planned for the next two years include:

- Continue to identify new recreational offerings, particularly for underserved groups.
- With rejuvenated turf and lights at the Mill Creek Sports Park, continue to grow field use by attracting new groups and developing additional programming.
- Grow the Youth Basketball League by focusing on quality and enhancing the educational aspect, including higher caliber referees.
- Create new revenue opportunities through park shelter rental opportunities.



Communications and Marketing Notable Budget Highlights

The Communications and Marketing Department was formed after the last biennial budget was developed. The new director was tasked with building a department from the ground up, and only a couple minor things for the Communications and Marketing function were originally included in the City Manager's budget. Further, as part of a reorganization, the Recreation and Tourism function was wrapped into this newly formed department.

For the 2019-2020 budget, the department's various parts have been consolidated into a single department with two divisions: recreation and the remainder of the department.

In addition to this comprehensive change, there are some notable line items.

- In terms of compensation, the previous biennium salaries and wages was budgeted at \$805,788 (including staff, preschool personal, referees and gym supervisors); the projections for 2019-2020 are \$655,510 which is a difference of \$150,278. This 18.6% cost savings is made possible by eliminating the recreation manager position.
- Following suit, benefits for 2017-2018 were \$214,782; the projections for the new biennium are \$315,937. This is an increase of 47%.
- The City evaluated its quarterly newsletter, which it was paying to insert into an existing publication. With production costs offset by advertising revenue, the

City migrated to creating its own quarterly publication. In 2019, it will incorporate the Recreation Guide into this publication to present a comprehensive communication source for the City.

- As the City focuses on strategic economic development with a lens toward tourism, there is a need for some advertising. The advertising budget has been increased accordingly.
- The Mill Creek Farmers Market was launched in 2018. This is a self-supporting, revenue-generating program. This program will net approximately \$15,000 for the new biennium.

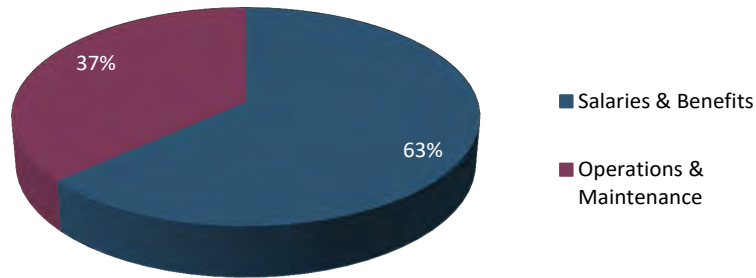


- In 2018, the City Manager brought on a special events manager to be responsible for the City's Memorial Day and Veterans Day events. This contractor adds \$22,000 per year to the budget. He has been instrumental in growing the parades and expanding the City's outreach to veterans in the area.
- The City is proposing rate increases for Mill Creek Sports Park field rentals and light use. This increase aligns with regional market rates and provides some additional revenue estimated at \$25,610 for the biennium.
- For the last biennial budget, the recreation budget was largely overestimated. The 2019-2020 biennial budget right-sizes the budget. Part of the work during the new biennium includes a new recreation program analysis to ensure current programming is cost effective and doesn't compete with other community programs. We also will continue to develop new recreational programs.
- Despite being overestimated, recreational programming is self-sustaining. Funds also help support the overall Communications and Marketing program, particularly community engagement and events. By bringing recreation dollars into the General Fund for accounting purposes, we are able to eliminate inefficiencies caused by transferring funds between accounts.



2019-2020 Communications & Marketing Department Expenditures

COMM & MKTG EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ 690,969
Operations & Maintenance	\$ -	\$ -	\$ 263,569
Comm & Marketing	\$ -	\$ -	\$ 954,538
RECREATION EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ 350,287
Operations & Maintenance	\$ -	\$ -	\$ 365,535
Recreation	\$ -	\$ -	\$ 715,822
Departmental Total	\$ -	\$ -	\$ 1,670,360



Finance & Administration Department

The Department of Finance and Administration manages the financial, personnel benefits and customer service functions of the City.

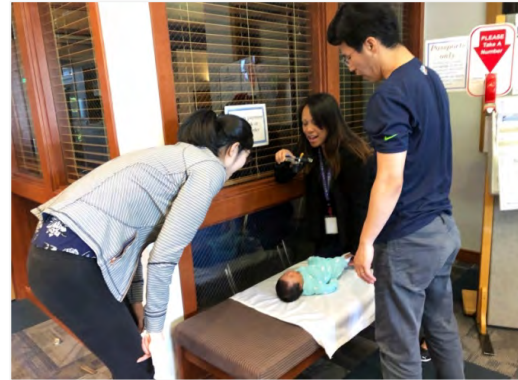
The Finance and Administration team was reorganized to remove the IT and Clerk functions for a total of 6.3 positions budgeted in the previous biennium. For 2019-2020, the department will be reorganized for efficiency to 6.1 FTEs for a cost savings of \$160,000.

Finance

The Finance team is responsible for the City's accounting, budgeting, investment and risk management functions. Accounting operations include financial reporting, accounts payable, accounts receivable, cash receipting and collection, fixed asset tracking, facilitation of the annual audit, maintenance of internal controls, grants management and debt management. Finance works with the City Manager to plan and project revenues and expenditures of all City funds for development of the City's biennial budget. This team is also responsible for optimizing earnings through the investment of idle cash into a diversified portfolio of short- and long-term investments in accordance with City investment policies.

Benefits Administration

The Benefits Administration staff is responsible for the City's payroll system and the administration/processing of

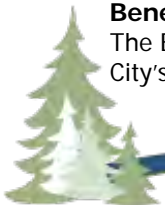


all employee benefit programs. This division also administers the Civil Service Commission and is responsible for the configuration and maintenance of the City's human resource information system.

Customer Service

The Customer Service team works with hundreds of passport customers each year. Together, the team speaks six languages. From taking photos of wiggling babies to helping people navigate State Department paperwork, the team works diligently to provide a positive experience for passport customers from all over Snohomish County.

In addition, the Customer Service team answers City Hall phones, answer general questions and provides administrative support within the City Hall South main service area.



2017-2018 Biennial Accomplishments

- Streamlined the City's cash receipting processes.
- Participated in AFSCME and fire contract negotiations.
- Developed a more robust quarterly report format to provide a more concise and transparent summary of the City's financial condition.
- Managed reimbursements to the City for projects funded by grants.
- Rolled out a new health plan for all employees, the HealthFirst250 plan.
- Set up the appropriate procedures for cash handling and receipting for the Farmers Market to comply with the State Auditor's Office requirements in addition to tracking inventory for sale.
- Worked with the Washington Cities Insurance Authority to understand insurance and risk management implications for City business, such as public use of the block party trailer.
- Redesigned traffic flow of City Hall South, including a new customer service area.
- Updated the customer service area to provide new comfortable seating with additional seating space.
- Secured a passport photo light box to resolve passport picture lighting issues.
- Processed 27,619 passports in the 2017-2018 biennium, an increase of 61.06% over the previous biennium.
- Grew the customer service function to ensure the City is meeting service levels for an increased number of passport customers.
- Successfully passed an extensive audit of our passport services by the U.S. Department of State, which focuses on protecting the integrity of the passport issuance process and evaluates the acceptance facility capabilities.
- Provided support during the Surface Water Utility rate review process.



Performance Measures

	2017 Actual	2018 Projected	2019 Target	2020 Target
Passports Processed	17,148	27,619	33,142	39,777
Number of Invoices Paid	4,347	5,019	5,795	6,691
Number of A/P Checks Processed	1,586	1,506	1,551	1,598
Number of Transactions Receipted	17,385	17,079	17,591	18,119
Number of Payroll Checks Processed	1,416	1,632	1,680	1,680
Number of Deposits	596	584	602	620

Note on Passports

The increase in the number of passports processed has increased significantly since expanding our passport hours to include mornings and all day Saturday, by focusing on our strong customer service ethic, and through advertising in regional magazines in 2018. Passport customers tend to be cyclical. We expect to see slight growth in Passports over the next biennium, particularly when the state's standard driver's license will no longer be accepted by TSA for air travel in 2020.

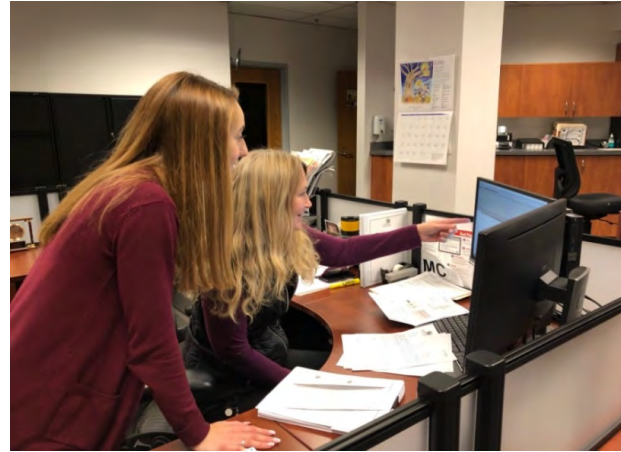
The City is exploring other revenue-enhancement services that could complement the passport services.



2019-2020 Key Outcomes and Activities

Directly supporting the City's Fiscal Responsibility goal, work in the 2019-2020 biennium includes the following:

- Develop the foundational structure of systems, practices, policies and processes to streamline the finance operation.
- Clean up the structure of the chart of accounts, including unwinding previously consolidated accounts.
- Reorganize the finance team to maximize efficiencies and reduce costs.
- Automate manual systems for bank reconciliation, cash receipting, cash receipt reconciliation and elimination of dual entry for permitting.
- Fine-tune the long-range financial forecast in support of the City's strategic plan.
- Expand public-facing financial information to increase transparency.
- Explore partnerships on revenue streams that complement the City's existing passport business.
- Issue an RFP to secure a bank relationship with lower rates and that provides a service model in better alignment with City needs.
- Update and implement a formal indirect cost allocation model.
- Mitigate bank fees related to credit card processing by charging a convenience fee for permitting.



- Assume all responsibility for business licenses, including transitions to the Washington State Department of Revenue in 2020 to comply with state law.
- Explore the addition of a shopping cart feature to the website to eliminate the necessity of third-party tools and manual processes for recreation program registrations, room and facility rentals, farmers market vendor fees and more.
- Organize City-wide fees within the municipal code and establish a fee structure that increases with the consumer price index on a regular frequency.
- Evaluate cost benefit and efficacy of the City's payroll and HRIS system.
- Evaluate moving to a biweekly pay schedule.



Finance and Administration Notable Budget Highlights

The Finance and Administration Department will work to restructure the department in 2019 to restore the department to effective staffing levels for a City of this size. This includes eliminating one accountant position, reorganizing another accountant position into an accounting technician and reorganizing the final accountant position into a senior accountant role. (Details of the reorganization are noted in **Appendix E**.) This senior role will focus on applying principles and practices of governmental accounting, including analyzing financial information and interpreting data. The budget impact from this reorganization is \$160,000, or a savings of 13%.

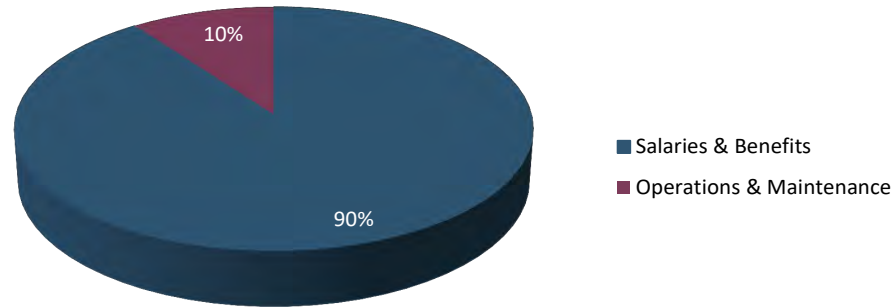
The department will undergo three financial and accountability audits in the biennium, for a cost of approximately \$100,000. This is an increase of approximately 67% over the previous biennium due to delaying the 2017 audit until 2019.

A consultant will be accessed to automate reports and processes in the City's ERP system (Springbrook), and explore new technologies to responsibly manage the City's financial resources. Fees for the consultant will be offset by a portion of the cost savings from the elimination of an accountant position.



2019-2020 Finance & Administration Department Expenditures

FINANCE & ADMIN EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 1,064,109	\$ 1,225,470	\$ 1,235,048
Operations & Maintenance	\$ 366,229	\$ 160,440	\$ 242,305
Capital	\$ -	\$ 10,063	\$ 12,000
Finance & Admin	\$ 1,430,338	\$ 1,395,973	\$ 1,489,353

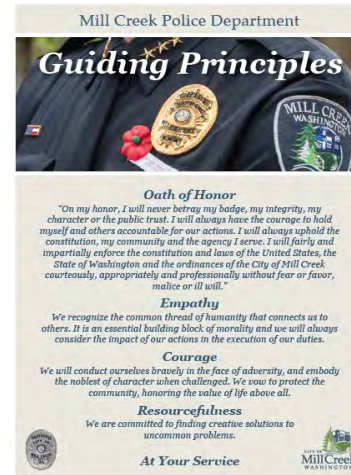


Police

The Mill Creek Police Officers are ambassadors for the City of Mill Creek. The Police Department provides a safe community for residents, businesses and visitors to live, work and recreate. Through proactive law enforcement activities, crime trend analysis, community education and outreach and a focus on developing professional employees, the department strives to ensure that the streets and neighborhoods remain safe and clean, calls for service are answered in a timely and professional manner and that police investigations and enforcement is done in an exemplary fashion.

The department embraces the 'service mindset' and focus on being public servants, dedicated to answering the call and responding with 'what can I do to help?' Both internally and externally, personnel maintain open and honest operations, and they welcome the input of our stakeholders, the community, and the people and entities they work with. Performing at the highest level will propel Police Department personnel to set the standard of excellence for all.

This department had 29 FTEs budgeted in 2017-2018. There are currently 29 funded FTE positions within the department. The Deputy Chief of Police was added during the 2017-2018 biennium to provide appropriate middle management to the department in accordance with the CPSM staffing recommendation. Additionally, the Deputy standards.



Chief serves as the City's emergency manager and supports the Chief on policy development and professional

Patrol

The Patrol Division is the department's largest and most visible division. As front-line first responders, the officers assigned to this division work street patrol, handle calls for service and are the primary point of community interaction. In addition to traditional police patrol work, including traffic safety, criminal investigations and social service, the officers place an emphasis on community-oriented policing activities and are the true ambassadors of government.



Each of the four patrol squads is led by a sergeant; the sergeants report to the Deputy Chief of Police. The division comprises several ancillary assignments, including a K9 team, Traffic Safety Unit, and participation in a regional SWAT team, Honor Guard detail and Collision Investigation Unit. Officers work closely with allied cities and Snohomish County to provide timely and professional law enforcement services.

Support Services

The Support Services Division is comprised of both commissioned and non-commissioned personnel: commissioned staff are in the Investigations and School Resource Officer Units, and non-commissioned staff in the Records and Property Units and a limited-commission Police Support Officer (PSO).

The Investigations Unit includes a Community Outreach function. Staff are primarily responsible for the investigation of major crimes and secondarily responsible for fulfilling our commitment to community interaction. The detectives in the unit also participate in a regional Multi-Agency Response Team that investigates regional uses of lethal force by officers in Snohomish County.

The School Resource Officer is imbedded in Jackson High School and works collaboratively with school staff and students to protect the campus, provide staff support, act as a student mentor and provide educational opportunities. The SRO also supports other schools in the city.

The Records and Property staff are responsible for maintaining the documentation related to law enforcement activities and the security of property involved in police

work. Records staff interact on the frontline with community members, providing customer service and fulfilling several obligations related to licensing, courts and public records. Property staff are the custodians for all things evidence and police-property-related and are teammates with Records staff for both customer service and public records.



The PSO provides a wide array of support activities for all department personnel while acting as the primary investigator for animal and parking complaints. The PSO works with allied departments and agencies on code enforcement issues and court-related activities.

Administrative

The Administrative Division is responsible for managing the operations, budget, personnel and day-to-day operations of the department. Specifically, it manages policy creation, development and maintenance, professional standards and internal affairs, department risk management, and the expectation-setting and evaluation of department employees.

The Administrative Division includes the Chief of Police and the Deputy Chief of Police.



2017-2018 Biennial Accomplishments

The 2017-2018 biennium was a time of great evolution within the police department. The following significant achievements occurred during this two-year time frame.

- Developed Mill Creek Police Department Guiding Principles.
- Contracted with the Center for Public Safety Management to conduct a Police department workload analysis. Received the report in Q4 2017, and addressed many elements of the study's analysis in the 2019-2020 budget preparation.
- Recruited and hired a Deputy Chief of Police.
- Expanded the capabilities of the department's K9 program; the new team received full State of Washington dual certification and is now on the street serving the community.
- Began working with County partners to revise the City's Comprehensive Emergency Management plan.
- Held four "Map Your Neighborhood" sessions to engage the community in emergency preparedness.
- Worked with the IT manager to create a City Hall Campus security matrix for secure access and accountability.
- Developed and are nearing completion of review on all Priority 1 policies from the Lexipol Policy Manual implementation.

- Implemented the PowerDMS document management system that will: provide tracking for policies, procedures and directives; institute a consistent process for the request, approval and tracking of department-wide training; and provide a platform for future WASPC and CALEA accreditation.
- In accordance with department needs and CPSM recommendations, modified the Police Leadership Team meetings to be more responsive and provide more substance.
- Implemented property room improvements to increase efficiency and work toward creating processes that will meet accreditation standards.
- Transitioned a new School Resource Officer to ensure a strong safety program in local schools.



- Participated in the Chief for a Day program sponsored by the Washington State Criminal Justice Training Commission; honored Julia McCauley at various events throughout the year.
- Created an event between the Police Department (along with other City employees) and Fire District 7 (and their friends); this community-building event raised funds to support the Kiwanis Camp Casey.
- Conducted two Police Citizen's Academy programs, training 28 community members.
- Conducted two National Night Out events in conjunction with other community partners, including Snohomish County Fire District 7.
- Supported the North Sound Metro SWAT team through the selection of a Mill Creek officer to operate the team's electronics complement, including development of a complete UAS system. Additionally, Sgt. Robert Phillips was elevated to Sniper Team Leader and Detective Tara Hoflack joined the team as a hostage negotiator.



Performance Measures

The following performance measures represent those that were identified during the 2017-2018 biennium as appropriate representation of performance. In recognition of the recommendations made in the CPSM study and departmental analysis of ongoing operations, the Police department is making changes to its performance measures in the new biennium. Performance measures for the 2019-2020 biennium follow these historical numbers.

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Number of Training Hours - Records	24		8	0	0	18.25
Number of Training Hours - Patrol	247	323	210	405.25	438.5	277
Number of Training Hours - Investigations	8	20	8	0	8	0
Number of Training Hours - PSO	3	8	0.75	1.1	0	9
Number of Training Hours - SWA	30	48	48	112	80	96
Number of Training Hours - K-9	44	51	29	368	170	230
Number of Training Hours - SRO	0	16	28	0	0	0
Percent Change of Collision Rate Within City Limits Utilizing Education and Enforcement	9%	-26%	16%	4%	-3%	-11%

2019-2020 Performance Measures

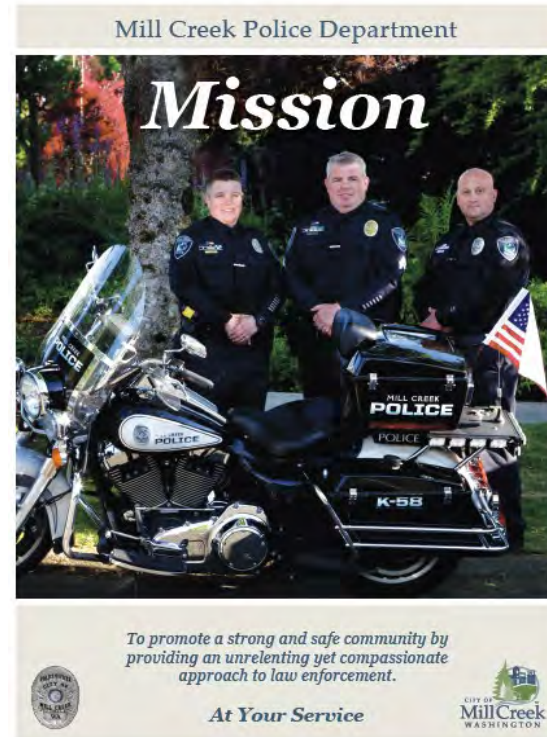
Patrol Division

- Response times to priority one calls for service < 3 min.
- Appropriate supervision (sergeant or corporal) for 95% of patrol shifts.
- Less than 25% of assigned patrol cases open for longer than 30 days.
- # of K9 tracking deployments increased by 5% year-to-year (based on 2019 benchmark).
- Number of K9 drug detection deployments increased by 5% year-to-year (based on 2019 benchmark).
- K9 team attend a minimum of 6 community outreach events each year.
- Number of injury collisions decreased by 5% year-to-year (based on 2018 benchmark).
- Number of targeted pedestrian safety enforcement details.



Support Services Division

- Less than 25% of assigned detective cases open for longer than 90 days.
- 80% of assigned detective cases closed with finality.
- 100% accuracy in all Records Unit IBR submissions.
- 100% of concealed pistol licenses completed within 90 days.
- Maintain 100% accuracy for all property room spot audits and annual inventories.
- PSO investigate an average of 80 parking violations per month.
- PSO attend 80% of department recognized Community Outreach events annually.
- Ensure 100% compliance with all training standards.
- Department participation in 100% of department-recognized community outreach events.



2019-2020 Key Outcomes and Activities

Administrative Division

- Maintain an efficient Police Department by addressing the most significant police-related problems in the City and develop a comprehensive method for strategic planning.
- Develop reasonable and attainable performance goals as well as mechanisms for tracking the relative degree of progress in achieving these goals year to year.
- Analyze the City's crime trends and redirect and redeploy resources as necessary to the highest crime priorities and police issues as necessary.
- Hold regular Police Leadership Team strategy meetings to determine the best methods of deploying these resources when analysis suggests this is necessary.
- Maintain a progressive, professional and effective Police Department with a low level of liability to the City.
- Fully implement and ensure compliance with Lexipol policies, Standard Operating Procedures (SOP), rules and regulations; monitor and revise where necessary.
- Attain WASPC and initiate the process of CALEA accreditation.
- Recruit and hire the Support Services Supervisor to provide confidential executive aide assistance to the Chief and Deputy Chief, and first level supervision for non-commissioned staff.



- Ensure appropriate risk management functions are in place and adhered to.
- Implement a comprehensive fleet management program that includes a depreciation schedule and plans for future replacement.
- Identify an appropriate option for fleet maintenance and partner with other City departments to address long-term needs.
- Manage the training program in collaboration with the Training Sergeant.
- Ensured all personnel complete training on new, revised and updated policies, standard operating procedures and rules.
- Develop appropriate training plans for each position within the department.
- Ensure that ongoing shift briefing training is occurring.



Patrol Division

- Proactively identify crime trends within the City through citizen input, officer observation, and crime analysis - Once an issue has been identified and verified, develop a planned response to the issue.
- Ensure that priority calls for service are the priority and that the bulk of an officers' time is spent patrolling the City.
- Monitor and evaluate the discretionary use of unassigned patrol time.
- Carry out criminal investigations to the fullest extent allowed by a patrol squad's schedule.
- Continue to have Patrol supervisors manage the patrol schedule to maximize staffing while minimizing overtime when possible. Staffing decisions should be made based on workload and activity levels.
- Provide patrol officers with the resources and tools to enhance their safety in the field.
- Proactively interdict those 'quality of life' crimes that impact our community.
- Increase the safety of pedestrian and vehicular traffic by compliance with traffic laws through violator education and enforcement.
- Be responsive to data and citizen reports of high violation areas.
- Work with allied departments on traffic calming efforts.
- Provide public education to community groups and schools.
- Prepare succession plan for current biennium and beyond.
- Maintain a strong and social program that is responsive to a variety of community, city and department needs.
- Provide training and education to department members at least annually.
- Conduct random canine assisted school searches at the secondary schools a minimum of two times per year for each school.
- Provide public education to community groups and schools.
- Prepare succession plan for current biennium and beyond.



- Ensure appropriate readiness of SWAT operators, technicians and negotiators.
- Participate in regional team training as required by the National Security Management System.
- Prepare succession plan for current biennium and beyond.

Support Services Division

- Provide excellent investigative service delivery, clearing cases within 90 days of their assignment date to the Investigations Division. The goal is to clear 75% of all cases assigned to detectives within 90 days of their assignment date.
- Investigations Sergeant conduct regular reviews of all assigned cases to assure proper resource allocation.
- Screen all cases using standard solvability factors to determine if investigative resources should be applied, and when necessary refer the case back to Patrol for primary case investigation.
- Recruit and hire the Support Services Supervisor to ensure appropriate first-level supervision for Records Unit and Property Unit staff.
- Complete all tasks within guidelines set by industry standards and statutory guidelines.
- Provide an excellent level of customer service to the public for all front counter contacts, services, and records requests.



- Continue to analyze current processes to find the most efficient way to process daily workload.
- Ensure that all procedures within the unit are conducted in accordance with best practices and accreditation standards.
- Fully implement the department's Citizen Patrol.
- Maintain the department's level of participation in community events.
- Continue with annual Citizen Academy offerings.
- Ensure appropriate response and cooperation with future requests
- Maintain an appropriate level of animal control services and maintain responsiveness to areas of concern.
- Work collaboratively with the Public Works and Development Services department to ensure appropriate level of code enforcement is conducted.



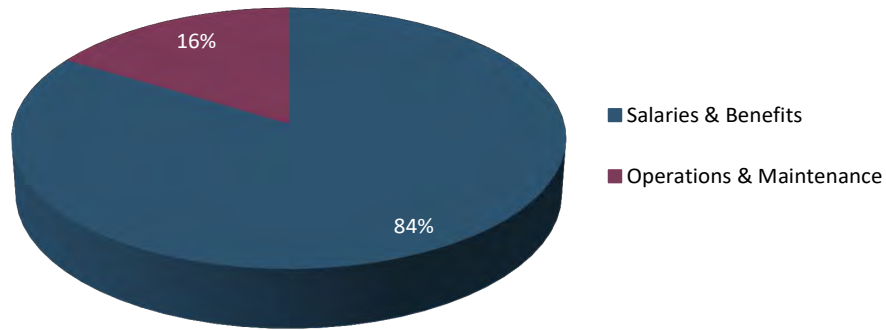
Police Department Notable Budget Highlights

The Police Department has one vacant police officer position that it will not fill. The department will hire a Support Services Supervisor in the 2019-2020 biennium. During the 2017-2018 biennium, the department lost an administrative assistant (assigned to assist another department in need) and the retirement of a long-standing Property Room Technician. The Support Services Supervisor will serve as a first-level supervisor to the record and property room technicians. It also will be able to help with administrative and executive support for the Administrative division, particularly as the Police Department undergoes transformation from a best-practices and accreditation standpoint. The biennial cost of salary and benefits for this role is \$211,651 and is a 18.5% decrease over what a police officer would have cost \$260,000 in the biennium.



2019-2020 Police Department Expenditures

PUBLIC SAFETY	2015-2016	2017-2018	2019-2020
	Actuals	Estimated Actuals	Budget
Salaries & Benefits	\$ 7,341,617	\$ 7,399,784	\$ 8,052,005
Operations & Maintenance	\$ 2,246,998	\$ 2,477,560	\$ 2,272,512
Capital	\$ 106,380	\$ 118,770	\$ 25,000
Police	\$ 9,694,994	\$ 9,996,114	\$ 10,349,517



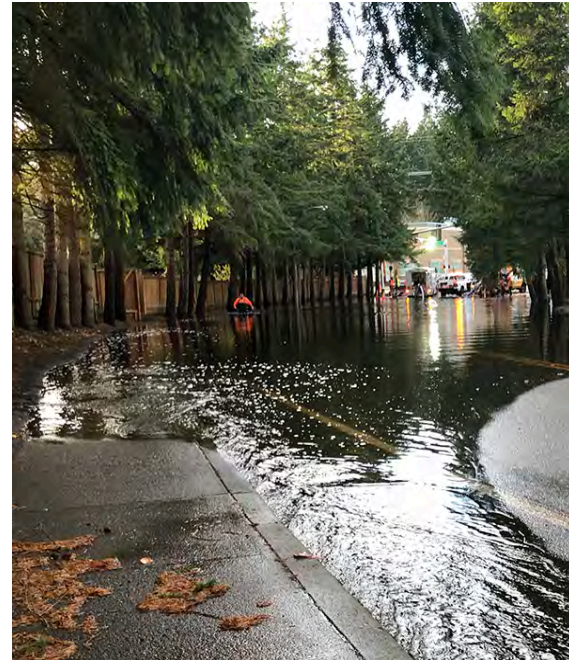
Public Works & Development Services

The Public Works and Development Services is a department that combines planning, economic development and public works. Staff is responsible for services in engineering, planning, economic development, plan review/building inspection, code enforcement, environmental protection, street/roads and storm drainage maintenance, traffic control, capital projects, and more.

This department was formed in November 2017 by reorganizing two previous departments (Public Works and Community and Economic Development) to provide comprehensive services across all elements pertaining to the City's growth and infrastructure.

The Public Works division is responsible for providing safe and effective transportation, recreational facilities and construction of other public infrastructure within the City of Mill Creek through quality planning, design, construction and maintenance. This includes overseeing and implementing the Capital Improvement Plan. Other specific functions include:

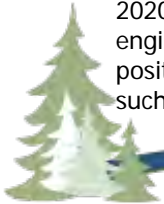
- Engineering: project management for capital improvement, design, construction management, inspections, right of way permit review, management of surface water runoff, preparation of maps, interagency coordination and capital project funding.
- Operations and Maintenance: support City sponsored events, maintenance of parks and facilities (City Hall North, City Hall South, Library and other City owned properties), ponds, vaults, catch basins and management of beaver activity.



The Department's development services division is responsible for the long range planning and operational planning City functions. Long-range planning includes the preparation of the City's Comprehensive Plan, development regulations and planning efforts with surrounding jurisdictions. Other specific functions include:

- Coordination with the City's metropolitan planning organization, Puget Sound Regional Council (PSRC), participation on regional projects such as bus rapid transit with Community Transit, and future light rail with Sound Transit.
- Administering building-related codes and issuance of permits (building, mechanical and plumbing) for all new and existing construction and tenant improvements.
- Providing services and resources to businesses and development partners with the purpose of retaining, attracting and expanding business and employment opportunities.
- Code enforcement to ensure that properties are maintained in a manner that promotes safety and a high quality of life, and maintains property values.

This department originally comprised three units in 2017-2018; based on its current configuration, 16.2 FTEs were budgeted in 2017-2018. The department did not refill some positions that were vacated during the biennium. For 2019-2020, 16 FTEs are budgeted. This includes adding a project engineer, which is supported by funds in the CIP. The position is needed to manage and deliver CIP projects, such as the pavement preservation program.



2017-2018 Biennial Accomplishments

- As part of Snohomish County's 2017 Overlay Program, Mill Park Village and Wildflower were overlaid and corresponding curb ramps were upgraded in compliance with the Americans with Disabilities Act (ADA).
- Through its contract with Perteet Engineers, reviewed an existing backlog of CCTV data (pipes 18 inches in diameter or larger), collected storm pipe CCTV videos of remaining storm pipes, analyzed CCTV videos for pipe failure and/or other repairs, and prioritized needed improvement for the City's surface water program.
- Completed the 2017 Catch Basin Cleaning and CCTV program, which consisted of cleaning approximately 1,593 catch basins, pipe cleaning and video inspection of approximately 2,742 lineal feet of pipe.
- Provided incident response to a flood on 136th Street SE in November 2017, which was the result of a beaver dam breach that inundated the neighborhood with water.
- Conducted emergency response to the Sweetwater Ranch stormwater infrastructure failure (sinkhole) and repaired the failed pipe.
- Completed the design of and started construction on the 35th Avenue Reconstruction project; 35th Avenue SE is anticipated to be open to traffic by February / March 2019.
- Completed the City Hall North HVAC control system repair.
- Completed the design of Exploration Park, secured environmental permits, and conducted a constructability and biddability review. The City received two bids, both significantly higher than the engineer's estimate, and the Council rejected all bids. The project will be broken into various components and re-bid in November 2018.
- Completed the design work for the Mill Creek Sports Park Turf and Light Replacement project; the project was advertised in October 2018.
- Implemented landscape maintenance at 10 City Parks, the City Hall Municipal Campus, the Mill Creek Library and medians located in the rights-of-way on various roadways within the City.
- Supported more than 60 community events organized by Communications and Marketing, as well as other non-City-sponsored events. This includes pre-event sweeping and temporary traffic control signage, as well as post-event sweeping and cleanup.
- Repainted the City Hall North community rooms to support internal functions, recreational program use and room rentals.
- Worked with Perteet to assess and establish new traffic mitigation fees, and to update and adopt a new interlocal agreement with Snohomish County.





- Worked with FCS Group to conduct a surface water utility rate study, including a policy review, technical analysis and service levels assessment, and identify a proposed rate increase.
- Secured external funding for key projects, including:
 - \$720,000 in federal funds for construction of the Seattle Hill Road Preservation Project in 2019.
 - A \$50,000 Department of Ecology grant in 2017 for surface water pipe assessment.
 - \$50,000 Snohomish County Small Projects Partnership for the 35th Avenue SE reconstruction project.
 - \$504,000 in PSRC funding for the 35th Avenue SE road preservation project.

- Consolidated a part-time building official and full-time building inspector into a single position.
- Worked with developers to complete significant development projects, including:
 - Arena Sports
 - Mill Creek Sports
 - Vintage at Mill Creek
 - Mill Creek Park Vista
- Revised the code enforcement process to lead with an educational component rather than a regulatory focus.
- Eliminated the City's Board of Adjustment and Appeals, and clarified review criteria for a hearing examiner.
- Brought a code amendment to Council, which was approved, to allow administrative final approval of final plats, which helps the City provide better customer service and makes more efficient use of City resources.
- Extended the franchise agreement with Frontier Communications.
- Prepared an ordinance adopting a complete streets policy, which will help the City to develop on-the-ground solutions that promote multimodal transportation (adopted in July 2018).
- Issued 1,303 building permits, bringing in approximately \$783,000 in fee revenue.



Performance Measures

	2017 Actual	2018 Projected	2019 Target	2020 Target
Utility Locate Requests	1,637	1,736	1,788	1,842
Right of Way Permits Issued	186	182	187	193
Right of Way Inspections Performed	292	78	80	83
Clearing & Grading Permits Reviewed	10	4	4	4
Development Construction Sites Inspected	90	16	30	40
Time Spent (hours) Managing CIP Projects	540	660	730	750
Grant/Loan Applications Completed	2	2	4	6
Storm Line Remote Inspection (feet)	50	250	1,000	1,000
Number of Catch Basins Cleaned	2,655	0	2,655	2,655
Time Spent (hours) on Interagency Coordination	130	160	165	170
Pre-Application Meetings Held	25	2	2	2
Hours Dedicated to Pre-Application Meetings	37	2	2	2
Land Use Applications Processed	36	8	8	8
Street Light Repairs – City Owned (hours)	133	64	400	400
Street Light Repairs – PUD Owned (hours)	47	48	40	40
Pothole Repairs	43	24	45	45
Street Sweeping (hours)	828	984	1,500	1,500
Park Maintenance (hours)	2,211	3,520	5,000	5,000
Streetscape Maintenance (hours)	1,639	580	2,000	2,000
Sign Repair/Installation	251	136	110	120
Facility Service Work (hours)	563	372	1,500	1,550
Vehicle/Equipment Repairs & Service (hours)	133	145	100	80
Emergency Call Out Overtime (hours)	91	60	150	150
Community Event Support (hours)	550	567	700	700



2019-2020 Key Outcomes and Activities

Work in the 2019-2020 biennium includes:

- Deliver on surface water aging infrastructure projects as identified in the 2018 Surface Water Program prepared by Perteet, including design and construction of “F failures” for construction in 2019 and “C failures” for construction in 2020.
- Review available surface water infrastructure video recorded since 2012 of pipes with a diameter *less* than 18 inches and assess the condition of those pipes.
- Conduct an assessment and pavement rating to establish a priority list for future repairs. The City's pavement management system needs to be relaunched in order to prioritize future projects and their corresponding treatments. The Program includes replacement or installation of accessible curb ramps to meet the requirements of ADA.
- Conduct a Mill Creek Blvd corridor improvements study to provide a framework to multiple capital improvements, which include: intersection improvements at 164th Street, 161st Street, Main Street and SR 527; surface water aging infrastructure failures identified in a 2018 study produced by Perteet; pavement preservation, water quality treatment and roadway re-configurations to better support Community Transit's bus rapid transit (BRT) lines.



- Complete numerous projects per the 2019-2024 CIP, including:
 - 35th Ave. SE Reconstruction (physical completion) in 2019
 - Exploration Park Project construction completion in 2019
 - Seattle Hill Road Preservation Project construction completion in 2019
 - Sports Park Turf & Light Replacement construction completion in 2019;
 - 132nd Street SE Mid-block Crossing Improvements (HAWK). Upon award notification, begin design in 2019 and complete construction in 2020.
 - Annual Street Pavement Marking Program (2019 and 2020)
 - Heron Park Upgrades: design in 2019 and complete construction in 2020
 - Public Works Workshop value engineering study
 - City Hall North HVAC upgrades in 2020



- Work to have a federal functional classification for the East Gateway Urban Village Spine Road, which is required to receive state or federal funding.
- Continue the bridge monitoring and improvement program, including posting load restrictions (based on service stresses) at the North Creek Bridge and 153rd Street SE Bridge.
- Review and update of the City's Engineering Design Standards, pre-approved plans and policies.
- Build upon the City's previous traffic calming program from 2007 to address safety and traffic calming concerns to collectors and arterials.
- Provide support for community events.
- Manage maintenance and janitorial contracts to ensure service levels continue.
- Conduct Public Works workshop value engineering study.
- Develop and implement a Surface Water Plan that meets regulatory requirements and addresses other City specific concerns such as beaver management.
- Complete evaluation of the City's sign code to determine if it is consistent with current US Supreme Court rulings. If necessary, amendments to the City's sign code will need to be prepared and considered by the Planning Commission and the City Council. This is being coordinated with the City Attorney.
- Development plan review on anticipated major developments in the City, including:
 - The Farm Binding Site Plan (EGUV),
 - Cube Storage (SR 527)
 - Three Oaks Preliminary Plat
 - Muttley Square pet hotel/apartments
- Prepare a market study and evaluate options for revising zoning and land designations for properties along Mill Creek Boulevard, between Main Street and 164th Street SE.
- Update franchise agreements with utility companies as needed (e.g., Frontier, Puget Sound Energy).
- Begin conversation with the community and the Sno-Isle Library District to explore funding opportunities and gauge interest in the reconstruction/replacement of the Mill Creek Library facility.
- Using the Farm wetland mitigation as a springboard, explore opportunities to collaborate with other private and public parties to create a wetland sanctuary/park on the eastside of 35th Ave. SE (inspired by the Narbeck Sanctuary).
- In addition to traffic mitigation fees, surface water utility fees and grant application, re-launch City discussion on establishing a Transportation Benefit District.



Public Works and Development Services Notable Budget Highlights

The Public Works and Development Services Department was formed as one single department in November 2017, after the last biennial budget was developed.

For the 2019-2020 budget, there are some notable budget highlights.

- The addition of a project engineer, which is needed for management of the City's capital projects. This will increase personnel costs by \$210,000 (supported by the CIP) in wages and benefits for the biennium.
- Increased delivery of capital projects to maintain the City's aging infrastructure and in response to limited support from Snohomish County (pavement preservation and pavement marking).
- Development of prioritization criteria for capital project selection. In particular for concrete sidewalk replacement and neighborhood traffic improvements.
- Re-launch of the City's Pavement Management System to maintain an inventory of pavement conditions of the City's roadway system and prioritize projects accordingly.
- Develop maintenance and operations level of service criteria related to parks, facilities, landscaping, etc. Provide adequate resources, equipment and tools to crew for more efficient operations. This includes a Public Works workshop value engineering study.



- Increases in Traffic Mitigation Fees and Surface Water Fees which would be collected starting in the 2019-2020 biennium.
- Review and update of the City's Engineering Design Standards, pre-approved plans and policies.
- Explore geographic information system (GIS) and asset management system options in preparation for the 2021-2022 biennium.

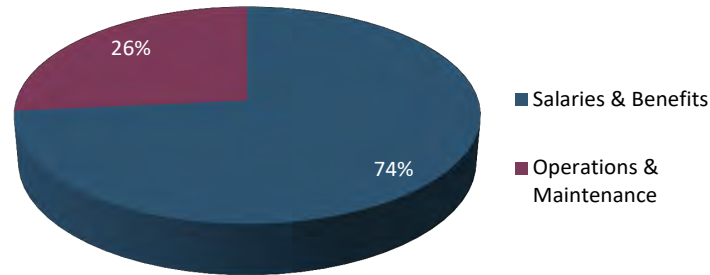


2019-2020 Public Works & Development Services Department Expenditures

DEVELOPMENT SERVICES EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 1,984,336	\$ 1,123,985	\$ 1,303,004
Operations & Maintenance	\$ 219,951	\$ 205,857	\$ 285,809
Capital	\$ 1,758	\$ 8,697	\$ -
Development Services Expenditures	\$ 2,206,045	\$ 1,338,539	\$ 1,588,813

PUBLIC WORKS EXPENDITURES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ 1,068,617	\$ 1,231,533	\$ 1,321,389
Operations & Maintenance	\$ 563,897	\$ 539,104	\$ 660,398
Capital	\$ -	\$ 35,260	\$ 15,000
Public Works	\$ 1,632,514	\$ 1,805,897	\$ 1,996,787

Departmental Total	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Departmental Total	\$ 3,838,559	\$ 3,144,436	\$ 3,585,600



Non-Departmental

The Non-Departmental budget contains General Fund operational expenses that are common to all City departments. Such expenses are outside the control of individual departments and not easily distributed based upon department activity.

The Non-Departmental fund includes fire services, insurance, excise taxes, unemployment compensation, office supplies, membership dues and intergovernmental fees (e.g., Economic Alliance Snohomish County, Puget Sound Regional Council, Association of Washington Cities, Snohomish County Tomorrow, Northshore Senior Center, Snohomish County Cities), and Snohomish County Human Services.

Notable Budget Highlights

A new contract was signed with Snohomish County Fire 7 for fire suppression and EMS services, as well as other related services they provide to the City. The total contract is for \$23,806,791 over six years. The 2019-2020 biennial contractual amount reflects a \$515,000 increase from the previous biennium.

The chart identifies at right the City's annual payment schedule; equal quarterly installments are due March 31, June 30, September 30, and December 31 of each year.

Other than the fire services increase, the Non-Departmental fund demonstrates an overall decrease of \$1,836,416 or 74.26%. Below are the key decreases in Non-Departmental.

- With the new policy of bringing the Recreation Fund into the General Fund, the 2019-2020 budget does not include a \$225,000 transfer into the Recreation Fund that was occurring to support Recreation.
- Aligning with the new policy of transferring 33% of all reserve funds anticipated at the end of 2018 above the General Fund Reserve minimum, a transfer of \$830,000 into the CIP for capital project investment occurred.
- In 2018, a one-time transfer of \$400,000 was made to the CIP Fund consistent with the new policy to transfer one-time revenues into the CIP Fund on an annual basis.
- A \$500,000 decrease from an interfund loan to the Surface Water Utility fund.

Fire Contract Payment Schedule

Assessment Year	Total Annual Payment
2017	\$ 3,630,156
2018	\$ 3,720,909
2019	\$ 3,930,745
2020	\$ 4,029,014
2021	\$ 4,129,740
2022	\$ 4,336,227



NON-DEPARTMENT	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 1,231,257	\$ 2,463,131	\$ 636,560
Capital	\$ -	\$ 9,845	\$ -
Police Administration	\$ 1,231,257	\$ 2,472,976	\$ 636,560
CONTRACTED FIRE SERVICES	2015-2016 Actuals	2017-2018 Estimated Actuals	2019-2020 Budget
Salaries & Benefits	\$ -	\$ -	\$ -
Operations & Maintenance	\$ 7,534,260	\$ 7,583,878	\$ 7,959,759
Police Administration	\$ 7,534,260	\$ 7,583,878	\$ 7,959,759



Appendices



Appendix A

Budget Development Calendar

Date	Task	Person(s) Responsible
July		
July 25	Development of Desired Budget Outcomes	City Manager, Council
August		
Aug. 6	Budget Call Letter	City Manager
Aug. 15	Preliminary personnel projections	Finance Director
Aug. 22	Salary/benefits projections	Finance Director
Aug. 22	CIP Review	City Manager, Directors
Aug. 24	Revenue projections	Finance Director
Aug. 24-Dec	Citizen Outreach on Budget	Communications and Marketing
Aug. 31	CIP Review	City Manager, Directors
September		
Sept. 7	Departmental budgets due	Directors
Sept. 7	2018 YE revenue/expenditure projections due	Directors
Sept. 14	Preliminary budget compiled	Finance Director
Sept. 17-28	Department sessions with City Manager	City Manager, Directors
Sept. 24	Budgets filed with City Clerk, RCW 35.34.050	City Manager, Directors
Sept. 28	Preliminary budget shared with City Manager, RCW 35.34.070	Finance Director, City Clerk
October		
Oct. 1	Preliminary Budget provided to Council, RCW 35.34.230	City Manager, Finance Director
Oct. 2	Revenue Estimates	City Manager, City Council
Oct. 9	Present Proposed CIP 2019-2024	City Manager, City Council
Oct. 23	Adoption of CIP 2019-2024	City Manager, City Council
Oct. 25	City Manager's budget document complete	Comm. Director/ Finance Dir.



Date	Task	Person(s) Responsible
November		
Nov. 2	Proposed budget filed with Clerk and presented to Council, RCW 35.34.080 , RCW 35.34.090	City Manager
Nov. 2	Clerk files public hearing notice and distributes budget proposal to public, RCW 35.34.100 , RCW 35.34.080	City Clerk
Nov. 6	Public hearing on preliminary budget and Property Tax Levy, RCW 84.55.120 , RCW 35.34.090	City Manager, City Council
Nov. 13	Potential Surface Water Utility Rate Hearing	City Manager, City Council
Nov. 13	Public hearing on preliminary budget and Property Tax Levy	City Manager, City Council
Nov. 27	Final public hearing on budget, RCW 35.34.110	City Manager, City Council
Nov. 30	Levies filed with County Assessor, RCW 84.52.070	City Manager, City Council
December		
Dec. 4	Adoption of Proposed 2019-2020 Budget, RCW 35.34.120	City Manager, City Council
Dec. 11	Adoption of Proposed 2019-2020 Budget (if needed)	City Manager, City Council
Dec. 12	File a copy of the final budget with AWC via MRSC and the State Auditor's Office, RCW 35.34.120	Finance Director



Appendix B

Community Input Outcomes

Despite a compressed development timeframe, community engagement played a role in identifying and prioritizing projects for both the 2019-2020 Biennial Budget and the Capital Improvement Plan. Community outreach included:

- Park and Recreation Board
- Art and Beautification Board
- Neighborhood Focus Group
- HOA and Community Association Meetings
- Senior Center Focus Group
- *City Connection* readership
- Party in the Parks events
- Press release to local media for news articles, resulting in media coverage
- Social media audiences
- Survey responses from 67 people

Based on feedback collected to date, people prioritized focus areas as shown at right. The lower the number, the higher the priority.



Focus Area	Lower Score = Highest Priority
Traffic Improvements	3.5
Enhanced Police Patrol	4.0
Road Maintenance	3.6
Infrastructure	3.1
Park and Trail Maintenance	6.0
Rec Programming	5.9
Community Events	7.6
Code Enforcement	6.2
Domestic Services	3.8



Appendix C

Pay & Classification Plan - 2019

8-Step Pay Plan

The 2019 Pay and Classification Plan reflects a +2.25% cost of living adjustment from 2018 for AFSCME and non-represented positions, and a +3.0 cost of living adjustment for Guild positions. It also reflects three new salary grades in order for the City to ensure the Chief of Police role, which is low compared to market rates, had room for growth.

Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
30		Annual	124,439	132,328	134,593	139,977	145,576	151,399	157,455	163,753
		Monthly	10,370	11,027	11,216	11,665	12,131	12,617	13,121	13,646
		Hourly	59.83	63.62	64.71	67.30	69.99	72.79	75.70	78.73
29		Annual	118,513	126,027	128,184	133,311	138,643	144,189	149,957	155,955
		Monthly	9,876	10,502	10,682	11,109	11,554	12,016	12,496	12,996
		Hourly	56.98	60.59	61.63	64.09	66.66	69.32	72.09	74.98
28	Police Chief	Annual	112,870	120,025	122,080	126,963	132,041	137,323	142,816	148,529
		Monthly	9,406	10,002	10,173	10,580	11,003	11,444	11,901	12,377
		Hourly	54.26	57.70	58.69	61.04	63.48	66.02	68.66	71.41
27	Director of Public Works and Development Services, Director of Finance and Administration	Annual	107,495	114,310	116,266	120,917	125,754	130,784	136,015	141,456
		Monthly	8,958	9,526	9,689	10,076	10,479	10,899	11,335	11,788
		Hourly	51.68	54.96	55.90	58.13	60.46	62.88	65.39	68.01
26		Annual	102,376	106,471	110,730	115,159	119,765	124,556	129,538	134,720
		Monthly	8,531	8,873	9,227	9,597	9,980	10,380	10,795	11,227
		Hourly	49.22	51.19	53.24	55.36	57.58	59.88	62.28	64.77
25	Deputy Chief of Police	Annual	97,501	101,401	105,457	109,676	114,063	118,625	123,370	128,305
		Monthly	8,125	8,450	8,788	9,140	9,505	9,885	10,281	10,692
		Hourly	46.88	48.75	50.70	52.73	54.84	57.03	59.31	61.69



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
24		Annual	92,858	96,573	100,435	104,453	108,631	112,976	117,495	122,195
		Monthly	7,738	8,048	8,370	8,704	9,053	9,415	9,791	10,183
		Hourly	44.64	46.43	48.29	50.22	52.23	54.32	56.49	58.75
23	Director of Communications and Marketing, Human Resources Director	Annual	88,436	91,973	95,652	99,478	103,457	107,596	111,899	116,375
		Monthly	7,370	7,664	7,971	8,290	8,621	8,966	9,325	9,698
		Hourly	42.52	44.22	45.99	47.83	49.74	51.73	53.80	55.95
22	Information Systems and Technology Manager, Planning Manager, Supervising Engineer	Annual	84,224	87,593	91,097	94,741	98,531	102,472	106,571	110,834
		Monthly	7,019	7,299	7,591	7,895	8,211	8,539	8,881	9,236
		Hourly	40.49	42.11	43.80	45.55	47.37	49.27	51.24	53.29
21		Annual	80,215	83,423	86,760	90,231	93,840	97,594	101,497	105,557
		Monthly	6,685	6,952	7,230	7,519	7,820	8,133	8,458	8,796
		Hourly	38.56	40.11	41.71	43.38	45.12	46.92	48.80	50.75
20	Building Official	Annual	76,395	79,451	82,629	85,934	89,371	92,946	96,664	100,530
		Monthly	6,366	6,621	6,886	7,161	7,448	7,746	8,055	8,378
		Hourly	36.73	38.20	39.73	41.31	42.97	44.69	46.47	48.33
19		Annual	72,756	75,667	78,693	81,841	85,115	88,519	92,060	95,742
		Monthly	6,063	6,306	6,558	6,820	7,093	7,377	7,672	7,979
		Hourly	34.98	36.38	37.83	39.35	40.92	42.56	44.26	46.03
18	Senior Accountant, Senior Planner, City Clerk	Annual	69,293	72,064	74,947	77,945	81,062	84,305	87,677	91,184
		Monthly	5,774	6,005	6,246	6,495	6,755	7,025	7,306	7,599
		Hourly	33.31	34.65	36.03	37.47	38.97	40.53	42.15	43.84
17	Public Works Supervisor	Annual	65,992	68,632	71,377	74,232	77,201	80,289	83,501	86,841
		Monthly	5,499	5,719	5,948	6,186	6,433	6,691	6,958	7,237
		Hourly	31.73	33.00	34.32	35.69	37.12	38.60	40.14	41.75



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
16		Annual	62,850	65,364	67,979	70,698	73,526	76,467	79,526	82,707
		Monthly	5,238	5,447	5,665	5,892	6,127	6,372	6,627	6,892
		Hourly	30.22	31.43	32.68	33.99	35.35	36.76	38.23	39.76
15	Accountant, HR/LR Specialist, Administrative Supervisor - Finance and Administration	Annual	59,857	62,251	64,741	67,331	70,024	72,825	75,738	78,768
		Monthly	4,988	5,188	5,395	5,611	5,835	6,069	6,312	6,564
		Hourly	28.78	29.93	31.13	32.37	33.67	35.01	36.41	37.87
14	Executive Assistant, Associate Planner, Engineering Technician	Annual	57,006	59,287	61,658	64,124	66,689	69,357	72,131	75,016
		Monthly	4,751	4,941	5,138	5,344	5,557	5,780	6,011	6,251
		Hourly	27.41	28.50	29.64	30.83	32.06	33.34	34.68	36.07
13	Comm & Mktg Coord, Recreation Coord, Comm Engagement Coord, Police Support Officer	Annual	54,292	56,464	58,723	61,071	63,514	66,055	68,697	71,445
		Monthly	4,524	4,705	4,894	5,089	5,293	5,505	5,725	5,954
		Hourly	26.10	27.15	28.23	29.36	30.54	31.76	33.03	34.35
12	Maintenance Worker, Administrative Assistant - PWDS	Annual	51,707	53,776	55,927	58,164	60,490	62,910	65,426	68,043
		Monthly	4,309	4,481	4,661	4,847	5,041	5,242	5,452	5,670
		Hourly	24.86	25.85	26.89	27.96	29.08	30.25	31.45	32.71
11	Police Evidence Technician	Annual	49,245	51,215	53,263	55,394	57,610	59,914	62,311	64,803
		Monthly	4,104	4,268	4,439	4,616	4,801	4,993	5,193	5,400
		Hourly	23.68	24.62	25.61	26.63	27.70	28.80	29.96	31.16
10	Police Records Technician	Annual	46,900	48,776	50,727	52,756	54,866	57,061	59,343	61,717
		Monthly	3,908	4,065	4,227	4,396	4,572	4,755	4,945	5,143
		Hourly	22.55	23.45	24.39	25.36	26.38	27.43	28.53	29.67
9		Annual	44,666	46,452	48,311	50,243	52,253	54,343	56,516	58,777
		Monthly	3,722	3,871	4,026	4,187	4,354	4,529	4,710	4,898
		Hourly	21.47	22.33	23.23	24.16	25.12	26.13	27.17	28.26



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
8		Annual	42,539	44,241	46,011	47,851	49,765	51,756	53,826	55,979
		Monthly	3,545	3,687	3,834	3,988	4,147	4,313	4,485	4,665
		Hourly	20.45	21.27	22.12	23.01	23.93	24.88	25.88	26.91
7	Customer Service Representative	Annual	40,513	42,134	43,819	45,572	47,395	49,290	51,262	53,313
		Monthly	3,376	3,511	3,652	3,798	3,950	4,108	4,272	4,443
		Hourly	19.48	20.26	21.07	21.91	22.79	23.70	24.65	25.63
6		Annual	38,584	40,127	41,732	43,402	45,138	46,943	48,821	50,774
		Monthly	3,215	3,344	3,478	3,617	3,761	3,912	4,068	4,231
		Hourly	18.55	19.29	20.06	20.87	21.70	22.57	23.47	24.41
5		Annual	36,747	38,216	39,745	41,335	42,988	44,708	46,496	48,356
		Monthly	3,062	3,185	3,312	3,445	3,582	3,726	3,875	4,030
		Hourly	17.67	18.37	19.11	19.87	20.67	21.49	22.35	23.25
4	Preschool Lead Instructor	Annual	34,998	36,398	37,853	39,368	40,942	42,580	44,283	46,055
		Monthly	2,916	3,033	3,154	3,281	3,412	3,548	3,690	3,838
		Hourly	16.83	17.50	18.20	18.93	19.68	20.47	21.29	22.14
3		Annual	33,331	34,664	36,051	37,493	38,992	40,552	42,174	43,861
		Monthly	2,778	2,889	3,004	3,124	3,249	3,379	3,515	3,655
		Hourly	16.02	16.67	17.33	18.03	18.75	19.50	20.28	21.09
2		Annual	31,744	33,014	34,334	35,708	37,136	38,621	40,166	41,773
		Monthly	2,645	2,751	2,861	2,976	3,095	3,218	3,347	3,481
		Hourly	15.26	15.87	16.51	17.17	17.85	18.57	19.31	20.08
1	Maintenance Aide, Engineering Intern	Annual	30,232	31,441	32,699	34,007	35,367	36,782	38,253	39,783
		Monthly	2,519	2,620	2,725	2,834	2,947	3,065	3,188	3,315
		Hourly	14.53	15.12	15.72	16.35	17.00	17.68	18.39	19.13



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
A3		Annual	28,793	29,945	31,143	32,388	33,684	35,031	36,433	37,890
		Monthly	2,399	2,495	2,595	2,699	2,807	2,919	3,036	3,157
		Hourly	13.84	14.40	14.97	15.57	16.19	16.84	17.52	18.22
A2		Annual	27,424	28,521	29,662	30,848	32,082	33,365	34,700	36,088
		Monthly	2,285	2,377	2,472	2,571	2,674	2,780	2,892	3,007
		Hourly	13.18	13.71	14.26	14.83	15.42	16.04	16.68	17.35
A1	<i>Preschool Assistant</i>	Annual	26,119	27,163	28,250	29,380	30,555	31,777	33,048	34,370
		Monthly	2,177	2,264	2,354	2,448	2,546	2,648	2,754	2,864
		Hourly	12.56	13.06	13.58	14.12	14.69	15.28	15.89	16.52



Appendix D

Pay & Classification Plan - 2020

8-Step Pay Plan

The 2020 Pay and Classification Plan reflects a +2.25% cost of living adjustment from 2019 for AFSCME and non-represented positions, and a +3.0 cost of living adjustment for Guild positions.

Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
30		Annual	127,239	135,305	137,621	143,126	148,851	154,805	160,997	167,437
		Monthly	10,603	11,275	11,468	11,927	12,404	12,900	13,416	13,953
		Hourly	61.17	65.05	66.16	68.81	71.56	74.43	77.40	80.50
29		Annual	121,180	128,862	131,068	136,310	141,763	147,433	153,331	159,464
		Monthly	10,098	10,739	10,922	11,359	11,814	12,286	12,778	13,289
		Hourly	58.26	61.95	63.01	65.53	68.16	70.88	73.72	76.67
28	Police Chief	Annual	115,409	122,726	124,826	129,820	135,012	140,413	146,029	151,870
		Monthly	9,617	10,227	10,402	10,818	11,251	11,701	12,169	12,656
		Hourly	55.49	59.00	60.01	62.41	64.91	67.51	70.21	73.01
27	Director of Public Works and Development Services, Director of Finance and Administration	Annual	109,913	116,882	118,882	123,638	128,583	133,726	139,076	144,639
		Monthly	9,159	9,740	9,907	10,303	10,715	11,144	11,590	12,053
		Hourly	52.84	56.19	57.15	59.44	61.82	64.29	66.86	69.54
26		Annual	104,679	108,867	113,221	117,750	122,460	127,359	132,453	137,751
		Monthly	8,723	9,072	9,435	9,813	10,205	10,613	11,038	11,479
		Hourly	50.33	52.34	54.43	56.61	58.88	61.23	63.68	66.23
25	Deputy Chief of Police	Annual	99,695	103,683	107,830	112,144	116,629	121,294	126,146	131,192
		Monthly	8,308	8,640	8,986	9,345	9,719	10,108	10,512	10,933
		Hourly	47.93	49.85	51.84	53.92	56.07	58.31	60.65	63.07



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
24		Annual	94,948	98,745	102,695	106,803	111,075	115,518	120,139	124,944
		Monthly	7,912	8,229	8,558	8,900	9,256	9,627	10,012	10,412
		Hourly	45.65	47.47	49.37	51.35	53.40	55.54	57.76	60.07
23	Director of Communications and Marketing, Human Resources Director	Annual	90,426	94,043	97,804	101,716	105,785	110,017	114,417	118,994
		Monthly	7,535	7,837	8,150	8,476	8,815	9,168	9,535	9,916
		Hourly	43.47	45.21	47.02	48.90	50.86	52.89	55.01	57.21
22	Information Systems and Technology Manager, Planning Manager, Supervising Engineer	Annual	86,120	89,564	93,147	96,873	100,748	104,778	108,969	113,327
		Monthly	7,177	7,464	7,762	8,073	8,396	8,731	9,081	9,444
		Hourly	41.40	43.06	44.78	46.57	48.44	50.37	52.39	54.48
21		Annual	82,020	85,300	88,712	92,261	95,951	99,789	103,781	107,932
		Monthly	6,835	7,108	7,393	7,688	7,996	8,316	8,648	8,994
		Hourly	39.43	41.01	42.65	44.36	46.13	47.98	49.89	51.89
20	Building Official	Annual	78,114	81,238	84,488	87,867	91,382	95,037	98,839	102,792
		Monthly	6,509	6,770	7,041	7,322	7,615	7,920	8,237	8,566
		Hourly	37.55	39.06	40.62	42.24	43.93	45.69	47.52	49.42
19		Annual	74,393	77,369	80,464	83,682	87,030	90,511	94,131	97,896
		Monthly	6,199	6,447	6,705	6,974	7,252	7,543	7,844	8,158
		Hourly	35.77	37.20	38.68	40.23	41.84	43.51	45.26	47.07
18	Senior Accountant, Senior Planner, City Clerk	Annual	70,852	73,686	76,633	79,698	82,886	86,202	89,650	93,236
		Monthly	5,904	6,140	6,386	6,642	6,907	7,183	7,471	7,770
		Hourly	34.06	35.43	36.84	38.32	39.85	41.44	43.10	44.82
17	Public Works Supervisor	Annual	67,477	70,176	72,983	75,902	78,938	82,096	85,380	88,795
		Monthly	5,623	5,848	6,082	6,325	6,578	6,841	7,115	7,400
		Hourly	32.44	33.74	35.09	36.49	37.95	39.47	41.05	42.69



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
16		Annual	64,264	66,835	69,508	72,289	75,180	78,188	81,315	84,568
		Monthly	5,355	5,570	5,792	6,024	6,265	6,516	6,776	7,047
		Hourly	30.90	32.13	33.42	34.75	36.14	37.59	39.09	40.66
15	Accountant, HR/LR Specialist, Administrative Supervisor - Finance and Administration	Annual	61,204	63,652	66,198	68,846	71,600	74,464	77,442	80,540
		Monthly	5,100	5,304	5,516	5,737	5,967	6,205	6,454	6,712
		Hourly	29.42	30.60	31.83	33.10	34.42	35.80	37.23	38.72
14	Executive Assistant, Associate Planner, Engineering Technician	Annual	58,289	60,621	63,045	65,567	68,190	70,917	73,754	76,704
		Monthly	4,857	5,052	5,254	5,464	5,682	5,910	6,146	6,392
		Hourly	28.02	29.14	30.31	31.52	32.78	34.09	35.46	36.88
13	Comm & Mktg Coord, Recreation Coord, Comm Engagement Coord, Police Support Officer	Annual	55,514	57,734	60,044	62,446	64,943	67,541	70,243	73,053
		Monthly	4,626	4,811	5,004	5,204	5,412	5,628	5,854	6,088
		Hourly	26.69	27.76	28.87	30.02	31.22	32.47	33.77	35.12
12	Maintenance Worker, Administrative Assistant - PWDS	Annual	52,871	54,986	57,185	59,472	61,851	64,325	66,898	69,574
		Monthly	4,406	4,582	4,765	4,956	5,154	5,360	5,575	5,798
		Hourly	25.42	26.44	27.49	28.59	29.74	30.93	32.16	33.45
11	Police Evidence Technician	Annual	50,353	52,367	54,462	56,640	58,906	61,262	63,713	66,261
		Monthly	4,196	4,364	4,538	4,720	4,909	5,105	5,309	5,522
		Hourly	24.21	25.18	26.18	27.23	28.32	29.45	30.63	31.86
10	Police Records Technician	Annual	47,955	49,873	51,868	53,943	56,101	58,345	60,679	63,106
		Monthly	3,996	4,156	4,322	4,495	4,675	4,862	5,057	5,259
		Hourly	23.06	23.98	24.94	25.93	26.97	28.05	29.17	30.34
9		Annual	45,671	47,498	49,397	51,373	53,428	55,565	57,788	60,100
		Monthly	3,806	3,958	4,116	4,281	4,452	4,630	4,816	5,008
		Hourly	21.96	22.84	23.75	24.70	25.69	26.71	27.78	28.89



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
8		Annual	43,496	45,236	47,046	48,928	50,885	52,920	55,037	57,238
		Monthly	3,625	3,770	3,920	4,077	4,240	4,410	4,586	4,770
		Hourly	20.91	21.75	22.62	23.52	24.46	25.44	26.46	27.52
7	Customer Service Representative	Annual	41,425	43,082	44,805	46,597	48,461	50,399	52,415	54,512
		Monthly	3,452	3,590	3,734	3,883	4,038	4,200	4,368	4,543
		Hourly	19.92	20.71	21.54	22.40	23.30	24.23	25.20	26.21
6		Annual	39,452	41,030	42,671	44,378	46,153	48,000	49,920	51,916
		Monthly	3,288	3,419	3,556	3,698	3,846	4,000	4,160	4,326
		Hourly	18.97	19.73	20.52	21.34	22.19	23.08	24.00	24.96
5		Annual	37,573	39,076	40,639	42,265	43,956	45,714	47,542	49,444
		Monthly	3,131	3,256	3,387	3,522	3,663	3,809	3,962	4,120
		Hourly	18.06	18.79	19.54	20.32	21.13	21.98	22.86	23.77
4	Preschool Lead Instructor	Annual	35,785	37,217	38,705	40,253	41,864	43,538	45,280	47,091
		Monthly	2,982	3,101	3,225	3,354	3,489	3,628	3,773	3,924
		Hourly	17.20	17.89	18.61	19.35	20.13	20.93	21.77	22.64
3		Annual	34,081	35,444	36,862	38,336	39,870	41,464	43,123	44,848
		Monthly	2,840	2,954	3,072	3,195	3,322	3,455	3,594	3,737
		Hourly	16.38	17.04	17.72	18.43	19.17	19.93	20.73	21.56
2		Annual	32,458	33,757	35,107	36,511	37,972	39,490	41,070	42,713
		Monthly	2,705	2,813	2,926	3,043	3,164	3,291	3,423	3,559
		Hourly	15.60	16.23	16.88	17.55	18.26	18.99	19.75	20.54
1	Maintenance Aide, Engineering Intern	Annual	30,912	32,149	33,434	34,772	36,163	37,609	39,114	40,678
		Monthly	2,576	2,679	2,786	2,898	3,014	3,134	3,259	3,390
		Hourly	14.86	15.46	16.07	16.72	17.39	18.08	18.80	19.56



Salary Grade	Position Title	Pay Period	1	2	3	4	5	6	7	8
A3		Annual	29,441	30,619	31,843	33,117	34,442	35,820	37,252	38,742
		Monthly	2,453	2,552	2,654	2,760	2,870	2,985	3,104	3,229
		Hourly	14.15	14.72	15.31	15.92	16.56	17.22	17.91	18.63
A2		Annual	28,041	29,163	30,329	31,542	32,804	34,116	35,481	36,900
		Monthly	2,337	2,430	2,527	2,629	2,734	2,843	2,957	3,075
		Hourly	13.48	14.02	14.58	15.16	15.77	16.40	17.06	17.74
A1	<i>Preschool Assistant</i>	Annual	26,706	27,775	28,886	30,041	31,243	32,492	33,792	35,144
		Monthly	2,226	2,315	2,407	2,503	2,604	2,708	2,816	2,929
		Hourly	12.84	13.35	13.89	14.44	15.02	15.62	16.25	16.90



Appendix E

Authorized and Proposed Position Listings

Following is a discussion of the changes in authorized positions from the 2017-2018 Biennial Budget, the current status and proposed status.

FTE counts do not include the Preschool, Seasonal Maintenance Aides, any paid interns, or the seasonal Basketball Program employees (Gym Supervisor and Referees).

Numbers for each department show:
2017-18 authorized → current → proposed

Executive Department

4.8 FTE → 4.6 FTE → 4.6 FTE

- City Clerk / PIO reorganized to 1.0 Communications and Marketing Director (moved to Comms Dept.)
- Finance Director took on City Clerk duties in 2017
- City Clerk functions required a dedicated FTE; City Clerk duties assigned to Executive Assistant, retitled "City Clerk" and moved to appropriate salary grade February 2018
- HR/Labor Relations Specialist hired January 2018 as part of succession plan (unbudgeted)
- HR Director from 0.8 FTE to 0.6 FTE in 2018
- PROPOSED: Same as current

Communications & Marketing:

3.0 FTE → 4.0 FTE → 4.0 FTE

- Department created this biennium and incorporated Recreation
- Communications and Marketing Director hired February 2017 (moved from Exec Department)
- Recreation and Tourism Manager position eliminated in favor of Recreation Coordinator
- Department structure flattened into Director and three Coordinator positions
- PROPOSED: Same as current

Finance and Administration Department

6.3 FTE → 7.4 FTE → 6.4 FTE

- Department retitled to Finance and Administration this biennium
- Did not budget for some existing Customer Service Representatives
- Eliminated Senior Passport Technician in favor of additional Customer Service Representative
- Did not fill budgeted Deputy City Clerk
- Accounting Technician position eliminated in favor of additional Accountant in 2017
- PROPOSED: Eliminate 3 Accountant positions, restore the Accounting Technician and add a Senior Accountant



Public Safety

29.0 FTE → 29.0 FTE → 29.0 FTE

- Administrative Coordinator reclassified and Administrative Assistant eliminated
- Deputy Chief of Police hired January 2018 (unbudgeted)
- Two Police Officer vacancies filled; one did not pass field training
- PROPOSED: Leave one Officer position vacant and hire Support Services Supervisor



Public Works and Development Services

16.0 FTE → 14.0 FTE → 15.0 FTE

- Started biennium as three divisions:
 - Community Development
 - Public Works
 - Recreation
- Eliminated a Building / ROW Inspector in each department
- Eliminated City Engineer position and Public Works Director position in favor of one Director of Public Works and Development Services
- Consolidated all Maintenance Workers into a single job classification
- Did not budget for existing Engineering Technician in 2017-2018
- Building Official hired October 2017 to reduce contractor costs (unbudgeted)
- Administrative Coordinator, Code Compliance Coordinator, Building Permit Technician responsibilities consolidated into Administrative Assistant and Associate Planner
- Community Development Director became Planning Manager
- Surface Water Manager became Supervising Engineer
- PROPOSED: Add Project Engineer



Authorized Position Listing 2017-2018

This position listing includes regular FTEs, as well as seasonal and irregular positions (e.g., preschool teachers, gym supervisors, basketball referees and seasonal maintenance workers)

Position Title	Position Control Number	Department Division	Group	Salary Grade	Full-Time Equivalent
City Manager	1	Executive	Non-Rep	N/A	1.0
Human Resources Director	3	Executive	Non-Rep	23	0.8
Executive Assistant	4	Executive	Non-Rep	14	1.0
City Clerk	5	Executive	Non-Rep	20	1.0
Information Systems and Technology Manager	2	IT	AFSCME	22	1.0
Department Total:					4.8
Chief of Police	39	Public Safety	Non-Rep	27	1.0
Police Sergeant	40	Public Safety	Guild	S	1.0
Police Sergeant	41	Public Safety	Guild	S	1.0
Police Sergeant	42	Public Safety	Guild	S	1.0
Police Sergeant	43	Public Safety	Guild	S	1.0
Police Sergeant	44	Public Safety	Guild	S	1.0
Police Officer	45	Public Safety	Guild	non-S	1.0
Police Officer	46	Public Safety	Guild	non-S	1.0
Police Officer	47	Public Safety	Guild	non-S	1.0
Police Officer	48	Public Safety	Guild	non-S	1.0
Police Officer	49	Public Safety	Guild	non-S	1.0
Police Officer	50	Public Safety	Guild	non-S	1.0
Police Officer	51	Public Safety	Guild	non-S	1.0
Police Officer	52	Public Safety	Guild	non-S	1.0
Police Officer	53	Public Safety	Guild	non-S	1.0
Police Officer	54	Public Safety	Guild	non-S	1.0



Position Title	Position Control Number	Department Division	Group	Salary Grade	Full-Time Equivalent
Police Officer	55	Public Safety	Guild	non-S	1.0
Police Officer	56	Public Safety	Guild	non-S	1.0
Police Officer	57	Public Safety	Guild	non-S	1.0
Police Officer	58	Public Safety	Guild	non-S	1.0
Police Officer	59	Public Safety	Guild	non-S	1.0
Police Officer	60	Public Safety	Guild	non-S	1.0
Police Officer	61	Public Safety	Guild	non-S	1.0
Police Officer	62	Public Safety	Guild	non-S	1.0
Police Support Officer	63	Public Safety	AFSCME	13	1.0
Administrative Coordinator	64	Public Safety	AFSCME	13	1.0
Administrative Assistant	65	Public Safety	AFSCME	11	1.0
Records Technician	66	Public Safety	AFSCME	9	1.0
Records Technician	67	Public Safety	AFSCME	9	1.0
			Department Total:		29.0
Finance Director	31	Finance	Non-Rep	27	1.0
Accountant	32	Finance	AFSCME	15	1.0
Accountant	33	Finance	AFSCME	15	1.0
Accounting Technician	34	Finance	AFSCME	12	1.0
Deputy City Clerk	35	Finance	AFSCME	14	1.0
Senior Passport Technician	36	Finance	AFSCME	9	0.7
Passport Technician	37	Finance	Non-Rep	6	0.4
Passport Technician	38	Finance	Non-Rep	6	0.2
			Department Total:		6.3
Community Development Director	20	Community Development	Non-Rep	26	1.0
Senior Planner	21	Community Development	AFSCME	18	1.0
Building / Right of Way Inspector	22	Community Development	AFSCME	14	1.0
Administrative Coordinator	23	Community Development	AFSCME	13	1.0
Code Compliance Coordinator	24	Community Development	AFSCME	13	1.0
			Department Total:		5.0



Position Title	Position Control Number	Department Division	Group	Salary Grade	Full-Time Equivalent
Public Works Director	6	Public Works	Non-Rep	26	1.0
City Engineer - eliminate 1/1/18	7	Public Works	Non-Rep	23	1.0
Building / Right of Way Inspector	8	Public Works	AFSCME	14	1.0
Building Permit Technician	9	Public Works	AFSCME	11	1.0
Surface Water Manager (Engineer)	10	Public Works	Non-Rep	21	1.0
Public Works Supervisor	11	Public Works	Non-Rep	17	1.0
Maintenance Worker	12	Public Works	AFSCME	12	1.0
Maintenance Worker	13	Public Works	AFSCME	12	1.0
Maintenance Worker	14	Public Works	AFSCME	12	1.0
Maintenance Worker 1	15	Public Works	AFSCME	9	1.0
Maintenance Worker 1	16	Public Works	AFSCME	9	1.0
Engineering Intern - Temporary	17	Public Works	Non-Rep	A1	0.2
Maintenance Aide - Seasonal	18	Public Works	Non-Rep	1	0.5
Maintenance Aide - Seasonal	19	Public Works	Non-Rep	1	0.5
				Department Total:	12.2
Recreation and Tourism Manager	25	Recreation	Non-Rep	18	1.0
Recreation and Tourism Coordinator	26	Recreation	AFSCME	13	1.0
Recreation and Tourism Coordinator	27	Recreation	AFSCME	13	1.0
Preschool Teacher	28	Recreation	Non-Rep	4	0.3
Preschool Assistant	29	Recreation	Non-Rep	A1	0.3
Preschool Assistant	30	Recreation	Non-Rep	A1	0.3
Gym Supervisor - Temporary	68	Recreation	Non-Rep	A1	0.1
Gym Supervisor - Temporary	69	Recreation	Non-Rep	A1	0.1
Basketball Referee - Temporary	70 - 100	Recreation	Non-Rep	min wage	0.8
<i>(Recreation was under Community Development in this budget)</i>				Department Total:	5.0
				Year-Round:	59.1
				Temp and Preschool:	3.1
				City Total:	62.2



Proposed Position Listing 2019-2020

This position listing includes regular FTEs, as well as seasonal and irregular positions (e.g., preschool teachers, gym supervisors, basketball referees, and seasonal maintenance workers)

Position Title	Position Control Number	Department Division	Group	Salary Grade	Full-Time Equivalent
City Manager	1	Executive	Non-Rep	N/A	1.0
Human Resources Director	3	Executive	Non-Rep	23	0.6
City Clerk	5	Executive	Non-Rep	18	1.0
Human Resources / Labor Relations Specialist (added 2018)	115	Executive	Non-Rep	15	1.0
Information Systems and Technology Manager	2	IT	AFSCME	22	1.0
Department Total:					4.6
Director of Communications and Marketing	106	Communications and Marketing	Non-Rep	23	1.0
Recreation Coordinator	117	Communications and Marketing	AFSCME	13	1.0
Gym Supervisor - Temporary	68	Communications and Marketing	Non-Rep	A1	0.1
Gym Supervisor - Temporary	69	Communications and Marketing	Non-Rep	A1	0.1
Basketball Referee - Temporary	70 - 100	Communications and Marketing	Non-Rep	min wage	0.8
Community Engagement Coordinator	26	Communications and Marketing	AFSCME	13	1.0
Communications and Marketing Coordinator	27	Communications and Marketing	AFSCME	13	1.0
Preschool Teacher	28	Communications and Marketing	Non-Rep	4	0.3
Preschool Assistant	29	Communications and Marketing	Non-Rep	A1	0.3
Preschool Assistant	30	Communications and Marketing	Non-Rep	A1	0.3
Department Total:					5.9

Position Title	Position Control Number	Department Division	Group	Salary Grade	Full-Time Equivalent
Director of Finance and Administration	31	Finance and Administration	Non-Rep	27	1.0
Accountant ⁷	32	Finance and Administration	AFSCME	15	0.0
Accountant ⁸	33	Finance and Administration	AFSCME	15	0.0
Customer Service Representative	37	Finance and Administration	Non-Rep	7	0.4
Customer Service Representative	38	Finance and Administration	Non-Rep	7	0.2
Accountant ⁹	107	Finance and Administration	AFSCME	15	0.0
Administrative Supervisor ¹⁰	108	Finance and Administration	AFSCME	15	1.0
Customer Service Representative	109	Finance and Administration	AFSCME	7	0.4
Customer Service Representative	110	Finance and Administration	AFSCME	7	0.4
Customer Service Representative	111	Finance and Administration	AFSCME	7	0.4
Customer Service Representative	112	Finance and Administration	AFSCME	7	0.3
Customer Service Representative	116	Finance and Administration	AFSCME	7	0.3
Senior Accountant ¹¹	120	Finance and Administration	AFSCME	15	1.0
Accounting Technician ¹²	34	Finance and Administration	AFSCME	12	1.0
Department Total:					6.4



Position Title	Position Control Number	Department Division	Group	Salary Grade	Full-Time Equivalent
Chief of Police¹	39	Public Safety	Non-Rep	28	1.0
Police Sergeant	40	Public Safety	Guild	S	1.0
Police Sergeant	41	Public Safety	Guild	S	1.0
Police Sergeant	42	Public Safety	Guild	S	1.0
Police Sergeant	43	Public Safety	Guild	S	1.0
Police Sergeant	44	Public Safety	Guild	S	1.0
Police Officer	45	Public Safety	Guild	non-S	1.0
Police Officer	46	Public Safety	Guild	non-S	1.0
Police Officer	47	Public Safety	Guild	non-S	1.0
Police Officer	48	Public Safety	Guild	non-S	1.0
Police Officer	49	Public Safety	Guild	non-S	1.0
Police Officer	50	Public Safety	Guild	non-S	1.0
Police Officer	51	Public Safety	Guild	non-S	1.0
Police Officer	52	Public Safety	Guild	non-S	1.0
Police Officer	53	Public Safety	Guild	non-S	1.0
Police Officer	54	Public Safety	Guild	non-S	1.0
Police Officer	55	Public Safety	Guild	non-S	1.0
Police Officer	56	Public Safety	Guild	non-S	1.0
Police Officer	57	Public Safety	Guild	non-S	1.0
Police Officer	58	Public Safety	Guild	non-S	1.0
Police Officer	59	Public Safety	Guild	non-S	1.0
Police Officer	60	Public Safety	Guild	non-S	1.0
Police Officer	61	Public Safety	Guild	non-S	1.0
Police Officer (vacant)²	62	Public Safety	Guild	non-S	0.0
Police Support Officer	63	Public Safety	AFSCME	13	1.0
Records Technician	66	Public Safety	AFSCME	10	1.0
Records Technician	67	Public Safety	AFSCME	10	1.0
Evidence Technician³	113	Public Safety	AFSCME	11	1.0
Deputy Chief of Police	114	Public Safety	Non-Rep	25	1.0
Support Services Supervisor⁴	118	Public Safety	Non-Rep	15	1.0
			Department Total:		29.0



Position Title	Position Control Number	Department Division	Group	Salary Grade	Full-Time Equivalent
Planning Manager	20	PWDS	Non-Rep	22	1.0
Senior Planner	21	PWDS	AFSCME	18	1.0
Supervising Engineer	10	PWDS	Non-Rep	22	1.0
Public Works Supervisor	11	PWDS	Non-Rep	17	1.0
Maintenance Worker	12	PWDS	AFSCME	12	1.0
Maintenance Worker	13	PWDS	AFSCME	12	1.0
Maintenance Worker	14	PWDS	AFSCME	12	1.0
Maintenance Worker	15	PWDS	AFSCME	12	1.0
Maintenance Worker	16	PWDS	AFSCME	12	1.0
Maintenance Aide - Seasonal	18	PWDS	Non-Rep	1	0.5
Maintenance Aide - Seasonal	19	PWDS	Non-Rep	1	0.5
Engineering Technician	101	PWDS	AFSCME	14	1.0
Director of Public Works and Development Services	102	PWDS	Non-Rep	27	1.0
Building Official	103	PWDS	Non-Rep	20	1.0
Administrative Assistant⁵	104	PWDS	AFSCME	12	1.0
Associate Planner	105	PWDS	AFSCME	14	1.0
Project Engineer⁶	121	PWDS	AFSCME	19	1.0
Department Total:					16.0
Year-Round:					59.0
Temp and Preschool:					2.9
City Total:					61.9



Summary of changes from current to 2019-20 Budget:

- 1 - Salary Grade Increase: From 27 to 28 per market data.
- 2 - Budgeted FTE Change: Delay filling this vacancy. Will not be budgeted in 2019-20.
- 3 - Salary Grade Increase: From 10 to 11 per internal equity as it relates to market data.
- 4 - New Position
- 5 - Salary Grade Increase: From 11 to 12 per internal equity to address spread of responsibilities.
- 6 - New Position (funded by CIP)
- 7 - Eliminate Position: Effective 10/31/2018
- 8 - Eliminate Position
- 9 - Eliminate Position
- 10 - Position Reclassified: Administrative Coordinator to Administrative Supervisor to reflect evolution of position responsibilities. Includes Salary Grade Increase from 13 to 15.
- 11 - New Position
- 12 - Budgeted FTE Change: Increase from 0.0 to 1.0

All changes effective 01/01/2019 unless otherwise specified.



Appendix F

Community Overview

Overview

Incorporated in 1983, the City of Mill Creek is the eighth-largest city in Snohomish County, Wash., and is home to just over 20,000 people. Mill Creek is a physically active community with 10 attractive neighborhood and community parks, more than 23 miles of nature trails and recreational facilities that support diverse recreational opportunities.

A vibrant, safe and friendly community, Mill Creek is a great destination for shopping and gathering. The award-winning Mill Creek Town Center and other business developments feature many fine retail shops and restaurants. Mill Creek offers an exceptional community experience, where natural beauty is preserved, neighborhoods flourish, businesses thrive and recreational opportunities abound.

Mill Creek offers a hometown atmosphere with the culture and many of the amenities of urban living.

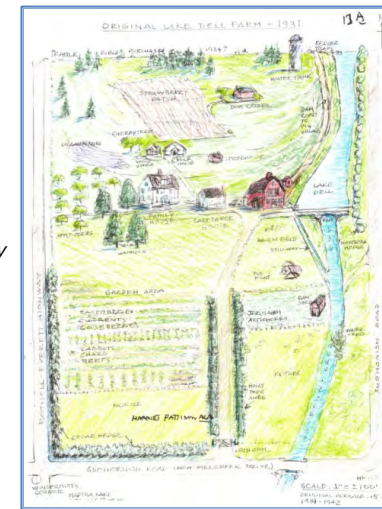
History

Early Years

Known as Wintermute's Corner in the early 1900s, the 164th Street/SR527 intersection was home to a grocery, a farm that grew produce for the grocery, and a gas station. At a time when SR 527 was hardly more than a buggy trail, Greyhound bus service connected Seattle to Everett, and

Wintermute's grocery was a bus stop along the route. Bus service ended when Highway 99 was constructed, and the property occupied by the grocery eventually became QFC and the truck farm ultimately became Albertsons. Not far from the intersection, businesses included the Hercules Dynamite Factory (now City Hall South) and a gravel pit (now the Mill Creek Library and Veterans Monument).

The land that would eventually become Mill Creek was originally owned by William Henry Gates (grandfather of Microsoft founder Bill Gates), and was purchased directly



*Sketch by Harriet Pattison,
courtesy of the Garhart Family*



from the federal government in 1890, before Washington became a state. The land was eventually sold off to other homesteaders, like Frederick Shaw who purchased 150 acres for \$5.61 in gold and named it Lake Dell Farm. In 1931, Dr. Manch Neville Garhart, a Seattle physician, purchased that 150 acres, and ultimately owned 800 acres.

In 1934, Garhart petitioned Snohomish County for rights to construct a dam on Penny Creek, which ran through the farm, to create a lake. He contracted with the University of Washington Engineering department to design and construct it. Once the dam was completed, a fish ladder was installed and the lake was stocked with rainbow trout. However, the peat bog in Thomas Lake that fed into Penny Creek created so much silt and sludge that the fish turned brown and were unable to spawn. The dam was decommissioned, and the lake eventually became part of the Mill Creek Nature Preserve. The Garhart family operated the farm, raising livestock and growing produce, until 1968 when portions of the property were sold to Seattle developer Elmer Kerns to build three golf courses and a residential community.

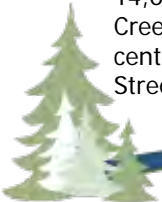
Development of Mill Creek

The land changed hands several times before ultimately being purchased by Tokyu Land Development Ltd. (Hawaii) in 1972, and developed by United Development Corporation. Their final plan projected a citywide total of over 4,600 dwelling units and a population of 12,000-14,000 when construction was completed. In 1972, the Mill Creek Community Association was created, and a town center began to grow at the corner of SR527 and 164th Street SW.



Incorporation

As the community grew and the cost of operating its own services increased, residents realized the need for expanded services beyond their own security force and street sweepers. Because the association already had infrastructure in place to support a city, including streets and utilities, and land earmarked for a municipal building and a school, as well as a stable mixed tax base from residential and business, it was decided to pursue incorporation rather than annexation to Everett or Lynnwood. Incorporation was approved by Mill Creek voters in September 1983. The City Council was elected and a Planning Commission was appointed. In 1987, the Parks and Recreation Advisory Board was established.



At the time of incorporation in 1983, the City of Mill Creek encompassed about 1,160 acres, or approximately 2 square miles. Since then, the City has more than doubled in area through 17 annexations and now measures approximately 2,994 acres or 4.68 square miles. The City's population is currently estimated to be just over 20,000.

Mill Creek's Legacy

Mill Creek has preserved its natural beauty and its history, and become a vibrant, safe, friendly and active community. The Garhart dam and fish ladder are part of the Mill Creek Nature Preserve, and a plaque behind the Mill Creek Community Association sign on the northeast corner of SR527 and 164th Street SE commemorates the contribution of the Garharts to the beginnings of the community. Although there was not originally a waterway named Mill Creek, the City received permission from Washington State in 2001 to rename Smokehouse Creek as Mill Creek.

Growing Community

Mill Creek is exceptionally well-planned and has managed to retain much of its small town charm over the last several years of growth and community development.

Developed in 2002, Mill Creek Town Center is a lifestyle center featuring more than 80 shops, restaurants and services. It attracts residents and visitors to dine, shop, relax and explore, and recently was named "the best lifestyle center in Washington state." The growth of Town Center as a pedestrian-friendly shopping destination, as well as the development of other businesses along Mill



Creek's main corridors, supports economic development goals. In addition, there are newer developments (such as those along the 132nd Street SE and 164th Street SE corridors) and growth opportunities that provide diverse offerings for Mill Creek residents and people from neighboring communities.

Aside from the landscape, buildings, shopping and services, the character and personality of the community is defined in large part by Mill Creek's residents. Even the casual visitor will quickly notice the residents care about their city and their fellow citizens.

Active Lifestyles

In addition to attractive neighborhood and community parks, the City is home to the Mill Creek Sports Park, which





serves 3,825 youth annually and is home to many soccer, baseball and softball teams. It also is used for several regional and state tournaments each year. The community uses it when not occupied by rental groups.

Parks and trails are a hallmark of the city, with over 23 miles of nature trails including the scenic North Creek Trail that runs along the North Creek Greenway from McCollum Park to the southern city limits.

There is a private golf course around which the original community was built, as well as a nature preserve through which Penny Creek flows.

In early 2017, an Arena Sports and Entertainment facility was constructed. The 98,000 square-foot facility features

an indoor soccer and futsal fields and programming, as well as a full-service family entertainment center that includes bowling (mini and full-size lanes), a multi-floor laser tag arena, rock climbing tower, two-story indoor ropes course, inflatable FunZone and more than 100 arcade games. The expansive facility is the premier party and event destination and sporting facility for the area.

Being close to the Puget Sound and the snow-capped peaks of the Cascade Mountains, recreational opportunities such as boating and skiing are just a short drive away. Nationally ranked year-round golf courses are nearby.

Climate

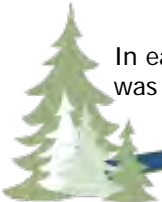
Mill Creek's climate is temperate and relatively mild. The area's reputation for rainy days comes from the frequency and not the total accumulated rainfall. In fact, its annual average rainfall is approximately 36 inches, less rain than New York, Atlanta or Houston. Summers and early fall are marked by gorgeous, sunny days.

Education

Mill Creek is served by the Everett Public School District and has an elementary school, a middle school and a high school all within its boundaries. Seven excellent colleges and universities are found within a 17-mile radius.

Major Employers

Major employers in Mill Creek are businesses such as Albertson's Food, Central Market, The Everett Clinic and Lowe's Home Improvement. The regional economy



comprises businesses in several sectors, including aircraft design and manufacturing, technology, biomedical, and travel and tourism, among others.

Demographics

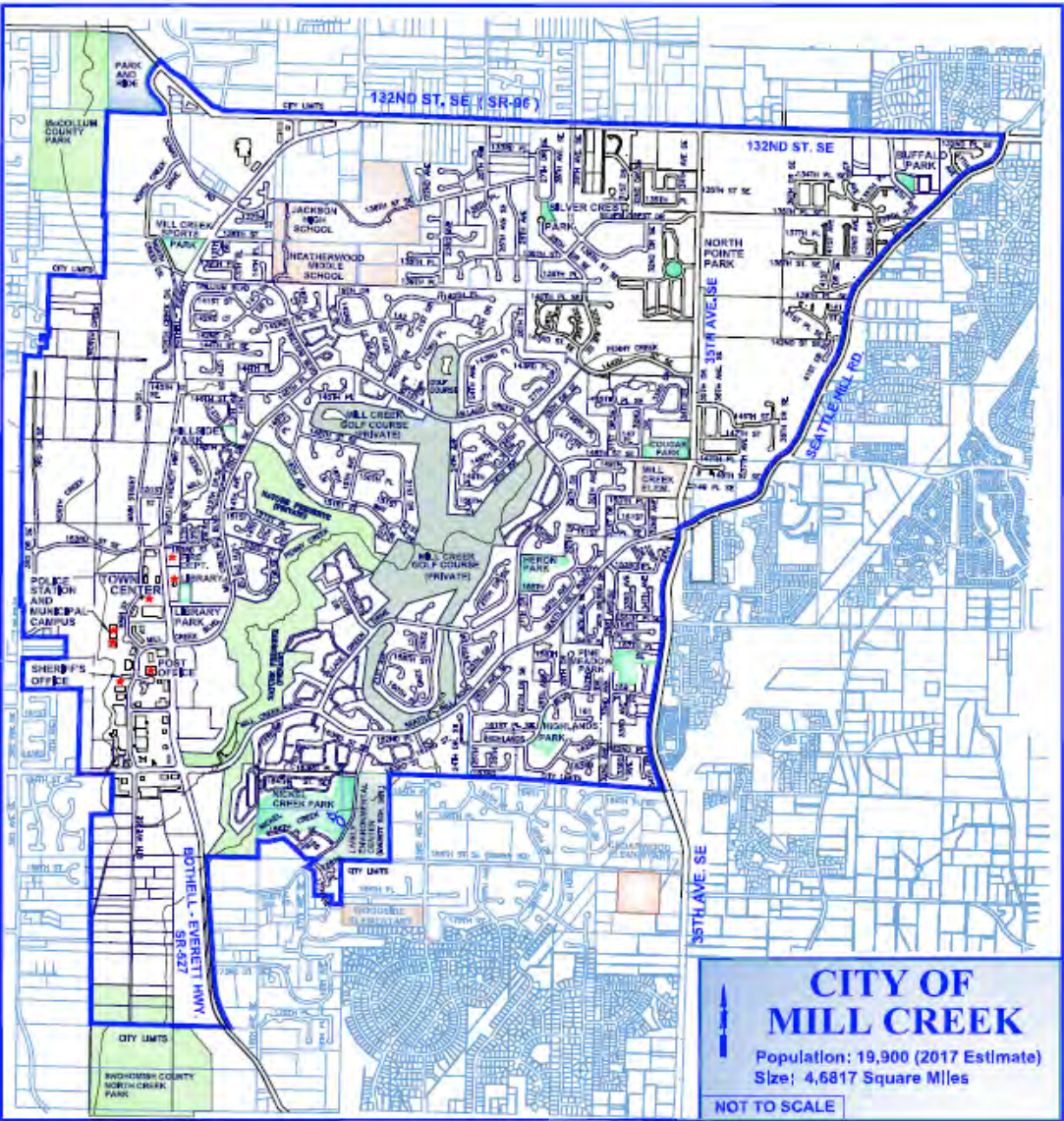
The City's population of 20,470 ranges from young families to seniors, which is a testament to the livability of Mill Creek.

The median age is 41, which is slightly above the national median age of 37.2.

Community residents are well educated; 96% have a high school diploma and 49% have a bachelor's degree or higher. The average family income is \$101,061 with only 5% of all families falling below the poverty level.

The City's residents are Caucasian (74.2%), Asian (16.7%), Hispanic (5.6%), Black (2.2%), American Indian (0.5%), and those comprising two or more races (4.4%).





Appendix G

City Council Members

Pam Pruitt, Mayor, Position #4

Pruitt has been a resident of Mill Creek's Cottonwood neighborhood since 1980. She first joined the City Council in 1988, serving until 1995; during that time, she served as mayor in 1992-1993. Though involved in the community in the intervening time, she once again felt compelled to serve officially. She was re-elected in 2013, and has served as mayor since then. Pruitt's commitment to public service is focused on making things better for people in Mill Creek. She thrives on building relationships, and has done so in the community through her service on the Park Board, the SNOCOM Dispatch Board and the Snohomish County Emergency Radio System Board. In her spare time, she likes to knit hats for chemo kids, write and talk with community members she encounters while walking around Mill Creek. She holds degrees from the University of Washington in economics and political science. Her term expires Dec. 31, 2021.



in land-use and development issues for years. In 2014, he joined the City Council to bring oversight to the existing administration, to help address community concerns and to shape the community's growth. One priority for him is for the Council to move forward with a decision on what to do with the undeveloped property owned by the City adjacent to the Mill Creek Sports Park. He also seeks collaborative partnerships with other entities within Snohomish County to determine how to best address the needs of Mill Creek in a way that bolsters the City's economic development and tourism offerings. Holtzclaw is in-house legal counsel for a home building - land development company focusing on land-use and real-estate development issues. He obtained his law degree at the University of Puget Sound (now Seattle University). He also holds a degree in economics from Whitman College. When not focusing on law or City matters, he is an avid cyclist. His term expires Dec. 31, 2021.

Brian Holtzclaw, Mayor Pro Tem, Council Position #3

Holtzclaw moved into Mill Creek's Brighton neighborhood in October 2003. With a background in real estate development law, he has been interested



John Steckler, Council Position #1

Steckler is a 22-year resident of Mill Creek. Steckler and his wife fell in love with Mill Creek when they were looking for a place in which to raise their family. It was more than a place to live; Steckler and his family have established their roots in Mill Creek. As such, he decided to give back as much to the community as he could. Steckler has volunteered for many years in the local schools and scouting organizations. He is a Rotarian, as well as a charter member and board member of the newly formed Kiwanis Club of Mill Creek. After a deeply satisfying career in sales, marketing and operations, Steckler is semi-retired, but provides freelance consulting work in strategic planning and marketing for small- and mid-sized companies. His professional passion is to foster strategic growth wherever he has opportunity. The City of Mill Creek is no exception. Appointed to fill a vacancy in 2018, Steckler sees an opportunity to position the City for long-term success while ensuring it grows in the right way. He earned a bachelor's degree from the University of Washington. In his free time, he enjoys activities on the water including boating and fishing. He also is active in theater arts. His term expires upon certification of the general election in 2019.

**Jared Mead, Council Position #2**

Mead, who has lived in Mill Creek since 2001, has a passion for community. He loves this City because it provides many community engagement opportunities for residents, and is safe and friendly. He wants to ensure it is a place that others are proud to call home for years to come by



ensuring its environmental sustainability. This includes maintaining the City's trees, trails and natural aesthetics, as well as finding clean energy and efficiency solutions. Through his experiences living in three different Mill Creek neighborhoods, he brings a unique perspective on social issues to the table. He served on the City's Planning Commission from 2014 to 2017, prior to his election to City Council. His professional experience centers on making a difference in governmental affairs. He currently serves as a legislative aide to Senator Guy Palumbo, from Washington's first legislative district. Mead earned a bachelor's degree in global studies from the University of Washington. In his spare time, he enjoys physical activities, including intramural sports at the new Arena Sports facility in Mill Creek, as well as sampling the tastes of local restaurants with his wife. His term expires Dec. 31, 2021.

Vince Cavaleri, Council Position #5

Cavaleri moved to the Webster's Pond neighborhood of Mill Creek in 2004. In 2015, he was appointed to a vacant position on the City Council. Cavaleri subsequently was elected to a four-year term in November 2015. His service



stems from a desire to be a fiscal representative for the community; he strives to ensure the City provides a superior level of service without implementing high taxes. During his tenure, the City has balanced its budget and saved millions of dollars on the City Hall and Annex renovation. A long-time deputy with the Snohomish County Sheriff's Office, he also is passionate about keeping citizens safe without intruding on their civil liberties, and approaches decisions from this mindset. Cavaleri is a parks and recreation liaison for the City, advocating for green open spaces that are a clean and appropriate for all ages. He also serves on the Water Resource Inventory Areas 8 board, which handles surface water and ecological issues. During his down time, Cavaleri enjoys physical activities like hiking, biking, hot yoga and working out. His term expires Dec. 31, 2019.



Mike Todd, Council Position #6

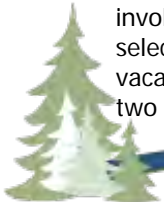
Todd is a long-time resident of the Springtree neighborhood, where he moved in 1983. His civic participation developed from a desire to help obtain more soccer fields for the local soccer club when he was serving as a soccer coach and club administrator. He is a strong believer in citizens being engaged in local efforts that benefit their community. In 1999, he joined a task force to help develop Metropolitan Parks District. That work led to his involvement with the Parks Board. In 2005, he was selected to fill a Council position due to a mid-term vacancy. He has served on the council ever since, including two terms as mayor from 2010 through 2014. He strives to



help the City be involved in broader regional matters as he seeks to develop interagency partnerships. In that vein, he serves on the Puget Sound Regional Council, the Snohomish County Cities nonprofit organization, the Community Transit Board and the North Puget Sound Soccer League. He earned a master's degree in mechanical engineering and a bachelor's degree in electrical engineering from Stanford University, and worked as an engineer at Fluke in Everett. In his downtime, he still enjoys playing soccer. His term expires Dec. 31, 2019.

Mark Bond, Council Position #7

Bond's affinity for public service came early on in life. Unsure of a career path and seeking something that would make him happy down the road, he went on a 10-hour police ride-along. Bond was hooked. He tested for police work as soon as he able and joined the Mill Creek Police Department in 1990, where he served the City for 11 years. He joined the Snohomish County Sheriff's Office in 2001, where he still works. At that time, he moved into the Highland Trails neighborhood. In 2004, Bond was first elected to the City Council. His tenure has been marked by humble service. He credits early City administrations for paving the way for the City to weather financial difficulties. Now, he seeks to ensure financial stability for the future. In addition, his passion for public safety helps guide the counsel on decisions impacting the life, health and property of community members. In addition to his council role, he serves on the Snohomish County Health District and the Joint Fire Board. Bond attended Shoreline Community College. In his down time, he enjoys strategy games. His term expires Dec. 31, 2019.



Appendix H

Fiscal Policy

General Financial Goals

- A. To provide a financial base sufficient to sustain municipal services and maintain the social and physical conditions of the City.
- B. To be able to withstand local and regional economic downturns, to adjust to changes in service requirements and to respond to other changes as they affect the community.
- C. To maintain an excellent credit rating in the financial community and assure taxpayers that the City of Mill Creek is maintained in sound fiscal condition.

Operating Budget Policies

- A. The base operating budget is the City's comprehensive two-year financial plan which provides for the desired level of City services as defined by the City's priorities.
- B. The goals of the budgeting process are:
 - o Align the budget with citizen priorities.
 - o Measure progress towards priorities.
 - o Get the best value for each tax dollar.
 - o Foster continuous learning in the City.
 - o Build regional cooperation.

- C. Revenues and expenditures for the General Fund, and all operating funds, shall be projected for the ensuing biennium.
- D. Biennial operating budgets should provide for design, construction, maintenance and replacement of the City's capital and equipment consistent with the Capital Improvement Plan, including the related costs for operating such new facilities.
- E. The City will maintain all of its assets at a level such that it protects the City's capital investment and minimizes future maintenance and replacement costs.
- F. All general government current operating expenditures will be paid from current revenues and cash carried over from the prior biennium.
- G. Reports on revenues and expenditures will be prepared monthly and reviewed quarterly by the City Council during the year.
- H. The City will avoid budgetary and accounting procedures which balance the current budget at the expense of future budgets.
- I. The City of Mill Creek defines a balanced budget as current biennium revenues (including fund balances) equal to or greater than current biennium budgeted expenditures.



- J. The City will attempt to utilize beginning balances and other one-time revenues only for one-time/non-recurring expenditures.
- K. All supplemental appropriations for programs (appropriations requested after the original budget is adopted) will be considered as a result of the availability of new revenues (such as unanticipated grants). All supplemental appropriations will conform to these operating budget policies.

Revenue Policies

- A. The City will strive to maintain a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source. The revenue mix should combine elastic and inelastic revenue sources to minimize the effect of an economic downturn.
- B. Because revenues, especially those of the General Fund, are sensitive to both local and regional economic activities, revenue estimates provided to the City Council shall be conservative.
- C. The City will estimate its biennial revenues by an objective, analytical process using best practices as defined by the Government Finance Officers Association.
- D. The City will project revenues for the next six years and will update this projection biennially. The City Manager will biennially review and make available to the City Council an analysis of each potential major revenue source.



- E. The City will establish all user charges at a level related to the cost of providing the service and within policy parameters established by the City Council.
- F. In each odd numbered year, the City will review user fees to adjust for the effects of inflation and other factors as appropriate. The City will set fees for user activities, such as recreational services, at a level to support the direct and indirect costs of the activity in accordance with cost recovery policies adopted by the City Council.
- G. The City will set fees and user charges for each enterprise fund at a level that fully supports the total direct and indirect cost of the activity including the cost of annual depreciation of capital assets.



Expenditure Policies

- A. The City budget will provide for a sustainable level of service as defined in the context of the operating budget policies.
- B. The City's operating budget will not use one-time revenues to support ongoing expenditures.
- C. The City will maintain expenditure categories according to state statute and administrative regulation.
- D. The City will structure service levels in the context of financial sustainability.
- E. The City will forecast its General Fund expenditures biennially for the next six years. The drivers and assumptions used in the forecast will be described.
- F. A cost allocation plan will be developed and incorporated into the City budget. The cost allocation plan will be the basis for distribution of general government costs to other funds or capital projects (also known as indirect costs).

Short-Term Debt Policies

- A. Short-term debt is defined as a period of three years or less.
- B. The City may use short-term debt to cover temporary cash flow shortages, which may be caused by a delay in receiving tax revenues or

issuing long-term debt. The City will not use short-term debt for current operations.

- C. The City may issue interfund loans rather than outside debt instruments to meet short-term cash flow needs. Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's current operations. All interfund short-term borrowing will be subject to Council approval by ordinance or resolution and will bear interest based upon prevailing rates.





Long-Term Debt Policies

- A. Long-term debt is that debt which exceeds three years.
- B. The City will utilize long-term borrowing for capital improvements that cannot reasonably be financed on a pay-as-you-go basis from anticipated cash flows.
- C. Acceptable uses of bond proceeds are items which can be capitalized and depreciated. Refunding bond issues designed to restructure currently outstanding debt is also an acceptable use of bond proceeds provided that the net present value (NPV) of saving is at least four percent (4%).
- D. The City will determine whether self-supporting bonds (such as special assessment improvement district bonds) are in the City's best interest when planning to incur debt to finance capital improvements.

- E. The City will not use long-term debt for current operations.
- F. The City will maintain good communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus including proactive compliance with disclosure to the secondary market.
- G. General Obligation Bond Policy
 - 1. Every project proposed for financing through general obligation debt shall be accompanied by a full analysis of the future operating and maintenance costs associated with the project.
 - 2. Bonds cannot be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed.
- H. Financing of Lease Purchases
 - 1. Under Washington State law, the public may vote to approve bond issues for general government purposes in an amount not to exceed 2.5% of assessed valuation. Within the 2.5% limit, the Mill Creek City Council may approve bond issues and/or lease purchases up to 1.5% of the City's total assessed value. In addition, state law provides for an additional 2.5% of assessed valuation for parks and open space purposes with a vote of the public.



2. Lease purchase financing may be used when the cost of borrowing or other factors make it in the City's best interest.

Reserve Fund Policies

- A. The City will maintain General Operating Reserves at a level equal to at least 15% of the total General Fund budgeted revenue, excluding the beginning fund balance and any significant one-time revenue. These reserves shall be created and maintained to:
 1. Provide sufficient cash flow to meet daily financial needs.
 2. Sustain City services in the event of a catastrophic event such as a natural/manmade disaster (e.g., earthquake, windstorm, flood, terrorist attack) or a major downturn in the economy.
- B. Biennium surpluses in the General Fund will be used to fund one-time operations, capital expenditures or dedicated to the Capital Improvement Program if:
 1. There are surplus balances remaining after all current expenditure obligations and reserve requirements are met.
 2. The City has made a determination that revenues for the ensuing biennium are sufficient to support budgeted General Fund operations.

- C. A surplus is defined as the difference between the actual beginning fund balance and the budgeted beginning fund balance. It consists of under-expenditures and excess revenues over and above the amounts included in the biennial budget.
- D. The City will maintain operating reserves in the following funds:
 1. Surface Water Fund: 5%
 2. Annex Fund: 5%
- E. The City shall additionally maintain a Capital Equipment Reserve for general asset replacement.
- F. The Unemployment Reserve Fund will be maintained at a level sufficient to meet scheduled equipment replacement so as to sustain an acceptable level of municipal services and prevent a physical deterioration of City assets.



Special Revenue Policies

- A. The City will establish and maintain Special Revenue Funds which will be used to account for the proceeds of specific revenue sources to finance specified activities which are required by statute, ordinance, resolution, or executive order.
- B. Special Revenue Funds having biennial operating budgets will be reviewed by the City during the budget process.

Accounting, Auditing and Financial Reporting Policies

- A. The City will establish and maintain a high standard of internal controls and accounting practices. The City accounts for revenues and expenditures on a cash basis.
- B. The accounting system will maintain records on a basis consistent with accepted standards for local government accounting and the State of Washington Budgeting, Accounting and Reporting Systems.
- C. Regular quarterly and annual financial reports will present a summary of financial activity by major types of funds. Such reports will be available via the City's website (www.cityofmillcreek.com).
- D. A fixed asset system will be maintained to identify all City assets, their location and their condition.
- E. The City will ensure that City records are audited annually and will result in the issuance of a financial opinion. The results of such audit are to be available to the public via the City's website.

Budget Calendar

- A. In order to facilitate and implement the budget process, the City Manager will propose a biennial budget calendar at the first regular Council meeting in March in every even year.
- B. The calendar will be comprehensive in nature and generally provide for a process that resembles the Best Practices as published by the Government Finance Officers Association.

Basis of Accounting

The City uses a cash basis of accounting using the revenue and expenditure classifications contained in the *Cash Basis Budgeting, Accounting and Reporting System (BARS)* manual. This basis of accounting and reporting is prescribed by the State Auditor's Office under RCW 43.09.

This is a method of accounting only recognizes transactions when they affect cash flow. Under the cash basis of accounting, revenue and expenses are recorded when cash is actually paid or received. Cash accounting is relatively uniform, is well adapted to the needs of budgetary control and is easy to consolidate.



Appendix I

City SWOT Analysis

Overview

In spring 2016, research was conducted by Mill Creek-based Marketing Solutions to better understand the City Council, staff, citizen and business attitudes as they relate to the City of Mill Creek in terms of image and communications. The research from Marketing Solutions identified perceived strengths, weaknesses, opportunities and threats – also known as a SWOT analysis. In addition, the research identified core community values. The research also included a competitive analysis to identify market conditions, which affirmed much of the SWOT analysis.

Following the City Council's development of Desired Budget Outcomes and in preparation for budget development in 2018, the SWOT analysis was reviewed to determine how the situation has changed. Each element of the original analysis was reviewed.

In the last two years, a number of previously identified weaknesses have been overcome. Further, as the City develops long-term plans, the strengths, weaknesses, opportunities and threats are pertinent to determining how the City should move forward.

Strengths

- The community assets are appealing.
 - It is viewed by residents and merchants as an upscale bedroom community.
 - It is considered a unified business community.
 - It is a planned community, which is peaceful and inviting.
 - The award-winning Mill Creek Town Center is a draw to residents and visitors.
 - Quality of life is good.
- A new strategic culture is under development.
 - The City Council is supportive of the new culture.
 - The City is customer service oriented.
 - There is a new focus on creating efficiencies.
- There is a robust parks and recreation program.
 - The city is walkable.
 - The Arena Sports facility has facilitated new family recreation opportunities.
- The City has grown customer service initiatives, like passports, to provide enhanced services to Mill Creek and surrounding areas.



- The City has implemented a cohesive and professional look to its materials.
 - The logo is being used consistently.
 - Brand colors are utilized across the City.
 - Professional photography has been secured to highlight the City's beauty and attractiveness.
- City communications have greatly expanded.
 - The City invested in communications personnel to provide transparency, manage media relationships and generate engagement.
 - The City's website received a make-over and a tourism site was added.
 - Social media has recently been added.
 - Community outreach is expanding with the implementation of focus groups and City presence with key associations.
 - Internal communications have been carefully managed and utilizes better tools.
 - A City magazine has been launched and the Recreation Guide bolstered to provide transparency and share key information – including events – with the community.
- The City has expanded community resources to create engagement, including:
 - Farmers Market
 - Party in the Parks program and Block Party Trailer
- The City has begun to implement much-needed infrastructure improvements, like the 35th Avenue SE reconstruction project.



Weaknesses

- Brand image is weak.
 - The City's branding is outdated.
 - There are lingering inconsistencies of brand imagery and colors on City infrastructure.
- Infrastructure is experiencing growing pains.
 - Traffic is becoming congested.
 - Parking is challenging.
- There is very little community engagement as compared to competitors.
 - Minimal arts and culture opportunities.
 - Lack of entertainment.
 - No performing arts center.
- The City has multiple personalities, rather than unity around core values.
 - HOAs create division, not unity.
- The rapid growth of Snohomish County has increased the need for multi-use development, but the community is opposed to such growth solutions.
- The City's tourism structure is lacking.
 - No hotel.
 - Few specialty shops other than restaurants.

Opportunities

- Strategic economic development opportunities exist due to the City's limited space.
- With the Chamber of Commerce opening its doors in January 2019, there is opportunity to bolster business support tools.
- Opportunity to annex outlying areas to bolster sales tax revenue.
- The Swift Orange Line, slated for arrival in 2025, creates an impetus to improve the Mill Creek Blvd corridor.
- The Dobson-Remillard property create potential for new recreational and/or sports tourism offerings.
- There is opportunity to partner with others in presenting marquee events.
 - Party in the Parks in the summer.
 - Mill Creek Festival in July.
 - Run with the Heart fun run for kids in September.
 - Halloween events in October.
- With a fully function recreation team, there is opportunity to grow recreational offerings for all ages, including partnering with local entities.
- With tourism in Snohomish County focused on the summer months, there is opportunity to create unique tourism events in the off season and shoulder season.



- The City can further promote itself through licensing and selling of Mill Creek merchandise.
- The City can build on existing resources to increase connectivity.
 - Finish the Mill Creek portion of the North Creek Trail
 - Develop a trail system from the north end of SR 527 to Town Center and then south to businesses along 164th Street SE.
- Secure additional grants to bolster the City's ability to deliver on Capital Improvement Plan projects.
- Development of ecotourism offering at Thomas Lake.



Threats

- Turnover in the Executive office.
- Rapid growth.
 - Infrastructure is outdated.
 - Rising costs as infrastructure improvements are needed.
 - Community cohesive look and feel is lost as new construction occurs.
 - Traffic issues deter visitors.
- Nearby communities (Edmonds, Lynnwood, Snohomish, Mukilteo, Woodinville) offer more arts and entertainment opportunities.
 - More family and multigenerational events and activities.
 - Lodging options in other cities.
- Viewed as elitist by outsiders.
 - Town Center businesses also are viewed as being "better than the rest" because of their location.
- The rising costs of doing business with decreasing revenue from development puts City services at odds with the cost of delivering such services.



Appendix J

Glossary

Actual: Actual, as opposed to budgeted, revenues and expenditures for the biennium period indicated.

AFSCME: The union representing administrative employees, fully named the Washington State Council of County and City Employees AFSCME/AFL-CIO (AFSCME).

Assessed Valuation (A/V): The dollar value assigned to a property to measure applicable taxes. A/V determines the value of a residence for tax purposes and takes comparable home sales and inspections into consideration.

AWC: The Association of Washington Cities.

Balanced Budget: A budget in which sufficient revenues are available to fund anticipated expenditures.

Bank Capacity: When the City levies less than the maximum amount allowed over the years, it is allowed to retain the right to use that "banked" capacity at some future date.

Biennium: A two-year period for which the City budgets. The first year is an odd year, and the second year is an even year.

Budget Calendar: The schedule of key dates involved in the process of adopting and executing an adopted budget.

CALEA: The Commission on Accreditation for Law Enforcement Agencies.

Capital Improvements: Major projects requiring the expenditure of public funds over and above routine operating expenses. A capital project is defined as new, replacement of, or improvements to infrastructure (e.g., buildings, roads, parks) that has a minimum life expectancy of five years and a minimum cost of \$25,000.

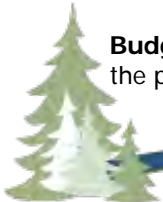
Capital Improvement Plan (CIP): The City's method of programming improvements to the City's transportation, storm water, facilities and park infrastructure. The CIP is updated through a public process every two years prior to the biennial budget preparation.

CCTV: Closed-circuit television system used to transmit video surveillance. Used in connection with the City's Surface Water Utility.

City: The City of Mill Creek, Washington.

City Hall Municipal Campus: The City of Mill Creek campus consisting of City Hall South (main building) and City Hall North (formerly known as the Annex). It is located at 15728 and 15270 Main Street, respectively.

Consumer Price Index (CPI): A measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The index is used to measure the increase in the cost of living (economic inflation).



CPSM: The Center for Public Safety Management.

Debt Service: Principal and interest payments on debt incurred (bonds sold) by the City.

Deficit: The excess of expenditures over revenues.

Dobson-Remillard Property: Ten acres of land owned by the City and located immediately west of the Mill Creek Sports Park along North Creek Drive.

EGUV: The East Gateway Urban Village, a master-planned development on the east side of Mill Creek along 132nd Street SE between 35th Avenue SE and Seattle Hill Road.

EMS: Emergency Medical Services, as provided by Snohomish County Fire District 7.

Expenditure: An expense or charge against available funds.

Fees: A charge to cover the cost of a service (e.g., building inspection fee, recreation fee, zoning fee).

Full-Time Equivalent (FTE): The ratio units equivalent to an employee working full-time. One FTE is equivalent to one employee working full time, and two .5 FTEs are equivalent to one employee working full time.

Fund: An accounting entity designed to separately track the expenses and revenues of a particular program or service. Funds are classified according to type: general, enterprise, debt service, etc. The expenses and revenues are accounted for according to generally accepted accounting principles.



General Fund: The City's main budgetary fund, which provides general purpose governmental services such as police, fire, park maintenance, general administration and facilities maintenance.

GFOA: The Government Finance Officers Association.

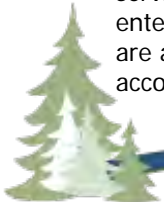
Guild: The Mill Creek Police Officers' Guild, representing the non-sergeants and sergeants bargaining unit.

HRIS: A Human Resources Information System.

ICMA: The International City/County Management Association.

Interfund Loan: A loan made from one of the City's funds to another City-owned fund.

JLARC: The Washington State Joint Legislative Audit and Review Committee.



Levy: An imposed tax, which in this document refers to property and EMS taxes.

Lexipol: A policy training for public safety organizations.

Local Government Investment Pool (LGIP): A state or local government pool offered to public entities for the investment of public funds.

Maintenance and Operation Costs: The day to day operation and maintenance costs of a municipality include such things as gas and electric utility bills, telephone expense, reproduction costs, postage and vehicle maintenance.

MCMC: The Mill Creek Municipal Code.

MRSC: The Municipal Research and Services Council, a nonprofit that provides help to local government in Washington State.

PSRC: The Puget Sound Regional Council.

Reserves: Amounts of revenue set aside for a specific purpose.

Revenues: The income generated from sale of goods or services, or any other use of capital or assets, associated with the main operations of an organization before any costs or expenses are deducted.

RFP: A request for proposals is a document that the City creates to outline the requirements for a specific project. It uses the RFP process to solicit bids from qualified vendors and identify which vendor might be the best-qualified to complete the project.

Surface Water: Water that collects on the surface of the ground.

Surface Water Utility: The City's self-supporting utility that provides surface water services.

WASPC: The Washington Association of Sheriffs and Police Chiefs.



Appendix K

2019-2024 Capital Improvement Plan



Capital Improvement Plan

2019-2024



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City Manager Letter

October 24, 2018

Honorable Mayor and Councilmembers
City of Mill Creek

SUBJECT: Adopted 2019-2024 Capital Improvement Plan

I am pleased to present the City's adopted 2019-2024 Capital Improvement Plan (CIP). This comprehensive CIP includes projects and funding that will have a positive and lasting impact for the Mill Creek community for decades to come. Some of the key projects within the CIP include:

- Mill Creek Sports Park Turf & Light Replacement
- Pavement Preservation (increased funding)
- Planning/Vision Process for Mill Creek Boulevard
- Surface Water Aging Infrastructure Program

This plan is a living document, highly dependent on the present economic conditions and is subject to changes. Capital projects can impact future operating budgets either positively or negatively due to an increase or decrease in staffing, maintenance costs, or by providing capacity for new programs or services.

There are a number of policies that are included in this CIP that provide guidance for not just the next six-year term but future CIPs planning horizons. The key policy changes in this year's CIP include the following:

- A. This CIP focuses on those projects that have secured funding or a high degree of confidence that funding will be obtained. This allows the City to provide a realistic plan for funding the City's most important capital investments wisely and most efficiently. There is also value in listing those capital projects within a CIP that are not fully funded and may at this time be a lower priority or considered aspirational. These projects that don't have a secured funding source have been identified in a separate part of the CIP.
- B. Another new policy change is the transfer of a portion of the City's General Fund Reserve above an amount which is needed to respond to economic fluctuations, cash flow needs, and catastrophic events. The City's adopted policy is to maintain a General Fund Operating Reserve equal to at least 15% of the total biennial General Fund budgeted revenue. At the end of 2018, 33% of all reserve funds above the General Fund Reserve minimum be transferred to the CIP for capital project investment. The rationale for this transfer is to better align and allocate previous tax payer dollars or one-time funds associated with development toward a capital



project providing community benefits to those who paid for the benefits within a reasonable time frame. This one-time transfer is \$829,703. With this transfer, the General Fund Reserve is projected to be 21% of General Fund budgeted revenue.

- C. The City's current policy is to transfer one time revenues into the CIP on an annual basis. One-time revenues are those which are not expected to reoccur, such as development related revenues (e.g., construction sales tax and permit fees). To implement this policy and transfer, management will analyze funds that are one time for inclusion in the CIP, recognizing that the City receives a base and recurring amount of development related revenues that should be excluded from any transfer. This transfer shall be further contingent on the City maintaining a 15% committed General Fund operating reserve. The City will transfer \$400,000 as one-time revenue in the CIP.
- D. The CIP includes the creation of a "CIP Contingency Fund." A minimum of 10% of projected revenues from Real Estate Excise Tax (REET) should be designated as a CIP Contingency Fund to be used to support transportation, parks and trails, and City facilities and equipment. REET revenue receipts fluctuate from year to year. Although staff projects revenues realistically, it is prudent to establish an adequate reserve as CIP Contingency Funds and not allocate these revenues until the funds are actually received. Only at Council discretion can these funds be appropriated toward currently unidentified projects or increases in planned projects.

- E. Projects included within the CIP require expenditure of public funds over and above routine operating expenses and are defined as new, replacement of, or improvements to infrastructure (e.g., buildings, roads, parks, etc.) that have a minimum life expectancy of five years and a minimum cost of \$25,000. Previously, projects of \$5,000 or more were included in the CIP.

The CIP continues to incorporate the following fundamental elements:

- Consideration of community needs
- Availability of sufficient revenue
- Coordination of projects and project timelines
- Availability of sufficient staff and expertise to manage projects
- Maximization and leveraging of City revenues
- Adherence to sound financial strategies.

Accomplishment of a community vision requires community input, along with the professional expertise and steadfast contribution of City staff and the Mill Creek leadership. We believe this Capital Improvement Plan will pave the way for a positive and lasting influence on the City and surrounding area.

Respectfully submitted,



Robert S. Stowe
Interim City Manager



Ordinance Adopting the CIP

ORDINANCE NO. 2018-837

AN ORDINANCE OF THE CITY OF MILL CREEK, WASHINGTON, ADOPTING A REVISED AND UPDATED 6-YEAR CAPITAL IMPROVEMENT PLAN FOR YEARS 2019-2024 IN ACCORDANCE WITH THE CITY'S BIENNIAL BUDGET PROCESS, COMPREHENSIVE PLAN, AND GROWTH MANAGEMENT ACT.

WHEREAS, the City of Mill Creek utilizes a biennial budget system and will be adopting such budget with accompanying appropriations in 2018 for years 2019-2020; and

WHEREAS, in conjunction therewith the City routinely updates, revises, and adopts its 6-year capital improvement plan as required by the Growth Management Act and the City's Comprehensive Plan; and

WHEREAS, the City routinely adopts a capital improvement plan with a 6-year or longer planning horizon; and

WHEREAS, the City has updated and revised its annual 6-year capital improvement plan, attached hereto as **Exhibit A** (2019-2024 CIP), which includes specifically achievable and realistic capital projects with identified funding levels and sources consistent with revenue forecasts and anticipated budget appropriations; and

WHEREAS, the City plans to concurrently amend the capital facilities and transportation elements of its Comprehensive Plan in 2019 to complete the process of fully coordinating and integrating the capital improvement plan and the capital facilities and transportation elements; and

WHEREAS, the City Council finds that the 2019-2024 CIP meets the intent of the Growth Management Act;

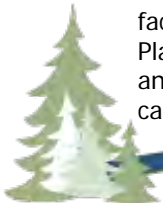
NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. The City Council adopts the foregoing recitals as findings in support of the 2019-2024 Capital Improvement Plan.

Section 2. The 2019-2024 Capital Improvement Plan for the City of Mill Creek, attached hereto as **Exhibit A**, is adopted to take effect on January 1, 2019.

Section 3. The 2019-2024 Capital Improvement Plan is further adopted as the financing plan for the City's capital facility and transportation elements of the Mill Creek Comprehensive Plan.

Section 4. A summary of this ordinance, consisting of its title, shall be published in the official newspaper of the City and shall take effect and be in full force five (5) days after the date of publication.



Passed in open meeting this 23rd day of October, 2018 by a vote of 6 for, 0 against, and 0 abstaining.

APPROVED:

ATTEST/AUTHENTICATED:

MAYOR PAM PRUITT

ACTING CITY CLERK GINA PFISTER

APPROVED AS TO FORM:

CITY ATTORNEY SCOTT MISSALL

FILED WITH THE CITY CLERK: _____

PASSED BY THE CITY COUNCIL: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

ORDINANCE NO.: _____



Executive Summary

Viable communities depend on good infrastructure planning and financing. Only with well thought out capital facilities plans are governments able to effectively and realistically provide for growth and a high quality of life.

The Capital Improvement Plan (CIP) is part of the state's Growth Management Act (GMA) requirement for cities and counties to approve and maintain a comprehensive plan that includes a capital facilities element consisting of an inventory of existing capital facilities, a forecast of future needs for facilities, a six-year plan for financing such facilities, and reassessment of the land use elements.

A CIP is an important tool for planning and managing the City's growth and development. This starts with developing a long-term financial forecast, identifying infrastructure improvements and development opportunities, and creating a vision for Mill Creek's future in light of Snohomish County's extraordinary growth.

Capital improvements are major projects requiring the expenditure of public funds over and above routine operating expenses. A capital project is defined as new, replacement of, or improvements to infrastructure (e.g., buildings, roads, parks) that has a minimum life

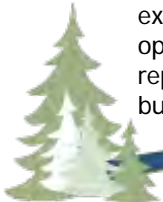
expectancy of five years and a minimum cost of \$25,000.

Many of these projects have long-term implications: they will have impacts on the operating budget or they are interconnected with other projects planned in the City. For planning purposes, it is necessary to discuss and consider projects and their operational and funding impacts in the context of more than one year. A long-term outlook provides an idea of what infrastructure needs may exist in the near future.

Such a CIP requires great forethought. As the City matures, its infrastructure is beginning to age and needs repairs and/or replacement. Other projects include system improvements or capacity-increasing projects.

If Council and staff anticipate that certain projects will be necessary in the coming years, they can begin planning and budgeting for them now, rather than being caught by surprise when the project is desperately needed and there is limited time to consider options.

The CIP presents a schedule of major capital improvements that are planned within the next six year period. Project design, land acquisition, and construction costs as well as the projected means of financing these costs are an integral component of this plan.





The GMA also requires that when making land-use designations, the City consider services and facilities provided to residents and businesses in our urban growth area. It is the responsibility of the City to monitor the status of development, population projections, and employment in the City in relation to facility needs.

A biennial review and update of the CIP, which contains a list of adopted capital projects including costs and projected revenues, allows us to review, plan and coordinate in relation to land-use activities, and ensure facilities are available when needed. Staff has evaluated the City's land-use designations and has structured the capital projects recommended in the CIP to meet the anticipated development needs.

Policies

A number of new and existing important policies provide guidance for the CIP that are included below.


New Policies

- **Secured Funding.** This CIP focuses on those projects that have secured funding or a high degree of confidence that funding will be obtained. This allows the City to provide a realistic plan for funding the City's most important capital investments wisely and most efficiently. Additional projects that don't have a secured funding source have been identified in a separate part of the CIP.
- **CIP Transfer.** Transfer of a portion of the City's General Fund Reserve above an amount which is needed to respond to economic fluctuations, cash flow needs, and catastrophic events. The City's adopted policy is to maintain a General Fund Operating Reserve equal to at least 15% of the total General Fund budgeted revenue. At the end of 2018, 33% of all reserve funds above the General Fund Reserve minimum be transferred to the CIP for capital project investment.
- **CIP Contingency Fund.** The CIP includes the creation of a "CIP Contingency Fund." A minimum of 10% of projected revenues from Real Estate Excise Tax (REET) should be designated for the CIP Contingency Fund to be used to support Transportation, Parks and Trails, and City Facilities



and Equipment. REET revenue receipts fluctuate from year to year. Although staff projects revenues realistically, it is prudent to establish an adequate reserve as CIP Contingency Funds and not allocate these revenues until the funds are actually received. Only at Council discretion can these funds be appropriated toward currently unidentified projects, toward approved projects that are underfunded or toward unexpected increases in planned projects.

Existing Policies

- The City will make all capital improvements in accordance with an adopted CIP.
 - The City will develop a multi-year plan for capital improvements and update it each biennium.
 - The City will enact a biennium capital budget based on the multi-year CIP. Future capital expenditures necessitated by changes in population, real estate development or economic base will be calculated and included in the capital budget projections.
 - The City will coordinate development of the capital improvements budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
 - The City will use intergovernmental assistance to finance those capital improvements that are consistent with the CIP and City priorities, and whose operating and maintenance costs have been included in operating budget forecasts.
- 
- The City will maintain all its assets at a level adequate to protect its capital investment and to minimize future maintenance and replacement costs.
 - The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the City Council for approval.
 - The City will determine the least costly financing method for all new projects.



Evaluation Criteria

The following criteria are used when evaluating and prioritizing capital projects. Projects are grouped by type (e.g., transportation projects, park and trail projects). The projects are then evaluated against both primary and secondary criteria to determine priority.

Primary Criteria

- The project prevents or eliminates a public hazard.
- The project eliminates existing capacity deficits.
- The project is requested by City ordinance, other laws or federal/state agencies.
- The project is essential to maintain current service levels affecting public health, safety and welfare.
- The project is financially feasible, meaning there is a funding source available and a verifiable cost estimate is provided.

Secondary Criteria

- The project is necessary to maintain current nonessential service levels.
- The project accommodates the public facility demands and vocational needs of redevelopment based on projected growth patterns.
- The project provides for special needs or enhances facilities/services.
- The project furthers the objectives of the City Council and Administration.



Outcomes of the Previous CIP

CIP Accomplishments in 2017-2018 Biennium

The City successfully implemented several CIP projects in the 2017-2018 biennium. These include:

- Citywide Computer Workstation Replacement, which replaced approximately 60 computer workstations and associated monitors.
- Data Backup System Replacement, which provided a current generation solution that better protects the City's data in the event of a hardware failure or catastrophic event.
- Server Room Update/Remodel, which was scaled back from the original plan to only include an updated fire suppression system due to the high cost.
- Security Information & Event Management Tool, which is software used to collect security and event logs from various IT devices to provide required auditing, alerting and reporting.
- Bridge Load Rating analysis, which evaluated the load-carrying capacity of the four City-owned bridges over 20 feet in length.
- Seattle Hill Road Widening with Snohomish County, which was completed in August 2018. This project widened the road to three lanes with bike lanes, curb and sidewalk, street lights and drainage facilities between 132nd Street SE and 35th Avenue SE.



- Police/Engineering Total Station, which is comprehensive equipment to be used for collision, crime scene and engineering purposes; the City has purchased this equipment and it should be delivered by early 2019.
- City Hall North HVAC Control System, which replaced the control system and several heat pumps.
- Chipper purchase, which replaced the previous wood chipper used by the Public Works maintenance crew.
- Sweetwater Ranch emergency surface water repair project.



Continuing Projects

In addition to the projects funded as part of the 2019-2024 CIP, there are a number of active projects that are currently funded and underway that were approved as part of a prior CIP process.

These continuing projects and amounts previously allocated include:

- Gateway Improvement, which will update and unify the City's brand while providing vibrant, visually appealing gateway entry features for the City.
- 35th Avenue Reconstruction project, for which construction began in June 2018 and which is anticipated to be completed in winter 2019.
- Citywide Traffic Signal Updates, which includes installing new pedestrian pushbutton systems and conflict monitors.
- Seattle Hill Road Preservation project to repave Mill Creek Road and Seattle Hill Road between Village Green Drive and 35th Avenue SE. We have obtained Federal grant funds, which are obligated and available for construction in 2019.
- Exploration Park (previously called North Pointe Park) Design and Construction documents. The project was designed, but was deferred due to the high cost of the initial bids. It is slated to continue in the next biennium.
- Mill Creek Sports Park Turf & Light Replacement, which is currently underway and anticipated to be




completed in winter 2019. Construction was delayed to accommodate user schedules during high-use periods.

- Public Works Shop project. To carefully ensure this shop aligns with the City's long-term needs, the City will undertake a study to identify best options for a future Public Works Shop.
- City Hall North Roof and Seismic Retrofit project needs additional research to determine full need. It is incorporated into the 2019-2024 budget. Additional structural design needs to be conducted.



Projects Removed from the CIP

Projects in the previous CIP, but not included in the 2019-2024 CIP include:

- Mobile Device Data Management and Encryption project. The mobile device data management portion of the project was completed, but not the encryption piece due to time constraints. This project will continue in the next biennium and has been budgeted in the General Fund.
 - City Hall Campus Wireless Access project. The City Manager reprioritized this project to begin in 2018; it will be completed in 2019 as an operating expense.
 - Mill Creek Fire Station project, which was the option to purchase the Fire Station pursuant to Section 8.3.3 of the original agreement. This option was not executed due to the successful new contract agreement with Snohomish County Fire 7 for EMS and fire services.
 - 164th Street Corridor Adaptive Signal System is partially completed. The adaptive signal on SR 527 was done in anticipation of Community Transit's Green Line. Two other adaptive signals are slated to be completed in the next 2019-2024 CIP: one at the intersection of 164th Street SE and Mill Creek Blvd; and one at the intersection of Mill Creek Blvd and Main Street. The City has an ILA with the County; its contribution to the ILA is less than \$25,000 and Snohomish County is the lead on the project.
- 
- Cougar Park, Phase 2. This project was not completed. It is currently not in the comprehensive plan and not in the 2019-2024 CIP.
 - Armory Parts Washer. The Police Department was able to acquire a parts washer at zero cost from another jurisdiction's surplus inventory. Therefore, this item was removed from the CIP.
 - The purchase of four vehicles/accessories was removed from the CIP, as they fall under the Equipment Replacement Fund. This includes a dump trailer, right of way inspector vehicle, maintenance crew vehicle, and flatbed truck.



Grants

The City received millions of dollars in grants for projects included in the previous CIP. Following is a list of grants that were awarded to the City in the past two years:

For the 35th Avenue Reconstruction Project

- State Grants: \$5,250,000
- Snohomish County Small Projects Partnership Grant: \$50,000

Mill Creek Sports Park Refurbishment

- State Recreation Conservation Office Grant: \$250,000
- Snohomish County Grant: \$100,000

Stormwater CIP

- Washington State Department of Ecology Grant: \$50,000

Grants received for work in the previous biennium totaled \$5,700,000.



Development of the 2019-2024 CIP

New Project Identification

In preparation for the 2019-2024 CIP development process, staff identified continuing projects and solicited new project ideas from the community through the following outreach opportunities:

- Park and Recreation Board
- Art and Beautification Board
- Neighborhood Focus Group
- HOA and Community Association Meetings
- Senior Center Focus Group
- *City Connection* readership
- Press release to local media for news articles
- Social media audiences
- City's Web-based Citizen Response Tool (AKA Request Tracker)

City staff then reviewed and prioritized ideas to develop the Capital Improvement Plan. In addition to the primary and secondary criteria used in evaluating proposed projects, staff applied the following:

- Alignment with the overall Comprehensive Plan.
- Available funding (including estimated funding) during the six years (e.g., grant or match), extra funding.
- Alignment with City Goals.
- Public support.

- Extent of Service, such as how many people will benefit or how many residents will be inconvenienced/harmed because the project has not been done.

The 2019-2024 Capital Improvement Plan includes 27 funded projects for a total of \$19,270,140. This is the same number of projects as the previous CIP, but with a larger programmatic focus (e.g., pavement preservation) instead of one-off projects. This results in an increased cost of \$9,342,108 (94.10%) over the previous CIP.

Key factors driving this increase are as follows.

- Inflation
- Market Conditions (e.g., bidding market)
- In the previous CIP, there was design work for projects that would be constructed in the 2019-2024 CIP; construction costs are much higher than design.
- The Surface Water Program is new and has significant infrastructure repair or replacement costs.
- The Pavement Preservation and Rehabilitation Program relaunches a program that was not included in the previous CIP.

The CIP worksheets in this plan identify project descriptions, how the project aligns with City priorities, provides a justification for the project, and identifies previous and continuing expenditures, anticipated maintenance and operations impacts, and revenue sources.

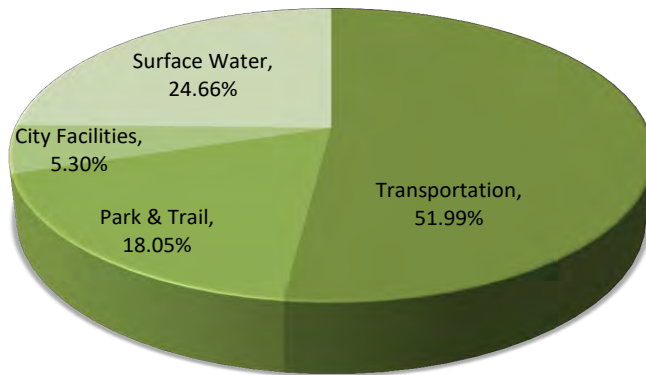


CIP Project Categories

The CIP projects are organized into four categories:

- Transportation projects, which include improvements to streets, intersections, pedestrian safety, public transit and non-motorized facilities.
- Park and Trail projects, which include park and recreational facilities and open space lands.
- City Facilities projects, which include improvements of general government facilities, and property construction and renovation.
- Surface Water projects, which provide infrastructure rehabilitation and replacement, as well as surface water treatment.

This structure assists City staff with tracking and managing projects by funding source and function. The chart below shows the relative size of the project categories in the 2019-2024 CIP.



2019-2024 Capital Improvement Plan

Grant Funding for New Projects

Grant funding has been received or is anticipated for the new projects identified for the 2019-2024 CIP.

- *Seattle Hill Road Pavement Preservation*
Federal Grant: \$720,000
- *35th Avenue SE Pavement Preservation*
Federal Grant: \$504,208
- *132nd Street SE Mid-Block Crossing Improvements (HAWK)*
State Grant: \$675,000
- *Exploration Park*
Snohomish County Grant: \$100,000
- *Public Works Shop*
State Grant: \$250,000
(The City is requesting an extension on this grant)

These grants total \$2,249,208 in funding that otherwise would have to come from City funds.



Financial Element of the CIP



Fiscal Analysis

Analyzing and projecting City revenues over a six-year period is accomplished through a comprehensive examination of historical revenue trends, studying regional economic indicators, and having a strong understanding of the City's fiscal position and planned growth. It is also important to have sound knowledge of which revenue streams are fairly reliable and which experience large fluctuations, such as those derived from permit and mitigation fees.

Funding sources along with the assumptions used to build potential financing scenarios are described below.

General Fund Reserve Transfer

Under the City's General Fund Reserve policy, the City must maintain a General Fund Reserve balance of 15% of total General Fund revenue, which is \$4,251,750 based on 2019-2020 revenue.

The estimated balance as of the end of 2020 is \$6,766,000 or 24% of revenues. In light of the high balance, as well as the City infrastructure repair and replacement needs identified in the 2019-2024 CIP, 33% of all reserve funds anticipated at the end of 2020 *above* the General Fund Reserve minimum of 15% will be transferred to the CIP for capital project investment. This is a one-time transfer of \$829,703 into the CIP from the General Fund.

The General Fund Reserve balance following this one-time General Fund Reserve Transfer and the One-Time Revenue Transfer (see below), will be \$5,936,298 or 21% of General Fund revenue.

One-Time Revenue Transfers

The City's current policy is to transfer one-time revenues into the CIP on an annual basis. One-time revenues are those which are not expected to reoccur, such as development related revenues (e.g., construction sales tax and permit fees). In 2018, the one-time revenue transfer is \$400,000.

Capital Projects Funds

These funds account for financial resources related capital projects. Capital improvements are major projects requiring the expenditure of public funds over and above routine operating expenses. A capital project is defined as new, replacement of, or improvements to infrastructure (e.g., buildings, roads, parks) that has a minimum life expectancy of five years and a minimum cost of \$25,000.

- **Real Estate Excise Tax (REET):** This tax is levied on all sales of real estate. There are two pieces REET1 and REET2; both halves (.25% each) can be used only for capital projects as defined in RCW 82.46.010 (REET1) and 82.46.035 (REET2). Use is restricted to the Capital Improvement Plan projects.



- **Capital Improvement Fund:** This fund is for capital improvement projects not funded elsewhere in the budget. This is the “savings” account for capital projects as identified in the Capital Improvement Plan. REET funds are moved into this fund. Capital improvement costs may include acquisition, development, engineering, architectural, or other related costs.
- **Park Improvement Fund:** Park mitigation fees are one-time charges assessed by local governments against a new development project to help pay for new or expanded public facilities that will directly address the increased demand created by that development.
- **Road Improvement Fund:** This fund contains monies dedicated for the improvement of roads, bridges and sidewalks. Typical projects include road and intersection improvements; pavement preservation on arterial streets and highways; pedestrian and bicycle access improvements and bridges. Revenue may come from mitigation fees paid by developers. These fees support the cost of new infrastructure needed to support increased capacity created by the new growth and development. Other projects mentioned above may be supported by REET or the General Fund.

Special Revenue Funds

- **Municipal Art Fund:** This fund was created in order to fund the selection, acquisition and/or installation of works of art in accordance with MCMC 3.28.010. In the 2019-2024 CIP, the applicable projects from which 1% shall be transferred into the Municipal Art Fund include Exploration Park, park restroom/picnic shelter room replacement, City Hall North roof and seismic retrofit, and City Hall North HVAC. The projects have a combined total of \$2 million, providing for a \$20,000 revenue transfer into the Municipal Art Fund.



Proprietary Funds

More than anything, proprietary funds operate like a business. They pertain to providing goods or services to the general public. It covers the services which are important but not essential to the way a government runs. Proprietary funds include:

- **Surface Water Utility:** This is an enterprise fund for the operation and capital improvement projects of the surface water utility. It is a self-supporting government fund that provides goods and services to the public for a fee – in this instance surface water services. Revenue comes from user fees billed to all properties in the City based upon equivalent residential units. Reserves in this fund can only be spent for surface water purposes. A rate study currently is underway and new rates will be proposed for 2019-2020 and beyond.

Bonds

Bond revenue is available to finance capital projects through two sources: general obligation bonds and revenue bonds. General obligation bonds are backed by the value of the property within the jurisdiction and require a scheduled repayment of the debt. General obligation bonds are either non-voted (Councilmanic) or voter-approved.

Under Washington State law, general government debt is restricted to 2.5% of a jurisdiction's taxable assessed value of property for general purpose bonds. In 2018, this equates to nearly \$103 million. Of this amount, \$62 million may be in the form of Councilmanic bonds.

Councilmanic bonds are authorized by the jurisdiction's legislative body without the need for voter approval. Principal and interest payments come from general government revenues, without an increase in taxes; for instance, REET revenue can be designated to pay for a Councilmanic bond. Voter- approved bonds on the other hand produce "new monies" by increasing the property tax rate proportionate to the annual debt service on the bond.

Public Works Trust Fund Loans

State of Washington's Public Works Board provides low interest loans (0.5% to 2.55%) to local governments to finance public infrastructure improvements. These loans are provided under the Public Works Trust Fund Program and offer lower than market rates payable over periods ranging to a maximum of 20 years.

Grants

The City earnestly seeks federal, state and local grant opportunities to help finance City projects. Historically, the City has been very successful obtaining grants, especially for transportation projects. The grant funding included in the Plan has either been approved by the grantor or has successfully and routinely been obtained by the City for like projects in the past.

Other revenue sources include a variety of known or reasonably expected one-time funding sources, such as contributions by others. The City often partners with other jurisdictions such as Snohomish County, Community Transit and other entities to fund projects that benefit the citizens of Mill Creek. As shown previously, grant funding secured for projects in the 2019-2024 CIP totals \$2,249,208. This is 12.7% of the total amount projected during the CIP period.



Fund Balances

Year-End Fund Balance*	2018	2019	2020	2021	2022	2023	2024
Park & Trails	\$ 13,000	\$ 3,000	\$ 7,000	\$ 11,000	\$ 15,000	\$ 19,000	\$ 23,000
REET	\$ 4,397,969	\$ 2,171,469	\$ 1,311,469	\$ 780,677	\$ 460,677	\$ (189,323)	\$ (470,823)
CIP Contingency Funds*	\$ 240,000	\$ 315,000	\$ 390,000	\$ 440,000	\$ 490,000	\$ 540,000	\$ 590,000
Municipal Arts*	\$ 37,000	\$ 49,500	\$ 31,500	\$ 31,500	\$ 32,000	\$ 32,000	\$ 32,000
City Hall North	\$ 525,000	\$ 545,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000
CIP	\$ 1,402,940	\$ 1,400,900	\$ 1,153,000	\$ 995,300	\$ 155,300	\$ 294,100	\$ 125,600
Park Improvement	\$ 2,990,200	\$ 1,889,000	\$ 1,902,800	\$ 1,916,700	\$ 1,930,600	\$ 1,944,400	\$ 1,958,300
Road Improvement	\$ 2,218,000	\$ 1,822,000	\$ 2,999,000	\$ 3,024,000	\$ 3,049,000	\$ 3,074,000	\$ 3,099,000
Surface Water*	\$ 470,000	\$ (467,500)	\$ (1,217,500)	\$ (1,967,500)	\$ (2,717,500)	\$ (3,467,500)	\$ (4,217,500)

*Notes:

- **Year-End Fund Balances**

Balances 12/31 of the year noted. The balances reflect annual revenues and deduct expenses reflected in the 2019-2024 CIP.

- **CIP Contingency Fund**

As noted in the City Manager Letter, the CIP includes the creation of a CIP Contingency Fund, which this year includes 10% of projected revenues from REET. This amount at the end of 2018 is \$240,000. Ending fund balance for subsequent years are projected. It is anticipated that this CIP Contingency Fund will be used to address a shortfall in REET in the 2019-2024 CIP period.

- **Municipal Arts Fund**

In accordance with Mill Creek Municipal Code, 1% of applicable municipal construction projects paid for wholly or in part by the City have been added to the Municipal Arts Fund. The year-end balance in 2018 is \$37,000.

- **Surface Water Utility**

As identified on page 59, a rate study currently is underway for the Surface Water Utility and new rates will be proposed prior to the adoption of the City's 2019-2020 Budget. Until such rate has been approved, this fiscal analysis does not incorporate any change to the rate and therefore demonstrates a significant budget shortfall.

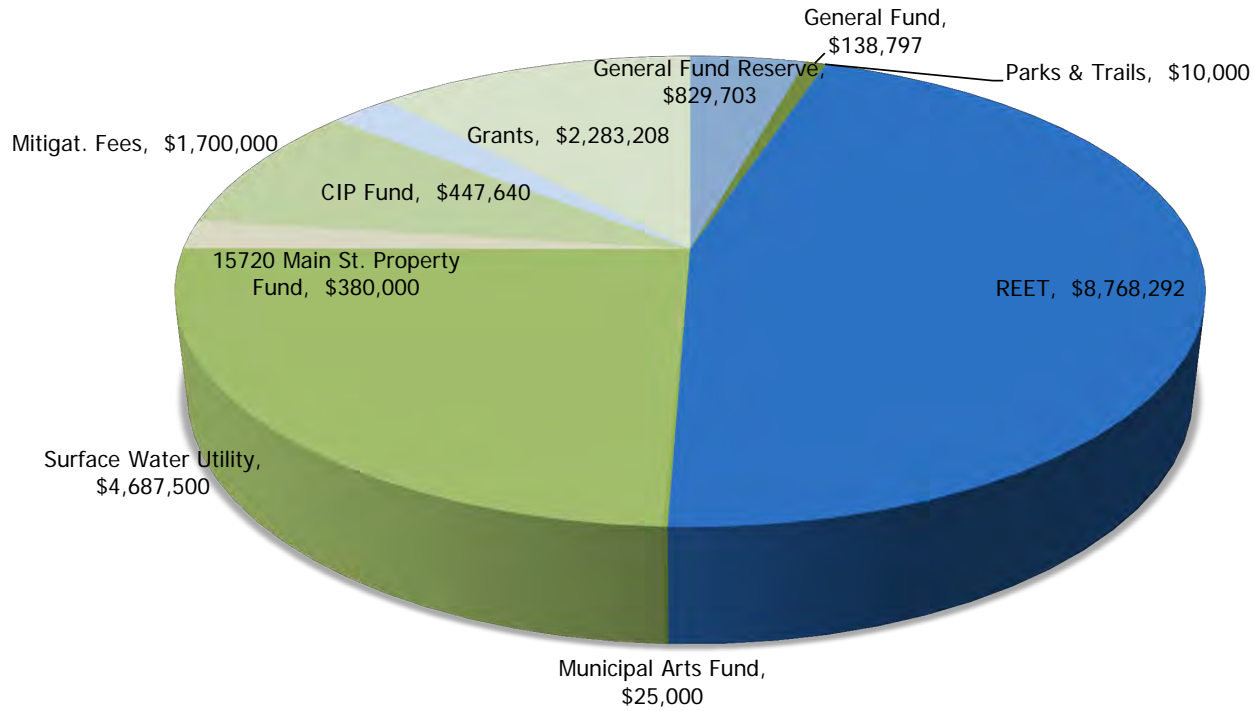


Projects by Funding Source

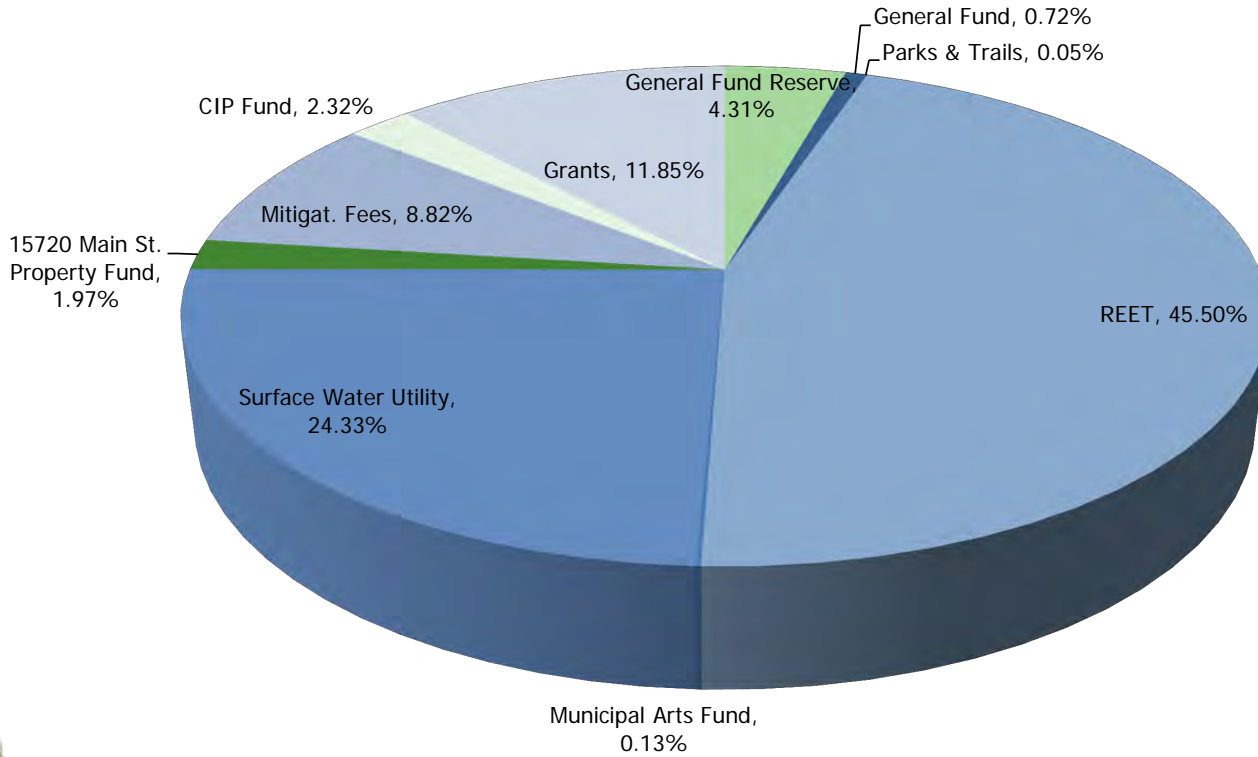
Project Name	General Fund Reserve	General Fund	Parks & Trails	REET	Municipal Arts Fund	Surface Water Utility	15720 Main St. Property Fund	Mitigat. Fees	CIP Fund	Grants	TOTAL
Transportation Projects											
35th Ave. SE Reconstruction Project				\$ 350,000							\$ 350,000
Seattle Hill Road Pavement Preservation				\$ 1,135,000						\$ 720,000	\$ 1,855,000
35th Avenue SE Pavement Preservation				\$ 645,792						\$ 504,208	\$ 1,150,000
132nd Street SE Mid-Block Crossing Improvements (HAWK)				\$ 75,000						\$ 675,000	\$ 750,000
Street Pavement Marking Program				\$ 700,000							\$ 700,000
Mill Creek Boulevard Corridor Improvements Study				\$ 250,000							\$ 250,000
Concrete Sidewalk Replacement Program				\$ 580,000							\$ 580,000
Pavement Preservation and Rehabilitation Program	\$ 668,500			\$ 2,536,500							\$ 3,205,000
Citywide Traffic Signal Upgrades				\$ 75,000							\$ 75,000
Bridge Monitoring & Improvement Program				\$ 600,000							\$ 600,000
EGUV "Spine Road" West Connection (Phase 1)								\$ 500,000			\$ 500,000
Traffic Safety and Calming Program				\$ 75,000							\$ 75,000
Transportation Project Totals	\$ 668,500	\$ -	\$ -	\$ 7,022,292	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ 1,899,208	\$ 10,090,000
Parks and Trail Projects											
Exploration Park								\$ 1,200,000		\$ 100,000	\$ 1,300,000
Mill Creek Sports Park Turf & Light Replacement				\$ 816,000						\$ 284,000	\$ 1,100,000
Heron Park Playarea Upgrades				\$ 410,000							\$ 410,000
Silver Crest Park Upgrade				\$ 350,000							\$ 350,000
Parks Restroom/Picnic Shelter Roof Replacement									\$ 100,000		\$ 100,000
Trail Preservation Program			\$ 10,000	\$ 85,000							\$ 95,000
North Creek Trail Study									\$ 75,000		\$ 75,000
Park and Trail Project Totals	\$ -	\$ -	\$ 10,000	\$ 1,661,000	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 175,000	\$ 384,000	\$ 3,430,000
City Facilities Projects											
City Hall North HVAC							\$ 80,000				\$ 80,000
Public Works Workshop Value Engineering Study									\$ 50,000		\$ 50,000
Entryway ADA Upgrades for City Hall and Library									\$ 40,000		\$ 40,000
Emergency Operations Center									\$ 59,640		\$ 59,640
Gateway and Presence Improvement				\$ 85,000					\$ 48,000		\$ 133,000
Historical Preservation Project					\$ 25,000						\$ 25,000
City Hall North Roof and Seismic Retrofit	\$ 161,203	\$ 138,797					\$ 300,000		\$ 75,000		\$ 675,000
City Facilities Project Totals	\$ 161,203	\$ 138,797	\$ -	\$ 85,000	\$ 25,000	\$ -	\$ 380,000	\$ -	\$ 272,640	\$ -	\$ 1,062,640
Storm Water Management Projects											
Surface Water Aging Infrastructure Program						\$ 4,687,500					\$ 4,687,500
Surface Water Project Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,687,500	\$ -	\$ -	\$ -	\$ -	\$ 4,687,500
Funded CIP Totals All Project Categories	\$ 829,703	\$ 138,797	\$ 10,000	\$ 8,768,292	\$ 25,000	\$ 4,687,500	\$ 380,000	\$ 1,700,000	\$ 447,640	\$ 2,283,208	\$ 19,270,140



CIP Projects by Funding Source



Percentage of CIP Project Funding by Source

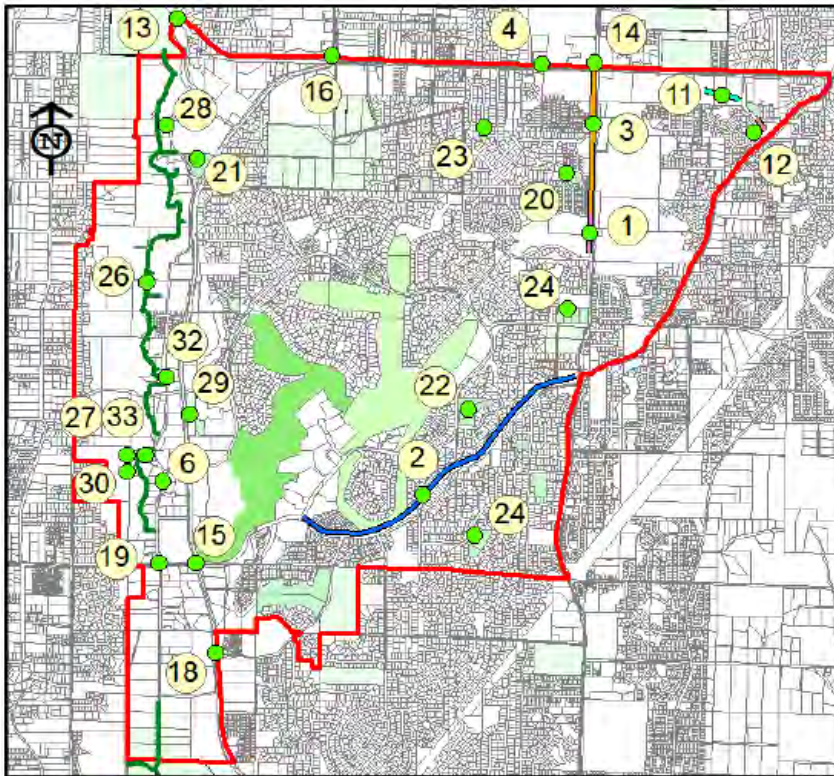


Capital Improvement Projects 2019-2024



Funded Project Listing

Project Name	Total	2019	2020	2021	2022	2023	2024
Transportation Projects							
35th Ave. SE Reconstruction Project	\$350,000	\$350,000					
Seattle Hill Road Pavement Preservation	\$1,855,000	\$1,855,000	\$0	\$0	\$0	\$0	\$0
35th Avenue SE Pavement Preservation	\$1,150,000	\$0	\$150,000	\$1,000,000	\$0	\$0	\$0
132nd Street SE Mid-Block Crossing Improvements (HAWK)	\$750,000	\$87,000	\$663,000	\$0	\$0	\$0	\$0
Street Pavement Marking Program	\$700,000	\$150,000	\$150,000	\$100,000	\$100,000	\$100,000	\$100,000
Mill Creek Boulevard Corridor Improvements Study	\$250,000	\$250,000					
Concrete Sidewalk Replacement Program	\$580,000	\$80,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Pavement Preservation and Rehabilitation Program	\$3,205,000	\$100,000	\$855,000	\$0	\$750,000	\$750,000	\$750,000
Citywide Traffic Signal Upgrades	\$75,000	\$0	\$75,000	\$0	\$0	\$0	\$0
Bridge Monitoring & Improvement Program	\$600,000	\$0	\$50,000	\$250,000	\$50,000	\$250,000	\$0
East Gateway Urban Village "Spine Road" West Connection (Phase 1)	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$0
Traffic Safety and Calming Program	\$75,000	\$0	\$25,000	\$0	\$25,000		\$25,000
Transportation Project Totals	\$10,090,000	\$3,372,000	\$2,068,000	\$1,450,000	\$1,025,000	\$1,200,000	\$975,000
Parks and Trail Projects							
Exploration Park	\$1,300,000	\$1,300,000	\$0	\$0	\$0	\$0	\$0
Mill Creek Sports Park Turf & Light Replacement	\$1,100,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0
Heron Park Playarea Upgrades	\$410,000	\$50,000	\$360,000	\$0	\$0	\$0	\$0
Silver Crest Park Upgrade	\$350,000	\$0	\$0	\$30,000	\$320,000	\$0	\$0
Parks Restroom/Picnic Shelter Roof Replacement	\$100,000		\$50,000		\$50,000	\$0	\$0
Trail Preservation Program	\$95,000	\$20,000	\$25,000	\$0	\$25,000	\$0	\$25,000
North Creek Trail Study	\$75,000	\$0	\$75,000	\$0	\$0	\$0	\$0
Park and Trail Project Totals	\$3,430,000	\$2,470,000	\$510,000	\$30,000	\$395,000	\$0	\$25,000
City Facilities Projects							
City Hall North HVAC	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$0
Public Works Workshop Value Engineering Study	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0
Entryway ADA Upgrades for City Hall and the Library	\$40,000		\$40,000				
Emergency Operations Center	\$59,640	\$59,640					
Gateway and Presence Improvement	\$133,000	\$48,000	\$85,000				
Historical Preservation Project	\$25,000	\$0	\$25,000				
City Hall North Roof and Seismic Retrofit	\$675,000	\$50,000	\$625,000				
City Facilities Project Totals	\$1,062,640	\$237,640	\$825,000	\$0	\$0	\$0	\$0
Storm Water Management Projects							
Surface Water Aging Infrastructure Program	\$4,687,500	\$937,500	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
Surface Water Project Totals	\$4,687,500	\$937,500	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
Funded CIP Totals All Project Categories	\$19,270,140	\$7,017,140	\$4,153,000	\$2,230,000	\$2,170,000	\$1,950,000	\$1,750,000



Capital Improvement Plan 2019-2024

Transportation Projects

- 1 35th Ave. SE Reconstruction Project
- 2 Seattle Hill Road Pavement Preservation
- 3 35th Avenue SE Pavement Preservation
- 4 132nd Street SE Mid-Block Crossing (HAWK)
- 5 Street Pavement Marking Program*
- 6 Mill Creek Boulevard Corridor Improvements Study
- 7 Concrete Sidewalk Replacement Program*
- 8 Pavement Preservation and Rehabilitation Program
- 9 Citywide Traffic Signal Upgrades*
- 10 Bridge Monitoring & Improvement Program*
- 11 EGLUV "Spine Road" West Connection (Ph 1)
- 12 EGLUV "Spine Road" East Connection (Ph 2)
- 13 SR 96 and Dumas Road Intersection Improvements
- 14 SR 96 at 35th Avenue Intersection Improvements
- 15 SR 527 / 164th Street Intersection Improvements
- 16 SR 527 / SR96 Intersection Improvements
- 17 Traffic Safety and Calming Program*
- 18 (Old) Seattle Hill Road at SR 527
- 19 164th St @ Mill Creek Blvd Intersection Improvement

Park and Trail Projects

- 20 Exploration Park
- 21 Mill Creek Sports Park Turf & Light Replacement
- 22 Heron Park Playarea Upgrades
- 23 Silver Crest Park Upgrade
- 24 Parks Restroom/Picnic Shelter Roof Replacement
- 25 Trail Preservation Program*
- 26 North Creek Trail Study

City Facilities & Equipment Projects

- 27 City Hall North HVAC
- 28 Public Works Shop
- 29 Entryway ADA Upgrades for City Hall and the Library
- 30 Emergency Operations Center
- 31 Gateway and Presence Improvement*
- 32 Historical Preservation Project
- 33 City Hall North Roof and Seismic Retrofit

Stormwater Management Projects

- 34 Surface Water Aging Infrastructure Program*
- 35 164th Street SE East Basin Surface Water Retrofit*
- 36 Lower Mill Creek Road Basin Surface Water Retrofit*

*Not Shown on Map



Alignment with City Goals

Projects in many of the program areas serve multiple City goals as noted in the matrix below.

	Fiscal Responsibility	Community Preservation	Civic Pride	Customer Service	Recreational Opportunities	Public Safety	Economic Prosperity	Leadership	Long-Term Planning
Transportation Projects									
35th Ave. SE Reconstruction Project	X	X				X			X
Seattle Hill Road Pavement Preservation	X	X				X			X
35th Avenue SE Pavement Preservation	X	X				X			X
132nd Street SE Mid-Block Crossing Improvements (HAWK)	X					X		X	
Street Pavement Marking Program		X				X			
Mill Creek Boulevard Corridor Improvements Study	X	X	X				X		X
Concrete Sidewalk Replacement Program		X				X			
Pavement Preservation and Rehabilitation Program		X							
Citywide Traffic Signal Upgrades		X				X			
Bridge Monitoring & Improvement Program		X				X			X
East Gateway Urban Village "Spine Road" West Connection (Phase 1)		X	X			X			X
Traffic Safety and Calming Program		X				X			X
Parks and Trail Projects									
Exploration Park	X	X	X		X			X	X
Mill Creek Sports Park Turf & Light Replacement	X	X	X		X			X	X
Heron Park Playarea Upgrades		X			X	X			X
Silver Crest Park Upgrade		X			X				X
Parks Restroom/Picnic Shelter Roof Replacement		X			X				X
Trail Preservation Program		X	X		X	X		X	X
North Creek Trail Study	X	X	X		X	X		X	X



	Fiscal Responsibility	Community Preservation	Civic Pride	Customer Service	Recreational Opportunities	Public Safety	Economic Prosperity	Leadership	Long-Term Planning
City Facilities Projects									
City Hall North HVAC		X				X			
Public Works Shop	X	X							X
Entryway ADA Upgrades for City Hall and Library		X				X			
Emergency Operations Center						X		X	X
Gateway and Presence Improvement		X	X				X		X
Historical Preservation Project	X	X	X						
City Hall North Roof and Seismic Retrofit		X				X			
Storm Water Management Projects									
Surface Water Aging Infrastructure Program	X	X				X			



Transportation Projects

PROJECT NAME:	35th Ave. SE Reconstruction
PROJECT #:	17-ROAD-02

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Roadway
TYPE	Construction

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Public Safety, Long-term Planning

DESCRIPTION / JUSTIFICATION
The 35th Avenue Southeast Reconstruction Project will address the chronic settlement of the roadway between 144th Street Southeast and 141st Street Southeast that has occurred over time. The roadway was constructed across Penny Creek in an area underlain with compressible peat deposits. The project site is bound on the east by Thomas Lake and Penny Creek, which flows from the north along the east side of 35th Avenue Southeast, crossing within the study limits and continuing westerly. This project will construct a pile-supported concrete slab to support the roadway and prevent any future settlement. 35th Avenue Southeast has a functional classification of major arterial.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
A reduction in cost with respect to past years due to fewer maintenance response calls. There are no new operations and maintenance costs anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction	\$ 5,383,068	\$ 350,000						\$ 350,000
Professional Services	\$ 611,300	\$ -						\$ -
Total Project Expenditures	\$ 5,994,368	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET	\$ 694,368	\$ 350,000						\$ 350,000
Grant -State	\$ 5,250,000							\$ -
Grant -Snohomish County	\$ 50,000							\$ -
Total Project Revenues	\$ 5,994,368	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000



PROJECT NAME:	Seattle Hill Road Pavement Preservation
PROJECT #:	18-PAVE-03

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Pavement
TYPE	Construction

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Public Safety, Long-Term Planning

DESCRIPTION / JUSTIFICATION
Repave Seattle Hill Road between Village Green Drive and 35th Avenue Southeast. The scope of work includes a full width, two-inch grind and overlay, replacement of landscaped median curbs and Americans with Disabilities (ADA) upgrades at all curb ramps and two traffic signals. A federal grant was obtained for construction in 2019 in the amount of \$720,000. In 2016, the pavement condition for this minor arterial was 59 (scale 0 to 100). The existing curb ramps and traffic signals do not meet current ADA standards. The curbs on all landscape medians have been damaged beyond repair over the years by vehicle collisions. No new operational expenses will result from this project.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction		\$ 1,600,000						\$ 1,600,000
Professional Services	\$ 198,040	\$ 150,000						\$ 150,000
Project Engineer		\$ 105,000						\$ 105,000
Total Project Expenditures	\$ 198,040	\$ 1,855,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,855,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Grant - Federal		\$ 720,000						\$ 720,000
REET	\$ 250,000	\$ 1,135,000						\$ 1,135,000
								\$ -
								\$ -
Total Project Revenues	\$ 250,000	\$ 1,855,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,855,000



PROJECT NAME:	35th Avenue SE Pavement Preservation
PROJECT #:	19-PW-01
DEPARTMENT	Public Works and Development Services
CATEGORY	Pavement
TYPE	Construction

Transportation Project

STRATEGIC PRIORITY
 Fiscal Responsibility, Community Preservation, Public Safety, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 The project would include a full-width, 2-inch grind and overlay of 35th Avenue from 132nd Street SE to 141st Street SE (.57 miles), including traffic control, upgrade of ADA ramps, signing, channelization and other work. This project would connect to the section of 35th Avenue SE upgraded in the City's 2018 35th Avenue SE Reconstruction project. Per the Comprehensive Plan Level of Service Guidelines, the City should maintain a minimum average Pavement Condition Index (PCI) rating of 65 for collector and arterial roadways. Prior to implementation (design or construction), the City will confirm the need to overlay the road.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Professional Services			\$ 150,000					\$ 150,000
Construction				\$ 1,000,000				\$ 1,000,000
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,150,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
General Fund or REET			\$ 150,000	\$ 495,792				\$ 645,792
Grant				\$ 504,208				\$ 504,208
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,150,000



PROJECT NAME:	132nd St SE Mid-block Crossing Improvements (HAWK)
PROJECT #:	19-PW-02

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Roadway
TYPE	Infrastructure

STRATEGIC PRIORITY
Fiscal Responsibility, Public Safety, Leadership

DESCRIPTION / JUSTIFICATION

The proposed mid-block crossing with American with Disabilities (ADA) compliant curb ramps, pedestrian refuge island, marked crosswalk, High-Intensity Activated crossWalk beacon (HAWK) signal and illumination are needed to provide pedestrians a safer place to cross 132nd Street SE. A HAWK signal at the mid-block crossing on 132nd Street SE, west of 35th Avenue SE, will be installed to allow pedestrians to stop vehicular traffic in order to cross the street safely. The proposed HAWK signal will be interconnected with the existing traffic signal at 35th Ave SE in order to reduce the potential of rear-end collisions as vehicles move from one signal to the next. The proposed improvements will install a pedestrian refuge island at the midblock crossing to reduce the crossing distance to 20-30 ft. Illumination is limited to street lighting around the adjacent shopping area. In order to increase pedestrian visibility to drivers, the proposed improvements include additional lighting focused on the mid-block crossing location. Project implementation (design and construction) is contingent upon the outcome of an application for a 2018 Pedestrian and Bicycle Grant from WSDOT. Staff also will pursue other funding opportunities, including partnership with Snohomish County. Staff will not proceed with this project until the City Council is satisfied with the City's contribution and evaluation of all non-City funding sources.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS

New operation and maintenance costs are anticipated and estimated at \$250 per year. This excludes any collisions that may cause significant pole damage.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction			\$ 663,000					\$ 663,000
Professional Services		\$ 87,000						\$ 87,000
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 663,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Grant - State		\$ 78,300	\$ 596,700					\$ 675,000
REET		\$ 8,700	\$ 66,300					\$ 75,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 87,000	\$ 663,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000



PROJECT NAME:	Street Pavement Marking Program
PROJECT #:	19-PW-03
DEPARTMENT	Public Works and Development Services
CATEGORY	Pavement
TYPE	Infrastructure

Transportation Project

STRATEGIC PRIORITY
Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION
The goal of the Annual Street Pavement Marking Program is to maintain markings that identify travel lanes and other guidance markings for auto, pedestrian, bicycle, transit and other forms of transportation. Per the 2015 Comprehensive Plan, the City owns and maintains 77 lane miles of residential and local streets, 19 lane miles of collector streets and 10 lane miles of arterial streets (total of 106 lane miles of roadway).

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction		\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 700,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 700,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET		\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 700,000
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 700,000



PROJECT NAME:	Mill Creek Boulevard Corridor Improvements Study
PROJECT #:	19-PW-04

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Planning

STRATEGIC PRIORITY
 Fiscal Responsibility, Community Preservation, Civic Pride, Economic Prosperity, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 Mill Creek Boulevard is an important north-south transportation corridor located in the heart of Mill Creek. The goal of the Mill Creek Boulevard Corridor Improvements Study is to enhance economic vitality and provide a framework to multiple capital improvements which include: intersection improvements at 164th Street, 161st Street, Main and SR 527; surface water aging infrastructure failures identified in a 2018 study produced by Perteet; water quality treatment, pavement preservation and roadway re-configurations to better support Community Transit's bus rapid transit (BRT) lines. This study will peripherally address zoning and land use.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Professional Services		\$ 250,000						\$ 250,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET		\$ 250,000						\$ 250,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000



PROJECT NAME:	Concrete Sidewalk Replacement Program
PROJECT #:	19-PW-05

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Repair / Maintenance
TYPE	Construction

STRATEGIC PRIORITY
Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION
 The goal of this annual program is the preservation of the City's sidewalk systems which includes 75 miles of public sidewalks and more than 1,000 curb ramps. The scope of work includes repair or replacement of damaged sections of curb, gutter, sidewalk and curb ramps that meet the American with Disabilities Act (ADA). The first year of the program will include a citywide assessment and rating of sidewalks and prioritization of needed repairs as well as recommendations on alternative repair methods. This program also includes assessing and addressing the root cause of buckling sidewalk such as trees. This program may include tree removal or alternative construction methods to preserve existing trees. Some of the benefits of this program include: 1) improved pedestrian safety, 2) compliance with ADA standards, 3) savings in maintenance costs.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Assessment		\$ 30,000						\$ 30,000
Construction		\$ 50,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 550,000
								\$ -
Total Project Expenditures	\$ -	\$ 80,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 580,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET		\$ 80,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 580,000
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 80,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 580,000



PROJECT NAME:	Pavement Preservation and Rehabilitation Program
PROJECT #:	19-PW-06
DEPARTMENT	Public Works and Development Services
CATEGORY	Pavement
TYPE	Maintenance / Repair

Transportation Project

STRATEGIC PRIORITY
Community Preservation

DESCRIPTION / JUSTIFICATION

The City is responsible for approximately 106 lane miles of roadway. The goal of this annual program is to extend the useful life of the City's streets by assessing, preserving and rehabilitating pavement conditions. Typical work will include crack filling, removal and replacement of failed pavement, patching, surface preservation treatments (where appropriate for the type of application, options include seal coat, slurry seal, microsurfacing, chip seals) and asphalt overlays. It is understood that chip seal is not desired for Mill Creek neighborhoods. Pavement preservation options outside of an overlay would first be discussed with the City Council prior to bid and award. The Program includes replacement or installation of accessible curb ramps to meet the requirements of the Americans with Disabilities Act (ADA). Per the Comprehensive Plan, the City's level of service guidelines for pavement management identifies a minimum pavement condition index of 65 for collectors and arterial roadways and 70 for local and residential roadways. In 2019, an assessment and pavement rating will be conducted to establish a priority list for future repairs. Federally funded roadway preservation projects are programmed in 2019 (Seattle Hill Road) and 2021 (35th Ave. SE).

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS

No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Assessment		\$ 100,000						\$ 100,000
Construction			\$ 750,000	\$ -	\$ 750,000	\$ 750,000	\$ 750,000	\$ 3,000,000
Project Engineer			\$ 105,000					\$ 105,000
Total Project Expenditures	\$ -	\$ 100,000	\$ 855,000	\$ -	\$ 750,000	\$ 750,000	\$ 750,000	\$ 3,205,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
General Fund Reserve		\$ 100,000	\$ 750,000		\$ 750,000	\$ 750,000	\$ 750,000	\$ 3,100,000
REET			\$ 105,000					\$ 105,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 100,000	\$ 855,000	\$ -	\$ 750,000	\$ 750,000	\$ 750,000	\$ 3,205,000



PROJECT NAME:	Citywide Traffic Signal Upgrades
PROJECT #:	17-ROAD-03
DEPARTMENT	Public Works and Development Services
CATEGORY	Signals
TYPE	Construction

Transportation Project

STRATEGIC PRIORITY
Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION
The City owns seven traffic signals that are operated and maintained by Snohomish County. The existing controllers and conflict monitors use outdated technology and need to be replaced in order for the signals to work within the County's integrated system. The project scope includes the installation of new pedestrian push buttons for compliance with the American with Disabilities Act (ADA), new side mounted battery backup systems (164th Street and Mill Creek Boulevard; Dumas Road at Park Road; Mill Creek Road and Village Green Drive), new controllers and conflict monitors. All work will be completed by Snohomish County.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction			\$ 75,000					\$ 75,000
Professional Services								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET			\$ 75,000					\$ 75,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000



PROJECT NAME:	Bridge Monitoring and Improvement Program
PROJECT #:	19-PW-07
DEPARTMENT	Public Works and Development Services
CATEGORY	
TYPE	Construction

Transportation Project

STRATEGIC PRIORITY
Community Preservation, Public Safety, Long-Term Planning

DESCRIPTION / JUSTIFICATION
The City of Mill Creek owns a total of ten bridges. Only four of those bridges have a structure length over 20LF. In 2017, all ten bridges were inspected by WSDOT and load ratings were completed by KPFF on the four structures with span lengths greater than 20LF. Bridge scour conditions were identified at two bridges: North Creek Bridge (Bridge Number: MILL CR 1 located on 164th Street SE) and Penny Creek Bridge (Bridge Number: MILL CR 2 located on 144th Street SE). Based on service stresses, posted load restrictions were recommended at the North Creek Bridge (Bridge Number: MILL CR 1 located on 164th Street SE) and 153rd Street SE Bridge (Bridge Number: MILL CR 3). A load rating was also conducted on Mill Creek Road Bridge (Bridge Number: MILL CR 10). The City could elect to post load limits based on strength load rating, in which case the tonnages would be much higher, but the bridge would see greater deterioration over time. This project scope includes review of scour options, such as riprap, as well as design and construction. Additionally, scope includes evaluation of tonnage restriction on two bridges.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction				\$ 250,000		\$ 250,000		\$ 500,000
Professional Services			\$ 50,000		\$ 50,000			\$ 100,000
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 50,000	\$ 250,000	\$ 50,000	\$ 250,000	\$ -	\$ 600,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET			\$ 50,000	\$ 250,000	\$ 50,000	\$ 250,000		\$ 600,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ 50,000	\$ 250,000	\$ 50,000	\$ 250,000	\$ -	\$ 600,000



PROJECT NAME:	EGUV Spine Road West Connection (Phase 1)
PROJECT #:	19-ROAD-15
DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

Transportation Project

STRATEGIC PRIORITY
 Community Preservation, Civic Pride, Public Safety, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 The East Gateway Urban Village (EGUV) subarea plan was designed with internal access provided via a "Spine Road." Several parcels in the East Gateway Urban Village have developed or are proposed for development and construction of the "Spine Road" has been a condition of approval for these developments. Right-of-way was dedicated as part of the approval of the Polygon Apartments/Townhome development, the Gateway Building, the Vintage and would be required with The Farm (project application submitted in 2018). This project will complete the "Spine Road" from 39th Ave. SE to 44th Ave. SE. Costs include appraisals, review of appraisals, and partial right-of-way purchase needed at two parcels for subsequent roadway design and construction. A 72 LF right of way width is needed for the "Spine Road." **Beyond the purchase of the right of way in 2019, work does not yet have funds committed.**

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design		\$ -						\$ -
Right-of-Way		\$ 500,000						\$ 500,000
Construction								\$ -
Total Project Expenditures	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Road Mitigation Funds		\$ 500,000						\$ 500,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000



PROJECT NAME:	Traffic Safety and Calming Program
PROJECT #:	19-PW-08

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Planning

STRATEGIC PRIORITY
Community Preservation, Public Safety, Long-term Planning

DESCRIPTION / JUSTIFICATION
This program builds upon the City's Traffic Calming Program prepared in 2007 which focused on the safety and livability of City neighborhoods and was focused on streets with an average daily traffic (ADT) of less than 8,000 vehicles. The 2019-2024 CIP Traffic Safety and Calming Program expands to address safety and traffic calming concerns to collectors and arterials.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Study			\$ 25,000		\$ 25,000		\$ 25,000	\$ 75,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 75,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET			\$ 25,000		\$ 25,000		\$ 25,000	\$ 75,000
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 75,000



Parks and Trail Projects

PROJECT NAME:	Construction of Exploration Park
PROJECT #:	17-PARK-03

Parks and Trails Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Parks
TYPE	Construction

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Civic Pride, Recreational Opportunities, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
In 2006, in conjunction with the development of the North Pointe subdivision, the developer dedicated a one-acre parcel to the City for neighborhood park land in lieu of park mitigation fees. In 2016 the City's Parks and Recreation Board worked with staff and several members of the Design Review Board to develop design concepts. The Parks and Recreation Board recommended the Natural Play Park design concept to the Council at their regular meeting on September 27, 2016, and the Council adopted the master plan. From 2016 through 2018, the City contracted with consultants for geotechnical studies, prepared the design and construction documents and advertised the project for bid. On April 30, 2018, the City received two bids, both significantly higher than expected. At their July 24, 2018 meeting, Council rejected all bids. The Exploration Park project construction is budgeted to be \$1.3 million based on a competitive bidding market and taking into consideration the engineer's estimate and previous bids received. The project has been broken into various components (base bid and alternates) and will be re-advertised in November 2018. Staff will provide the new bids to Council for consideration in December 2018; the scope of this project is subject to action by the Council.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
Operations and maintenance costs are anticipated at approximately 300 labor hours per year, plus materials anticipated to be \$4,000 per year (such as engineered wood fiber surfacing replacement).

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design - Professional Services	\$ 108,257							\$ 108,257
Construction	\$ 3,000	\$ 1,300,000						\$ 1,303,000
Total Project Expenditures	\$ 111,257	\$ 1,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,411,257

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Grant - Snohomish County		\$ 100,000						\$ 100,000
Park Mitigation	\$ 111,257	\$ 1,200,000						\$ 1,311,257
Total Project Revenues	\$ 111,257	\$ 1,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,411,257



PROJECT NAME:	Mill Creek Sports Park Turf & Light Replacement
PROJECT #:	18-PARK-02

Parks and Trails Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Parks
TYPE	Maintenance/Repair

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Civic Pride, Recreational Opportunities, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
The Mill Creek Sports Park Turf and Light Replacement Project will replace the current aging 64,000 square feet field turf, retro-fit and upgrade the existing park lighting system at the field, skate park, and parking lot. In June 2017, Council awarded a contract to Bruce Dees and Associates (BDA) for professional services in an amount not to exceed \$61,637.75. The City received a \$250,000 grant for design and construction from the WA State Recreation and Conservation Office (RCO) and \$100,000 via an interlocal agreement from Snohomish County. The project is scheduled to be advertised in October 2018.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design - Professional Services	\$ 66,000							\$ 66,000
Construction		\$ 1,100,000						\$ 1,100,000
								\$ -
Total Project Expenditures	\$ 66,000	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,166,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
RCO Grant	\$ 66,000	\$ 184,000						\$ 250,000
Snohomish County Grant		\$ 100,000						\$ 100,000
REET		\$ 816,000						\$ 816,000
								\$ -
Total Project Revenues	\$ 66,000	\$ 1,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,166,000



PROJECT NAME:	Heron Park Playarea Upgrades
PROJECT #:	19-PARK-01

Parks and Trails Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Parks
TYPE	Repair / Maintenance

STRATEGIC PRIORITY
Community Preservation, Recreational Opportunities, Public Safety, Long-Term Planning

DESCRIPTION / JUSTIFICATION
Heron Park was developed in conjunction with the construction of the Parkside subdivision in 1992. The park has been well maintained over the years. However, the playground equipment is over 25 years old and has broken down to the point that repairs are no longer feasible. Currently, the playground includes: a piece geared to the 1-4 year old group, another piece geared for the 5 - 12 year old group and a spin toy. Additionally, the picnic shelter/restroom building needs to be re-roofed and painted. This project proposes to replace playground equipment and the old shake roof with a metal roof that will have a longer useful life and to upgrade the lighting to energy efficient LED lighting.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design		\$ 50,000						\$ 50,000
Construction			\$ 360,000					\$ 360,000
Total Project Expenditures	\$ -	\$ 50,000	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ 410,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET		\$ 50,000	\$ 360,000					\$ 410,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 50,000	\$ 360,000	\$ -	\$ -	\$ -	\$ -	\$ 410,000



PROJECT NAME:	Silver Crest Park Upgrade
PROJECT #:	19-PARK-02

Parks and Trails Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Parks
TYPE	Repair / Maintenance

STRATEGIC PRIORITY
Community Preservation, Recreational Opportunities, Long-Term Planning

DESCRIPTION / JUSTIFICATION
The Silver Crest Park was annexed to the City in 2005 as a part of the Northeast Area Annexation. This .61 acre neighborhood park is located within the Silver Crest subdivision on 28th Drive SE. Amenities include a full basketball court, playground, picnic tables, and a grassy play area. There is currently no irrigation in place at this park and there is room for upgrades in many other areas. This proposed project would include adding irrigation, repairing the basketball court including a complete resurfacing and restriping, as well as repairing the fence around the basketball court. Also included are replacement benches and picnic tables with concrete pads.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
Operation and maintenance costs are anticipated to increase 30 labor hours per year.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design				\$ 30,000				\$ 30,000
Construction					\$ 320,000			\$ 320,000
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ -	\$ 30,000	\$ 320,000	\$ -	\$ -	\$ 350,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET				\$ 30,000	\$ 320,000			\$ 350,000
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ 30,000	\$ 320,000	\$ -	\$ -	\$ 350,000



PROJECT NAME:	Parks Restroom/Picnic Shelter Roof Replacement
PROJECT #:	19-PARK-03

Parks and Trails Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Parks and Trail Projects
TYPE	Maintenance and Repair

STRATEGIC PRIORITY
Community Preservation, Recreational Opportunities, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 The existing shake roof on the restroom/picnic shelter buildings at Pine Meadow Park and Cougar Park is nearing the end of its useful life and is in need of replacement. The plan is to replace it with a metal roof that will have a longer useful life. The project would also include replacement of gutters and downspouts. Pine Meadow Park is planned for 2020 and Cougar Park is planned for 2022. Standing Seam Roof (SSR) was mentioned during the Park Board meeting this year and seemed to be well liked by the Board. Paint fade was the only concern identified. Although SSR may have a higher up front cost, it has a longer life span and there are long-term savings on maintenance. The roofs at these parks have crests and valleys. Sloped roofs increase the costs by at least 15% per the vendors. Using the park drawings (based on the park specific dimensions) and metal SSR, the costs come in at about \$50,000 per park, based on a \$15 per square foot cost for SSR. Metal roofs are very durable (40 to 70 years), and stand up against the elements much better than asphalt or wood. Metal roofs last as least three times as long as asphalt roofs and require much less maintenance over its lifetime (by as much as 33% compared to the cost of asphalt shingles). Asphalt shingles are estimated at \$6 per square foot and wood shingles are estimated at \$9 per square foot. The disadvantages of standing seam metal roofing mainly have to do with the cost and the difficulty in finding a reliable roofing contractor to install it (specialized skill). Buffalo Park has a Standing Seam Roof.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 This project is anticipated to reduce current maintenance costs.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction			\$ 50,000		\$ 50,000			\$ 100,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 100,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
General Fund			\$ 50,000		\$ 50,000			\$ 100,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 100,000



PROJECT NAME:	Trail Preservation Program
PROJECT #:	19-PARK-04

Parks and Trails Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Parks and Trails
TYPE	Repair / Maintenance

STRATEGIC PRIORITY
 Community Preservation, Civic Pride, Recreational Opportunities, Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 As a part of the development of several subdivisions in the City (e.g., Brighton, Amberleigh, The Springs), the City accepted the responsibility for maintenance of trail infrastructure through open space tracts in exchange for public access easements on the trails. The Trail Preservation Program would initially identify all of these trails within the City and access their current condition. A priority list would be established ranking the severity of the deficiencies as well as establishing a schedule for future repairs and resurfacing.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Assessment		\$ 20,000						\$ 20,000
Construction			\$ 25,000		\$ 25,000		\$ 25,000	\$ 75,000
Total Project Expenditures	\$ -	\$ 20,000	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 95,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Parks and Trails Fund		\$ 10,000						\$ 10,000
REET		\$ 10,000	\$ 25,000		\$ 25,000		\$ 25,000	\$ 85,000
								\$ -
Total Project Revenues	\$ -	\$ 20,000	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 95,000



PROJECT NAME:	North Creek Trail Study
PROJECT #:	19-PARK-05

Parks and Trails Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Parks and Trails
TYPE	Planning

STRATEGIC PRIORITY
 Fiscal Responsibility, Community Preservation, Civic Pride, Recreational Opportunities, Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 The North Creek Trail connects multiple regional trails including the Burke Gilman and Sammamish River Trails to the South with the Interurban Trail to the North. The result is a network of trails which enables non-motorized transportation for commuters and local residents in a nearly continuous route from the Everett area all the way to the communities of Bothell, Lynnwood and Seattle. This trail system serves and connects the significant Regional Growth Centers of Bothell Canyon Park, Lynnwood and Everett as well as the locally designated Mill Creek Town Center and the Paine Field Manufacturing Industrial Center. The North Creek Trail Study will look at potential future development, improvements and upgrades to the North Creek Trail within the City of Mill Creek. This Feasibility Study will include assessment of American with Disabilities (ADA) compliance for built out sections, high level cost estimate for trail gaps, environmental preliminary assessment, geotechnical investigation and funding options. Improvements are intended to make the trail a shared use path for users of all ages and abilities.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Feasibility Study			\$ 75,000					\$ 75,000
Total Project Expenditures	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
General Fund			\$ 75,000					\$ 75,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000



City Facilities Projects

PROJECT NAME:	City Hall North HVAC
PROJECT #:	19-BLDG-01
DEPARTMENT	Public Works and Development Services
CATEGORY	Buildings
TYPE	Maintenance / Repair

City Facilities Project

STRATEGIC PRIORITY
Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION
Total replacement and commissioning of four liquid cooled heat pumps. Three of the four heat pumps are currently non-operational and one is close to failing. These heat pumps overlap with other heat pumps and serve a City staff area, tenant spaces as well as the Large Community Room. In addition to the actual HVAC work, the project includes ceiling tile replacement due to access requirements. The estimate also includes unknown failed duct work replacements.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
Operation and maintenance costs are expected to decrease by 50 labor hours per year due to a reduced number of service calls.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Equipment		\$ 80,000						\$ 80,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
15720 Main Street Property Fund		\$ 80,000						\$ 80,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000



PROJECT NAME:	Public Works Workshop Value Engineering Study
PROJECT #:	17-BLDG-02

City Facilities Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Facilities
TYPE	Construction

STRATEGIC PRIORITY
 Fiscal Responsibility, Community Preservation, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 City Hall does not provide adequate parking, facilities or storage for Public Works maintenance vehicles and materials. The City received a State Department of Commerce grant in the amount of \$250,000 which expires in June 2019 (a grant extension request will be submitted in 2018). Staff plans to move this project forward by conducting a study to evaluate current City-owned properties and other properties as well, and obtain comparison of cost and how the sites meet current and future needs.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Study	\$ 160,361		\$ 50,000					\$ 210,361
								\$ -
Total Project Expenditures	\$ 160,361	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 210,361

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
CIP Fund	\$ 160,361		\$ 50,000					\$ 210,361
								\$ -
								\$ -
Total Project Revenues	\$ 160,361	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,361



PROJECT NAME:	Entryway ADA Upgrades for City Hall and the Library
PROJECT #:	19-BLDG-02

City Facilities Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Facilities and Equipment
TYPE	Repair and Maintenance

STRATEGIC PRIORITY
Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION
City of Mill Creek has become a popular destination for passport customers, library patrons as well as other customers. The doors and Americans with Disabilities (ADA) entrances have experienced an elevated level of wear and tear on the City Hall South and Library Buildings. The current doors and openers are failing due to age and the number of cycles they receive. Maintenance repair and downtime have increased over the last few years. This project would replace the worn doors hardware, ADA openers and related components to ensure we meet the needs of all Mill Creek's Residents and customers. Per the 2004 annexation agreement between the City and the Sno-Isle Intercounty Rural Library District, the City is responsible for repair and capital costs.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
Operation and maintenance costs are anticipated to decrease by 40 labor hours per year.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Equipment/Installation			\$ 40,000					\$ 40,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
CIP Fund			\$ 40,000					\$ 40,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000



PROJECT NAME:	Emergency Operations Center (EOC)
PROJECT #:	19-BLDG-03

City Facilities Project

DEPARTMENT	Public Safety/Emergency Management
CATEGORY	Facilities and Equipment
TYPE	Infrastructure Improvement

STRATEGIC PRIORITY
Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION

The City's Emergency Operations Center (EOC) is used for overall direction, control, and coordination in order to support the overall community response to the disaster and to best coordinate efforts with county, state, and federal agencies. An effective EOC requires the space and equipment to support response and relief efforts in the field, maintain situational awareness, and fulfill the task of coordinating with county, state, and federal agencies. The current EOC is located in the City Hall South small conference room and is inadequate for the task. It consists of a conference table and a wooden cabinet containing a radio. The conference room can only seat 6-8 people around a single table with no computer access and a single telephone. This CIP proposes moving the EOC to North City Hall Room 201. The EOC would be furnished with movable tables and chairs that can be configured into six (6) EOC sections; EOC Manager, PIO, Finance/Administration, Operations, Planning, and Logistics. Each section would be equipped with a desktop PC, a Surface tablet, and a landline telephone. The room would be equipped with two short throw LED projectors and two flat screen monitors. A seventh PC and an AV switcher would sit in the back, allowing any combination of four AV inputs to be displayed on the projectors and monitors.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS

New operation and maintenance costs are anticipated to occur for the Public Works maintenance team at 25 labor hours per year. There will be two years of Information Technology staff impacts, for a total of 35 IT labor hours.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Audio-Visual System		\$ 19,763						\$ 19,763
Tables and Chairs		\$ 15,662						\$ 15,662
Incident Command Vests		\$ 324						\$ 324
Floor Sign Stands		\$ 778						\$ 778
Mobile File Drawers		\$ 538						\$ 538
Computers		\$ 20,153						\$ 20,153
Network Lines		\$ 1,449						\$ 1,449
Power to Projectors		\$ 348						\$ 348
Telephones		\$ 626						\$ 626
Total Project Expenditures	\$ -	\$ 59,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,640

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
CIP Fund		\$ 59,640						\$ 59,640
Total Project Revenues	\$ -	\$ 59,640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,640



PROJECT NAME:	Gateway and Presence Improvement
PROJECT #:	18-ROAD-13

City Facilities Project

DEPARTMENT	Communications and Marketing
CATEGORY	Tourism
TYPE	Replacement

STRATEGIC PRIORITY
 Community Preservation, Civic Pride, Economic Prosperity, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 Although approved in the last biennium, this capital project was not executed. It is a gateway and presence improvement project to help attract economic development opportunities and create an inviting aesthetic for tourism purposes. This provides an opportunity to update and unify the City's brand while providing vibrant, visually appealing gateway entry features for the City. It include updating and creating consistent gateway signage at key gateways to Mill Creek. The project entails working with a creative marketing agency to update the City's brand to reflect the lifestyle of Mill Creek and attract people to spend money in local businesses. The eight gateway entry points into the City include 164th Street SE, 132nd Street SE at 10th Street, Dumas Road at Park Road, 132nd Street SE at SR 527, 132nd Street SE at Seattle Hill Road, 35th Avenue SE at Seattle Hill Road, and SR 527 at 175th Street. Though the project funding source approved in the 2017-2018 CIP was through REET, the City will seek grant/sponsorship funding from community partners to help provide a cohesive community branding. Sign estimates in the CIP are very conservative; per staff outreach to local sign companies, the frame (which would not be replace) is generally about 65% of the sign cost. Since we don't need the frames, but simply are requesting a reface of existing signs, the signage element could be completed and ensure funding for landscaping improvements. Once the project scope and construction costs are defined, a detailed proposal will be brought to the City Council for approval.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
 New operation and maintenance costs are anticipated to keep the flower beds and vegetation irrigated and maintained; the cost is anticipated to be 400+ labor hours per year.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Strategy Research & Development		\$ 48,000						\$ 48,000
Development of New Brand Identity			\$ 45,000					\$ 45,000
Gateway Signs			\$ 40,000					\$ 40,000
Total Project Expenditures	\$ -	\$ 48,000	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ 133,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
REET			\$ 85,000					\$ 85,000
CIP Fund		\$ 48,000						\$ 48,000
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ 48,000	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ 133,000



PROJECT NAME:	Historical Preservation Project
PROJECT #:	19-BLDG-04

City Facilities Project

DEPARTMENT	Communications and Marketing
CATEGORY	Historical Preservation
TYPE	Art & Beautification

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Civic Pride

DESCRIPTION / JUSTIFICATION

In 2018, the Art & Beautification Board identified a historical preservation project to help the community remember its roots in a manner that is aesthetically pleasing and community oriented. The project is to create an etched, stainless steel timeline to be hung along a covered bridge in Mill Creek Town Center. In fall 2018, the City engaged a design consultant to prepare the design working with the community and develop a budget for production and installation. The City hired an intern to compile and organize the information that would be included on the finished product. The final design will include a mix of text and image. The City started the design of the project in 2018 with the idea that production and installation would occur in 2019. Civic organizations have expressed interest in helping fund the project; the City will pursue grants and sponsorship funds in 2019 before spending from the Municipal Arts Fund. With the City's focus on art, an artistic historical timeline would serve a dual purpose of providing artistic value while serving to educate the public about Mill Creek's history. Additional panels would be included in the display as the City's history continues to unfold. The 2019 expenses include production of the panels, possible designer help to production company on final details, and installation of the panels. This is artwork that will be a focal point, so maintenance and operations costs have been conservatively estimated to ensure it is maintained. However, maintenance and operations costs are dependant on the final product and design.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS

New operation and maintenance costs are anticipated at 52 labor hours per year.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design & Info Gathering	\$ 12,500							\$ -
Production of Panels			\$ 15,000					\$ 15,000
Design Assistance on Production			\$ 500					\$ 500
Installation			\$ 9,500					\$ 9,500
Total Project Expenditures	\$ 12,500	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Snohomish County Grant	\$ 12,500							\$ -
Community Funding (TBD)								\$ -
Municipal Arts Fund			\$ 25,000					\$ 25,000
Total Project Revenues	\$ 12,500	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000



PROJECT NAME:	City Hall North - Roof and Seismic Retrofit
PROJECT #:	17-BLDG-03
DEPARTMENT	Public Works and Development Services
CATEGORY	Facilities
TYPE	Maintenance / Repair

City Facilities Project

STRATEGIC PRIORITY
Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION
The existing roof on the City Hall north building, which houses staff from two City Departments, two Community Rooms, as well as various tenants, was installed in 1998 and has reached the end of its useful life and needs to be replaced. Good inspection practices and remedial repairs done in a timely manner, have allowed the City to defer the roof replacement until 2020. In addition, the building has not yet been upgraded with a seismic retrofit. In order to minimize impacts to the building users and streamline the bidding process, it is best to bundle both types of work into one single project. Design of the roof replacement has been completed, but a specialized consultant will be required for the seismic retrofit portion. No new operational costs or impacts are associated with this project.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Professional Services	\$ 1,220	\$50,000						\$ 51,220
Construction			\$ 550,000					\$ 550,000
On-call Consultant			\$ 75,000					\$ 75,000
Total Project Expenditures	\$ 1,220	\$ 50,000	\$ 625,000	\$ -	\$ -	\$ -	\$ -	\$ 676,220

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Annex Fund 145	\$ 1,220	\$50,000	\$ 250,000					\$ 301,220
General Fund Reserve			\$ 161,203					\$ 161,203
General Fund			\$ 138,797					\$ 138,797
CIP			\$ 75,000					\$ 75,000
Total Project Revenues	\$ 1,220	\$ 50,000	\$ 625,000	\$ -	\$ -	\$ -	\$ -	\$ 676,220



Surface Water CIP 2019-2024



Surface Water CIP Overview

Mill Creek's surface water program seeks to achieve appropriate management of surface water in the City. This plan improves safety, reduces risk to public and private property, and enhances the natural environment.

Improved safety is achieved by reduced flooding. Properly sizing and maintaining the City's stormwater conveyance system keeps water from ponding on the street and sidewalks, creating safer conditions for motorists, bicyclists and pedestrians. Reduced flooding also means a reduction in the risk of damage to property and business operations.

The plan seeks to improve water quality and fish passage in the City's waterways, ponds and lakes. And improved water quality reduces risk to citizens that come in contact with water in the City's streams and lakes, and keeps the City in compliance with State and Federal requirements.

Current Infrastructure

Mill Creek's infrastructure is aging, with some pipes already more than 40 years old. The City has entered an infrastructure rehabilitation and replacement phase, meaning that surface water pipes need to be inspected, evaluated and scheduled for rehabilitation or replacement as needed.



The City owns and is responsible for maintaining approximately 50 miles (264,000 linear feet) of surface water pipes, many of which use materials no longer recommended, like corrugated metal pipe. This infrastructure is aging and needs to be inspected, evaluated and scheduled for replacement as needed.

In 2018, Perteet, Inc. was contracted to do just that. Their scope of work focused on pipes 18 inches or larger in diameter and included:

- Review a backlog of storm pipe Closed Circuit Television (CCTV) videos. Beginning in 2012, the City



hired consultants to produce CCTV videos of surface water pipes in various locations, utilizing previously collected data for approximately 14,000 linear feet of pipes.

- Collect storm pipe CCTV videos that have not yet been inspected (approximately 21,800 linear feet).
- Analysis of the aforementioned CCTV videos for pipe failures and/or other repairs including recommended action and rough order of magnitude cost estimate.
- In collaboration with City staff, develop prioritization criteria and identify capital projects for scoping and cost estimating.

The following Surface Water CIP was developed based on Perteet's work and focuses on larger infrastructure (18 inches in diameter or larger) since their potential failure could have a negative effect on life, property or a combination of both. Larger infrastructure represents a total of 35,800 LF (approximately 14%) of the total surface water pipe infrastructure in the City of Mill Creek. The work completed by Perteet is the foundation for the City's Surface Water Capital Program.

Factors that were taken into consideration when integrating the Surface Water Capital Program into the CIP include: available funding; pavement condition; and other City capital projects and upgrades programmed by utility companies such as Puget Sound Energy, Snohomish PUD, Alderwood Water District and Silver Lake Water District.



Realistically, only a limited number of projects can be effectively implemented each year. Additionally, the cost of some projects is so high that their implementation may utilize the entirety of surface water funds for several years.



Surface Water CIP Criteria

The following prioritization criteria were used when identifying projects to include in the CIP.

- Catastrophic: Pipe is ruptured and its potential failure could have a negative effect on life, property or a combination of both
- Private property: Fault is located in an easement adjacent to private property posing a risk to residents and property
- Critical area: Failure is located within one quarter miles of a wetland or steep slope posing environmental damage and slope erosion risks
- Critical Infrastructure: Failure would obstruct access to critical infrastructure (e.g., Fire Station, Police Station, Schools) and potentially impact core City functions
- Arterial or Collector: Failure on roadways with high traffic could impact a large number of commuters
- Pipe Size: Prioritize larger pipes
- Date of discovery: prioritize faults discovered in past years (chronological order)

Proposed Surface Water Projects:

The Surface Water CIP includes repairing 20 F grade faults in 2019. In cases where a pipe run has four or more faults, replacement of the entire run is recommended. Of the 20 F grade repairs, six are assumed to be caused by another utility or be the result of illicit discharge; cost recovery may be possible.

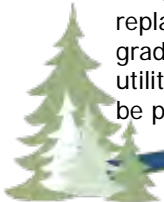


As funds allow, depending on a surface water utility fee increase (described below), C grade faults are recommended for repair throughout the 2019-2024 CIP period and beyond. Where possible, the work will be bundled to encompass geographical regions of the City so repairs can take place within a limited timeframe.

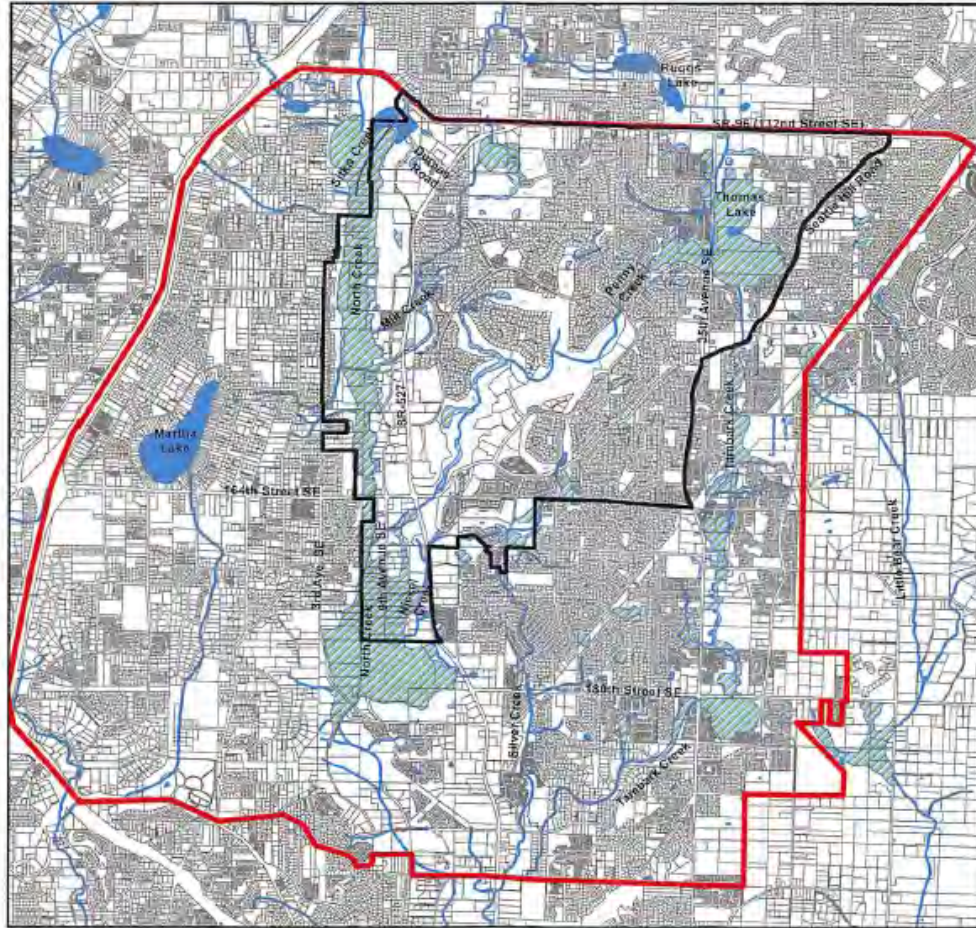
Potential Funding for Surface Water CIP Projects






In summer 2018, City staff selected FCS Group to conduct an analysis of the City's Surface Water Utility rate. The City of Mill Creek's surface water rate has remained unchanged since 1999.

The rate study currently is underway and new rates will be proposed prior to the adoption of the City's 2019-2020 Budget.



Mill Creek Wetlands & Water Features



-  City Limits
-  Municipal Urban Growth Area Boundary
-  Wetland
-  Waterbody
-  Watercourse

Council Ord. 2015-802
Effective December 18, 2015



Stormwater Management Projects

PROJECT NAME:	Surface Water Aging Infrastructure Program
PROJECT #:	19-SW-01
DEPARTMENT	Public Works and Development Services
CATEGORY	Surface Water Management
TYPE	

Stormwater Management
Project

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION
In February 2018, the City signed a contract with Perteet Engineers to perform professional design services related to storm pipe assessment and surface water program development. Construction program repairs were identified in a 3-tiered level of granularity: F grade faults (repair within one year), C grade faults (programmed over the subsequent seven years) and A grade (not expected to impact the longevity of the pipe). This program includes design, construction and construction management to replace or rehabilitate aging surface infrastructure with a diameter of 18 inches or greater -pipes with diameters less than 18 inches have not been assessed. The funding of this program is contingent on an increase of the City's Surface Water Utility Fee.

ANTICIPATED OPERATIONS AND MAINTENANCE COSTS
No new operation and maintenance costs are anticipated.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
		\$ 937,500	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 4,687,500
								\$ -
Total Project Expenditures	\$ -	\$ 937,500	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 4,687,500

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Surface Water Utility		\$ 937,500	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 4,687,500
								\$ -
Total Project Revenues	\$ -	\$ 937,500	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 4,687,500



Unfunded Projects



AGENDA ITEM #D.

Unfunded Projects

The following projects are those for which the City currently does not have funding to complete the project. There are various funding factors that could affect the potential for a project to occur.

For those projects that are capacity-related, an increase in the City's traffic mitigation fees may provide funding. The City also plans to execute an interlocal agreement with Snohomish County that could provide a percentage of traffic mitigation fees to the City for development in unincorporated Snohomish County.

Other sources of funding could be county, state and federal grants; City-identified CIP Contingency Funds; or other funding made available through revenues above and beyond what is required for biennial operational expenses.

As funding is identified for these projects, the project concept will be developed and brought to the City Council for review and approval, and the CIP will be amended. However, until full funding is secured, the City will not execute these projects.

Further, until the projects are feasible, no operations and maintenance costs will be determined.



Unfunded Project Listing

Project Name	Total	2019	2020	2021	2022	2023	2024
Transportation Projects							
East Gateway Urban Village "Spine Road" West Connection (Phase 1)	\$4,500,000	\$0	\$500,000	\$4,000,000	\$0	\$0	\$0
East Gateway Urban Village "Spine Road" East Connection (Phase 2)	\$6,000,000	\$0	\$0	\$0	\$2,000,000	\$750,000	\$3,250,000
SR 96 and Dumas Road Intersection Improvements	\$5,390,000	\$0	\$0	\$0	\$200,000	\$5,190,000	\$0
SR 96 at 35th Avenue Intersection Improvements	\$3,460,000	\$0	\$150,000	\$3,310,000	\$0	\$0	\$0
SR 527 / 164th Street Intersection Improvements	\$2,090,000	\$0	\$0	\$250,000	\$1,840,000	\$0	\$0
SR 527 / SR96 Intersection Improvements	\$9,460,000	\$0	\$0	\$0	\$0	\$860,000	\$8,600,000
(Old) Seattle Hill Road at SR 527	\$1,150,000	\$0	\$150,000	\$1,000,000	\$0	\$0	\$0
164th Street SE at Mill Creek Boulevard Intersection Improvements	\$7,370,000	\$0	\$0	\$0	\$0	\$670,000	\$6,700,000
Transportation Project Totals	\$39,420,000	\$0	\$800,000	\$8,560,000	\$4,040,000	\$7,470,000	\$18,550,000
Storm Water Management Projects							
164th Street SE East Basin Surface Water Retrofit	\$502,500	\$0	\$0	\$50,000	\$450,000	\$0	\$2,500
Lower Mill Creek Road Basin Surface Water Retrofit	\$252,500	\$0	\$50,000	\$200,000	\$0	\$2,500	\$0
Surface Water Project Totals	\$755,000	\$0	\$50,000	\$250,000	\$450,000	\$2,500	\$2,500
Unfunded Totals All Project Categories	\$40,175,000	\$0	\$850,000	\$8,810,000	\$4,490,000	\$7,472,500	\$18,552,500



PROJECT NAME:	EGUV Spine Road West Connection (Phase 1)
PROJECT #:	19-ROAD-15

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Community Preservation, Civic Pride, Public Safety, Long-Term Planning

DESCRIPTION / JUSTIFICATION
The East Gateway Urban Village (EGUV) subarea plan was designed with internal access provided via a "Spine Road." Several parcels in the East Gateway Urban Village have developed or are proposed for development and construction of the "Spine Road" has been a condition of approval for these developments. Right-of-way was dedicated as part of the approval of the Polygon Apartments/Townhome development, the Gateway Building, the Vintage and would be required with The Farm (project application submitted in 2018). This project will complete the "Spine Road" from 39th Ave. SE to 44th Ave. SE. Partial right-of-way purchase will be needed at two parcels for subsequent roadway design and construction. A 72 LF right of way width is needed for the "Spine Road." Beyond the purchase of the right of way in 2019, work does not yet have funds committed.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design		\$ -	\$ 300,000					\$ 300,000
Right-of-Way			\$ 200,000					\$ 200,000
Construction				\$ 4,000,000				\$ 4,000,000
Total Project Expenditures	\$ -	\$ -	\$ 500,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,500,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Road Mitigation Funds								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	EGUV Spine Road East Connection (Phase 2)
PROJECT #:	19-ROAD-15

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Community Preservation, Civic Pride, Public Safety, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 The East Gateway Urban Village (EGUV) subarea plan was designed with internal access provided via a "Spine Road." Several parcels in the East Gateway Urban Village have developed or are proposed for development and construction of the "Spine Road" has been a condition of approval for these developments. Right-of-way was dedicated as part of the approval of the Polygon Apartments/Townhome development, the Gateway Building, the Vintage and would be required with The Farm (project application submitted in 2018). This project will complete the "Spine Road" from 39th Ave. SE to 44th Ave. SE. Partial right-of-way purchase will be needed at two parcels for subsequent roadway design and construction. A 72 LF right of way width is needed for the "Spine Road."

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Construction		\$ -			\$ 2,000,000	\$ 750,000	\$ 3,250,000	\$ 6,000,000
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 750,000	\$ 3,250,000	\$ 6,000,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Road Mitigation Funds								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	SR 96 at Dumas Road Intersection Improvements
PROJECT #:	

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION

Operations at this intersection do not meet LOS guidelines primarily due to the existing split phasing required for traffic on Dumas Road/Elgin Way. The current channelization provides an exclusive left-turn lane and a shared left/through/right lane for northbound traffic. In addition to high through volumes on SR 96, this intersection has a high number of left turns from northbound Dumas Road to westbound SR 96 (529 vehicles in the 2040 PM peak hour). Installing a second northbound left-turn lane for northbound Dumas Road and a shared through/right-turn lane allows protected left-turn phases on each approach. This modification, in combination with optimizing timings, will reduce the average control delay by over 10 seconds per vehicle, resulting in LOS D.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
					\$ 5,190,000			\$ 5,190,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 5,190,000	\$ -	\$ -	\$ 5,190,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
								\$ -
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	SR 96th at 35th Avenue Intersection Improvements
PROJECT #:	

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
35th Avenue SE has high left-turn movement volumes onto SR 96. Two left-turn lanes are provided for southbound traffic, but northbound users only have one. This intersection currently has a Level of Service E with an average vehicle delay of 71.7 seconds. Adding a second northbound left-turn lane and optimizing signal timing improves intersection operations to an average delay of 55.3 seconds per vehicle.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
				\$ 3,310,000				\$ 3,310,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ -	\$ 3,310,000	\$ -	\$ -	\$ -	\$ 3,310,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
								\$ -
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	SR 527 / 164th Street Intersection Improvements
PROJECT #:	

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 This location is an intersection of two major arterials that connect users to regional destinations. The critical movement at this intersection is the eastbound left-turn movement, which is projected to have over 300 vehicles in the 2040 PM peak hour. Currently, this movement is served by a single left-turn lane with short storage length in order to maintain access to properties north of 164th Street SE. Removing the property access to the north, extending the turn-lane storage length, and optimizing the traffic signal timing can reduce delays to 80 seconds per vehicle and achieve a Level of Service E. Community Transit's BRT Orange Line is planned to connect from the Lynnwood Light Rail station east on 164th Street SE, turn around and return west on 164th Street SE. Intersection improvements at this location will be vital to the success of the Orange Line.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
			\$ 1,840,000					\$ 1,840,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 1,840,000	\$ -	\$ -	\$ -	\$ -	\$ 1,840,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	SR 527 / SR 96 Intersection Improvements
PROJECT #:	

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
This project proposes to add an additional Eastbound/Westbound through lane, install intelligent transportation systems (ITS) infrastructure to direct traffic to use alternate routes which may include 16th Ave. SE or Dumas Road.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
						\$ 860,000	\$ 8,600,000	\$ 9,460,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 860,000	\$ 8,600,000	\$ 9,460,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
								\$ -
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	Old Seattle Hill Road at SR 527 Improvements
PROJECT #:	

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
The project consists of intersection control improvements coordinated by the City of Mill Creek, Snohomish County and the Washington State Department of Transportation.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
			\$ 150,000	\$ 1,000,000				\$ 1,150,000
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,150,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	164th Street SE at Mill Creek Blvd Intersection Improvements
PROJECT #:	

Transportation Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Transportation
TYPE	Construction

STRATEGIC PRIORITY
Public Safety, Leadership, Long-Term Planning

DESCRIPTION / JUSTIFICATION
 This intersection has a high volume left-turn movement, which results in a Level of Service F. Eastbound left-turn volumes exceed 500 vehicles in the PM peak hour, while the remaining approaches have over 100 vehicles per hour each. Currently, each approach has one left-turn lane. Adding an additional eastbound left-turn lane and optimizing signal timings will decrease the average delay per vehicle by around 40 seconds, resulting in a Level of Service E. This modification will require an additional receiving lane on the north leg, likely terminating at the intersection of Mill Creek Boulevard and 161st Street SE.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
						\$ 670,000	\$ 6,700,000	\$ 7,370,000
								\$ -
								\$ -
Total Project Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 670,000	\$ 6,700,000	\$ 7,370,000

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
								\$ -
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	164th Street SE East Basin Surface Water Retrofit
PROJECT #:	SW-25

Stormwater Management Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Surface Water
TYPE	Construction

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION

In 2012, the Snohomish Conservation District prepared a report for the City evaluating water quality treatment for stormwater runoff from seven undertreated drainage basins identified and prioritized by the City. Many portions of the impervious surface within the City receive little or no water quality treatment prior to discharge into North Creek or Penny Creek. The report details the existing conditions and explores a number of retrofit solutions for providing treatment to the runoff from these areas. The highest priority retrofit project was the design and construction of a filter vault system for the existing drainage system in 164th Street SE to treat the surface water runoff into North Creek. The retrofit system would only treat the drainage on 164th Street SE between North Creek and SR 527. This section of 164th Street SE has no treatment system for surface water. It has very high vehicle traffic, and is probably the single highest source of vehicle related pollutants in Mill Creek discharged directly into a water body. Replacement of the filter cartridges will be necessary on an annual or biennial basis.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design				\$ 50,000				\$ 50,000
Construction					\$ 450,000			\$ 450,000
Operations & Maintenance							\$ 2,500	\$ 2,500
Total Project Expenditures	\$ -	\$ -	\$ -	\$ 50,000	\$ 450,000	\$ -	\$ 2,500	\$ 502,500

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Surface Water Utility								\$ -
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT NAME:	Lower Mill Creek Road Basin Surface Water Retrofit
PROJECT #:	SW-26

Stormwater Management Project

DEPARTMENT	Public Works and Development Services
CATEGORY	Surface Water
TYPE	Construction

STRATEGIC PRIORITY
Fiscal Responsibility, Community Preservation, Public Safety

DESCRIPTION / JUSTIFICATION

In 2012, the Snohomish Conservation District prepared a report for the City evaluating water quality treatment for stormwater runoff from seven undertreated drainage basins identified and prioritized by the City. Many portions of the impervious surface within the City receive little or no water quality treatment prior to discharge into North Creek or Penny Creek. The report details the existing conditions and explores a number of retrofit solutions for providing treatment to the runoff from these areas. The second highest priority retrofit project was the design and construction of a filter vault retrofit for the drainage system on the lower segment of Mill Creek Road that drains into Penny Creek. The existing drainage system for Mill Creek Road east of SR 527 discharges directly into Penny Creek without any water quality treatment. Pollutants from vehicles or spills enter the creek without any form of treatment. The proposed retrofit would install a filter vault system that would treat the drainage water prior to entering Penny Creek. This retrofit would improve water quality and reduce risk exposure for non-compliance with our National Pollution Discharge Elimination System (NPDES) permit.

Expenditures	Prior	2019	2020	2021	2022	2023	2024	Total
Design			\$ 50,000					\$ 50,000
Construction				\$ 200,000				\$ 200,000
Operations & Maintenance						\$ 2,500		\$ 2,500
Total Project Expenditures	\$ -	\$ -	\$ 50,000	\$ 200,000	\$ -	\$ 2,500	\$ -	\$ 252,500

Funding Sources	Prior	2019	2020	2021	2022	2023	2024	Total
Surface Water Utility								\$ -
								\$ -
								\$ -
								\$ -
Total Project Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



2019-2020 Biennial Budget Prepared By





Agenda Item # E

Meeting Date: Dec. 4, 2017

CITY COUNCIL AGENDA SUMMARY

City of Mill Creek, Washington

AGENDA ITEM: 2019 LEGISLATIVE PRIORITIES

PROPOSED MOTION:

Adopt proposed items as 2019 legislative priorities for which Mill Creek Councilmembers and staff can advocate for on behalf of the City.

KEY FACTS AND INFORMATION SUMMARY:

The 2019 legislative session is quickly approaching. It is prudent for the City to adopt legislative priorities for which Council and staff can advocate officially on behalf of the City. Staff have identified the following priorities based on recommendations provided by the Association of Washington Cities (AWC).

1. Provide responsive funding for the Criminal Justice Training Commission.

As the City of Mill Creek has articulated for several years, there is a significant delay of up to nearly six months for newly hired entry-level police officers to receive training at the Basic Law Enforcement Academy (BLEA). We are advocating for maintenance-level funding that increases the number of BLEA courses from the current 10 per year to between 15 and 18 per year. In addition to the funding mechanism, it is vital to amend the Revised Code of Washington statute that requires academy attendance by new-hire officers. Currently, newly hired officers are required to attend the academy within six months of their hire date. This is an antiquated requirement that does not recognize the need to provide appropriate basic training to new officers in a timely fashion. We advocate that this time be reduced to two months from the date of hire. By combining a funding mechanism with a realistic training timeframe, we believe that the legislature can positively impact this challenge.

2. Keep the Public Works Trust Fund in working order.

The Public Works Trust Fund is a crucial funding partner for cities to provide infrastructure (like stormwater infrastructure) in their communities. The City of Mill Creek has used the Public Works Trust Fund in the past and it represents a funding option for future projects. Previously, the State has diverted funds from infrastructure programs to address other operating budget shortfalls. Assistance from the Public Works Trust Fund is essential for some cities to maintain existing infrastructure. It is important that the State fully funds the Public Works Board's \$217 million budget, funded from the current stream of loan repayments and the 2 percent of REET dedicated to the account. Further, we advocate for expanding the program by ending REET fund diversions from the account instead of waiting five more years (until 2023) to stop this bleeding of infrastructure funds.

City Council Agenda Summary
Page 2

3. Fund a systems approach to correct fish-blocking culverts.

The U.S. Supreme Court recently upheld an injunction requiring the State to fix its fish-blocking culverts by 2030. We are advocating for a broader program that helps fund more than state-owned culvert projects. We are seeking the development of and funding for a comprehensive statewide approach to fix salmon-blocking culverts. The City of Mill Creek will be assessing if and where there are culverts that block fish passage. However, we advocate for the creation of a permanent framework to fund system wide corrections, including fully funding the Fish Barrier Removal Board this biennium and providing grant funding for cities to utilize.

4. Support other AWC-identified initiatives that are beneficial to cities in general.

AWC supports local decision-making and funding mechanisms to help cities be successful. AWC's legislative priorities are online, and timely information is regularly added to the site: <https://wacities.org/advocacy/City-Legislative-Priorities>.

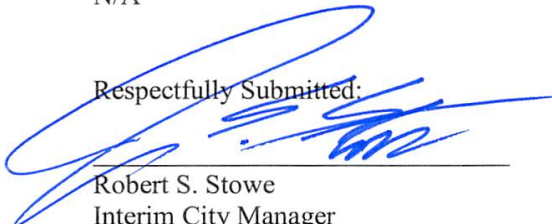
CITY MANAGER RECOMMENDATION:

Adopt the proposed items as 2019 legislative priorities.

ATTACHMENTS:

N/A

Respectfully Submitted:



Robert S. Stowe
Interim City Manager



Agenda Item # F
Meeting Date: December 4, 2018

CITY COUNCIL AGENDA SUMMARY

City of Mill Creek, Washington

AGENDA ITEM: UPDATES TO PERSONNEL POLICIES

PROPOSED MOTION:

Adoption of Resolution 2018-___ to update the City's Personnel Policies.

KEY FACTS AND INFORMATION SUMMARY:

An analysis and update of the City's Personnel Policies and procedures has been completed. Many of the administrative policies and procedures had not been formally updated since 1997, and were found to be inconsistent with current practice.

The amount of change necessary to bring policies and procedures in line with current practices and current state and federal law provided an opportunity to completely re-work the current policies and procedures to: 1) align them within the respective legislative and executive roles consistent with state law; and 2) create a format that is easy to understand and readily available for employees to view and acknowledge.

The proposed Personnel Policies (Policy #400-01) provides specific direction from City Council to the City Manager on items such as Pay and Classification Plan, Benefits, and other items that have historically been adopted by the City Council. It also encompasses items that have not formally been adopted by the Council, but were determined to have an impact on the City's budget, such as Holidays and Tuition Reimbursement.

The proposed Personnel Policies update also authorizes the City Manager to approve administrative procedures and guidelines through the Personnel Administration Manual that are necessary and appropriate for good governance, human resource management and required by state or federal laws.

Below is a summary of key policy changes:

- CCP 97-005 (Exhibit B) is superseded by section 9.0 Safety. New to this policy is a budget amount to be used for the City's safety program (including projects, activities, awards, prizes, etc.). This is a requirement to be considered for AWC's WorkSafe Employer Award.
- CCP 08-002 (Exhibit B) reflects a merit based pay system, which was replaced in 2013 by a step and grade system. This policy is replaced by section 4.0 Pay and Classification Plan to align with the City's current practice, since 2013, for salary adjustments and annual increases. Nothing new is being added aside from the update to current practice.

City Council Agenda Summary
Page 2

- CCP 09-001 (Exhibit B) is replaced by section 5.0 Incentives and Premiums. This policy has also been updated to reflect current practice in place since 2013. The City previously calculated percentage of longevity premiums on a matrix which factored in years of service and overall performance score. The current practice gives all employees the same longevity premium percentage based on years of service alone, provided that the employee's performance is satisfactory. This policy also includes aspects of the City's Pay and Classification Plan now found in section 4.0. As previously stated, this updates the policy following the change from merit based pay to a step and grade system. Nothing new is being added aside from the update to current practice.
- CCP 12-002 (Exhibit B) is superseded by section 7.0 Benefits, which includes a more updated and comprehensive summary of the City's benefits offerings. In 2015, the City began offering a High Deductible Health Plan and accompanying Health Savings Account, which is now outlined in this updated policy. Also updated is the language on "Flexible Benefit Dollars." Beginning in 2017, only employees who have been grandfathered in to this program (hired on or before August 1, 2017) are eligible for this benefit. Nothing new is being added aside from the update to current practice, though this policy is more comprehensive of the City's total benefits offerings than the prior policy (CCP 12-002).
- Resolution 2003-325 (Exhibit C) is replaced by section 8.1 Wellness Program with no substantive policy changes.
- Resolution 91-135 (Exhibit C) is replaced by 6.4 Donation of Annual Leave. More complete procedures for this policy reside in the Personnel Administration Manual. Procedures have been updated related to Annual Leave donation to include the availability of Paid Family Leave in 2020, as well as fewer criteria for employees donating leave (Attachment B, 5.2 Annual Leave).
- Other policy sections include the following:
 - Section 6.0 Leave and Paid Time Off - This includes our Sick Leave policy which reflects current state law that took effect 01/01/2018, new language for WA Paid Family Leave which is effective 01/01/2019, and the re-titling of "Administrative Leave" to "Exempt Leave" to reduce confusion between Administrative Leave (Exempt Leave) and Paid Administrative Leave (for investigatory or disciplinary purposes). This section includes two changes from current practice:
 - The addition of WA Paid Family Leave
 - Qualifying Department Directors to receive Exempt Leave. This had been informally taken away from Directors in 2017. This policy restores the City's practice prior to 2017.
 - Section 8.2 Employee and Volunteer Recognition – Expresses support for the City's recognition program and ties program budget to the Business Expense Policy.
 - Section 8.3 Tuition Reimbursement – Designates an annual maximum amount for tuition reimbursement. This annual cap is consistent with current practice.

City Council Agenda Summary
Page 3

The Personnel Administration Manual is attached as a reference document for the Council presenting how the Proposed Council Policies will be implemented.

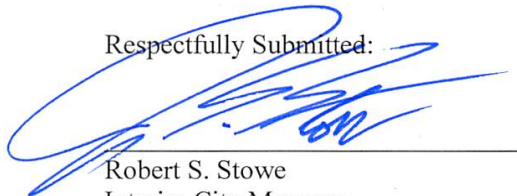
CITY MANAGER RECOMMENDATION:

Approve the proposed updates and consolidation of the Personnel Policies through adoption of Resolution 2018-__.

ATTACHMENTS:

- Attachment A: Resolution 2018-__
- Attachment B: Personnel Administration Manual

Respectfully Submitted:



Robert S. Stowe
Interim City Manager

RESOLUTION NO. 2018 - _____

A RESOLUTION OF THE CITY OF MILL CREEK, WASHINGTON, ADOPTING CITY COUNCIL POLICY 400-01 CITY OF MILL CREEK PERSONNEL POLICIES, REPEALING PRIOR INCONSISTENT POLICIES AND RESOLUTIONS, AND AUTHORIZING THE CITY MANAGER TO ADOPT A PERSONNEL ADMINISTRATION MANUAL THAT SUPPORTS THE COUNCIL'S DIRECTION.

WHEREAS, Mill Creek Municipal Code (MCMC) Chapter 1.24 establishes a process for the City to adopt, maintain, amend, repeal, replace and publicize city policies and procedures; and

WHEREAS, pursuant to Revised Code of Washington (RCW) Chapters [35A.11](#), [35A.13](#), and [35A.34](#), the City Council has the authority and responsibility, upon the recommendation of the City Manager, to approve the City budget, create employment positions, establish a compensation plan, and enact certain employment policies directly affecting wages and benefits; and

WHEREAS, pursuant to RCW [35A.13.080](#), the City Manager is vested with the responsibility for supervising and managing the administrative affairs of the City, appointing and removing all department heads, officers, and employees of the City, proposing, implementing and administering the City budget, and recommending to the City Council such measures as he/she may deem necessary; and

WHEREAS, the City Council adopted the following policies; 97-005 related to safety, 08-002 related to salary adjustments, 09-001 related to employee classification and salary and 12-002 related to medical benefits, and such policies are now in need of updating; and

WHEREAS, the City Council passed Resolution 91-135 relating to the donation of annual leave, and Resolution 2003-325 relating to the Wellness Program, and such resolutions contain information that is in need of updating; and

WHEREAS, the current City Council Policies do not cover all aspects of employment, leave, and benefits that are determined by the City Manager to have budgetary impact within the Council's authority to approve ; and

WHEREAS, for efficiency purposes and to promote the authority of the City Manager to oversee administrative personnel matters within the City, it is in the interest of the City to expressly delegate authority to the City Manager to adopt and implement administrative personnel procedures and guidelines based on policies adopted by the City Council;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, THAT:

Section 1. The City Council adopts Policy 400-01 City of Mill Creek Personnel Policies (Exhibit A), which contains updated policy statements that reflect changes in Washington State law and the City's current practices.

Section 2. The City Manager is authorized and directed to create and implement administrative personnel procedures that govern aspects of employment, conduct, leave, and benefits that support the direction of the City Council as provided in Policy 400-01 and the approved budget.

Section 3. The adoption of Policy 400-01 effectively supersedes CCP 97-005, CCP 08-002, CCP 09-001, and CCP 12-002 (collectively Exhibit B) and repeals and replaces Resolution 91-135 and Resolution 2003-325 (collectively Exhibit C), as well as all other prior inconsistent policies, procedures, or resolutions.

Adopted this 11th day of December, 2018 by a vote of _____ for, _____ against, and _____ abstaining.

APPROVED:

PAM PRUITT, MAYOR

ATTEST/AUTHENTICATED:

GINA PFISTER, ACTING CITY CLERK

APPROVED AS TO FORM:

SCOTT MISSALL, CITY ATTORNEY


FILED WITH THE CITY CLERK: _____

PASSED BY THE CITY COUNCIL: _____

RESOLUTION NO.: 2018-_____

EXHIBITS:

- Exhibit A: Policy 400-01 City of Mill Creek Personnel Policies
- Exhibit B: CCP 97-005, CCP 08-002, CCP 09-001, and CCP 12-002
- Exhibit C: Resolution 91-135 and Resolution 2003-325

	CITY OF MILL CREEK PERSONNEL POLICIES
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Subject PERSONNEL POLICIES	Index: Human Resources Number: 400-01
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Effective Date: December 11, 2018	Supersedes: CCP 97-005 February 11, 1997 CCP 08-002 June 10, 2008 CCP 09-001 January 1, 2009 CCP 12-002 January 1, 2013 Repeals and Replaces: Res. 2003-325 March 11, 2003 Res. 91-135 December 17, 1991	Staff Contact: Human Resources	Clerk ID Number:	Approved By and Date:
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1.0 PURPOSE:

1.1 Adoption of Personnel Policies. In accordance with the City of Mill Creek's Municipal Code, [Chapter 1.24](#), the City Manager has determined, based on the authority of the City Council to approve the City's budget and define financial priorities, that the policy statements contained in this policy (400-01 *City of Mill Creek Personnel Policies*) related to wages and benefits should be presented to and approved by the City Council.

In the event that the City Manager determines that changes to these Personnel Policies are appropriate, the City Manager will so advise the City Council and present proposed revisions for Council consideration and approval. In the event immediate changes are necessary to respond to State or Federal law, the City Manager may implement the required changes immediately and advise the Council of the changes made.

- 1.2 Personnel Administration Manual. The City Manager is authorized to, based on the direction provided by the policy statements contained in this policy (400-01 *City of Mill Creek Personnel Policies*), approve administrative procedures and guidelines as required for the good governance and human resource management of the City and as may otherwise be required by State or Federal law. Any time this policy (400-01) is updated, the City Manager shall also provide to the City Council the updated section(s) of the Personnel Administration Manual as a reference document. At no time shall the Personnel Administration Manual be inconsistent with the policy statements contained in this policy (400-01).
- 1.3 Collective Bargaining Agreements. The City Council may authorize policies or procedures which are inconsistent with this policy (400-01) for positions in a bargaining unit through the collective bargaining process. These alternative policies or procedures will be documented in the applicable Collective Bargaining Agreement (CBA). In the event of any inconsistency between this policy and a CBA, the CBA will supersede the policy statement for represented employees covered under that CBA.

2.0 ORGANIZATIONS AFFECTED:

All City departments/divisions.

3.0 EMPLOYMENT STATUS:

- 3.1 All employees have a designated employment status which is used to determine pay, benefits, and other eligibility. The following four employment statuses are referred to throughout this policy.
- 3.2 Casual. An employee hired to work on an intermittent or as-needed basis, or is regularly scheduled to work less than twenty (20) hours per week.
- 3.3 Full-Time Regular. An employee hired into a position for an indefinite period of time and regularly scheduled to work at least forty (40) hours per week.
- 3.4 Part-Time Regular. An employee hired into a position for an indefinite period of time and regularly scheduled to work at least twenty (20) hours per week and less than forty (40) hours per week.
- 3.5 Temporary. An employee hired to fill a position with a defined end date. The length of a temporary position will generally not exceed six (6) months.

4.0 PAY AND CLASSIFICATION PLAN:

- 4.1 All employee positions are subject to available funding. The City Council shall establish, through approval of the City's biennial budget, salary grades, corresponding pay range assignments, and authorized full-time equivalent (FTE) count for all positions within the City. This shall include approval of any cost of

living increases to be applied on January 1st of each year not previously approved, such as during union contract negotiations.

- 4.2 Each salary grade in the current salary plan shall be placed at 5% above the grade below it. Each step within a salary grade shall be placed at 4% above the step below it.
- 4.3 Annually the City Council shall consider adjustments to position classifications and/or the assignment of salary grades to positions to be effective January 1st of each year based on the recommendation of the City Manager.
- 4.4 The City Manager in conjunction with Human Resources shall determine the appropriate placement of personnel within those salary ranges as well as the progression within a certain salary range or grade. For represented employees, the City Manager's decision shall be in line with all applicable clauses of that employee's contractual bargaining agreement. No employee shall be placed in-between steps in their assigned grade.
- 4.5 If it becomes necessary to reclassify a position mid-year, the City Council may, with the City Manager's recommendation, approve a mid-year adjustment to a position's salary grade. Mid-year adjustments to a position's assigned salary grade must be supported in the biennial budget.
- 4.6 No employee shall earn less than the bottom step of the approved salary grade for their position (excluding incentives and premiums). Employees earning less than the bottom of their current salary grade shall have their wages adjusted to no less than the bottom of the salary range. This may occur in situations such as promotions or position reclassifications.
- 4.7 No employee shall earn more than the top step of the approved salary grade for their position (excluding incentives and premiums). Employees earning more than the top step of their current salary grade shall have their wages adjusted to fall within the range of their position's salary grade. This may occur in situations such as demotions or position reclassifications.
- 4.8 In cases where a reclassification, demotion, or other action causes an employee's pay to fall above the approved salary grade for their position, excluding incentives and premiums, the City Manager may approve freezing that employee's salary at its current rate above the approved salary grade subject to the City's approved budget. In this case, the employee will not be eligible for any annual increase or cost of living increase until their current salary falls within the approved salary grade for their position.

5.0 INCENTIVES AND PREMIUMS:

- 5.1 As a retention strategy, and to acknowledge long term employees for their years of service to the City, the City Council authorizes longevity premiums awarded to employees commencing on the seventh (7th) anniversary of their hire date, and at certain other milestone anniversary dates, provided that their work performance maintains an acceptable level, according to the schedule below:

No. Years	Longevity Premium (provided performance maintains acceptable level)
> 7	2%
>10	3%
>15	4%
>20	5%

- 5.2 All longevity premiums are calculated on the employee's base pay and are not cumulative, and must be supported in the City's budget. The City Manager shall approve, through the Personnel Administration Manual, the appropriate performance measures and a process by which to calculate an employee's years of service when there are breaks in service.
- 5.3 An employee's base pay is their base wage or salary absent all applicable premium or incentive pays. Normally, an employee's base pay corresponds to a step in their position's assigned salary grade.

6.0 LEAVE AND PAID TIME OFF:

- 6.1 Observed Holidays. The City formally observes the following holidays:

New Year's Day
 Martin Luther King Jr. Day
 Presidents' Day
 Memorial Day
 Independence Day
 Labor Day
 Thanksgiving Day
 Native American Heritage Day (Friday after Thanksgiving)
 Christmas Eve Day
 Christmas Day

If a holiday falls on a Sunday, it shall be observed on the following Monday. If a holiday falls on a Saturday, it shall be observed on the preceding Friday. Holidays shall be considered as 8 hour days for regular full time employees, and prorated based on FTE for regular part time employees.

- 6.2 Floating Holidays. Employees shall accrue a number of floating holidays based on years of service as shown in the table below. Floating holidays are awarded on January 1 of each year, and expire if unused on December 31 of each year.

Holidays shall be considered as 8 hour days for regular full time employees, and prorated based on FTE for regular part time employees.

Years of Service	Floating Holidays Awarded
Less than 10	1.0
10 to 20	2.0
20 and above	3.0

- 6.3 Annual Leave. Annual Leave is also referred to as "Vacation." Regular full time employees shall accrue annual leave (vacation) hours per pay period based on their years of service as shown in the tables below. Regular part time employees shall accrue annual leave pro-rated based on their assigned FTE. Temporary and Casual employees are not eligible for annual leave.

Department Directors

Length of Continuous Service	Annual Accrual (Hours)
All years of service	176

All Other Employees

Years of Continuous Service	Annual Accrual (Hours)
0 to less than 5	96
5 to less than 10	128
10 to less than 13	152
13 to less than 16	160
16 to less than 20	168
20 and above	176

A maximum of 200 hours of annual leave may be carried over from December 31 of one year to January 1 of the next year.

- 6.4 Donation of Annual Leave. The City Council authorizes the City Manager to approve the donation of annual leave from one employee to another for the purposes of aiding a fellow City employee who is suffering from, or has an immediate family member suffering from, an extraordinary or severe illness, injury, impairment, or physical or mental condition which has caused or is likely to cause the employee to take leave without pay or to terminate his/her employment with the City.

Any and all donations of annual leave shall be voluntary, and no other type of leave (ex: sick leave) shall be donated in any circumstance.

- 6.5 Exempt Leave. To acknowledge that exempt employees will regularly be required to work overtime hours without additional compensation, exempt leave is provided to FLSA exempt employees as a bank of 40 hours on January 1 of each year. These hours expire if unused on December 31 of each year.

- 6.6 Sick Leave. Employees shall accrue sick leave hours each pay period depending on their employment status as shown in the table below:

Employment Status	Annual Accrual (Hours)
Full-Time Regular	96
Part-Time Regular	(96 * assigned FTE)
Casual or Temporary	1 hour per every 40 hours worked

A maximum of 1040 hours of sick leave may be carried over from December 31 of one year to January 1 of the next year.

- 6.7 Employment Offers. In some cases it may be necessary to offer paid time off in addition to what this policy provides to new hires for the purposes of filling a hard to fill position. The City Council authorizes the City Manager to approve additional annual leave or exempt leave to be offered to a candidate at the time of hire at his/her discretion, provided that the new hire's leave accruals stay consistent with this policy. For example, the City Manager may authorize a candidate to start their employment with 40 hours of annual leave pre-loaded into their bank.
- 6.8 Pay-out upon Separation. Upon separation, some or all of an employee's accrued but unused paid time off balance(s) may be paid out based on criteria approved by the City Manager in the Personnel Administration Manual.
- 6.9 Paid Family Leave. The Washington State Family and Medical Leave Program ([RCW 50A.04](#)) provides paid benefits for employees who need to take unpaid leave when they welcome a new child into their family, are struck by a serious illness or injury, need to take care of an ill or ailing relative and for certain military connected events. Although self-insurance is an option to fund benefits, the City is choosing to participate in the program administered by the Employment Security Department using the statutory default payroll deductions beginning January 1, 2018. Benefits from this program become effective January 1, 2020, and employees seeking to apply for paid family and medical leave will apply through the Employment Security Department.
- 6.10 Bereavement Leave. Employees may request bereavement leave for up to three regularly scheduled work days or shifts upon the death of a member of the employee's family. In the event the employee needs to travel out of state to attend a funeral or make other arrangements related to their family member's death, leave may be allowed up to five days.

Up to one day or shift of leave may be allowed to attend services related to the death of a co-worker.

7.0 BENEFITS:

- 7.1 Eligibility for Benefits. Benefits eligibility is determined by an employee's employment status. All regular full-time and regular part-time employees are

eligible for healthcare benefits coverage for themselves and for their eligible dependents. Casual and Temporary employees are not benefits eligible.

- 7.2 Section 125 Plan. The City of Mill Creek maintains a Section 125 plan that allows for any premium payments made in accordance with that plan to be made on a pre-tax basis. The City Manager is authorized to update health plan and elective options to ensure compliance with the Section 125 Plan, and to update the Plan when necessary.
- 7.3 Flexible Benefit Dollars. The City sponsors a program designed to share benefit cost savings with eligible employees. Employees hired on or before August 1st, 2017 who decline health insurance coverage through City sponsored health plans for themselves and/or their eligible dependents may receive a credit of 50% of the amount that the City would have contributed towards the coverage. To be eligible, employees must provide evidence of alternative coverage. These “flexible benefit dollars” may only be used for purposes defined in the City’s Section 125 Plan document and Personnel Administration Manual. The “flexible benefit dollars” may not be taken as cash.
- 7.4 Health Insurance. The City provides medical, dental, and vision insurance coverage options for benefits eligible employees and their dependents.

7.4.1 Medical Premiums. Insurance premiums for medical insurance (if an eligible employee selects medical coverage) for employees and their eligible dependents are shared between the employee and the City based on the employee’s FTE status as shown in the chart below:

FTE	Equivalent Weekly Hours	% Paid by Employee	% Paid by City
1.0	40	10%	90%
0.9	36	10%	90%
0.8	32	20%	80%
0.75 or less	30 or less	25%	75%

7.4.2 Dental Premiums. Insurance premiums for dental insurance (if an eligible employee selects dental coverage) for employees and their eligible dependents are shared between the employee and the City based on the employee’s FTE status as shown in the chart below:

FTE	Equivalent Weekly Hours	% Paid by Employee	% Paid by City
1.0	40	0%	100%
0.9	36	10%	90%
0.8	32	20%	80%
0.75 or less	30 or less	25%	75%

7.4.3 Vision Premiums. Insurance premiums for vision insurance (if an eligible employee selects vision coverage) for employees and their eligible dependents are paid for 100% by the City.

7.5 Health Savings Account. Employees enrolled in a High Deductible Health Plan (HDHP) are also eligible to enroll in a Health Savings Account. The City sponsors a program designed to share the cost savings of a HDHP with the employee. The City will contribute 50% of the cost savings between the HDHP and the City's other medical plan offering(s) to the enrolled employee's Health Savings Account each pay period. This cost savings may not be taken as cash or used for any other purpose.

7.6 Life, Accidental Death and Dismemberment, Long Term Disability, and Survivor. The City provides Life, AD&D, LTD, and Survivor insurance to all regular full time and regular part time employees at no cost to the employee, deducted from the employer portion of MEBT (Social Security replacement) contributions.

7.7 Employee Assistance Program. The City provides an Employee Assistance Program to all regular full time and regular part time employees at no cost to the employee, deducted from the employer portion of MEBT (Social Security replacement) contributions.

7.8 Optional Health, Wellness, and Retirement Plans. The City facilitates enrollment in other optional health, wellness, and retirement plans (such as Flexible Spending Accounts or AFLAC insurance) for benefits eligible employees. All voluntary plans or accounts are funded entirely at the employee's own cost. Enrollment is dependent on the eligibility requirements specified in the individual plan or account's documents.

8.0 EMPLOYEE RECOGNITION AND DEVELOPMENT

8.1 Wellness Program. The City maintains a Wellness Program to educate, promote, and encourage health awareness and healthy lifestyle choices by City employees. Participation in this program may earn the City discounts on the cost of health benefits.

The City Council authorizes, through the biennial budget, the funds necessary to allow the Wellness Committee to effectively operate and promote participation in this program. Additionally, the City Council supports one "wellness day off" per employee per year if earned through program participation as defined in the Personnel Administration Manual.

8.2 Employee and Volunteer Recognition. To promote employee and volunteer engagement and to recognize employees and volunteers for their service, significant achievements, and modeling the City's STAR Values, the City Council authorizes funds for recognition through the biennial budget to be used in a manner consistent with the [Business Expense Policy](#); sections 8.11 and 8.12.

- 8.3 Tuition Reimbursement. To support employee growth and development, as well as incentivize continued education that benefits the City, the City Council authorizes tuition reimbursement for college courses up to \$500 per year per employee as described in the Personnel Administration Manual Chapter 6.8.

9.0 SAFETY

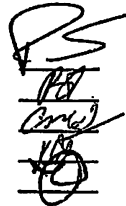
- 9.1 The intent of the City is to provide a safe working environment and keep injuries to the absolute minimum, thus protecting its most valuable asset – its employees. The City Council will support the City's Accident Prevention Program and the operation of a Safety Committee as described in [WAC 296-80-130](#) and ensure that adequate resources such as employee time, funds for safety equipment and training, and commitment to the program from management are available.
- 9.2 The City Council shall authorize, through the approval of the biennial budget, at least \$10 per employee (per year) to be used for safety projects, activities, and awards/prizes related to the City's safety program.

**CITY OF MILL CREEK POLICY
FOR
SAFETY**

City Policy No.: CCP 97-05
Effective: February 11, 1997

Department Review:

Executive
Community Development
Public Works
Finance
Police



The intent of the City is to provide a safe working environment and keep injuries to the absolute minimum, thus protecting its most valuable asset - its employees. The City recognizes that there is a benefit to City employees and the general public through the development and implementation of general health and safety practices both on and off the job. All City of Mill Creek employees are actively encouraged to participate in the prevention of injuries and illnesses through the City's safety awareness and training programs. It is the responsibility of every employee of the City of Mill Creek to follow the guidelines and regulations outlined in the City's Safety Manual.

In accordance with state law, employees will have access to all required information regarding hazardous materials which the employee is ordinarily expected to encounter in the work environment so as to reduce concern and uncertainty about working with and/or around such materials.

The City will support the operation of a City safety committee and ensure that adequate resources such as employee time, funds for safety equipment and training, and commitment to the program from management are available to implement the safety program. The City's commitment to safety includes investigating accidents fully and taking corrective action to prevent recurrence of the hazardous conditions or behaviors.

The safety program for the City will be detailed in the City's safety manual. The City Manager or designee is authorized to develop and maintain the City's safety manual to implement this policy.

PASSED BY THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON THIS
11th DAY OF February, 1997.

APPROVED:



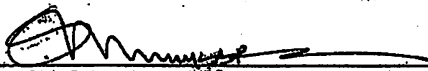
MAYOR KATHY NIELSEN

ATTEST/AUTHENTICATED:



CITY CLERK DEBBIE TARRY

APPROVED AS TO FORM.



OFFICE OF THE CITY ATTORNEY
SHORT CRESSMAN & BURGESS

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**CITY OF MILL CREEK POLICY
FOR
SALARY ADJUSTMENTS FOR NON-REPRESENTED EMPLOYEES**

City Policy No.: CCP 08-002
Effective: June 10, 2008

Department Review:

Executive
Community Development
Public Works
Finance
Police



Pursuant to City Council Policy 08-001, it is the policy of the City to maintain an Employee Classification and Salary Plan designed to provide compensation that is equitable in order to maintain and attract a qualified workforce. It is also the policy of the City to pay salaries that compare favorably with other similar cities in the local area for comparable jobs within budget limitations.

The City Council recognizes that the compensation plan developed by the City Manager involves both merit and lump sum payment components. This compensation plan supports the City's philosophy that salary increases are driven by the principle of pay-for-performance. The City Council hereby establishes the following policy guidelines for the administration of the compensation plan by the City Manager:

Based on the results of the salary survey performed as of May 2008, salaries for non-represented employees shall be adjusted as indicated in Table 1. The "revised" salaries will be retroactive to January 1, 2008. Thereafter, employees shall be eligible for a salary increase on their anniversary date in an amount up to 5 percent based on merit. In no case shall any increase cause an employee's salary to exceed the approved salary range. All increases must be supported in the City's budget.

Due to the collective bargaining process, this policy is not directly applicable to employees covered by a collective bargaining agreement or represented by a recognized labor organization.

The City Manager is directed to develop and administer a compensation plan with the above policy guidance from the City Council.

CCP 08-002
June 10, 2008
Page 2

PASSED BY THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON THIS
10th DAY OF JUNE 2008.

APPROVED:


MAYOR TERRY Q. RYAN

ATTEST/AUTHENTICATED:


CITY CLERK KELLY CHELIN

APPROVED AS TO FORM:


OFFICE OF THE CITY ATTORNEY
SHORT CRESSMAN & BURGESS

Tables:

1- Adjusted 2008 Salaries for Non-Represented Staff

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CCP 08-002
Table 1

Adjusted 2008 Salaries for Non-Represented Staff Effective January 1, 2008	
Position	Monthly Salary
Community Development Director	8467
Finance Director	Note 1
Police Chief	8808
Public Works Director	7771
Planning Manager	7276
City Engineer	Note 1
Police Commander	Note 1
Public Works Supervisor	5125
Building Official (.5 FTE)	6128
Executive Assistant/City Clerk	5549
Recreation Supervisor	4468
Records Supervisor	Note 1
HR Specialist	4174
Admin Secretary (.75 FTE)	3897

Note 1 – Positions vacant on January 1, 2008. Starting salaries will be negotiated during hiring process.

**CITY OF MILL CREEK POLICY
FOR
EMPLOYEE CLASSIFICATION AND SALARY PLAN**

City Policy No.: CCP 09-001
Effective: January 1, 2009
Amends City Policy No.: CCP 08-001

Department Review:

Executive
Community Development
Public Works
Finance
Police



It is the policy of the City to maintain an Employee Classification and Salary Plan designed to provide compensation that is equitable in order to maintain and attract a qualified workforce. It is also the policy of the City to pay salaries that compare favorably with other similar cities in the local area for comparable jobs within budget limitations.

The City Council shall establish, through approval of the City's biennial budget, salary ranges for all positions within the City. Annually the City Council shall consider market adjustments to the salary ranges to be effective January 1 of each year based on the recommendation of the City Manager. The City Manager shall determine the appropriate placement of personnel within those salary ranges as well as the progression within a certain salary range or grade. The City Council shall determine the frequency, subject to budgeted funds, of an employee salary survey and market adjustments that might be necessary to keep the salary survey current during intervening years until the next survey can be completed.

The City's compensation plan involves both merit and incentive payment components and supports the City's philosophy that salary increases are driven by the principle of pay-for-performance. The City Council hereby establishes the following policy guidelines for the administration of the compensation plan by the City Manager:

Employees shall be eligible for a salary increase on their anniversary date in an amount up to 5 percent based on merit. In no case shall any increase cause an employee's salary to exceed the approved salary range. All increases must be supported in the City's budget.

Employees earning less than the bottom of the current salary range shall have their wages adjusted to no less than the bottom of the salary range. All increases must be supported in the City's budget.

CCP 09-001
 March 24, 2009
 Page 2

The City Council shall authorize an incentive payment pool indexed to the CPI-W Seattle Area First Half Index subject to a 2% minimum and 4% maximum. As authorized by the City Manager, incentive payments may be awarded to employees in accordance with the attached sample incentive pay formulas, provided funds are available, and incentive payment criteria are met. All incentive payments shall be in addition to any merit pay. Incentive payments, excluding the annual Customer Service Survey award, shall:

- (1) be paid in a lump sum at the time of the award based on the employee's salary as of January 1 of the year awarded, or for employees who are promoted, demoted or transferred to a different position during the period between January 1 and the time of the incentive award calculation of the awards shall be based on the employee's new salary,
- (2) adjust base pay on the next January 1, up to but not exceeding the top of the pay range. The City Manager is also authorized to develop alternative incentives for employees who desire alternatives to an incentive payment, provided that the total equivalent costs of these incentive with payments do not exceed the budgeted incentive pool.

Employees shall be eligible for a longevity premium commencing on the seventh (7th) anniversary of their hiring date. Payment of a longevity premium will be effective July 1, 2008. An employee shall receive a longevity premium provided they meet all of the following criteria:

- A. Have met the minimum standards of the assigned position by receiving an overall employee performance score of 3.0 or greater on their most current performance evaluation, and
- B. Have been employed by the City of Mill Creek for a minimum of seven (7) years.

All longevity premiums are calculated on the employee's base salary and are not cumulative, and must be supported in the City's budget. Longevity premiums shall be awarded based on years of service as an employee of the City of Mill Creek according to the following schedule:

No. Years	Overall Employee Performance Score		
	4.0 - 5.0	3.0 - 3.9	< 3.0
> 7	2%	1%	0
>10	3%	1.50%	0
>15	4%	2%	0
>20	5%	2.50%	0

CCP 09-001
March 24, 2009
Page 3

If the employee fails to meet the minimum overall employee performance score of 3.0 for their assigned position, the longevity premium will expire. If, at the employee's subsequent evaluation, the employee meets the minimum standards and requirements of the position, then the employee shall receive the longevity premium according to the above schedule.

Due to the collective bargaining process, this policy is not directly applicable to employees covered by a collective bargaining agreement or represented by a recognized labor organization. However, the City Council reiterates its belief that the pay-for-performance philosophy should be applied to all employee groups and classification.

The City Manager is directed to develop and administer a compensation plan with the above policy guidance from the City Council.

PASSED BY THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON THIS
24th DAY OF March 2009.

APPROVED:


MAYOR TERRY Q. RYAN

ATTEST/AUTHENTICATED:


CITY CLERK KELLY CHELIN

APPROVED AS TO FORM:


OFFICE OF THE CITY ATTORNEY
SHORT CRESSMAN & BURGESS

**CITY OF MILL CREEK POLICY
FOR
MEDICAL BENEFITS**

City Policy No.: CCP 2012-002
Effective: Section 125 Plan Benefits – Effective January 1, 2013
Health Benefits – Effective January 1, 2013

Repeals and Replaces City Policy No: CCP 03-001 and CCP 09-002

Department Review:

Executive	<input checked="" type="checkbox"/>
Community Development	<input checked="" type="checkbox"/>
Public Works	<input checked="" type="checkbox"/>
Finance	<input checked="" type="checkbox"/>
Police	<input checked="" type="checkbox"/>

In light of rising health care costs and the desire to provide a competitive benefit package comparable to other jurisdictions, the City Council directs the City Manager to change certain provisions of the City’s personnel policies related to the City’s contribution to the employees Section 125 Plan and the City’s premium contribution for dependent medical care coverage.

Listed below are the specific policy provisions that the City Manager shall implement.

Section 125 Plan Benefits – Effective January 1, 2013

The City will provide employees with a Section 125 plan that allows for any premium payment made in accordance with that plan to be made on a pre-tax basis. The City requires that all employees subscribe for health insurance coverage for themselves, but can opt out of health insurance coverage through the City if they provide evidence of other coverage. Employees have the option of purchasing health insurance benefits for their eligible dependents. An employee who chooses not to purchase health insurance benefits for their eligible dependents may receive a 50% payment of the amount that the City would have contributed towards dependent health insurance for use as flexible benefit dollars. Flexible benefits include legally accepted Section 125 expenditures, alternative insurance coverage, MEBT contribution, or deferred compensation contributions. Employees may choose, during the City’s open enrollment period, whether they will waive insurance coverage for eligible dependents. Re-enrollment to City coverage can be accomplished during the next open enrollment period or immediately if other coverage is terminated, as provided in City coverage re-enrollment contracts. Upon re-enrollment, flexible benefit dollars will be reduced or eliminated accordingly.

Health Benefits – Effective January 1, 2013

Premiums for Regular Full Time Employees:

The city shall contribute 100% of the premium for Washington Dental Service Plan F for both employee and dependent premiums. The city shall contribute 100% of the premium for the employee's vision insurance, and 100% of the premium for dependents' vision insurance and 90% of the premium for employee's medical insurance and 90% of the premium for the dependents' medical insurance. Dependent children may be covered up to and including age 26.

Premiums for Regular Part-Time Employees:

Regular part-time employees will be provided medical, dental and vision insurance on a pro-rata FTE basis, except that for part-time employees between 0.5 FTE and 0.75 FTE the City shall pay the rate of a 0.75 FTE employee (after the 10% employee contribution) and the employee shall pay the balance.

Due to the collective bargaining process, this policy is not applicable to employees covered by a collective bargaining agreement.

The City Manager is directed to develop and administer the above policy provisions and maintain any necessary administrative procedures to implement this policy.

PASSED BY THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON THIS 4TH DAY OF DECEMBER, 2012.

APPROVED:



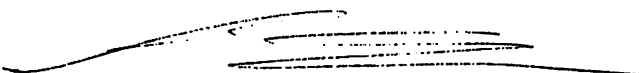
MAYOR MIKE TODD

ATTEST/AUTHENTICATED:



CITY CLERK KELLY M. CHELIN

APPROVED AS TO FORM:



CITY ATTORNEY SHANE MOLONEY

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RESOLUTION NO. 91-135

A RESOLUTION OF THE CITY COUNCIL OF MILL CREEK, WASHINGTON, ESTABLISHING A POLICY PROVIDING FOR THE TRANSFER OF ANNUAL LEAVE BETWEEN EMPLOYEES.

WHEREAS, the City provides annual leave to its employees as a vested right subject to payment upon termination; and

WHEREAS, the City Council finds it in the public interest to permit employees to share annual leave under specific circumstances and to transfer such leave to employees who, without such transfers, would be forced to terminate their employment or go without pay in order to meet the needs of severe illness; and

WHEREAS, the authority to approve budgetary decisions is vested in the City Council of the City of Mill Creek; and

WHEREAS, an administrative policy establishing for the transfer of annual leave between employees has a budgetary impact on the City;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. PURPOSE

The purpose of shared leave is to permit City employees, at no additional cost to the City other than the administrative costs of the program, to come to the aid of a fellow City employee who is suffering from, or has an immediate family member suffering from, an extraordinary or severe illness, injury, impairment, or physical or mental condition which has caused or is likely to cause the employee to take leave without pay or to terminate his/her employment with the City.

Section 2. ELIGIBILITY OF RECIPIENT OF SHARED LEAVE.

The City Manager may permit an employee to receive shared leave under this resolution if:

- A. The employee suffers, or has an immediate family member (as defined by the City's personnel policies) suffering from an illness, injury, impairment, or physical or mental condition which is of an extraordinary or severe nature, and which has caused, or is likely to cause, the employee to go on leave-without-pay status or to terminate his or her employment with the City; and
- B. The employee has depleted or will shortly deplete his/her total of accrued annual leave, compensatory time, sick leave, holiday leave, and/or other paid leave; and
- C. The employee has abided by the City's sick leave policy in the past; and
- D. The employee has diligently pursued and is found to be ineligible for state industrial insurance benefits; and
- E. The use of shared leave will not significantly increase the City's costs, except for those costs which would otherwise be incurred in the administration of this program or which would otherwise be incurred by the employee's department.

Section 3. ELIGIBILITY OF DONOR OF SHARED LEAVE.

The City Manager may permit an employee to donate shared leave under this resolution if:

- A. The employee has a total of more than ten (10) days of accrued annual leave; and
- B. The employee has taken at least five (5) days of annual leave within the calendar year; and
- C. The donating employee retains at least ten (10) days total of accrued sick leave, annual leave and/or compensatory time off.

Section 3. AMOUNT OF SHARED LEAVE ALLOWED.

The City Manager shall determine the amount of shared leave, if any, which an employee may receive under this resolution. The employee shall be required to provide appropriate medical justification and documentation regarding the necessity for the leave and the time which the employee can reasonably be expected to be absent due to the

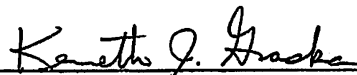
condition. An employee shall not receive more hours in shared leave than the difference between 1,440 hours and the number of leave hours already used by the affected employee in this extraordinary situation. To the extent possible, shared leave should be used on a consecutive day basis.

Section 4. IMPLEMENTATION OF SHARED LEAVE.

- A. All donations of shared leave shall be voluntary.
- B. Transfers of shared leave shall be in increments of one (1) day. The transfer of shared leave shall be on an hour-for-hour basis regardless of the salary difference between the employee donating the shared leave and the employee receiving the shared leave.
- C. The employee's salary rate shall not change as a result of being on shared leave, nor under any circumstances, shall the total of the employee's salary and other benefits, including but not limited to state industrial insurance or any other benefit received as a result of payments by the City to an insurer, health care provider, or pension system, exceed the total of salary and benefits which the employee would have received had he/she been in a regular pay status.
- D. Donations of shared leave may be made between any two non-represented employees. Donations of shared leave may be made between represented employees and/or between represented and non-represented employees if the contract between the City and the represented employees permits such transfers of shared leave.
- E. While an employee is on shared leave, he/she shall continue to receive and accrue all benefits as he/she would normally receive if using other accrued paid leave.
- F. Any leave transferred which remains unused shall be returned to the employee(s) who donated it.

RESOLVED, this 17th day of December, 1991.

APPROVED:



MAYOR, KENNETH J. GRASKA

ATTEST/AUTHENTICATED:



CITY CLERK, MICHELE SCHUTZ

APPROVED AS TO FORM:

BY: _____
OFFICE OF THE CITY ATTORNEY
STOEL RIVES BOLEY JONES & GREY

FILED WITH THE CITY CLERK: 12-11-91
PASSED BY THE CITY COUNCIL: 12-17-91
PUBLISHED: NA
EFFECTIVE DATE: 1-1-92
RESOLUTION NO.: 91-135

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RESOLUTION NO. 2003-325

**A RESOLUTION OF THE MILL CREEK CITY COUNCIL SUPPORTING
THE MILL CREEK EMPLOYEE WELLNESS PROGRAM**

WHEREAS, the Mill Creek City Council adopted the Wellness Program in 1988 to aid and encourage employees in maintaining good physical and mental health; and

WHEREAS, this program educates and reinforces employee health awareness and healthful lifestyle choices; and

WHEREAS, the fitness and good health of the City's employees ensures that our citizens receive the benefit of more productive employees as well as strategies to control health care expenditures; and

NOW, THEREFORE, the City Council of the City of Mill Creek, Washington resolves as follows:

Section 1. The City Council of the City of Mill Creek hereby expresses their support of the Mill Creek Employee Wellness Program as described in the attached Chapter 8, Section F of the Personnel Manual.

Adopted this 11th day of March, 2003 by a vote of 6 for, 0 against, and 0 abstaining.

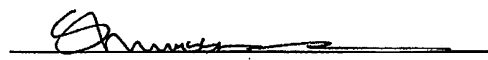
APPROVED:


MAYOR TERRY Q. RYAN

ATTEST/AUTHENTICATED:


CITY CLERK KELLY M. HENNESSEY

APPROVED AS TO FORM:


OFFICE OF THE CITY ATTORNEY
SHORT, CRESSMAN & BURGESS

FILED WITH THE CITY CLERK: 3/11/03
PASSED BY THE CITY COUNCIL: 3/11/03
EFFECTIVE DATE: 3/11/03
RESOLUTION NO.: 2003-325

\\MILL_CREEKSYS\DATA\EXECUTIVE\WP\Resolutions\2003\Wellness.doc

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PERSONNEL ADMINISTRATION MANUAL

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Policy Number	Policy Title	Staff Contact
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[Other City Council adopted policies.](#)

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1.2	Definitions	HR Staff
1.3	Equal Employment Opportunity	HR Staff
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1.5	Whistleblowing	HR Staff
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2.2	Position Descriptions	HR Staff
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2.4	Trial Period	HR Staff
2.5	Performance Management	HR Staff
2.6	Separation from Employment	HR Staff

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CHAPTER 1 – GOVERNING PRINCIPLES OF EMPLOYMENT

1.1 PERSONNEL ADMINISTRATION MANUAL

The purpose of the Personnel Administration Manual is to ensure equal employment opportunity, compliance with all applicable federal and state regulations, and to promote communication between the City and its employees. The contents of this manual are governed by the City Council adopted policy #400-01 [City of Mill Creek Personnel Policies](#). Policy #400-01 contains policy statements related to wages, benefits, and other items affected by the Council's authority to approve the City's budget and financial priorities, and authorizes the City Manager to approve procedures and guidelines to support those policies.

The contents of this manual are reviewed periodically or as necessary to support a change in policy #400-01. In the event that there is an immediate need for a change, addition, or deletion related to operational necessity and/or State or Federal regulation, the City will implement necessary changes and advise all affected parties accordingly.

None of the procedures or guidelines in this manual shall create or be deemed to create a vested or implied contractual right for any employee, or to limit the power of the City Manager or City Council. This manual is intended to provide guidelines only, and should not be interpreted as promises of specific treatment in specific situations. The City reserves the right to repeal, modify, deviate from or amend policies or procedures at any time, and will make reasonable efforts to notify employees in a timely manner of changes by email, bulletins, or other means.

In cases where this manual conflicts with Civil Service rules, Collective Bargaining Agreements, City ordinance, state or federal law, or other employment contracts, the terms and conditions of that rule, agreement, ordinance, law, or contract shall govern.

Except to the extent specifically negotiated otherwise and agreed to in writing through a collective bargaining process or employment contract, all employment with the City of Mill Creek is at-will. At-will employment means that either the employee or the City can terminate the employment relationship at any time, for any reason or no reason, with or without cause and without or without notice.

Individual departments may develop standard operating procedures that are applicable to their own operational needs and goals, which will not appear in this manual. Department managers are responsible for informing employees of these procedures as appropriate.

Managers are responsible for understanding and administering the City's personnel policies within their departments and for keeping their employees informed of current policies and practices. In consultation with Human Resources, managers are responsible for ensuring that all practices are applied fairly and consistently. Employees are responsible for reading, understanding and following the procedures and guidelines contained in this manual, and consulting with their supervisor and/or Human Resources if they have any questions regarding this manual.

Violations of the procedures and guidelines contained in this manual may result in disciplinary action, up to and including termination of employment.

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CHAPTER 1 – GOVERNING PRINCIPLES OF EMPLOYMENT

1.2 DEFINITIONS

This section provides a centralized reference intended to define general terminology used in this manual. Additional detail and/or further clarification of terms as they relate to specific sections may be contained in those sections. Collective bargaining agreements may also include definitions that apply to represented employees.

Anniversary Date: The annual date on which an employee’s performance evaluation and pay changes are effective. This may be the anniversary of the employee’s hire, rehire, promotion, demotion, or transfer.

Applicant: A person who has completed a formal application of employment for an available position with the City of Mill Creek.

Appointment: The assignment of a qualified applicant to a position by the Appointing Official for a defined period of time, usually to fill a temporary need. In some cases, these employees may be referred to as “acting” or “interim.”

At-will: The City of Mill Creek has both represented (by a union and subject to collective bargaining agreement) and non-represented employees. Employees who are not covered by a collective bargaining agreement (CBA) are “at-will” employees and either the City, or the employee, may end the employment relationship at any time, for any reason or no reason, with or without cause or notice.

Base Pay: An employee’s base wage or salary absent all applicable premium or incentive pays. Normally, an employee’s base pay corresponds to a step in their position’s assigned salary grade.

Casual: An employee hired to work on an intermittent or as-needed basis, or who is regularly scheduled to work less than twenty (20) hours per week. See *Chapter 4.1 Employment Status*.

Classification: Positions sufficiently similar in type of work duties, authority, and responsibility to permit grouping them under a single classification title and corresponding pay range. Generally, minimum qualifications and conditions of employment are similar.

Compensation: Salary, wage and/or other forms of remuneration earned by or paid to any employee in a position in the service to the City.

Compensatory Time: Authorized time off from work in lieu of pay for overtime worked.

Continuous Service: Employment in the service of the City without interruption longer than 30 days, except for authorized leaves of absence.

Demotion: See *Chapter 4.2 Salary Administration and Pay Practices*.

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Disability: (1) A physical or mental impairment that substantially limits one or more major life activities; (2) a record or history of such impairment; or (3) a perception of such impairment.

Domestic Partner: The employee's domestic partner as registered under [RCW 26.60](#) with the State of Washington. (Certificate of domestic partnership filed with Human Resources).

Employment Status: See *Chapter 4.1 Employment Status*.

Essential Job Functions: The necessary and fundamental job duties of a position; the purpose for which the position exists.

Examination: Any device or procedure used in the selection process to measure an applicant's abilities and suitability for a position. Examinations may include but are not limited to oral interviews, psychological exams, physical exams, written tests, performance tests, evaluation of performance during probation, etc.

Exempt: Exempt from the provisions of the Federal Fair Labor Standards Act (FLSA), as amended, and the Washington State Minimum Wage Act, [RCW 49.46](#). See *Chapter 4.1 Employment Status*.

Family: Also referred to as "family member" or "immediate family." Generally considered to be an employee's spouse or domestic partner and their dependent children. Other relationships (such as parents, siblings, etc.) may be included depending on the specific policy or procedure.

FTE: Stands for "Full-Time Employee" but can also reflect the status of an employee who works part-time hours as a percentage of full-time.

Full-Time Regular: An employee hired into a position for an indefinite period of time and regularly scheduled to work at least forty (40) hours per week. See *Chapter 4.1 Employment Status*.

Grievance: See *Chapter 3.9 Complaint Resolution*.

Intern: A paid or unpaid temporary employee who desires on-the-job experience in a field related to their course of study or career objectives, who is assigned a project or responsibilities designed to be a learning experience. See *Chapter 7.4 Volunteer and Intern Programs*.

Lay-off: A non-disciplinary termination of an employee due to the City's financial position or a change in business needs related to staffing (sometimes called "lack of work", or "reduction in force"). See *Chapter 2.6 Separation from Employment*.

Leave of Absence: Leave from regularly scheduled duties that may be paid or unpaid, for medical or personal reasons without loss of employment status.

Light-duty: A temporary assignment of limited duties to an employee during recuperation from an illness or injury. See *Chapter 5.9 Temporary Accommodations*.

Manager: An employee in a position representing City management.

Non-Exempt: Covered by the overtime provisions of the Fair Labor Standards Act (FLSA), as amended, and the Washington State Minimum Wage Act Wage Act, [RCW 49.46](#). See *Chapter 4.1 Employment Status*.

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Non-Represented Employees: Employees holding positions that are not included in a bargaining unit that is represented by a union or guild.

Part-Time Regular: An employee hired into a position for an indefinite period of time and regularly scheduled to work at least twenty (20) hours per week and less than forty (40) hours per week. See *Chapter 4.1 Employment Status*.

Personnel File: The files, maintained by the Human Resources Department, containing information on a current or former employee, including date of hire, position title(s), performance reviews, disciplinary notices and payroll records. Records of internal investigations and medical information are kept in separate confidential files.

Position Description: Position descriptions are written specifications that describe the nature and level of the work, the distinguishing characteristics, essential functions, minimum qualifications and the knowledge, skills and abilities required to perform the job.

Promotion: See *Chapter 4.2 Salary Administration and Pay Practices*.

Reclassification: See *Chapter 4.2 Salary Administration and Pay Practices*.

Represented Employees: Employees holding positions that are included in a bargaining unit and represented by a union or guild

Resignation: voluntary separation from employment with the City that is initiated by the employee.

Salary Grade: A defined range of pay with a minimum and maximum value. Salary grades (also referred to as 'salary range') may be broken into defined steps.

Salary Plan: A document that outlines each Salary Grade, including each defined step if applicable, and indicates which positions fall within a specified Salary Grade.

Seniority: A measure of an employee's length of service. See *Continuous Service* definition. See also *Chapter 4.3 Re-Hires and Bridging Service Gaps*. Note: Collective Bargaining Agreements may have alternative definitions for seniority.

Separation: A voluntary or involuntary separation of employment. Can be a resignation, lay-off, retirement, etc. See *Chapter 2.6 Separation from Employment*.

Supervisor: An employee with the City who may be delegated responsibility and authority to hire, transfer, suspend, layoff, recall, promote, dismiss, evaluate, discipline or direct other employees, or to effectively recommend such action. An employee's supervisor is the management member who the employee reports directly to (may carry the position title of Supervisor, Manager, Director, etc.).

Suspension: A temporary separation from duty, with or without pay, of an employee: (1) for disciplinary purposes; (2) for the purpose of investigation of an accusation brought against an employee; or (3) where necessary to preserve employee safety or public confidence. See *Chapter 3.8 Disciplinary Process*.

Temporary Employee: An employee hired to fill a position with a defined end date. The length of a temporary position will generally not exceed six (6) months. See *Chapter 4.1 Employment Status*.

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Termination: See *Separation* definition.

Transfer: See *Chapter 4.2 Salary Administration and Pay Practices*.

Trial Period: Also known as “probationary period.” A defined period of time (minimum 6 months) which is an integral part of the examination and selection process, during which an employee may be dismissed or returned to their previous job classification with or without cause, and without access to the grievance process. See *Chapter 2.4 Trial Period*.

Volunteer: An individual who performs services for the City who receives no compensation other than expenses, reasonable benefits or a nominal fee and who is not otherwise employed by the City to perform the same type of service. See *Chapter 7.4 Volunteer and Intern Programs*.

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CHAPTER 1 – GOVERNING PRINCIPLES OF EMPLOYMENT

1.3 EQUAL EMPLOYMENT OPPORTUNITY

The City of Mill Creek is an equal opportunity employer. We believe that every employee has the right to work in an environment that is free from all forms of unlawful discrimination. Consistent with applicable laws, the City will make decisions involving any aspect of the employment relationship without regard to race, color, religion, gender, national origin, age, disability (including pregnancy), sexual orientation, gender identity, marital status, citizenship, genetic information, or any other status or characteristic protected by local, state, or federal law. Discrimination and/or harassment based on any of those factors is in conflict with our philosophy of doing business and will not be tolerated. This policy of non-discrimination applies to all aspects of recruiting and employment, including compensation, benefits, advancement, transfers, training, reductions in force, and general employment activities.

What is Unlawful Discrimination?

Unlawful discrimination happens when being part of a protected class causes a person to be treated differently from others, either through disparate treatment or a disparate impact. A protected class is a group of people protected against unlawful discrimination through local, state, or federal laws. In the City of Mill Creek, discrimination is considered unlawful or prohibited when it is due to a person's race, color, religion, gender, national origin, age, disability (including pregnancy), sexual orientation, gender identity, marital status, citizenship, genetic information, or any other status or characteristic protected by local, state, or federal law.

Reporting a Complaint

Any employee with questions or concerns about equal employment opportunity in the workplace is encouraged to bring these issues to the attention of the City Manager and/or Human Resources. If an employee witnesses, or is the victim of, any disparate treatment or disparate impact, they should report their concern to the City Manager and/or Human Resources. The City will not allow any form of retaliation against individuals who raise issues of equal employment opportunity or unlawful discrimination.

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CHAPTER 1 – GOVERNING PRINCIPLES OF EMPLOYMENT

1.4 EMPLOYEES WITH DISABILITIES

The City does not discriminate against any qualified employees or applicants with regard to terms or conditions of employment because of the individual's disability, perceived disability, or record of such disability, so long as the employee can perform the essential functions of the job, with or without reasonable accommodation. Reasonable accommodation will be provided to a qualified individual with a disability who has made the City aware of his/her disability and requested accommodation, unless the accommodation would constitute an undue hardship on the City.

Requesting an Accommodation

Employees or job applicants with a disability, who believe they need reasonable accommodation in order to perform the essential functions of their job, should contact Human Resources. This information will be treated confidentially, except to the extent other employees have a need to know (in order to evaluate the accommodation request or to accommodate the disability).

The City encourages individuals with disabilities to request reasonable accommodation if needed, but employees are not required to disclose a disability unless they are seeking an accommodation. In order to ensure compliance with all applicable provisions of the Americans with Disabilities Act ("ADA") and the Washington Law Against Discrimination ("WLAD"), the City has outlined the following procedure for employees or job applicants requesting an accommodation:

- Upon receipt of an accommodation request, Human Resources and the employee's supervisor will meet with the employee to discuss and identify the precise limitations resulting from the disability and the potential accommodation that the employee believes the City might make to help overcome those limitations. As needed, Human Resources may seek input from the employee's health care provider(s) to confirm the need for and explore potential accommodations.
- The City will determine the feasibility of the requested accommodation by considering various factors, including, but not limited to, the length of time the accommodation would be needed for, the nature and cost of the accommodation, the City's overall financial resources, and the accommodation's impact on City operations, including its impact on the ability of other employees to perform their duties.
- Employees with disabilities are not entitled to the accommodation of their choice if an alternative reasonable accommodation is available that sufficiently enables the employee to perform the essential functions of his/her position. The City reserves the right to provide alternative accommodations as appropriate after engaging in an interactive process with the employee and/or his/her physicians. Whenever possible, reasonable accommodation will be made provided that the accommodation does not constitute an undue hardship.

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- The ADA and the WLAD do not require the City to make the best possible accommodation, to reallocate essential job functions, or to provide personal use items (i.e., eyeglasses, hearing aids, wheelchairs, etc.).
- The City is responsible to inform the employee of its decision regarding the request for accommodation. If the request is denied, employees may appeal the decision by submitting a written statement to the City Manager explaining the reasons for the request. If the request on appeal is denied, the decision is final, but is subject to revision as conditions or circumstances may dictate.

Any employee or job applicant who has questions regarding this procedure or believes that he or she has been discriminated against based on a disability should notify Human Resources. All such inquiries or complaints will be treated as confidential to the extent practical and permissible by law. Employees or job applicants who report discrimination will not be retaliated against in any way.

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CHAPTER 1 – GOVERNING PRINCIPLES OF EMPLOYMENT

1.5 WHISTLEBLOWING

The City strongly encourages employees to report improper governmental action taken by its officials or employees, and to do so without fear of retaliatory action. Per Washington State law, the following terms as used in this policy, are defined below:

“Improper governmental action” is any action by a City employee that:

- Is undertaken in the performance of the employee’s official duties (whether or not the action is within the scope of the employee’s job); and
- Is; (i) in violation of any federal, state, or local law or rule; (ii) an abuse of authority; (iii) of substantial and specific danger to the public health or safety; or (iv) a gross waste of public funds.
- *“Improper governmental action”* does not include personnel actions, such as: grievances, complaints, appointments, promotions, transfers, assignments, reassignments, reinstatements, reemployment, performance evaluations, reductions in pay, dismissals, suspensions, demotions, violations of collective bargaining or civil service laws, alleged violations of labor agreements, or reprimands.

“Retaliatory action” is any adverse change in the terms and conditions of a City employee’s employment.

To Report Improper Governmental Action

City employees who become aware of what they believe may be improper governmental action are encouraged to raise the issue first with the City, i.e., their supervisor, the City Manager, or City Attorney. The employee should submit a written statement within thirty (30) days of the incident occurring, or within thirty (30) days of the employee becoming aware that the incident occurred. The statement should describe in detail the basis for the employee’s belief that an improper governmental action has occurred.

In cases where the employee reasonably believes that the improper governmental action involves their supervisor, the employee shall raise the issue directly with the City Manager or City Attorney. In the case of an emergency, where the employee believes that imminent damage to persons or property may result if action is not taken immediately, the employee may report the improper governmental action directly to the appropriate government agency with responsibility for investigating the improper action. If the action creates an existing or imminent risk to employee or public safety, they should contact the police department and/or call 911.

The supervisor, City Manager, and/or City Attorney shall take prompt action to assist the City in properly investigating the report of improper governmental action. City employees involved in the investigation shall keep the identity of reporting employee(s) confidential to the extent possible, unless the employee authorizes the disclosure of his/her identity in writing. After an investigation has been completed, the employee reporting the improper governmental action will be advised of a summary of the results of the investigation. Personnel actions taken as a result of the investigation may be kept confidential.

DRAFT**Contacts**

City employees also have the right to report information about improper governmental action directly to the appropriate external government agency if they reasonably believe that (1) an adequate investigation was not undertaken by the City; (2) insufficient action has been taken by the City to address the improper governmental action; or (3) for other reasons the improper action is likely to recur. The following external agencies may accept reports, or may be able to direct an employee to the appropriate government agency in light of the nature of the improper government action:

Snohomish County Prosecuting Attorney's Office
www.snohomishcountywa.gov/202/Prosecutor
(425) 388-3333

Washington State Office of the Attorney General
www.atg.wa.gov
(360) 753-6200

U.S. Attorney's Office (Western District of Washington)
Department of Justice
www.justice.gov/usao-wdwa
(206) 553-7970 or (800) 797-6722

Protection against Retaliatory Actions

City officials and employees are prohibited from retaliating against a City employee because he/she has in good faith reported an improper governmental action in accordance with these procedures.

Employees who believe that they have been retaliated against should promptly advise their supervisor, the City Manager, City Attorney, or Human Resources. City officials shall take appropriate action to investigate and address complaints of retaliation. In addition or as an alternative, the employee may obtain protection pursuant to state law by providing a written notice to the Mill Creek City Council within 30 days of the alleged retaliatory action that specifies the alleged retaliatory action and the relief requested. The City will respond to a charge of retaliation in accordance with the process set forth in [RCW 42.41.040](#).

Responsibilities

The City Manager and Human Resources are responsible for implementing the City's procedures for reporting improper governmental action and for protecting employees against retaliatory actions. This includes ensuring that these procedures are readily available to all employees, and are provided to all newly-hired employees.

Directors, managers, and supervisors are responsible for ensuring the procedures are fully implemented within their areas of responsibility.

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CHAPTER 1 – GOVERNING PRINCIPLES OF EMPLOYMENT

1.6 CONFLICTS OF INTEREST

Promoting and preserving public confidence in City government depends largely on the integrity of City employees. No City employee shall engage in behavior or actions that are in conflict with, or would create the appearance of being in conflict with, official City business or the best interests of the City. Employees are expressly prohibited from using City personnel, time, property, equipment, or money for their own benefit or financial gain. Violations may lead to disciplinary action, up to and including termination.

Provided below are some examples of activities that are, or may be, prohibited. The examples provided are not meant as an exhaustive list. If an employee is not clear whether specific behavior would constitute a conflict of interest, they should seek immediate clarification from their supervisor, the City Manager, or Human Resources.

Outside Employment

Employees shall not engage in employment other than their City position if that employment would interfere with the efficient performance of their City job or would result in a poor public image for the City. Outside employment includes any activity for which an individual receives compensation, including consulting or self-employment.

Solicitation

Employees are not permitted to conduct or arrange for collections, solicitations or sales on City premises unless approved in advance by the City Manager.

Political Activity

In accordance with [RCW 41.06.250](#), employees shall have the right to vote and to express their opinions on all subjects and candidates, to hold any political office, and to be involved in any political campaign, as long as that involvement is not during working hours or while performing official City duties. Nothing in this section shall prohibit an employee from participating fully in campaigns relating to constitutional amendments, referendums, initiatives/issues of a similar character and for partisan or non-partisan offices, as long as involvement is not during working hours or while performing official City duties, and is not prohibited by law.

- Employees shall not hold a part-time public office for the City if holding office would interfere with the employee's official job duties.
- Employees shall not actively promote a political cause while at work unless they are acting in an approved official capacity on behalf of the City.
- City property or equipment shall not be used to further any political campaign or candidate.
- No person, elected official or City employee shall solicit a contribution to be used for political purposes on City property. Employees shall not use their City title or position to solicit or promote political activity. Employees shall not be required to make any contribution to a political party, an elected official, a candidate, or an initiative or referendum.

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- This is not intended to prevent employees from participating in advocacy activities, such as testifying to the legislature on behalf of their professional organizations or associations. The City Manager should be informed about such activities in advance.

Acceptance of Gifts

City employees may not use their position to solicit or secure special treatment, privileges or anything of value for themselves or others on more favorable terms than those granted to the public. City employees may not accept any type of gift or favor in exchange for their official services, or that could be construed as influential in any matter related to their service for the City.

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CHAPTER 2 – EMPLOYMENT PRACTICES

2.1 RECRUITMENT AND SELECTION

The City recruits and selects employees on the basis of skill, ability, experience, and competence. We provide equal employment opportunity to all applicants, without unlawful discrimination based on race, color, religion, gender, national origin, age, disability (including pregnancy), sexual orientation, gender identity, marital status, citizenship, genetic information, or any other status or characteristic protected by local, state, or federal law.

Job Openings

Many factors are considered when deciding to recruit for a new employee, including the department budget, position responsibilities, and the existing staff. Some job openings may be posted only for internal applicants, while others may be posted for external applicants as well. Job openings may only be posted with the approval of the City Manager, Finance Director, and Human Resources.

There may be instances when posting an open position is not required (for example, a reclassification of an employee, a formal appointment, etc.). Hiring without posting must be authorized by Human Resources and the City Manager. Selection procedures may be modified as appropriate when internal vacancies are being filled.

Prior to initiating the recruitment for a job opening, the hiring manager should work with Human Resources to develop a new position description, or review and make any necessary updates to an existing position description as appropriate. All newly created or updated position descriptions must be approved by both Human Resources and the City Manager.

Recruitment

All recruitments will be posted internally on the City's online employee portal for a minimum of six (6) working days. Recruitments may also be advertised on the City's external website. External recruitment efforts may begin concurrently with the internal posting. Generally, positions will be left open until filled, unless there is a need to interview or hire a candidate within a specific time frame. In this case, the closing date for the position will be clearly identified in all recruitment materials. At the request of the hiring manager, advertisements may be placed in designated newspapers, publications, newsletters, etc. Applications are only accepted for current open positions, and must be submitted along with any other required materials or forms on or before the final date and closing time if specified in the position announcement.

Upon request, the City will provide reasonable accommodation to applicants with a disability if needed. Applicants should notify Human Resources or the City Manager's office at least five (5) working days prior to that need.

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Selection

Human Resources will work with the hiring manager to identify the best qualified applicants to move forward in the recruitment process. Various factors such as prior experience, training, education, past job performance, demonstrated interpersonal and communication skills, attitude, etc. will be considered when selecting an applicant for further consideration.

The selection process may include a phone screening or interview followed by a more formal in-person interview and/or other pre-employment activities.

Hiring

Prior to extending any offer of employment, the candidate's employment references must be checked by the hiring manager (or designee). Upon selection of a candidate, the hiring manager will partner with Human Resources to generate the terms of the offer letter (including starting salary). The hiring manager will then contact the successful candidate to officially extend an offer of employment or promotion. Any offer or agreement must be authorized by the City Manager in advance of the offer.

All employment offers will be contingent upon the applicant providing any required documentation and/or passing required pre-employment checks.

At the conclusion of the recruitment, all materials and/or documentation should be returned to Human Resources for filing with the recruitment file.

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CHAPTER 2 – EMPLOYMENT PRACTICES

2.2 POSITION DESCRIPTIONS

Position descriptions (also referred to as “job descriptions”) will be created and maintained as a collaborative effort between Human Resources and the applicable Department Director. Position descriptions are used not only as a tool in managing compensation, but also for performance management, employee development, workforce planning and determining employee and organizational training needs. They are meant to reflect the current responsibilities of the job described and will be created, updated, or retired as needed to reflect the changing needs of the Department and/or the City. Existing position descriptions shall not be seen as limiting the authority of the City to design, redesign, or assign work.

All position descriptions will contain, at minimum, the following sections:

- Position Title
- Department
- Salary Grade
- Representation
- Job Classification
- Reports To
- FLSA Exempt Status
- General Description
- Essential Job Functions
- Qualifications
- Minimum Requirements

Position descriptions will also work in conjunction with documentation of Physical Requirements and Working Conditions.

Position titles should be concise, meaningful, and descriptive of the work being performed. Essential Job Functions should be regarded as a list of minimum and high priority functions of a specific position, and not as prescribing the exact or complete duties of any position. Qualifications and Minimum Requirements sections will document the information necessary to recruit and select appropriate applicants that will be likely to succeed in the described position.

All position descriptions must be approved by both Human Resources, the applicable Department Director, and the City Manager. When new position descriptions are created or existing position descriptions are significantly altered or retired, Union or Guild representatives may also be notified if necessary under the respective CBA.

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CHAPTER 2 – EMPLOYMENT PRACTICES

2.3 BACKGROUND AND REFERENCE CHECKS

The City performs pre-employment checks when hiring for all positions within the City. The purpose of these checks is to determine the qualifications and suitability of applicants, ensure the safety of other City employees and the public, and to comply with state and federal laws. Offers of employment are contingent on all pre-employment checks coming back satisfactory.

The City is committed to ensuring that its pre-employment checking procedures comply with all applicable laws, including federal and state equal opportunity laws. The particular pre-employment check(s) that are run will be determined by the specific position the applicant is applying for. Any or all of these checks may also be run on current employees applying for a position which requires background or reference checks that have not previously been performed.

Reference Checks

In considering a candidate for hire, reference checks may be completed prior to or in conjunction with extending a job offer. These are generally telephone calls made by the hiring manager to the candidate’s prior employers or other references to verify employment, performance, skills, character, etc. Reference checks must be completed before the employee begins work.

Background Checks

All positions (including interns and ongoing volunteers) will require a “basic” level background check that includes criminal conviction history. Additional checks (such as a credit check or verification of education) may be run if applicable to the position the applicant is applying for. Applicants for law enforcement positions may also be required to submit to a psychological evaluation, polygraph, medical exam, and/or additional background and reference checks.

Prior to any background check, applicants will be advised that the background check is required, and applicants will be required to sign appropriate authorizations prior to the City performing any background check.

Any information provided by the applicant found to be false or intentionally misleading will be grounds for disqualification or termination.

Background Checks – Other

Depending on the nature of an employee’s position, additional background checks may be required after hire. For example, Passport Acceptance Agents must have a separate background check completed by the Department of State, and a background check including fingerprinting is required for unescorted access to the Police Department. While these background checks can normally be submitted after a new employee begins work, continued employment may be contingent on the results being satisfactory.

DRAFT**Disqualification or Termination**

All decisions with respect to employment will be based upon the totality of the applicant's qualifications and results of any background or reference checks. Applicants will not be rejected based solely on a criminal conviction. The determination will be based on the following factors:

- The nature and gravity of the offense(s) committed
- The amount of time that has passed since the offense was committed
- The nature of the job for which the applicant is being considered

If the City determines that the applicant's criminal record should preclude employment in the position sought, the candidate will be notified and afforded an opportunity to demonstrate why the criminal record should not preclude employment.

Driving History Checks

Employees that must drive a City vehicle for business purposes must provide a copy of their current Driver License and allow the City to check their driving history yearly. Employees must self-report incidents that may affect their ability to drive a vehicle in the course of their work for the City.

Employees that are unable to lawfully operate a motor vehicle will be, depending on the nature of their job duties, temporarily reassigned, sent home until they are able to lawfully operate a motor vehicle, or be terminated. This decision must involve Human Resources and the City Manager. Additional information can be found in section [7.5 Vehicle Usage](#).

Confidentiality

The results of all background checks, reference checks, or other pre-employment checks will be kept confidential, and information will be shared only with City personnel who have a legitimate need to know.

Reference

[RCW 43.43.830](#) – Background checks – Access to children or vulnerable persons – Definitions.

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CHAPTER 2 – EMPLOYMENT PRACTICES

2.4 TRIAL PERIOD

Trial Period

When an employee is newly hired, the initial six (6) months in that job are considered a trial period. During the trial period, the City evaluates the job performance, ability and potential of new employees, and new employees have the opportunity to evaluate the City as an employer. The supervisor will orient the employee to the new job/department, provide training, observe, and evaluate the employee’s job performance and ability to successfully perform the job. The six (6) month trial period does not apply to employees that have been called back from a lay-off.

Existing employees who have been transferred or promoted must also successfully complete a six (6) month trial period in their new position. Employees who do not successfully complete their trial period may be returned to their former position or another position for which they qualify, if a vacancy exists. If there is no vacancy, the employee may be discharged.

Rules governing the trial period may be different for employees covered by a collective bargaining agreement.

Supervisor Responsibilities

One of the critical objectives of a trial employment period is to determine the new employee’s ability to perform a job. It is important that the supervisor clearly communicate the expectations for the employee’s job performance and their assessment of how the employee’s performance is meeting these expectations. Prior to the end of the trial period, the employee will receive a written evaluation that will document whether the employee is successfully meeting the performance expectations of the job.

Extension of the Trial Period

The department manager may extend the trial period for an additional amount of time, not to exceed six (6) additional months, in certain circumstances. This extension must be documented in the employee’s personnel file and authorized by the City Manager and Human Resources. Some of the reasons for doing this may be:

- Additional training is required to achieve satisfactory performance in the new job.
- A performance problem has developed which is deemed to be correctable with additional time, and it is in the interest of the City to do so.
- The department manager determines that there has been an insufficient or inadequate opportunity to effectively evaluate the employee’s performance.

The supervisor should meet with the employee to discuss the reason for extending the trial period. If the extension is due to job-performance deficiencies, a written plan for correcting the deficiencies should be developed, documented and signed. (Performance Improvement Plan form may be used for documentation).

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CHAPTER 2 – EMPLOYMENT PRACTICES

2.5 PERFORMANCE MANAGEMENT

Philosophy

The City of Mill Creek’s performance management program consists of multiple components designed to promote high performance and employee engagement. These components provide clear expectations for employees and supervisors, consistent methods for discussing individual employee performance, and tools for employees and supervisors to utilize when performance falls below standard. Each component is designed to work with the others in a constructive way. These components include our organizational STAR Values, Position Descriptions, Performance Evaluations, development and/or improvement plans, and a Disciplinary Process.

Supervisor Responsibilities

All supervisors are responsible for the following with regards to Performance Management:

- Set clear expectations for employee performance.
- Provide (or arrange for) the appropriate training for employees to meet those expectations.
- Provide employees with the necessary communication, tools, materials, or resources to perform their jobs properly.
- Model the City’s STAR values on a daily basis – lead by example.
- Provide timely feedback on employee performance (outside of performance evaluations) and document when appropriate.
- Complete performance evaluations in a timely manner and set aside an appropriate amount of time for the one on one discussion.
- Take disciplinary action when appropriate.

Employee Responsibilities

All employees are responsible for the following with regards to Performance Management:

- Learn what is expected in your job. Ask clarifying questions when needed.
- Actively participate in all training provided, and request specific training from your supervisor when you believe it is necessary.
- Inform your supervisor when there are barriers to completing your work properly. Communication is key!
- Model the City’s STAR values on a daily basis – strive to be a leader among your peers.
- Request feedback from your supervisor on your performance if you are unsure how you are doing.
- Actively participate in the one on one discussion with your supervisor during your performance evaluations.

DRAFT**STAR Values**

An important component of the City's performance management program is the City of Mill Creek's workplace values; known as the "STAR" values. These values were developed to help formalize performance expectations and to reinforce the attitudes, behaviors, and contributions that the City values in its employees. They support organizational goals and objectives, help drive employee engagement and job satisfaction, and provide guidance to employees in making the best decisions in the performance of their jobs.

The City's STAR values are:

- **Service:** Through continuous improvement, innovation, creativity, professional competence and hard work, we enthusiastically provide outstanding service to all customers, internal and external.
- **Teamwork:** In order to support our shared goals and successes, we teach, learn from, collaborate and cooperate with others, while being flexible, adaptable and inclusive.
- **Accountability:** We are responsible for our actions and decisions, and always portray honesty, integrity, transparency and leadership in our contributions.
- **Respect:** We take pride in our work and accomplishments, and in the work and accomplishments of others. We support an environment that honors the value and dignity of all individuals.

Performance Evaluations

Performance evaluations are another important component of the City's performance management program. Employees will receive performance evaluations under the following circumstances; upon completion of their probationary period or seasonal / temporary position, and yearly on or around their anniversary date to provide continuing feedback. Employees may be evaluated more frequently if necessary to facilitate effective communication and feedback between the employee and their manager, or if required by their department or position.

All performance evaluations will be completed by the employee's immediate supervisor at the close of their evaluation period. If an employee has worked for multiple supervisors during that evaluation period, their immediate supervisor should make an effort to collect feedback from the employee's previous supervisors to ensure the evaluation provides an accurate picture of the employee's performance during that evaluation period.

Employees will be evaluated on their work performance as it relates to their job description, the City's STAR Values, and any performance goals that were assigned during their previous evaluation or throughout the evaluation period. Employees will be given an opportunity to discuss their past performance and future goals in a one on one meeting with their supervisor. Employees that supervise others will also be evaluated on their supervisory skills.

Performance Improvement Plans

If an employee's overall work performance results in an evaluation that does not meet the minimum requirements or expectations of their position, that employee will be placed on a Performance Improvement Plan (PIP). The PIP in and of itself shall not be considered disciplinary action, but could lead to disciplinary action if an employee does not successfully follow or complete the plan. A supervisor may initiate a PIP at any time if they have determined that the employee's performance or behavioral concerns are serious enough to require marked improvement in order to achieve a satisfactory performance level.

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The purpose of the PIP is to outline the performance or behavioral concern(s) that the supervisor has identified, clearly define a plan of action for the employee to complete within a specified time frame to bring their performance up to expectations, and define what actions the employee can expect to see if they fail to successfully follow or complete the plan. A copy of the signed PIP will be kept in the employee's personnel file. At the end of the time period specified in the PIP, the employee and their supervisor will meet to discuss the plan's success, and close out, adjust, or extend the plan as appropriate.

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CHAPTER 2 – EMPLOYMENT PRACTICES

2.6 SEPARATION FROM EMPLOYMENT

Voluntary Termination

In most cases, separation from employment is initiated voluntarily by the employee. There are multiple reasons for this happening, for example; an employee accepts another job, moves out of the area, retires, etc. Although an at-will employee may resign at any time, the City expects that, as a professional courtesy, the employee give a minimum of two (2) weeks notice, or at least two (2) weeks of work at the employee's regular schedule before the resignation becomes effective. The City also requests that an employee provide his/her supervisor or department manager a written notification explaining the reason(s) for the resignation and the effective date. This can be through a letter written from the employee to the supervisor, or by using the City's Employment Separation form.

The supervisor is responsible for assuring that separation notification is submitted to Human Resources as soon as they become aware, and will also be responsible for collecting City property, such as keys, telephones, equipment, etc., and ensuring that access to buildings and/or systems is discontinued.

Employees will typically not be allowed to use paid time off during their notification period. An employee who resigns without any notification, or does not work their notification period, may be considered ineligible for re-hire with the City.

Involuntary Termination

In some instances, separation from employment is initiated by the City and is involuntary for the employee. There are multiple reasons for this happening, for example; serious misconduct, inability to perform essential job functions, elimination of position (layoff), resignation in lieu of termination, etc.

Depending on the reason for separation, the employee may or may not be given a notice period prior to their separation date. Written notification including the terms of the separation will be placed in the employee's personnel file and a copy will be given to the employee prior to the separation date.

Layoff

On occasion, the City may find it necessary to lay off employees due to lack of work, budgetary constraints, or restructuring of the work force. Affected employees will be given as much notice as reasonably possible under the circumstances before the layoff occurs and reasonable efforts will be made to transfer the affected employees into other positions. Generally, the layoff procedure is as follows, although the City retains the discretion to follow some or none of the steps below:

- In most cases, temporary or casual employees performing similar work should be laid off before regular employees are affected.

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- Options such as part-time work schedules, job sharing, and voluntary schedule and/or pay reductions may be explored if feasible and approved by the City Manager.

Alternative rules may apply to employees covered under a collective bargaining agreement.

Retirement

Retirement is regarded as a voluntary separation, the same notification expectations exist, and the same Employment Separation form may be used. To facilitate a smooth transition from work to retirement, employees who will be applying for retirement from the Department of Retirement Systems (DRS) may want to contact DRS prior to retirement. DRS will be able to answer questions and coordinate required paperwork and/or notification. Employees should be aware that if they plan to work after retirement, there may be restrictions on the hours they may work, or the positions they may work in. Before returning to work after retirement, employees should contact any agency they are receiving a benefit from to ensure that those benefits will not be affected.

Final Paycheck

The employee's final paycheck will be paid through direct deposit on the next regular payday following the effective date of the separation.

- Upon separation of an employee by resignation, layoff, termination, or death, any accrued and unused annual leave and comp time is paid to the employee (or beneficiary) in full on the final paycheck at the employee's pay rate at the time of separation.
- Unused administrative leave is not paid out upon separation.
- Unused floating holidays are not paid out upon separation.
- Unused sick leave is not paid out upon separation, except in the following circumstances: Upon voluntary resignation or lay-off, employees in good standing with at least ten continuous years of service, or the equivalent of at least fifteen years of non-continuous service with the City, will be paid out 25% of their accrued sick leave balance, up to a maximum of 200 hours.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.1 PERSONAL APPEARANCE AND DRESS CODE

General Guidelines

In the interest of the City and the public, it is desirable to maintain a high standard of professionalism in the workplace, both in appearance and in conduct. City employees are expected to present a neat, clean, professional appearance that is appropriate to the work they perform. More specific departmental dress and grooming standards may be defined by department managers as required to meet operational and/or safety needs. Standard uniforms are required in some departments (i.e. Police, Public Works).

Employees are encouraged to always use their best judgment with respect to their attire and appearance, and to ask their supervisor if they need clarification.

Personal Appearance

Personal cleanliness and good hygiene are required of all employees at all times. Clothing should be clean, neat and wrinkle free. An individual who reports to work inappropriately dressed or poorly groomed may be sent home and asked to return to work with attire or grooming standards that meet the requirements of this policy. Heavily scented lotions, perfumes, or colognes should be avoided.

Visible tattoos and body piercings are not prohibited if in good taste and not likely to be offensive to co-workers or the public. Tattoos with vulgar or offensive content must be covered completely while performing work for the City.

Appropriate Work Attire

In general, standard work attire at the City of Mill Creek is “business casual.” Business casual is described as “*comfortable, while projecting a professional and businesslike image to our customers.*” Business casual dressing would include neat, clean and wrinkle free clothing that would be appropriate to the type of work and/or interactions that are required by the employee’s particular position. City logo wear is encouraged, but not required unless otherwise specified by the department supervisor.

Formal business attire, such as a business suit, may be required at certain times depending on the specific business activity or work environment.

Managers will clarify standards of dress within their respective departments, taking into account the type of work the department performs. Employees who work in the field, and not primarily in direct contact with the public may dress more casually if necessary to do their job, but should always be mindful of the City’s public image. For example; casual jeans, sweatshirts and work boots may be appropriate dress for Public Works employees, but inappropriate for staff working in the office. Casual clothing such as tee shirts, athletic shoes, shorts and/or hats may also be acceptable in certain circumstances, such as when engaged in active recreation supervision or other similar work activities.

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Shoes for all employees should be clean, safe, and job appropriate. Some departments may have specific requirements for work shoes or boots.

Inappropriate Work Attire

The following types of clothing are some examples of attire that is inappropriate for the workplace and not allowed:

- Immodest or revealing clothing such as very short shorts or skirts.
- Clothing that is see-through, very tight, ill-fitting, or worn without appropriate undergarments.
- Very casual shoes such as flip flops.
- Clothing with words, sayings, or pictures.
- Any clothing that prevents an employee from wearing required protective equipment.
- Any clothing or jewelry that is deemed unsafe to wear for the work being performed.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.2 ATTENDANCE

General Guidelines

In order to maintain a safe and productive work environment, the City expects employees to be present at their worksite and ready to work during their regularly scheduled hours. Absence and/or tardiness can disrupt the workplace and place a burden on other employees and on department and City operations. Regular and satisfactory attendance is a requirement of every position within the City of Mill Creek. Habitual or excessive attendance issues may be a cause for disciplinary action, up to and including termination.

Notification Requirements

Note: Notification requirements or procedures may differ within the City departments based on the nature of the work being performed and the operational needs of the department. Managers are responsible for clarifying specific departmental procedures regarding notification with their respective employees. Employees are responsible for knowing and following the attendance procedures within their respective department as well as the following guidelines:

- When employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as early as possible in advance of the anticipated tardiness or absence. In general, notice should be at least an hour prior to their scheduled start time.
- Employees are required to notify their supervisor each day of their absence, unless prior notification of a specific duration of absence has been provided (such as with an approved leave of absence or other approved time off). For clarification on use of sick leave, FMLA leave, or other types of leave, see [Ch. 5 Time Off and Leaves of Absence](#).
- Scheduled time off should be pre-arranged with the employee's supervisor in advance of the need to take time off in order to facilitate departmental planning and work coverage.
- If an employee needs an extended lunch break or to leave work early, notice must be given to the supervisor in advance, and the supervisor must approve of the adjustment to the employee's work hours.
- Supervisors have the discretion to not approve time off requests or adjustments if doing so would be detrimental to department operations.

An employee who is absent without providing notice (no call/no show) may be subject to disciplinary action. Absence for three (3) consecutive days/shifts without notification may be considered job abandonment and a voluntary resignation.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.3 ANTI-HARASSMENT

The City of Mill Creek is committed to providing a professional environment where all individuals are treated with respect and dignity, and all relationships are free of bias, prejudice, unlawful harassment and discrimination. Actions, words, jokes, comments, texts, email or physical gestures considered to be harassing or discriminatory will not be allowed. Intolerant, disrespectful, denigrating, bullying or intimidating behavior is expressly prohibited by the City, and will result in appropriate disciplinary action, up to and including termination of the offender.

What is Harassment?

“Harassment” is any **unwelcome** conduct, verbal or physical, based upon one’s race, color, religion, gender, national origin, age, disability (including pregnancy), sexual orientation, gender identity, marital status, citizenship, genetic information, or any other status or characteristic protected by local, state, or federal law which:

- creates an intimidating, hostile, or offensive working environment,
- unreasonably interferes with an individual’s work performance, or
- otherwise adversely impacts an individual’s work performance or work environment

Harassment can also be sexual in nature, involving comments, suggestions, or touching that is unwanted, uninvited, or offensive, or “quid pro quo” harassment, which involves requests for sexual favors in exchange for something (such as a promotion, or a positive performance evaluation).

Harassment and discrimination in the workplace is prohibited by both law and company policy.

It is important to remember that what is unwelcome or offensive to one person may be different from what is unwelcome or offensive to another.

Examples of Harassment

Examples of harassment may include, but are not limited to:

- Offensive pictures, cartoons, stories, or jokes (for example, a racially demeaning joke)
- Unwelcome requests for sexual favors
- Touching that is unwelcome or uninvited (can include hugs)
- Disciplining an employee for refusal to provide sexual favors
- Unwelcome or uninvited comments that are sexual in nature
- Showing an inappropriate video at work (such as comedy that is derogatory in nature, or a video with inappropriate sexual content)

Note: there may be other topics that are inappropriate for work that do not fall under the definition of harassment. Employees should use their best judgement when engaging in non-work related conversations with their co-workers.

DRAFT**Employee Responsibilities**

All employees are required to abide by the City's STAR values and treat each other with respect and dignity. Should any form of harassment be witnessed or suspected, employees are strongly encouraged to report the incident, either verbally or by written complaint to Human Resources, the City Manager, or a department director, and may do so without fear of retaliation. Any employee can and should report harassing behavior, even if they do not feel that they are the victim of the harassment.

Supervisor Responsibilities

All City management members are responsible for taking immediate and appropriate corrective action if they witness inappropriate behavior or receive a complaint. Managers are expected to enable channels of communication to allow employees to raise concerns of sexual or other harassment without fear of retaliation, to address observed harassment, and to treat harassment matters with sensitivity, objectivity and confidentiality. All complaints should be relayed to Human Resources, the City Manager, or the City Council (as appropriate for the situation) to allow for investigation.

Reporting Harassment

The first step employees should take (if appropriate to the situation) is to notify the offender that their behavior is unwelcome and request that it be immediately discontinued. Often, this action will resolve the problem.

If the employee does not believe this action to be appropriate, they should notify their supervisor, another member of management, Human Resources, or the City Manager as soon as possible. Complaints may be made either verbally or in writing. It is helpful if the employee documents the incident and what their response was, including dates, times, and witnesses. This statement may prove helpful if the harassment continues and an investigation is conducted.

Sometimes an employee reporting harassment seeks only to discuss the matter informally and does not wish the City to undertake an investigation or to take further steps. Individuals reporting harassment should be aware that the City may be required to take action to address the harassment, regardless of their preference.

Investigating Harassment

Once reported, all complaints of harassment will be investigated thoroughly. Choice of investigator, level of formality, and the procedures used in the investigation may vary depending upon the nature of the allegations and circumstances of the situation. The investigation may include interviews with the involved parties, with employees or others who may have observed the incident, or with employees who may be similarly situated and able to provide pertinent information. Confidentiality will be maintained throughout the investigatory process to the extent practical and consistent with the City's needs. The City will make every effort to ensure that complaints of harassment or discrimination are resolved promptly, effectively, and as confidentially as possible.

If harassing conduct is found to have occurred, the City will take prompt and appropriate corrective action. Discipline may include verbal and written reprimands, professional counseling and/or training, reassignment, or other appropriate action, up to and including termination. The affected individuals will be informed of the outcome of the investigation.

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False or malicious complaints of harassment, discrimination or retaliation will be dealt with appropriately, and may warrant disciplinary action.

There will be no retaliation by the City, its officers, elected officials, supervisors, or other employees toward an employee bringing a complaint in good faith, or cooperating with the investigation of a harassment complaint, even if the complaint of harassment is ultimately unsupported by the investigation. Should the City find evidence of retaliation, immediate and appropriate corrective action will be taken.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.4 DRUG FREE WORKPLACE

The City of Mill Creek is committed to protecting the safety, health and well-being of our employees and visitors, and we strive to maintain a drug and alcohol free workplace. The manufacture, possession, distribution, dispensing, consumption/use of marijuana, alcohol, or drugs/controlled substances by employees is strictly prohibited in the workplace and may be cause for disciplinary action, up to and including termination.

Employees under the influence of marijuana, alcohol, or drugs/controlled substances may have impaired work performance and can pose a serious safety hazard to themselves, co-workers, and the public. We encourage employees to voluntarily seek diagnostic, counseling and treatment services (such as those provided by the City’s health care plans and Employee Assistance Program) if they are concerned that they may have a dependency.

Definitions

The following definitions apply specifically to this section:

- **Chemical Dependency.** Addiction to alcohol or controlled substances (either of a prescription or illegal nature); this definition does not cover those who have successfully completed a recognized rehabilitation program and are no longer alcohol or controlled substance users.
- **Controlled Substances.** Those substances whose distribution is controlled by regulation or federal/state law.
- **Drugs.** Any substance that, in the opinion of the employee’s supervisor, impairs an employee’s ability to perform his/her job or that poses a threat to the safety of others. This definition includes prescription and over-the-counter medications.
- **Impaired Behavior/Under the Influence.** Behavior that may limit the employee’s ability to perform his/her job duties safely and efficiently or that poses a threat to the safety of the employee or others.
- **Workplace.** Includes all property owned or leased by the City, City controlled premises, vehicles, and workstations.

Employee Responsibilities

To ensure a workplace free from the recognized hazards of marijuana, alcohol, and drugs/controlled substances, the following responsibilities lie with employees of the City at every level.

- Employees may not report to work if they are impaired by or under the influence of marijuana, alcohol, or drugs/controlled substances, even if their use or consumption occurred off-duty.
- Consumption or use of marijuana, alcohol, or drugs/controlled substances during the work shift, including on unpaid breaks, is prohibited. Note: Possession and use of prescription drugs (excluding medically prescribed marijuana) or over-the-counter drugs is not prohibited if taken in standard dosage or according to prescription.

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- Employees taking prescription or over-the-counter drugs that would prevent the employee from performing their job safely or effectively must inform their supervisor and/or the Human Resources Manager. Depending on the nature of the employee's job and the availability of alternative work, they may be temporarily re-assigned or sent home.
- Employees are required to comply with reasonable suspicion drug/alcohol testing as described below. Failure to promptly consent to such tests or testing positive for drugs or alcohol may result in discipline up to and including termination.
- Employees must report criminal convictions for illegal drug activity in the workplace in accordance with the Drug-Free Workplace Act of 1988. The report must be made in writing to their department director or his/her designee within five calendar days of the conviction. Failure to do so may lead to disciplinary action, up to and including termination.
- All employees must agree to comply with the responsibilities and procedures described here as a condition of employment. Violations may subject the employee to appropriate disciplinary action, up to and including termination of employment.

Employer Responsibilities

- Personal information related to drug and alcohol testing or treatment that is shared with Human Resources will be kept confidential to the extent permissible by law. Any related documentation is maintained separately from the employee's performance related personnel records.
- The City will provide reasonable accommodation to support employees participating in a professional treatment program as long as the accommodation does not impose an undue hardship on the City.
- No employee will be disciplined or discriminated against simply for seeking help and/or participating in a treatment program. However, if an incident at work occurs that violates City expectations, policies, or guidelines, the City reserves the right to take disciplinary and/or corrective action as appropriate, up to and including termination.
- In compliance with the Drug-Free Workplace Act of 1988, additional requirements are made of any City employees who work in a department or division that receives one or more federal contract awards of \$25,000 or more, or a federal grant regardless of grant size as follows: The City Manager or his/her designee shall notify the federal contracting or granting agency of any criminal convictions of employees for illegal drug activity in the workplace within ten (10) days of learning about the conviction.

Drug and Alcohol Testing

In cases where the City has reasonable suspicion that an employee may be under the influence of marijuana, alcohol, or drugs/controlled substances while on duty, the City may require that employee to submit to appropriate tests, including urinalysis or breath tests, to determine the presence of marijuana, alcohol, or drugs/controlled substances in the employee's system.

Reasonable suspicion testing determinations must be supported by written documentation from an observer that includes specific, contemporaneous, and articulable observations. (Observations may include information about an employee's behavior, appearance, speech or body odors associated with alcohol or drug use.) City personnel authorized to make reasonable suspicion determinations must be familiar with the signs and symptoms of drug and alcohol use. Drug and alcohol testing (excluding a preliminary breath test if appropriate) may only be conducted by a laboratory certified by the U.S. Department of Health and Human Services. An employee required to submit to reasonable suspicion testing will be relieved from duty and transported by a City representative to a collection site.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.5 NON-SMOKING WORKPLACE

In order to maintain a safe and healthy work environment for all employees and the community, the City prohibits smoking and the use of tobacco related products (including vaporizers, e-cigs, chewing tobacco, etc.) in all City vehicles and facilities, including City owned or leased buildings and offices. Smoking and the use of tobacco products is prohibited within twenty-five (25) feet of any entrances, exits, windows that open, parking areas and ventilation intakes that serve an enclosed area. This applies to any “place of employment” or “work areas,” and any area which employees are required to pass through during the course of employment.

Washington law significantly restricts the outdoor areas where individuals may smoke in relation to the location of City buildings, City parks, work areas and public places. Because the law prohibits any person from smoking at a place of employment, members of work crews are prohibited by law from smoking at any worksite locations. When at a worksite, an employee may only smoke while on his or her break, and must be at least 25 feet from other working City employees, and 25 feet from all entrances, exits, windows that open, parking areas, and ventilation intakes that serve an enclosed area where smoking is prohibited.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.6 WORKPLACE VIOLENCE

What is Workplace Violence?

“Violence” in this section means a verbal or physical action or behavior that may include, but is not limited to:

- Behavior that would be interpreted by a reasonable person as menacing or potentially harmful, or would cause a reasonable person to feel unsafe;
- Physical assault;
- Intimidating or abusive behavior or language (this may include yelling, screaming, written threats, inappropriate use of phones, email, etc.);
- A communicated or reasonably perceived threat to harm, harass, abuse, or intimidate another;
- Threatening to destroy or destroying property; or
- Carrying or displaying weapons.

In order to promote a positive, respectful and safe work environment that reduces the potential for violence in and around the workplace, the City of Mill Creek will not tolerate acts or threats of violence, either implied or actual, from any person, made toward employees, the public, City property, or in connection with City business. Even threats made in jest will not be tolerated. The City will utilize appropriate means of enforcement or intervention to protect the workplace from violence. An employee who exhibits violence as defined above may be subject to disciplinary action up to and including termination.

Reporting and Responding to Threats

City employees are responsible for notifying management of any potential threats they have witnessed, received, or have been told about. Any employee involved in situations on the job where they fear physical violence, or have concern for their own safety or the safety of others, should immediately report the situation to their manager, Human Resources, or another member of City management who will initiate an investigation.

City employees who witness or are the victim of a threat that creates an existing or imminent risk to employees or public safety should contact the police department and/or call 911.

Supervisors who believe that an employee represents a workplace violence concern should notify the City Manager or Human Resources immediately. The City has a responsibility to investigate and respond to all violent or potentially violent situations. Behavioral problems will be addressed through corrective counseling and disciplinary action as appropriate to the circumstances, up to and including termination.

In some cases, a criminal charge or investigation may also be applicable. Appropriate discipline or discharge of City employees is not contingent on a criminal conviction.

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Concerns about Non-Employees

While the City holds a strong commitment to customer service, employees are not expected to be subjected to verbal abuse or physical threats from the public (this includes contractors or vendors as well). Employees experiencing violent or threatening behavior from a customer, contractor, member of the public, etc. should immediately notify their supervisor.

If any altercation constitutes an emergency, the employee or supervisor should CALL 911 (dial 8-911 when using City phones). Any threats of harm or violence will be referred to the police department.

Safety Concerns and Court Orders

Any employee who is concerned about personal safety at the workplace may request security precautions from City management, his or her supervisor, and/or the City police department at any time (e.g. an escort to and from his/her vehicle or other appropriate precautions).

If an employee has been served a protection or no-contact order that would restrict his/her ability to perform assigned duties or be at a City work location, he/she is required to inform his/her manager. The manager, in consultation with Human Resources, will consider possible job modifications and the safety interests of other employees and the public when determining an appropriate course of action. The City reserves the right to discipline and/or terminate the employment of employees who are restricted in their ability to perform their job duties as a result of court issued orders.

Assistance with Workplace Violence Concerns

The City offers an Employee Assistance Program (EAP) to assist employees and their families when experiencing personal or job-related problems. An employee of the City wishing confidential assistance can call the EAP office for assessment, referral to treatment, and follow-up.

The City does not have access to EAP information unless authorized by the employee or in situations when information must lawfully be disclosed by the EAP for the protection of others.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.7 PERSONAL WEAPONS

The City prohibits wearing, transporting, storing, or the presence of firearms or other weapons while on City premises or property or performing work for the City off-site except in the case where those employees are: **1)** employed as commissioned law enforcement officers, or **2)** legally in possession of a weapon, and the weapon is locked within a personal vehicle and concealed from view ([RCW 9.41.050.2](#)). Note: Law enforcement officers may have additional or alternative policies or procedures that describe the possession or use of personal weapons while on duty. Law enforcement personnel should follow their department specific policies or procedures relating to personal weapons.

If the City has reasonable suspicion that an employee is in violation of this section and represents a threat to other City employees, City property, or the public, the City reserves the right to conduct and/or allow a search of City property, or the employee's personal property (including their vehicle) if located on City premises or used in City work. City representatives must receive written consent from the employee prior to a search of personal property. Refusal to provide consent for a search under these circumstances may result in termination of employment.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.8 DISCIPLINARY PROCESS

Philosophy

The City relies on each employee’s good judgment, professionalism, and sense of responsibility to residents and co-workers as the principal source of guidance in the performance of their work. This section is intended to illustrate the parameters of acceptable conduct and provide for consistency in actions taken when those parameters are exceeded. Disciplinary actions for seasonal, temporary, or probationary employees may be handled summarily instead of progressively if appropriate.

Each step of disciplinary action should be constructive, and include an attempt to help the employee correct job performance deficiencies or violations of standards of conduct by clearly identifying the deficiency or violation and describing how to correct the deficiency or offending behavior.

In most situations, when discipline becomes necessary, the steps of disciplinary action described on the next page will be applied in progressive, sequential order beginning with the least severe action. If, after taking into account the totality of the situation and the severity of the infraction, a different course is deemed to be necessary, then the steps in this sequence may be omitted, repeated, or rearranged. Any deviation from progressive, sequential order must be approved by Human Resources and the City Manager.

Verbal Counseling or Coaching

Verbal counseling or coaching should be used for minor instances of misconduct, to inform an employee of a potential performance issue, or to clarify an expectation. In most cases, counseling or coaching is not considered disciplinary action and may take the form of an informal conversation, be part of a one on one meeting, or occur in conjunction with a Performance Improvement Plan.

Pre-Disciplinary Meetings

For any discipline more severe than a written warning, a pre-disciplinary meeting shall be held. The employee will be given a written notice of the reason for discipline and a summary of the facts. The employee will be given a reasonable length of time, dependent on the situation, to respond to the notice, either orally or in writing, and to explain if/why the disciplinary action is not warranted. The pre-disciplinary meeting shall not be construed to limit the City at any subsequent hearing or proceeding from presenting a more detailed and complete case, including the presentation of witnesses and/or documents not previously made known to the employee. The disciplinary decision may be made immediately upon conclusion of the pre-disciplinary meeting or within five (5) days thereof.

DRAFT**Steps of Disciplinary Action**

The following steps of disciplinary action are presented in progressive, sequential order, from least to most severe.

- **Written Warning**
A written warning is issued to an employee when verbal counseling or coaching has failed to correct the offending behavior, or if misconduct or inadequate performance is severe enough to require formal written documentation. The intent of the written warning is to define the seriousness of the situation so the employee may take immediate corrective action. Written warnings will be retained in the employee's personnel file.
- **Disciplinary Probation**
Disciplinary probation may be used if a written warning has failed to correct the offending behavior, or if misconduct or inadequate performance is severe enough to require the employee to be placed on disciplinary probation. Disciplinary probation is generally considered to be a final warning and typically includes specific requirements that must be clearly demonstrated within a period of time. Documentation of the circumstances related to disciplinary probation will be placed in the employee's official personnel file, and must be signed by the department director and Human Resources. An employee who is on disciplinary probation and receives further disciplinary action (related or unrelated to the cause of the disciplinary probation) could be immediately terminated.
- **Disciplinary Suspension**
Depending upon the seriousness of the employee's behavior or misconduct, disciplinary probation may be accompanied by a disciplinary suspension. A disciplinary suspension is a suspension without pay and should not exceed fifteen (15) working days. The City Manager must approve all suspension without pay actions. Documentation regarding the disciplinary suspension will be placed in the employee's official personnel file, and must be signed by the department director and Human Resources.
- **Discharge**
In instances that involve serious insubordination, theft, illegal or destructive acts while on the job, or other reasons deemed to be equally serious by the City Manager, an employee may be subject to immediate discharge. If repeated offenses of a less serious nature have been documented by the supervisor and appropriate behavioral changes have not resulted from prior disciplinary action, an employee may be immediately discharged. All discharges must first be approved by the City Manager and Human Resources.

At any level of discipline, if it is necessary to investigate a situation to determine what further disciplinary action may be justified, or when it is deemed necessary to temporarily remove an employee from the work environment, a suspension with pay may be used. A suspension with pay should be used only when the appropriate level of discipline has not yet been decided, and must be approved by Human Resources and/or the City Manager as the most appropriate course of action based on the circumstances. This type of suspension is also referred to as "Paid Administrative Leave."

DRAFT**Causes for Discipline**

The following list is provided to illustrate examples of actions or behavior that may be considered cause for disciplinary action and/or discharge. This list should not be considered as exhaustive, and any employee may be disciplined or discharged for reasonable cause.

Violation of any City ordinance, regulation, directive, policy, rule, or procedure, including but not limited to:

- Violations of safety rules or common safety practices; personal conduct at work which is dangerous to others; failure to report on-the-job injuries or accidents promptly to employee's supervisor.
- Sexual harassment or any other form of harassment towards another person.
- Arriving on the job under the influence of alcohol or illegal drugs; or using such substances on City property or while performing official City duties.
- Unauthorized absence from work; habitual absence or tardiness; abuse of sick leave.
- Unauthorized possession of firearms or other dangerous weapons on City property or while performing City duties.
- Conviction of a felony or a misdemeanor that could adversely affect the employee's ability to perform the duties of his/her position.
- Failing to maintain an acceptable level of work performance.

Dishonesty and/or lack of integrity in the workplace, including but not limited to:

- Falsification of City records, including time cards, employment applications, employment records, or financial statements.
- Use of City property, equipment, or time for personal financial gain or personal benefit.
- Unauthorized possession or use of City property, equipment or materials; theft of city property or property belonging to employees or customers.
- Misuse of City funds, including personal expenses charged to the City.
- Accepting fees, gifts, or other valuable items in the performance of the employee's official City duties.
- Failure to maintain confidentiality of information or documents as appropriate.

Conduct unbecoming of a City employee, including but not limited to:

- Insubordinate behavior or actions such as willfully disobeying a supervisor or Department Director.
- Negligent or willful damage to the City property; misuse or waste of supplies, vehicles or equipment.
- Discourteous or disrespectful treatment of the public or other employees.
- Interfering with or disrupting the work of other employees on the job.
- Fighting on the job; engaging in disorderly conduct or horseplay; using insulting, or obscene language.

Any other action determined by the City to be of detriment to the City's operations or the City's reputation in the community.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.9 COMPLAINT RESOLUTION

Complaint vs. Grievance

For the purposes of this policy, a “grievance” is defined as a claim or dispute by an employee or group of employees with respect to a violation of the provisions of their collective bargaining agreement. Employees covered by a labor agreement must use the grievance processes outlined in their collective bargaining agreements to address these types of concerns.

Concerns that do not meet the definition of “grievance” may be addressed using the guidelines and process below. This also offers employees not covered by a labor contract the means to seek resolution for problems or complaints related to the application of City policies.

Guidelines and Process

The City encourages honest and open communication in all employment relationships, and believes it is in the best interests of the organization and the employee for problems to be resolved at the lowest level possible. Employees and supervisors are encouraged to address problems and pursue solutions through an informal process of communication and problem solving.

Often times, a complaint is due to a misunderstanding and can be resolved quickly. If addressing the complaint informally does not offer a satisfactory resolution, employees should document their concerns and forward their complaint to their supervisor, department director, or Human Resources.

Once formally notified of a complaint, an investigation may be conducted to determine an appropriate resolution. The employee(s) involved will be informed of the outcome as appropriate.

If the employee is not satisfied with that resolution, they may request that the matter be reviewed by the City Manager. There may be additional investigation and review of the situation before issuing a final resolution.

Retaliation

The City prohibits all forms of retaliation against employees following this process. Filing a formal complaint will not prevent the City from administering appropriate action.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.10 PERSONAL RELATIONSHIPS

The purpose of these guidelines is to ensure equal opportunity and effective employment practices, and to avoid actual or perceived preferential treatment or actual or potential conflicts of interest within the workforce. Employment of individuals who are related or in a dating relationship may enable favoritism or the perception of favoritism.

Employees may not occupy a regularly assigned position that directly reports to a relative, or directly supervises a relative. Additionally, individuals may not occupy a regularly assigned position that will be working directly for, or directly supervising another employee with whom they are involved in a dating relationship. In general, employees who are related or dating should not directly report to the same supervisor, in order to avoid management and operational conflicts within departments.

For purposes of this section, a “relative” or “related” person is anyone who is related to the employee by blood, is in the employee’s immediate family, is married to the employee, is in a dating relationship with the employee, or resides in the same household as the employee. Temporary room-mates may be considered as “related” on a case-by-case basis. In the event that it is unclear whether or not two people are related, or that their positions may violate the spirit of these guidelines, the City Manager shall make the final determination on whether a conflict of interest exists.

Relationships Present at Hire

Employees may not be hired or placed into positions in which a relative, or a dating partner, is able to audit, control, supervise, appoint, remove, discipline or otherwise make employment related decisions regarding that employee.

Relationships that Occur After Hire

After employment, if two employees begin a dating relationship, marry, or otherwise become relatives, the employees are required to disclose the relationship to Human Resources. Employees who are related or in a dating relationship will not be assigned to a regular schedule in the same work shift or unit if one employee will be required to supervise the other. If circumstances require that a supervisor/subordinate relationship exist temporarily, the supervisor will make every reasonable effort to defer matters pertaining to the involved employee to an uninvolved supervisor.

If the relationship creates any of the circumstances mentioned above, and employment action is required in order to avoid a violation of these guidelines, one of the employees must be transferred or reassigned to a department or shift where the reporting, auditing or supervisory relationship does not exist. If a transfer cannot be accomplished due to lack of an appropriate position, one of the employees must resign. The decision as to which employee will transfer or resign should, whenever possible, be recommended by the employees involved. If a suitable transfer decision is not made within 30 calendar days, the City Manager will decide who is to be transferred or terminated based upon the best interests of the City.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.11 SAFETY IN THE WORKPLACE

Safety Program

The City believes that both management and employees share in the responsibility of maintaining a safe workplace. The City will develop and maintain a comprehensive safety program to guide these efforts. Important components of the City’s Accident Prevention Program include:

- A written plan to help prevent accidents, illnesses, and on the job injuries. The City of Mill Creek’s written Accident Prevention Program (APP) outlines the involvement of the other program components, as well as providing written safety rules and regulations determined to be necessary by the City, or required by law.
- A Safety Committee, which acts as an advisory group to assist in these activities and to facilitate effective communication between employees and management about workplace safety and health issues. The Safety Committee is comprised of employer-selected members and employee-elected members. Per [WAC 296-800-13020](#), the number of employer-selected members shall not exceed the number of employee-elected members. (Employees selected by a bargaining representative or union qualify as employee-elected.)
- A safety orientation for new employees, which is made up of a general description of the City’s Accident Prevention Program, an on-the-job orientation, and training within the employee’s department. This training will address pertinent safety issues such as potential exposure to hazards, hazardous materials, safe use of equipment, the use of personal protective equipment, etc.

Employee Responsibilities

Employees are responsible for learning and understanding proper safety procedures and practices, observing all safety practices governing their work, and immediately reporting unsafe working conditions, on-the-job injuries and occupational illnesses to their supervisor or department director. In the event that an employee does not understand a safety rule or procedure, it is the employee’s responsibility to continue asking questions until they are comfortable in performing the task at hand safely.

Employees who violate safety standards, cause hazardous or dangerous situations, fail to report or remedy such situations as appropriate, or fail to report on the job injuries or illnesses as required, may be subject to disciplinary action up to and including termination of employment.

Employer Responsibilities

The City will provide information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, emails, and the City’s employee information portal. Supervisors are responsible for providing required safety training to new employees, re-training existing employees when the need arises, and requesting the repair of equipment or new equipment when necessary to preserve workplace safety.

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Supervisors are also responsible for monitoring the safety conditions of their department, addressing safety concerns brought up by employees as appropriate, and relaying safety issues to the Department Director or City Manager as needed.

On the Job Injury / Illness or Near Miss

If an employee experiences an on-the-job injury, illness, or near miss, they must report it as soon as possible or within twenty-four (24) hours of the occurrence of the injury, illness, or near miss.

Occasionally, additional information will be requested regarding an employee's report of injury, illness, or near miss. Employees must make every effort to assist the City in gathering additional information, or participating in a root-cause analysis if appropriate. Additional information may be found in the City's Accident Prevention Program.

Employees found to intentionally make a false report of an on-the-job injury, illness, or near miss will be subject to disciplinary action up to and including termination.

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.12 INFORMATION TECHNOLOGY

This section governs the use of all information technology equipment and services owned, leased, or maintained by the City and all other information technology equipment and services used for City business. This section sets forth information technology restrictions that are necessary to reduce potential liability, inappropriate use, and possible adverse perceptions by the general public. Failure to comply with the provisions of this section could result in disciplinary action up to and including termination.

What is Mill Creek Information Technology?

Mill Creek Information Technology (MCIT) is any technology application or tool operated by the City that includes, but is not limited to, computers, laptops, tablets, cell phones, computer peripherals and software, servers, phones, fax machines, copy machines, computer network resources, Wi-Fi networks, local and portable electronic storage devices, the Internet, e-mail, social media, websites, text messaging, and other forms of electronic communication, electronic data retrieval and storage, electronic data transmission, and/or electronic data manipulation.

City of Mill Creek employees, volunteers, contract employees, and elected and appointed officials may be provided with access to MCIT to allow for efficient operation of City business. MCIT users are individually responsible for the appropriate use of all MCIT assigned to them and are accountable to the City for all use of such resources. MCIT users may only use the specific applications or tools for which they have authorization.

User Guidelines and Responsibilities

- Within 30 days of account activation, all MCIT users shall complete cyber security awareness training as assigned by the IT Manager. Annual training on cyber security awareness shall also be completed.
- Any MCIT resource provided for use by City employees, contractors, elected and appointed officials and consultants is City property and all uses of these City resources are a matter of City record. Therefore, they are subject to internal and/or external review, auditing, and recall as provided by law. The City reserves the express right to monitor and inspect the activities of the user while accessing MCIT at any time, and to read, use and disclose related records.
- MCIT users who are required to use a mobile device will be provided a device to meet such needs. The needs may be temporary (e.g., attendance at a conference, offsite meeting, or serving in a designated on-call position) or long term. MCIT users required to use a mobile device on a temporary basis can check out City-owned equipment for such purpose through the IT Manager.
- MCIT users should avoid use of a mobile device while driving. If such use is necessary, all MCIT users must comply with state law and use appropriate hands free devices. Typing electronic messages or otherwise allowing a device to take one's attention away from the

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road is strictly prohibited. Employees operating authorized emergency vehicles are exempted.

- MCIT users will not mask their identity.
- Care should be taken to avoid use of MCIT that could bring negative public scrutiny, including any perception of misuse of public resources. All communications and electronic records should be businesslike, courteous, and civil.
- If MCIT is used for purposes that violate federal or state laws, MCIT users may be held legally accountable. MCIT users who learn of any misuse of information technology should immediately notify their supervisor or the IT Manager.
- MCIT users should make a reasonable effort to protect their passwords and to secure MCIT against unauthorized use or access.
- MCIT users are not required to keep call logs, unless such logs are requested pursuant to a public records request, litigation, or are reasonably anticipated to be relevant to potential litigation. In such instances, the MCIT user shall not delete or otherwise alter the call logs and should instead immediately coordinate for such logs to be transferred to the City Clerk or City Attorney.
- When technically capable and practical for use, all MCIT equipment used for City business should be password protected subject to password protocols established by the IT Manager.
- City-owned USB storage devices should be used whenever practical. USB devices provided by a trusted source for law enforcement evidence purposes are approved for use. All other USB devices provided by a third party must be approved by the IT Manager prior to use.
- The City maintains two official websites: www.cityofmillcreek.com and <http://www.millcreektourism.com>. MCIT users shall not create any other official or unofficial website for City use.
- MCIT shall not be used by the City Council or other officials in violation of the Open Public Meetings Act. Participating in online, electronic or telephonic discussions may constitute a meeting under the Open Public Meetings Act (RCW 42.30).

Public Records

All records created through the use of MCIT are considered public records. All such records are subject to City interception, access, search, retrieval, monitoring, inspection, copying, and/or public dissemination for purposes of conducting City business according to the Public Records Act (RCW 42.56) and associated Washington State Local Government Common Records Retention Schedule (CORE).

No MCIT user may surplus, destroy or otherwise dispose of media containing City business records without prior authorization and specific instructions of the IT Manager and/or compliance with specific applicable procedures and policies.

Use of Personal Devices to Conduct City Business

Use of non-City devices to perform City business should be limited to the following circumstances:

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- Use of a non-City phone to occasionally make or receive phone calls while away from an assigned office phone. MCIT users should be aware that although the City does not retain or track call logs on non-City owned devices (e.g. to monitor appropriate use), such records could become the subject of a public records request or City related litigation.
- Approved use of a non-City device to sync a City email account and/or calendar using the City's Exchange Active Sync server. Before being approved to sync email and/or calendars to a non-City device, MCIT users must sign an acknowledgement or agreement approved by the IT Manager that outlines the expectations and limitations of such use, including password requirements, risk of exposure of the device to public records requests, and other security precautions. The internal storage on such devices may not be used to create or modify email attachments or other documents.
- Authorized access through an internet browser to email and/or a calendar at <https://webmail.cityofmillcreek.com>. The internal storage on such devices may not be used to create or modify email attachments or other documents.

MCIT users who choose to use a personal device to conduct City business may have diminished expectation of privacy in all of the information stored on such devices.

Public record disclosure and retention laws cannot be avoided by using personal devices to conduct City business. Records created by MCIT users in the conduct of the performance of City work on personal devices are public records that must be retained and made available for public disclosure. If MCIT users use personal devices to conduct public business, the City may be required to search those devices to recover and produce public records.

Any search of an IT user's personal devices shall comply with all applicable laws. The City will not intentionally produce clearly private/non-business related records to the public. However, the City, its consultants, its attorneys, judges, and/or the attorneys of those who seek public records may be required to review non-City business records to ensure all business-related records are produced and retained in accordance with state law.

Integrity and Security

The MCIT infrastructure contains sensitive financial, personal, law enforcement and other sensitive information. The integrity of all City records must be protected. Networked computer systems can easily spread computer viruses, and it is every MCIT user's responsibility to exercise due caution to minimize the risk of viruses. Since email attachments are a common source of viruses, only those received from expected and known business sources shall be opened. No external computer files may be downloaded without being properly scanned for viruses.

Mobile computers and devices, in particular, are subject to damage, theft, or loss when removed from City offices. MCIT users are therefore responsible for taking measures to prevent damage, theft, or loss of City equipment.

MCIT users' access to data on the City's servers, voicemail system, archives and other storage mechanisms is limited to job-related access for authorized business purposes only. MCIT users shall not access, intercept, copy, or reproduce the City's business records for personal use or gain, or in any way that harms the City's interests. If an IT user wishes to access City business records for personal purposes, the IT user should make a public records request for such records.

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If a MCIT user wishes to make hardware changes (including, but not limited to: keyboards, mice, monitors), install software, or make any other changes to MCIT, he/she shall notify in advance the IT Manager, who shall make the final decision regarding the appropriateness of such changes. At a minimum, the criteria for determining the appropriateness of a change to a computer system shall include:

- Software and hardware shall be compatible to the City's computer network and have a legitimate business use.
- Downloading and/or uploading of all software and files must be virus free. MCIT users are required to follow the appropriate virus scan protocol before downloading/uploading software or other electronic information to the City's computer system.
- Software shall be properly licensed for use by the MCIT user.
- The change shall not affect the overall integrity of the City's computer systems.

Personal, sensitive, or confidential information shall not be stored on unsecured and unattended mobile devices or portable storage devices (e.g., USB memory sticks, USB external hard drives, CD/DVD Drives). If storage of such information on mobile devices is necessary, access to such information must be secured by a device-level password or PIN and any other procedures established by the IT Manager that meet industry standards for security.

If storage of personal information on unattended portable storage devices is necessary, the files or device shall be encrypted in accordance with procedures established by the IT Manager that meet industry standards for security.

Such a portable storage device may be used to copy personal information from one location (e.g., a secondary workstation) to another location (e.g., a primary workstation) without encryption as long as the personal information is securely wiped/erased from the portable storage device prior to being left unattended.

Personal Use of Mill Creek Information Technology

City owned and maintained information technology is intended for official City business purposes. However, the City allows de minimis personal use by MCIT users (e.g., checking cloud-based personal email accounts, making or receiving toll-free personal phone calls, or using the internet for non-business related purposes) so long as such use is infrequent and non-disruptive, appropriate in the workplace, is not detrimental to the conduct of City business or negatively impacts other MCIT users, does not cause the City to incur costs or charges, does not cause public perception that City resources are being used inappropriately, and does not cause any security threat to or increased burden on the MCIT infrastructure.

Personal use of MCIT is limited to the authorized IT user only and may not be shared with any unauthorized user (e.g., family members).

Personal use by employees shall not distract or disrupt any employees from their duties, and shall be limited in frequency, location and duration. Personal use of MCIT by employees who are paid on an hourly basis should be limited to unpaid time and the employee's authorized paid breaks unless such use does not interfere with the employees work.

Employee use of personal devices or MCIT for City business while off duty or from a remote location is limited to FLSA exempt employees and employees with express authorization from his/her supervisor to work from a remote location during those applicable times.

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Non-exempt employees should not check City email accounts from home or otherwise outside of their scheduled working hours unless it is a de minimis or personal use (e.g., an employee checking his/her work schedule to coordinate his/her personal time, such as scheduling personal appointments or vacations). Non-exempt employees performing any substantive work while off duty (including checking and responding to business emails) shall record that time as time worked and promptly report the time worked to his/her supervisor. Non-exempt employees performing unauthorized off duty work will be paid for all time worked, but if such time was not authorized or approved, the employee may be subject to discipline and/or required to flex his/her schedule during the same pay period to avoid the off-duty work from causing the City to pay unauthorized overtime.

The City retains the right to revoke the privilege of allowing limited personal use of the City's information technology.

Internet Usage

Internet access on the City server by default is provided to every MCIT user with a City login and may be restricted upon request by a supervisor. Internet use may be logged and monitored for compliance with the City's policies.

Resources of any kind for which there is a fee, including all Internet sites, shall not be accessed or downloaded without prior approval of department directors.

Because the City must be able to access, retain, and retrieve all public records, use of an online storage service is prohibited unless authorized by the IT Manager. The IT Manager may adopt and implement procedures for utilizing such services.

Streaming media should be limited so as not to interfere with network and internet performance. If attending a webinar, MCIT users should coordinate to share a single stream from a single computer when practical.

Instant Messages

MCIT users should avoid sending or receiving text messages (SMS, MMS) and all other forms of instant messages related to City business via personal devices. If instant messages are sent or received, the MCIT user shall notify the IT Manager as soon as possible to coordinate appropriate retention of the records required by law.

Due to the difficulty of retaining and producing instant messages, sending and receiving of text or instant messages from City owned devices should be limited to circumstances when other forms of communication are not suitable.

All MCIT users sending and receiving text or instant messages via MCIT shall retain the messages in a manner authorized by the IT Manager and in compliance with applicable state retention schedules. MCIT users shall not delete any instant messages on MCIT or City business related instant messages on PIT without preauthorization by the IT Manager, who will consult with others as necessary to determine appropriate retention requirements.

Virtual Private Network

Only MCIT may be used as a client to access MCIT through an authorized virtual private network connection.

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If an MCIT user has a need to create or edit a document while using a non-City device, such records shall be saved directly to MCIT owned or maintained storage – not personally owned storage. The type of pre-approved storage is subject to change based upon the type of device used and availability. When such connection is unavailable, the IT Manager may arrange for City maintained cloud services or portable storage devices to be used to save documents. MCIT users with such need should seek assistance and guidance from the IT Manager.

Prohibited Uses

MCIT shall not be used for illegal, prohibited, harassing, libelous, or obscene purposes, or in a way that violates any City policy, procedure, rule, or local or state law/regulation. The following uses of MCIT by any MCIT user are specifically prohibited with regards to personal and business use unless for authorized job related purposes:

- Commercial use for an MCIT user's personal business.
- Solicitations that promote monetary gain for an MCIT user or an MCIT user's charity unless otherwise authorized by the City Manager, separate policy, or in conjunction with a City sponsored event.
- Political use, including partisan campaigning or sending political messages.
- Any type of harassment or discrimination – including transmission of obscene or harassing messages to any individual or group because of their sex, race, creed, religion, national origin, sexual orientation or other protected class status.
- Accessing of pornographic, sexually explicit or indecent materials and any other materials that are otherwise unreasonably offensive and not appropriate in the workplace.
- Any activity that could adversely affect the City of Mill Creek's image or reputation.
- Gambling or gaming (including loading or playing computer games).
- Anything that unreasonably hampers City network or other information technology.
- Peer to peer file sharing.
- Unauthorized copying of copyrighted material or anything that violates software license agreements.
- Downloading or installing software that is not pre-authorized by the IT Manager.
- Use of an assumed name with intent to obscure the origin of a communication.
- Transmitting City records for personal or other use without City authorization.
- Transmitting information to unauthorized persons or organizations.
- Malicious use of the system, including but not limited to hacking, denial of service, and unauthorized access, so as to deprive others of system use or resources.
- Personal use of MCIT while connected to the City's network for streaming media unless approved by a supervisor or director.

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- Personal uses that cause the City to incur charges or costs. An exemption to this rule is that employees are allowed to make infrequent and de minimis use of City printers and/or copy machines for limited personal use.

References

- [CM 200-01: Social Media Policy](#)
- [Driving Under the Influence of Electronics Act](#)
- [RCW 40.14: Preservation and Destruction of Public Records](#)
- [RCW 42.30: Open Public Meetings Act](#)
- [RCW 42.52.160: Use of Persons, Money, or Property for Private Gain](#)
- [RCW 42.52.180: Use of Resources for Political Campaigns](#)
- [RCW 42.56: Public Records Act](#)

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Email is an essential means of communication in support of the City's daily public service and administrative functions. The City encourages using email to improve communications, share information, transact City business and exchange ideas. However, email should not take the place of a face-to-face conversation, nor should it be used to share information that individuals would not want to be part of a public record, such as personal information. Failure to comply with the provisions of this section may result in discipline up to and including discharge.

Access to and Use of Email

Access to City email is provided to Mill Creek Information Technology (MCIT) users to allow for efficient operation of City business. All uses of City email are a matter of City record and are subject to internal and/or external review, auditing, and recall as provided by law. Use of City email is subject to conformance with this section and any and all other restrictions imposed by the City Manager, department heads, and/or the City's Information Systems and Technology Manager.

User Guidelines and Responsibilities

- All email accounts used for City business must be password protected. The IT Manager is responsible for establishing password protocols designed to protect the City's information technology, and for updating protocols as necessary.
- City email users shall use the City's email signature that identifies the MCIT user's affiliation with the City, provides contact information, and demonstrates professionalism.
- MCIT users do not have a right to privacy when using City email. The City reserves the express right to monitor and inspect the activities of the employee while accessing City email at any time, and to read, use and disclose related records.
- Care should be taken to avoid use of City email that could bring negative public scrutiny, including any perception of misuse of public resources. All email communications should be businesslike, courteous, and civil.
- If email is used for purposes that violate federal or state laws, MCIT users may be held legally accountable. MCIT users who learn of any misuse of information technology should immediately notify their supervisor or the IT Manager.
- MCIT users shall exercise due caution when sending confidential or sensitive information electronically. Protected, confidential, or other sensitive data (e.g., HIPAA, CJIS, PCI) shall not be sent via unencrypted email, as unencrypted messages may be intercepted, viewed, and used for non-approved purposes. Contact the IT Manager for assistance with transmitting such messages.

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- An MCIT user forwarding a message that originates from someone else shall not make changes to that message that would be misleading or deceitful.
- If an electronic mail message comes to an MCIT user by mistake, the MCIT user shall stop reading it as soon as they realize the message was not meant for them, delete it, and notify the sender immediately.
- MCIT users should delete emails from their email folders when they are no longer needed for City business. All messages sent to and from City email accounts are archived as they are sent and received.
- Email messages sent to or from attorneys acting on behalf of the City, its officers or employees may be privileged communications and are therefore confidential. These messages shall not be forwarded outside of the City without the prior approval of the involved attorney or City Attorney. Likewise, such messages shall not be forwarded or copied to internal City recipients without approval of the City Attorney unless any and all such recipients have a legitimate business need to be aware of the advice/ information provided within the message.
- Attachments are limited to 20 MB in size and all use of attachments should be limited. The preferred option is to use a link to a document stored on a City file server for internal messages, and a link to a shared document on a City managed and authorized externally available storage location for external messages. MCIT users should contact the IT Manager for assistance with transmitting large documents that exceed the attachment size limitation.
- MCIT users who do not have a need to review another MCIT user's email in order to maintain or operate the email systems, respond to a public records requests, or investigate violations, legal claims or legal defenses, shall not retrieve or read such email unless authorized by the person to whom the email belongs or the City Manager.
- City email shall not be used by the City Council or other officials in violation of the Open Public Meetings Act. Participating in email discussions may constitute a meeting under the Open Public Meetings Act (RCW 42.30).

Personal Use of City Email

MCIT users should avoid using City email accounts for sending or receiving personal emails. City owned and maintained information technology is intended for official City business purposes.

- The City allows de minimis personal use by MCIT users so long as such use is infrequent and non-disruptive, appropriate in the workplace, is not detrimental to the conduct of City business, does not negatively impacts other MCIT users, does not cause the City to incur costs or charges, does not cause public perception that City resources are being used inappropriately, and does not cause any security threat to or increased burden on the MCIT infrastructure.
- The emails exchanged during infrequent use of a City email account for personal purposes (e.g., use for coordinating/scheduling child care pickups, or other time-sensitive matters for which the MCIT user is more likely to see on City email during the day than a personal account) are subject to City inspection and possible public disclosure.

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- De minimis personal use of City email is limited to the authorized MCIT user only and may not be shared with any unauthorized user (e.g., family members).

The City retains the right to revoke the privilege of allowing limited personal use of the City's information technology.

Use of City Email while Off Duty

Employee use of City email for City business while off duty or from a remote location is limited to FLSA exempt employees and employees with express authorization from his/her supervisor to work from a remote location during those applicable times.

Non-exempt employees should not check City email accounts from home or otherwise outside of their scheduled working hours unless it is a de minimis or personal use (e.g., an employee checking his/her work schedule to coordinate his/her personal time, such as scheduling personal appointments or vacations). Non-exempt employees performing any substantive work while off duty (including checking and responding to business emails) shall record that time as time worked and promptly report the time worked to his/her supervisor.

Non-City email accounts (e.g., Gmail, AOL, MSN, Hotmail, Outlook, Yahoo) should not be used to conduct City business unless approved in advance by the City Manager and an approved records retention system is put in place to archive all email to and from these accounts.

Mass Communication – Internal Audiences

MCIT users shall not distribute emails to all City employees, with or without the use of a distribution group or listserv, without direct authorization from the City Manager or the Director of Communications and Marketing. Such emails that receive approval must be business-oriented, including City announcements, news or events. The use of all-employee emails is restricted to those messages that meet one of more of the following tests:

- The message is essential to the proper execution of daily business.
- It notifies employees of significant events or changes in governance, policy, and practice.
- It alerts employees to situations around health and safety (e.g., crime alerts, snow closings and flu vaccinations).
- It keeps segments of employees informed of their business (e.g., in the case of official committees, the messages could contain minutes, updates, and announcements).

Announcements that do not meet these requirements of urgency and/or critical information should be relayed through other methods, such as ADP or the Monday Minute.

Mass Communication – External Audiences

MCIT users shall not use email for mass communications to external audiences without direct authorization from the Director of Communications and Marketing or the City Manager.

- In the event that mass communications are approved, the email addresses to which the email will be sent must be listed in the Bcc (blind carbon copy) field to prevent unnecessary disclosure of email addresses and reduce vulnerability to junk email.

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- The City's general email server shall not be used for mass communications. Rather, external email services shall be utilized.

Prohibited Uses

City email shall not be used for illegal, prohibited, harassing, libelous, or obscene purposes, or in a way that violates any City policy, procedure, rule, or local or state law/regulation. The following uses of City email by any MCIT user are specifically prohibited with regards to personal and business use unless for authorized job related purposes:

- Commercial use for an MCIT user's personal business.
- Solicitations that promote monetary gain for an MCIT user or an MCIT user's charity unless otherwise authorized by the City Manager, separate policy, or in conjunction with a City sponsored event.
- Political use, including partisan campaigning or sending political messages.
- Any type of harassment or discrimination – including transmission of obscene or harassing messages to any individual or group because of their sex, race, creed, religion, national origin, sexual orientation or other protected class status.
- Accessing of pornographic, sexually explicit or indecent materials and any other materials that are otherwise unreasonably offensive and not appropriate in the workplace.
- Any activity that could adversely affect the City of Mill Creek's image or reputation.
- Anything that unreasonably hampers City network or other information technology.
- Unauthorized copying of copyrighted material or anything that violates software license agreements.
- Use of an assumed name with intent to obscure the origin of a communication.
- Transmitting City records for personal or other use without City authorization.
- Transmitting information to unauthorized persons or organizations.
- Malicious use of the system, including but not limited to hacking, denial of service, and unauthorized access, so as to deprive others of system use or resources.

References

- [RCW 40.14: Preservation and Destruction of Public Records](#)
- [RCW 42.30: Open Public Meetings Act](#)
- [RCW 42.52.160: Use of Persons, Money, or Property for Private Gain](#)
- [RCW 42.52.180: Use of Resources for Political Campaigns](#)
- [RCW 42.56: Public Records Act](#)

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CHAPTER 3 – CONDUCT AND EXPECTATIONS

3.14 PERSONAL ELECTRONICS

Mill Creek Information Technology

Section 3.12 [Information Technology](#) covers appropriate business and personal use of City owned technology (such as a City-issued tablet). It also covers the use of personal electronic devices (such as cell phones) for business-related purposes. For questions and information related to those situations, refer to [3.12 Information Technology](#) or address questions to the Information Systems and Technology Manager.

Personal Electronic Devices for a Non-Business Related Purpose

Not covered in the section referenced above is the use of personal electronic devices for personal use during working hours. An example of this may be a personal phone call made on a personal cell phone. In general, employees are allowed to have personal electronic devices with them during working hours as long as their personal use of these devices is limited to breaks and lunch periods, emergency situations, or such use is minimal and does not interfere with the employee's job duties or the safety of the employee or others.

Examples of approved uses of personal devices would be a personal phone call during the employee's break period, or playing music/radio (that is appropriate to the workplace and is kept at a reasonable volume) in the employee's work space. Examples of inappropriate uses of personal devices would be excessive personal phone calls or texting during work hours, music that is played at a volume that is distracting to others near the employee's work space, or wearing headphones that interfere with required protective equipment.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.1 EMPLOYMENT STATUS

Employment Status Definitions

All employees have a designated employment status. This status, along with the FLSA classification noted in their position description, is used to determine pay, benefits, and other eligibility. All employees fall under one of the following four employment statuses. If an employee is unsure of which status they are in, they should speak with Human Resources.

- **Full Time Regular.** Also referred to as simply “Full Time,” this status is for a position established for an indefinite period of time. Full time employees are regularly scheduled to work at least forty (40) hours per week, which represents 1.0 FTE. These employees are eligible for benefits and paid time off as outlined in this manual.
- **Part Time Regular.** Also referred to as simply “Part Time,” this status is also for a position established for an indefinite period of time. Part-time employees are regularly scheduled to work at least twenty (20) hours per week (.5 FTE) and fewer than forty (40) hours per week. Part-time employees are eligible for pro-rated benefits and paid time off accruals based on their FTE as outlined in this manual.
- **Casual:** Casual employees are hired to work on an intermittent or as-needed basis, or are regularly scheduled to work less than twenty (20) hours per week. Casual employees are not eligible for benefits other than those required by state or federal law (for example, sick leave).
- **Temporary:** Temporary employees fill a position that is temporary in nature as a result of emergency, peak workloads, or coverage/substitution for other employees. The length of employment will generally not exceed six (6) months, unless an extension is allowed and granted by the City Manager. Temporary employees are not eligible for benefits other than those required by state or federal law (for example, sick leave).

FLSA Classification

In addition to the employment status, all employees have an FLSA classification that is based on the position they are employed in. The FLSA classification of the position determines whether an employee is exempt or non-exempt under the [Fair Labor Standards Act \(FLSA\)](#).

- **Exempt.** Employees in positions classified as exempt are not subject to the overtime provisions of the Fair Labor Standards Act, and the overtime and callback provisions of the collective bargaining agreements. To be classified as exempt, an employee’s position must meet exemption criteria as outlined in the FLSA.
- **Non-Exempt.** Employees in positions classified as nonexempt are covered by the overtime provisions of the Fair Labor Standards Act. Employees in these positions are entitled to pay on an hourly basis for all hours worked regardless of their scheduled FTE.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.2 SALARY ADMINISTRATION AND PAY PRACTICES

In order to attract and maintain a qualified workforce, the City strives to be equitable and consistent in the administration of employee salaries, while allowing the flexibility necessary to meet compensation needs unique to particular departments and/or positions. To help maintain pay equity within the workforce, the City has developed standard salary administration guidelines, pay practices, and a salary plan. Human Resources will work in consultation with managers to insure that pay practices are consistent within the organization.

Salary Plan

The City's established salary plan consists of position classifications that correspond to salary grades (also referred to as ranges), and may have interim steps assigned within each grade.

Position classifications are assigned based on several factors which may include:

- The duties, responsibilities and required qualifications of the position;
- Comparison to similar work performed in other internal positions;
- Compensation for similar work performed in the external market;
- Financial position and policies of the City; and
- Other relevant factors (could include the cost of turnover or the cost of recruitment for that particular position)

Most position classifications correspond to a single salary grade, though there may be some classifications where multiple grades are appropriate. All employees will receive a salary that is not less than the minimum and not more than the maximum of the salary grade to which their position is assigned (exclusive of incentives such as longevity). Exceptions to this rule are defined in [400-01 City of Mill Creek Personnel Policies](#). Monthly rates in the salary plan are calculated on the basis of full-time service in full-time positions (2080 hours per year). Hourly rates of pay are derived from these full-time salary rates. For any position that requires less than full-time service, salary will be prorated based on FTE (full time equivalent).

Annual Increases

Employees may be eligible for a step increase on their anniversary date each year. Annual step increases are contingent on an employee's satisfactory job performance and will be applied only after the employee's evaluation has been completed. The annual increase will bring the employee to the next step in the grade, unless the employee is currently in the top step of the assigned pay grade. If the evaluation indicates satisfactory job performance, and the evaluation is submitted after the anniversary date, then retro pay will be applied back to the employee's anniversary date.

Salary Determination at Time of Hire

New employees who closely meet the minimum qualifications required of a position are generally hired into step one (1) of the grade that the position is assigned to. In consultation with

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Human Resources, the hiring manager may authorize a starting salary up to step four (4) of the appropriate grade based on the following reasons:

- The applicant possesses experience, education or demonstrated skills and abilities that are significantly above the minimum requirements of the position.
- Marketplace factors require paying the salary level to attract a qualified candidate (job is considered "hard to fill").

Any starting salary above step 4 must be authorized by the City Manager.

Promotions

Promotional increases are granted in recognition of a change in assignment to a position in a higher salary grade. Salary increases granted in recognition of promotion should put the employee into an appropriate step which provides the employee with an increase of at least 4% above their current salary. A promotional increase should coincide with the first day of employment in the new assignment, and the beginning of a pay period whenever possible. The beginning date of the employee's promotion becomes his/her new anniversary date for annual pay review purposes.

Demotions

The assignment or reassignment of an employee to a position in a lower salary grade is considered a demotion. Demotions may be the result of poor performance, a re-organization, or an employee request. Salary decreases as a result of demotion should put the employee into an appropriate step which should not exceed the top of the salary grade of their new position. An appropriate step for a performance based demotion, or demotion at the employee's request, should not be higher than the affected employee's current salary. Any demotion should coincide with the first day of employment in the new assignment, and the beginning of a pay period whenever possible. The beginning date of the employee's demotion becomes his/her new anniversary date for annual pay review purposes.

Transfers

A transfer is defined as a change into a different position within the same salary grade as the employee's current position. A transfer does not generally warrant an increase in salary or a change in the anniversary date.

Reclassification

A reclassification is the reassignment of a position to a higher or lower salary grade within the pay and classification plan due to a reevaluation of position responsibilities and/or significant change in the going rate for comparable positions in the external market. Reclassifications do not change an employee's anniversary date.

Reclassification Requests

A reclassification request must include sufficient information to demonstrate a significant change in the position's responsibilities. Reclassification should not be undertaken for the purpose of changing salary based on an employee's job performance in a job that is classified appropriately.

- Requests for reclassification, along with an updated job description, should be submitted by the supervisor to Human Resources during the budget development period (by August 1st) for consideration and potential inclusion in the budget. Requests must also be signed off by the appropriate chain of command. (Reclassification of positions

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covered by labor agreements may also be proposed through union representatives and are considered at the time of contract negotiation).

- Human Resources will evaluate the position's current scope of responsibilities, changes to the job, and consider other positions within the City's pay and classification plan. Human Resources will make a recommendation to the City Manager, who will have the final authority to decide the merits of the reclassification request.
- Reclassification must be approved by the City Council. The City Manager retains the authority to assign employees to appropriate job classifications.

Pay Changes Due to Reclassification

If a reclassification results in the employee being assigned to a higher grade than their current grade, the employee will be assigned to the appropriate step in the new grade which is closest to their current salary and provides equivalent or higher pay.

If a reclassification results in the employee being assigned to a job classification that has a lower salary range than their current job classification, the employee's salary will remain at its current level, unless that salary is above the maximum of the salary range for the new classification, in which case, the employee's salary will be decreased to the maximum amount in the new salary range.

Unless another date is approved, the effective date of a salary increase/decrease due to reclassification will be January 1 of the calendar year following the year in which the reclassification was approved.

Cost of Living Adjustments (COLA)

Cost of living adjustments are across the board increases to the pay and classification plan (and all salaries on that plan) designed to bring pay in line with increases in the general cost of living as determined by looking at the Consumer Price Index, cost of wages, comparable cities, and other factors. Cost of living adjustments are approved by the City Council and are typically effective January 1st of each year.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.3 RE-HIRES AND BRIDGING SERVICE GAPS

Re-Hires

Employees who are separated, and then return to work for the City, are considered re-hires. It is important have a set of rules governing gaps in service so that all employees are treated fairly with regards to their wages, step increases, and any longevity based premium pays. All employees will have an original hire date, which is the date that they first begin working for the City. If an employee is separated for any length of time and then returns to City employment, they will be given a re-hire date. Even if that employee is returning to the same or similar job to the one that they left, the re-hire date will serve as that re-hired employee's new anniversary date.

Bridging Service Gaps

For the purposes of determining longevity, the following rules shall apply to bridging service gaps for re-hires:

- For employees that do not have service gaps, longevity is counted back to the employee's original hire date. This is true regardless of whether the employee is full time, part time, casual, or temporary. For example: an employee hired on January 1st, 2018 works until January 1st, 2019. Regardless of their hours worked, this constitutes one year of employment.
- For employees that have service gaps of 6 months or less, longevity is counted back to the employee's original hire date, less the amount of time that the employee was separated from the City. For example: an employee hired on January 1st, 2018 works until December 1st, 2018 and then resigns and is re-hired on January 1st, 2019. This person has longevity of 11 months.
- For employees that have service gaps of more than 6 months, longevity is calculated only back to that employee's re-hire date. For example: an employee is hired on January 1st, 2018 and works until March 1st, 2018, resigns, and is re-hired on January 1st, 2019. This person's past employment with the City does not count towards their longevity going forward.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.4 WORK HOURS AND PAY PERIOD

Standard Work Period

The regular work period consists of forty hours of work in a seven day period, beginning Monday at 12:01 a.m. and ending at 12:00 midnight on Sunday. The standard work day for full-time employees is eight hours in a day with a one hour unpaid lunch break.

Meal Breaks

The typical meal break for City employees working an eight hour day is a one hour unpaid lunch break. By law, employees who work over five hours in a workday are entitled to a meal period of at least thirty minutes, which should be taken within five hours of the start of their shift. Meal periods are unpaid, unless the employee is required to remain on duty.

If an employee works more than three consecutive hours longer than a normal work day, they will be allowed an additional unpaid thirty-minute meal period prior to or during the overtime period.

Breaks

Employees are entitled to a fifteen minute paid break for each four hours worked. An additional ten minute paid break is allowed for employees who are scheduled to work ten hours in a day. Employees who work more than three hours but less than eight hours may take a single twenty minute break provided it takes place no more than four hours after their start time. Breaks may not be used to start or end a work day.

If an employee's job allows them to take intermittent breaks during the course of the day, breaks need not be rigidly scheduled and may be taken at the discretion of the employee. The timing of the rest breaks should not disrupt City operations or service to the public.

Alternative Work Schedules

Alternative work periods and flexible work schedules may be approved at the discretion of the department director and City Manager depending on the operational needs of the department and the service needs of City residents.

Such alternative schedules may include:

- A 4/40 schedule – four, ten hour work shifts within the standard Monday through Sunday work period.
- A 9/80 schedule – eight, nine hour work shifts and one, eight hour work shift within a two week time period. This schedule requires an alternative work period beginning Friday at 12:01 p.m. and ending at 12:00 noon on the following Friday.

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- A part-time schedule – not less than 20 hours per week for regular employees within the standard Monday through Sunday work period.

Alternative work schedules or work periods may be revoked or changed at any time. Documentation of alternative schedules should be signed by the employee and their supervisor, and kept in the employee's personnel file.

Employees who use an alternative work schedule must account for a full regular workday whenever they are scheduled off. For example: if an employee is working four ten hour shifts, and they are off on a City paid holiday, they are required to document eight holiday hours, and two additional hours of paid time off on their timecard for that day. This will account for their regularly scheduled hours.

Pay Period

The regular pay period is designated as the 1st day of the month through the 15th, and the 16th of the month through the last day of the month. Employees are paid twice monthly by direct deposit into their bank account.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.5 OVERTIME AND COMPENSATORY TIME

When is Overtime Paid?

Non-exempt employees are eligible for overtime pay at 1½ times their regular hourly rate for all hours worked over 40 in a workweek. Hours paid but not worked (non-productive time) such as sick leave, annual leave, compensatory time off, holiday time, etc. do not count for purposes of computing overtime. (Note: employees covered under a collective bargaining agreement may have different rules for calculating overtime.)

Part-time non-exempt employees will be compensated at their straight time rate of pay up to forty (40) hours per week. All hours worked in excess of forty (40) hours per week fall under the same provisions for overtime and compensatory time off for full time non-exempt employees, as described above.

Exempt employees are paid a fixed salary for all hours of work performed within a pay period, and are not eligible to receive overtime compensation. An exempt employee's salary is based on their scheduled hours and FTE, and is not dependent on the actual number of hours worked in a day or week. Exempt employees are expected to work an assigned schedule, but may sometimes work more than their FTE in order to fulfill their job responsibilities (without additional pay).

Required vs Requested Overtime

As a condition of employment, employees may be required to work overtime hours. The need to assign overtime will be determined by the employee's supervisor based on staffing and operational needs of the City or the department.

Occasionally an employee will request to work additional hours either to complete a project or to make up for time missed. All overtime work must be authorized by the supervisor before the employee works overtime. In general, supervisors should not approve a request to make-up for time missed if the make-up time would result in overtime.

Compensatory Time

In lieu of overtime pay, an employee may choose to earn compensatory time off (comp time) at the rate of 1½ hours off for each hour of overtime earned. Compensatory time off (in lieu of overtime) must also be approved in advance by the employee's supervisor. Employees are encouraged to use their compensatory time off within ninety (90) days of the date it is earned unless City operations would be unduly disrupted by the employee's absence. No more than sixty (60) hours of compensatory time off may be accumulated. Unused compensatory time off may be carried over from year to year.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.6 CALLBACK PAY

Callback Time

Employees may occasionally be called back to work outside of their regular working hours without prior notification. Callback time starts when the employee reports to the workplace, and does not include an extension of a shift (hours worked either before or after a regularly scheduled shift).

For example: If a supervisor asks an employee to stay an extra hour after their shift would normally end, this is not considered callback time. If an employee has left the worksite after completing their shift and the supervisor calls the employee back to work, this is considered callback time. If an employee is called in early prior to their shift beginning, this is not considered callback time unless they must then leave the worksite after the time period they were called in for, and return later for their normal work hours.

Callback Pay

In instances where non-exempt employees work callback time, they will be paid for actual time worked, or for two hours, whichever is greater. The pay rate for the first 2 hours worked will be at 1 ½ times their hourly rate and any additional hours will be paid at the applicable rate. The applicable rate will be determined by the overtime rules that apply to that employee. If the overtime rate applies for any callback time after two (2) hours, employees may be permitted to take this time as compensatory time off.

In instances where exempt employees work callback time, no additional pay applies.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.7 INCENTIVES AND PREMIUMS

Longevity Premiums – Non-Represented

Non-represented employees attaining seven, ten, fifteen, and twenty years of service are eligible to receive longevity pay premiums, per the table below. The employee must be in good standing and performing satisfactorily to receive the longevity premium.

Years of Service	% increase (from base pay)
7	2%
10	3%
15	4%
20	5%

Premiums are applied automatically on the applicable anniversaries of the employee’s hire date. If the employee is not in good standing or not performing satisfactorily, the premium will not apply or will be taken away. “Not in good standing” means that the employee is currently on a suspension or pending other disciplinary action. In this case, the premium may be applied beginning the pay period following the resolution of the disciplinary action and no retro-pay will be initiated. “Not performing satisfactorily” means that the employee is currently on a Performance Improvement Plan. In this case, the premium may be applied beginning the pay period following the successful completion of the performance improvement plan and no retro-pay will be initiated.

Premium Pays and Incentives – Represented

Longevity and other premium or incentive pays may apply to employees that are members of a bargaining unit. These employees should refer to their contractual bargaining agreements to find out which premiums or incentives apply to them.

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CHAPTER 4 – COMPENSATION AND PAY PRACTICES

4.8 RECORDING TIME AND TIMECARDS

Timecards

Official timecards are kept in the ADP system and represent legal documents that are used to accurately document and record working time. As with other personnel records, time cards are the property of the City. Employees are required to complete their own timecard and submit it to their supervisor for review and approval in a timely manner. Supervisors are responsible for ensuring that time cards are reviewed for accuracy, approved, and submitted to payroll in a timely manner. Falsification of time cards or unauthorized alteration of a time card will be grounds for disciplinary action, up to and including discharge.

Non-Exempt Employees

Employees designated as FLSA “non-exempt” may be paid on an hourly basis or a salaried basis. Both hourly and salaried non-exempt employees are responsible for keeping accurate daily records of all hours worked using appropriate pay codes, and accounting for all regularly scheduled hours. If available, applicable paid leave must be taken before using unpaid leave.

Non-exempt employees should not work outside of their regular schedule, or work remotely, unless they get prior authorization from their supervisor. This includes checking City email accounts while away from work (unless it is de minimis or for personal reasons, such as checking his/her work schedule to coordinate personal time, confirm calendar items, schedule personal appointments or vacations, etc.).

Non-exempt employees are eligible for overtime pay for all hours worked over 40 hours in their work period (generally Monday through Sunday unless an alternative 7 day work period has been defined). If a non-exempt employee performs any substantive work while off duty, they must record that time on their timecard, and inform their supervisor. If the time worked was not authorized or approved, the employee may be subject to disciplinary action, and/or be required to flex his/her schedule during the same work period to avoid the off-duty work causing the City to pay unauthorized overtime.

Exempt Employees

Employees designated as FLSA “exempt” are paid on a salaried basis and are not compensated for the exact number of hours worked each day or week. They will receive the same salary each pay period although their actual work hours may fluctuate based on the needs of the department and the City. In order for the City to maintain an efficient and productive workplace, exempt employees are assigned a regular work schedule and FTE based on the responsibilities of their job, and are expected to fulfill the requirements of their assigned schedule. Exempt employees are not eligible for overtime pay for hours worked in excess of 40 hours in a work period.

Because of this, exempt employees are not required to track their hours worked on a daily basis except in circumstances where there is an exception to their regular schedule that amounts to

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four (4) hours or more. An example may be if an exempt employee misses 4.5 hours of their shift due to a medical appointment. They should record 4.5 hours sick time on their timecard for that day. If an exempt employee misses less than 4 hours of their normal work day, they are not required to document the time away from work on their timecard, and will typically flex their schedule as necessary during the pay period in order to meet their job and schedule requirements. Exempt employees must submit time off requests in the same manner as non-exempt employees, so that their timecards accurately reflect any paid time off.

Exempt employees may flex their hours or days in order to accommodate their job responsibilities (i.e. an employee whose regular schedule is Monday through Friday may need to work on a Saturday, so may arrange to take another weekday off during the same pay period). Schedule fluctuations should be communicated to the employee's supervisor and to others whose jobs may be affected by the schedule change, but will not need to be recorded on the exempt employee's timecard.

Employee Responsibilities

Employees are responsible for accurately recording their time worked as required by their employment status (exempt or non-exempt) and to ensure that any paid time off taken is also accurately reflected on their timecard. Employees are responsible for approving their ADP timecard at the end of each pay period. An employee's approval indicates that all time recorded on the ADP timecard (both time worked and paid time off taken) accurately reflects what they did that pay period, and when during the pay period it occurred. An employee may not record time worked on a day or during a time other than the day and time the work was actually performed. For example: an employee may not work hours on a Sunday, and record the hours as being worked on a Monday in their timecard.

Supervisor Responsibilities

Supervisors are responsible for reviewing the timecards for their direct reports at the end of each pay period to verify that the time recorded on their employees' ADP timecards accurately reflects what that employee worked during that pay period. Supervisors should not approve an employee's timecard if the employee has not first approved it, or if the time recorded on the timecard appears to be inaccurate. In either case, the supervisor should contact the employee to resolve that issue before approving their employee's timecard.

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.1 HOLIDAYS

Holidays Observed

The City formally observes the following holidays:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Native American Heritage Day (Friday After Thanksgiving)
- Christmas Eve Day
- Christmas Day
- Floating Holiday(s)

If a holiday falls on a Sunday, it shall be observed on the following Monday. If a holiday falls on a Saturday, it shall be observed on the preceding Friday.

If a holiday is observed on an employee's regularly scheduled day off, and the employee is otherwise eligible for holiday pay as outlined below, that employee shall be allowed to take another day off during the pay period that the holiday is observed.

Floating Holidays

Employees accrue a number of floating holidays based on years of service as shown in the table below:

Years of Service	Floating Holidays Awarded
Less than 10	1.0
10 to less than 15	2.0
15 to less than 20	2.5
20 and above	3.0

Floating holidays are awarded on January 1st each year, and must be taken by the end of the calendar year. New employees whose hire date is October 1st or later do not accrue a floating holiday for that calendar year. Floating holidays may be taken at any time during the calendar year with prior approval of the supervisor or department manager. Floating holidays not taken during the calendar year will not be carried over into the next year, and are not eligible for cash-out upon separation.

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Holiday Pay

The following rules will govern holiday pay for employees:

- To be eligible for holiday pay, employees must be in a paid status the scheduled work day immediately preceding and the work day immediately following the observed holiday.
- Employees in an un-paid status (for example, on un-paid Leave) the scheduled work day immediately preceding and/or the work day immediately following the observed holiday will not be eligible to receive holiday pay.
- All eligible full time employees shall receive holiday pay at their regular rate based on an eight (8) hour work day and regular part time employees will receive pro-rated holiday pay at their regular rate based on their assigned FTE.
- Employees designated as Casual or Temporary are not eligible to receive pay for holidays.

If an employee is required to work on a holiday, and the employee is otherwise eligible to receive pay for the holiday, the employee shall be allowed to take another day off during the pay period that the holiday is observed.

Unpaid Holidays

Employees are entitled to two unpaid holidays per calendar year for a reason of faith or conscience or an organized activity conducted under the auspices of a religious denomination, church, or religious organization.

An employee may select the day(s) they desire to take the unpaid holiday(s) after consultation with their supervisor, and will be allowed to take them on the day(s) selected unless their absence on those days would impose an undue hardship on the City, or the employee's presence at work is necessary to maintain public safety.

Partial days off will count as a full day toward the annual entitlement of two unpaid holidays. The two unpaid holidays allowed by this section must be taken during the calendar year, if at all; they do not carry over from one year to the next.

Reference

[RCW 1.16.050](#) – "Legal holidays" and "legislatively recognized days"—Unpaid holidays for employees with appointments or contracts of less than twelve consecutive months.

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.2 ANNUAL LEAVE

Accrual of Annual Leave

Paid annual leave will be accrued by regular, full time employees at the end of each pay period based on the schedules below. Accruals are prorated based on assigned FTE for part-time employees. Employees in an un-paid status for a full pay period will accrue no annual leave in that pay period. Employees in an un-paid status for a partial pay period will accrue prorated annual leave in the same manner as part-time employees.

Department Directors

Length of Continuous Service	Annual Accrual (Hours)	Annual Accrual (Days)
All years of service	176	22

All Other Employees

Length of Continuous Service	Annual Accrual (Hours)	Annual Accrual (Days)
Zero to less than 5 years	96	12
5 years to less than 10 years	128	16
10 years to less than 13 years	152	19
13 years to less than 16 years	160	20
16 years to less than 20 years	168	21
20 years and above	176	22

Carry-Over of Annual Leave

The maximum number of annual leave hours that may be carried over from December 31st of one year to January 1st of the next year is two hundred (200) hours. Under certain circumstances and with the approval of the City Manager, employees may be permitted to carry over more than two hundred (200) hours of annual leave. Annual leave generally may not be cashed out without taking time off. The City Manager may authorize a payout under specific circumstances.

Use of Annual Leave

Annual leave should be scheduled at times that are mutually agreeable to the employee and supervisor/manager. Employees are responsible to plan and submit annual leave requests to their supervisor well in advance of the time requested. If requests are received at the same time from multiple employees, the department manager will make the final determination of who may take the leave, after considering the operational needs of the department, seniority of the employees and prior requests for leave.

DRAFT**Donation of Annual Leave (replaces Resolution 91-135)**

The purpose of shared leave is to permit City employees, at no additional cost to the City other than the administrative costs of the program, to come to the aid of a fellow City employee who is suffering from, or has an immediate family member suffering from, a serious health condition which has caused or is likely to cause the employee to take leave without pay or to terminate his/her employment with the City.

The City Manager shall determine the amount of donated annual leave, if any, which an employee may receive. An employee shall not receive more hours in donated leave than the difference between 1,040 hours and the number of leave hours already used by the affected employee in this extraordinary situation.

ELIGIBILITY OF RECIPIENT OF SHARED LEAVE

The City Manager may permit an employee to receive donated annual leave if:

- The employee is on an approved leave of absence for their own serious health condition, or to take care of a family member (as defined in *Chapter 5.4 Sick Leave*) suffering from a serious health condition; and
- The employee has depleted or will shortly deplete his/her total of accrued annual leave, compensatory time, sick leave, holiday leave, and/or other paid leave; and
- The employee has made use of, or attempted to make use of, paid benefits through Washington's Paid Family Leave program (beginning January 1, 2020), and any short or long term disability benefits or worker's compensation benefits they may be eligible for; and
- The employee has provided appropriate medical justification and documentation regarding the necessity for the leave and the time which the employee can reasonably be expected to be absent due to the condition, including periodic updates if requested by the City.

ELIGIBILITY OF DONOR OF SHARED LEAVE

The City Manager may permit an employee to donate annual leave as long as the donating employee retains at least forty (40) hours of annual leave after their donation. This forty (40) hour minimum shall not take into consideration accrued sick leave, comp. time, holidays, or admin leave.

IMPLEMENTATION OF SHARED LEAVE

- All donations of shared leave shall be voluntary.
- To the extent possible, shared leave should be used on a consecutive day basis.
- Transfers of donated leave shall be in increments of four (4) hours, and shall be on an hour-for-hour basis regardless of the salary difference between the employee donating the shared leave and the employee receiving the shared leave.
- The receiving employee's salary or wage shall not change as a result of being on shared leave, nor under any circumstances, shall the total of the employee's salary and other benefits, including but not limited to state industrial insurance or any other benefit received as a result of payments by the City to an insurer, health care provider, or pension system, exceed the total of salary and benefits which the employee would have received had he/she been in a regular pay status.
- Donations of shared leave may be made between any two employees except if prohibited for certain represented employees in their collective bargaining agreement.
- While an employee is using donated annual leave, he/she shall continue to receive and accrue all benefits as he/she would normally receive if using other accrued paid leave.
- When available, an employee must use accrued sick leave in the place of annual leave.
- Any leave transferred which remains unused shall be returned to the employee who donated it in full hour increments only. In the event that multiple employees have donated leave, the most recent donation(s) shall be returned first.

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.3 EXEMPT LEAVE

Employees designated "exempt" under the Fair Labor Standards Act (FLSA) are not eligible for overtime compensation for hours worked over 40 in a workweek. Exempt employees are paid a set salary for their assigned schedule and FTE regardless of the number of hours worked during the week. Exempt leave is not meant to compensate employees on an hour-for-hour basis, but to recognize that exempt employees may frequently be required to work additional hours or attend meetings outside of their regular workday in order to successfully perform their job.

All exempt positions are awarded 40 hours of exempt leave annually. Exempt leave is granted as a bank of hours at the beginning of each calendar year, or upon hire/promotion into an eligible position.

This bank of hours is pro-rated for part-time employees, or employees who are appointed, hired, or promoted to an eligible position who will not work in that position for a full year.

Using Exempt Leave

Exempt leave may be taken any time during the calendar year, and should be requested and scheduled in the same manner as annual leave. Exempt leave should be taken in the year accrued, as the hours do not carry over to the next year. Exempt leave is not paid out upon employee separation.

This type of leave should not be confused with administrative leave (paid or unpaid) that an employee may be placed on during a period of investigation or as part of disciplinary action.

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.4 SICK LEAVE

Accrual of Paid Sick Leave

Paid sick leave is accrued differently depending on employment status as shown in the table below. There is no cap on paid sick leave accruals, but employees may roll over a maximum of 1,040 hours from December 31st of one year to January 1st of the next year. Employees in an un-paid status for a full pay period will accrue no sick leave in that pay period. Employees in an un-paid status for a partial pay period will accrue prorated sick leave in the same manner as part-time regular employees.

Employment Status	Sick Leave Accrual Rate
Full-Time Regular	4 hours per pay period
Part-Time Regular (20 hours or more/week)	(4 * FTE rate) hours per pay period
Casual or Temporary	1 hour per every 40 hours worked

Qualifying Reasons

Sick leave is provided to help minimize the economic hardship that may result from an illness or injury that necessitates an employee to miss work. There is no waiting period for new hires to use this benefit; once accrued, sick leave may be used immediately for any of the qualifying reasons below.

An employee may use accrued sick leave for the following reasons:

- Absence resulting from an employee's mental or physical illness, injury, or health condition.
- To accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition.
- To accommodate an employee's need for preventive medical care.
- To allow the employee to provide care for a family member with a mental or physical illness, injury, or health condition.
- To allow the employee to assist a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition.
- To care for a family member who needs preventive medical care.
- When the employee's place of business has been closed by order of a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a reason.
- For absences that qualify for leave under the Domestic Violence Leave Act.

For the purposes of this section, "family member" is defined to include:

- A child, including a biological, adopted, or foster child, stepchild, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status;
- A biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or of the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child;

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- A spouse;
- A registered domestic partner;
- A grandparent;
- A grandchild; or
- A sibling.

Payroll Application and Benefit Continuation

Employees may use sick leave only for the Qualifying Reasons above. For employees who miss a full work shift, an equivalent number of sick leave hours will be deducted from the employee's accrued hours. For employees who miss less than a full work shift, sick leave hours will be used to complete the balance of the employee's work day. Only accrued hours may be used; employees may not use paid sick leave in advance of accruing the hours.

Example: An employee working a twelve (12) hour shift would use twelve (12) hours of paid sick leave if the entire shift was missed. An employee missing two (2) hours of their work shift for a doctor's appointment would use two (2) hours of paid sick leave.

For all time missed that is covered by paid sick leave, all other time-based benefits, such as vacation accruals and covered healthcare premiums, will continue.

Notification and Documentation Requirements

Employees are required to give reasonable notice of an absence from work. In general, two weeks notice is requested for planned absences, such as a pre-planned surgery, unless such notice is not practical due to the nature of the planned absence.

For un-planned absences, an employee is required to notify his/her supervisor or department director prior to the start of their work shift on each day they will be absent from work, unless they have previously provided documentation of the amount of time off needed. Specific instructions for notification to the employee's supervisor will be clarified within respective departments.

An employee who is absent from their job without notification or prior approval may be subject to disciplinary action depending on the circumstances of the absence. An employee who is absent for three (3) consecutive days/shifts without notification may be considered to have voluntarily abandoned and resigned from his/her job.

For absences lasting longer than three (3) days, an employee may be required to obtain documentation from a licensed health care provider confirming sick leave was taken for a Qualifying Reason and submit the documentation to Human Resources. In situations where obtaining documentation creates an unreasonable burden or expense to an employee that cannot be mitigated by the City, the employee will be subject to alternative means of verification. Employees asserting an unreasonable burden or expense shall contact Human Resources. In addition, consistent with state and federal law, prior to returning to work, an employee may be required to obtain a written release from the employee's health care provider attesting to the employee's ability to return to work. Failure to give proper notice or to provide required documentation may be cause for denial of paid sick leave for the period of absence.

Paid Sick Leave for On-the-Job Injury/Illness

On-the-job injuries or illness will be administered in accordance with Washington State Department of Labor & Industries regulations. An employee experiencing time loss due to a work related injury/illness may find that they simultaneously received workers' compensation

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time loss benefits and sick leave benefits. Employees in this situation must reimburse the City a dollar amount equal to the worker's compensation time-loss benefits received, and the corresponding number of paid sick leave hours will be returned to their accrual banks. This reimbursement does not apply if the employee is being paid through only worker's compensation time loss.

Reference

[RCW 49.46.200](#) – Paid sick leave

[RCW 49.46.210](#) – Paid sick leave – Authorized purposes – Limitations – “Family member” defined

[WAC 296-128](#) – Minimum Wages

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.5 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Leave Entitlements

Eligible employees who work for a covered employer can take up to twelve (12) weeks of unpaid, job-protected leave in a twelve (12) month period for the following reasons:

- The birth of a child or placement of a child for adoption or foster care;
- To bond with a child (leave must be taken within one year of the child's birth or placement);
- To care for the employee's spouse, child, or parent who has a qualifying serious health condition;
- For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job;
- For qualifying exigencies related to the foreign deployment of a military member who is the employee's spouse, child, or parent.
- If the City employs both you and your spouse, you are together entitled to a combined total of twelve (12) weeks for any leave taken for the birth of a child, placement of an adoption or a foster child, or to care for a child or parent (but not parent "in-law") with a serious health condition.

When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule.

Military Family Leave Entitlements

An eligible employee who is a covered servicemember's spouse, child, parent, or next of kin may also take up to twenty-six (26) weeks of FMLA leave in a single twelve (12) month period to care for the servicemember with a serious injury or illness.

Eligible employees with a spouse, son, daughter, or parent on active duty or called to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12 week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

Rolling Time Period

FMLA leave works in conjunction with the City's other applicable allowed leave and generally provides job protection and benefits continuation for up to twelve (12) weeks during a rolling twelve (12) month time period measured backward from the first day of the new leave period an employee is requesting.

Employees must use all available paid leave concurrently with their FMLA leave. If an employee substitutes accrued paid leave for FMLA leave, the employee must comply with the City's normal paid leave policies.

DRAFT**Benefits and Protection**

While on FMLA leave, employees must use any and all paid leave time, such as sick leave or annual leave, concurrently with their FMLA leave until their paid leave time is exhausted. While employees are on FMLA leave, their health insurance coverage is continued (regardless of their paid status) as if the employees were not on leave. Upon return from FMLA leave, employees will be restored to the same job or an equivalent comparable position with comparable pay, benefits, and other working conditions.

The City will not interfere with an individual's FMLA rights or retaliate against someone for using or trying to use FMLA leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA.

Eligibility Requirements

An employee who works for a covered employer must meet three criteria in order to be eligible for FMLA leave. The employee must:

- Have worked for the employer for at least 12 months;
- Have at least 1,250 hours of service in the 12 months before taking leave; and
- Work at a location where the employer has at least 50 employees within 75 miles of the employee's worksite.

Requesting Leave

Generally, employees must give 30-days' advance notice of the need for FMLA leave. If it is not possible to give 30-days' notice, an employee must notify their supervisor and HR as soon as possible and, generally, follow the usual procedures for requesting leave. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations.

Employees who request FMLA leave based on their own serious health condition or to care for a family member who has a serious health condition must provide medical certification from a health care provider supporting the need for the leave within fifteen (15) days of requesting such leave. Employees do not have to share a medical diagnosis, but must provide enough information so the City can determine if the leave qualifies for FMLA protection, and inform the City if the need for leave is for a reason for which FMLA leave was previously taken or certified. The City may require the employee to obtain a medical recertification and/or second and third opinions as needed. Employees will be notified in writing if the certification is incomplete, and will be provided a notice indicating what additional information is required.

City Responsibilities

Once the City becomes aware that an employee's need for leave is for a reason that may qualify under the FMLA, the employee will be notified if he or she is eligible for FMLA leave. If eligible, the employee will be provided with a notice of rights and responsibilities under the FMLA. If the employee is not eligible, the City will provide a reason for ineligibility. If approved for FMLA leave, employees will receive a designation notice to show how much leave will be designated as FMLA leave.

DRAFT**Benefit Continuation**

During FMLA leave, the City will continue to pay its portion of contributions for health insurance benefits. Employees are responsible for their normal contributions to their health insurance benefits, due to the City by the 25th day of each calendar month. Failure to make this payment within thirty (30) days after it is due will result in cancellation of employee's health insurance benefits after appropriate notice has been provided to the employee.

Employees may choose not to retain their health insurance coverage during their FMLA leave and are entitled to reinstatement of these benefits upon returning to work. If an employee chooses not to continue coverage while on leave, the employee may be subject to waiting periods due to a break in coverage. The City may recover the health insurance premium payments made on behalf of the employee if the employee fails to return to work after the FMLA leave is exhausted (return to work is defined as returning for at least thirty (30) days), barring circumstances beyond the employee's control, such as employee's continuing serious health condition.

After the employee returns to work, all benefits will resume in the same manner and at the same level as were provided when the leave began, subject to changes generally made to employee benefits during the time which the employee was on FMLA leave. Benefit accruals for sick and annual leave will continue during the time the employee is on paid FMLA leave, but accruals are prorated or not made during unpaid FMLA leave.

Return to Work from FMLA Leave

When the leave is taken as a result of the employee's medical condition, a fitness for duty certification may be required before the employee will be reinstated. While an employee is absent from work on an FMLA leave, the City may require the employee to report periodically to his/her supervisor on his/her status and intent to return to work. Failure to provide certifications may result in the denial of leave until the requirements are satisfied, denial of continuation of the leave, and/or denial of reinstatement.

Whenever possible, an employee who takes an FMLA leave will be reinstated to the same position the employee held when leave commenced or equivalent comparable position with comparable pay, benefits, and other working conditions. Employees returning from an FMLA leave have no greater rights to reinstatement or other benefits and conditions of employment than if they had not taken FMLA leave. For example, if their position was affected by a lay-off or reorganization or elimination, they may not be eligible for reinstatement. Temporary and casual employees have no reinstatement rights if the project for which they were hired has ended and the City would not have continued to employ them in the absence of their taking an FMLA leave.

Enforcement

Employees may file a complaint with the U.S. Department of Labor, Wage and Hour Division, or may bring a private lawsuit against an employer. The FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights.

Reference

[Family and Medical Leave Act](#) – Enacted by the federal government in 1993 and revised in January of 2009.

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.6 JURY / COURT DUTY

Employees who receive a summons for jury duty shall notify their supervisor as soon as practical. If, after responding to the jury duty summons, an employee is required to report to the courthouse on a day they are scheduled to work, they must notify their supervisor as far in advance as possible that they will not be at work that day.

Employees will receive full pay for their regularly scheduled workday when required to miss work due to jury service. Employees will not receive pay for work days missed if not required to report for jury service.

On any day that an employee is released from jury duty, or as a witness in a public sector related employment matter, and four or more hours of the employee's scheduled work day remain, the employee must report to work.

Employees subpoenaed for judicial proceedings in an employment-related matter will receive pay for their regularly scheduled workday at straight time for time spent up to eight hours per day, or equivalent to their regularly scheduled workday or shift. Non-exempt employees will then be paid one and one-half (1 ½) times their regular rate of pay for any additional time spent that day.

Reference

[RCW 2.36 - Juries](#)

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.7 BEREAVEMENT LEAVE

Bereavement leave is paid time off that is not accrued, but is granted on a situational basis. Upon the death of a member of the employee's family, and with the approval of the department director or his/her designee, an employee may take off up to three (3) regularly scheduled work days or shifts and replace those hours with bereavement leave instead of using accumulated compensatory time off or annual leave.

For the purposes of this section, family is defined as: the employee's spouse or domestic partner, child, parent, sibling, guardian or grandparent, grandchild, aunt, uncle, or any of the above relations of the employee's spouse or domestic partner; or any other person residing with or legally dependent upon the employee.

In the event the employee needs to travel out of state to attend a funeral, leave may be allowed up to five (5) days with prior approval of their Department Director.

The City will allow up to one (1) regularly scheduled work day or shift of bereavement leave to attend services for the death of a co-worker.

Unusual circumstances may receive individual consideration by the City Manager. Employees may take additional time off for bereavement by using accumulated compensatory time off or annual leave time, provided that their request for additional time does not pose an undue hardship to the City.

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.8 OTHER TYPES OF LEAVE

Military Leave and Military Family Leave Act

Any employee of the City who is a member of the Washington National Guard or Federal Reserve Military Unit shall be entitled to be absent from his/her duties with the City with full pay for up to twenty-one (21) days during each calendar year beginning October 1st and ending the following September 30th, while engaging in the performance of officially ordered military duty and while going to or returning from such duty. Such leaves shall be in addition to any other leaves or annual leave benefits. During the period of military leave, the employee shall continue to accrue all leave benefits and to receive his/her normal rate of pay.

Employees who are called or volunteer for services with the Armed Forces of the United States or the Washington National Guard shall be entitled to be considered for reinstatement in accordance with the provisions of the laws of the state of Washington and the Uniformed Services Employment Rights and Reemployment Act ("USERRA").

An employee promoted to fill a vacancy created by a person serving in the armed forces will hold the position subject to the return of the veteran. The employee affected by the return should be restored to the position he/she held previously or another equivalent position to the extent possible.

If an employee works at least twenty (20) hours per week and their spouse or registered domestic partner is called into active duty for the Armed Forces or will be, or is, deployed during a period of military conflict, the employee may be eligible to take up to fifteen (15) days of unpaid leave. This leave is available before the deployment or when your spouse or domestic partner is on leave from the deployment, and is available for each new deployment. If you wish to take advantage of this leave of absence, inform Human Resources within five (5) business days after you receive the official call or order to active duty or of your spouse's/domestic partner's leave from his or her deployment.

Washington Family Leave Act (FLA) and Washington Law Against Discrimination (WLAD)

Eligible employees are entitled to up to 12 weeks of unpaid FLA leave in a 12 month time period for the birth or placement of a child, for an employee's serious health condition, or for an employee's family member's serious health condition. This leave will run concurrently with FMLA except in the case of pregnancy disability described below, and the same eligibility requirements for FMLA apply. The entitlement to leave for the birth or placement of a child expires at the end of the twelve-month period beginning on the date of such birth or placement.

If an employee is temporarily disabled because of pregnancy or childbirth, they will be eligible for unpaid leave for the period of time during which they are actually disabled. The City may require that a licensed health care provider certify the actual period of disability. This time is covered under the Washington Law Against Discrimination (WLAD) and WLAD leave will run concurrently with FMLA leave, but not with FLA leave. In this case, the employee may receive up to an additional twelve (12) weeks of parental leave covered by the FLA after their

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Pregnancy or Childbirth-Related Disability Leave ends. Again, part, or all of this time may also be covered under the FMLA.

For situations where the City employs both the employee and their spouse, they are together entitled to a combined total of twelve (12) weeks for any leave taken for the birth or placement of a child, or to care for a child or parent with a serious health condition under the FLA.

The City will continue health benefits for employees while they are on a paid status during approved FLA leave. If the employee is in an un-paid status on approved FLA leave, their benefits will continue until the first of the month following the start date of un-paid status. After that time, they may continue their health benefits through COBRA at their own expense. Please note that if an employee is also approved for leave under the FMLA, and their FMLA leave is running concurrently, then the employee is only responsible for their own premiums for healthcare insurance until their FMLA leave expires.

Washington Domestic Violence/Sexual Assault Leave

The City grants unpaid leaves of absence to employees who **(a)** are victims of domestic violence, sexual assault, or stalking; or **(b)** have a family member who is a victim of these crimes. A “family member” for the purposes of this paragraph includes “a child, spouse, domestic partner, parent, parent-in-law, grandparent or person with whom the employee is dating”. In general, this time away from work is available so the employee can take care of legal, medical, or safety issues related to these situations. The City may require verification to support the need for the leave, and employees must give their supervisor or HR notice of the need for this leave no later than the end of the first day the employee takes the leave, or as required by state law.

Washington Paid Family Leave

The Washington State Family and Medical Leave Program ([RCW 50A.04](#)) provides paid benefits for employees who need to take unpaid leave when they welcome a new child into their family, are struck by a serious illness or injury, need to take care of an ill or ailing relative and for certain military connected events. Although self-insurance is an option to fund benefits, the City is choosing to participate in the program administered by the Employment Security Department using the statutory default payroll deductions beginning January 1, 2018. Benefits from this program become effective January 1, 2020, and employees seeking to apply for paid family and medical leave will apply through the Employment Security Department.

Extended Illness or Injury

Employees wishing to extend their approved leave of absence for an injury or illness (that is not work related) beyond what is provided for in the law and these policies must participate in an interactive process with the City to determine if the additional amount of time requested is reasonable for the City to accommodate. The City may grant up to a maximum of six (6) consecutive months of leave time for an employee through this process (including leave time already taken). Unless otherwise protected by law or City policies, leave time in addition to six (6) consecutive months will be considered unreasonable, and the employee must either return to work to their current job, accept an alternative assignment to return to work (if available), or voluntarily resign.

Personal Leave (Leave Without Pay)

Requested leaves of absence that do not qualify under FMLA, any other type of Regulatory Leave, or any other type of leave addressed in this section, may be granted to employees

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without pay and must be approved by the City Manager. Impact on the department will be taken into consideration prior to approval of this type of leave and the employee will be expected to maintain regular communication with their manager regarding status and continued need for leave.

To be eligible for Personal Leave, any accrued paid leave (floating holiday, annual leave, compensatory time off, etc.) must be used prior to taking leave without pay. If the leave is for medical reasons, accrued sick leave must also be exhausted before taking leave without pay. At any time during the leave of absence, the department manager may require the employee to return to work (also with City Manager approval) if the leave begins to negatively impact departmental operations.

An employee on an approved leave of absence without pay may continue his/her health insurance benefits through COBRA by paying the full premium cost to the City in advance for each calendar month that he/she is absent.

i. Reference

[RCW 38.40.060](#) – Military Leave for Public Employees

[RCW 73.16](#) – Employment and Reemployment

[RCW 49.77](#) – Military Family Leave Act

[RCW 49.78](#) – Family Leave

[RCW 49.76](#) – Domestic Violence Leave

[Washington Paid Family and Medical Leave](#)

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CHAPTER 5 – TIME OFF AND LEAVES OF ABSENCE

5.9 TEMPORARY ACCOMMODATIONS

Like many other aspects of leave administration, this process should be seen as interactive and the City will make every effort to work with employees returning from leave who may need or want to request temporary accommodations. Requested accommodations could include a modified work schedule, modified job duties, or another request depending on the employee's work restrictions.

It will be the employee's responsibility to communicate any accommodation request to their immediate supervisor and Human Resources. The employee should attempt to be as specific as possible with their request, including their exact restrictions, documentation to support that the restrictions are necessary, and the length of time that the accommodation (such as a modified schedule) is being requested for.

Employees will be required to submit this request as soon as practical, and prior to the requested start of the accommodation.

These accommodation requests may be approved on a temporary basis (not to exceed one week) as necessary by the employee's direct supervisor until a formal decision can be made regarding the request by Human Resources and/or the City Manager, depending on the level of accommodation requested.

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CHAPTER 6 – EMPLOYEE BENEFITS

6.1 FLEXIBLE BENEFIT PLAN

The City provides employees with a Flexible Benefit Plan under Internal Revenue Code Section 125. This plan allows employees to pay for qualified expenses from pre-tax payroll deductions from their own earnings or from premium dollars (as described in section [6.2 Health and Welfare Plans](#)). Employees may elect to reduce their salary or direct premium dollars into the plan to pay for the following:

- Health Flexible Spending Account for reimbursement of health related expenses.
- Dependent Care Flexible Spending Account for reimbursement of employment related dependent care expenses.
- Insurance Premium Payment Plan for reimbursement of health insurance premiums.

All Section 125 plan provisions are established by the City through agreement with the Plan Administrator (Benefits Administration Company). The administrative costs of the Flexible Benefit Plan are paid by the City.

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CHAPTER 6 – EMPLOYEE BENEFITS

6.2 HEALTH AND WELFARE PLANS

Eligibility an Waiting Periods

New employees are eligible for coverage on the first calendar day of the month following date of hire. If the employee's hire date is the first calendar day of the month, insurance coverage begins on the employee's hire date.

Regular employees who work full time (40 hours/week) or part time (20 - 39 hours/week), are eligible for medical, dental, and vision insurance as outlined below. Employees who are classified as "Casual" or "Temporary" are not eligible for the benefits outlined in this section.

Insurance Coverage

The City strives to provide comprehensive health coverage, along with flexibility for employees to choose the type or combination of plans and providers that work best for them. Health insurance for the City is provided through the Association of Washington Cities (AWC) Employee Benefit Trust. The City believes that membership in the Trust enables us to provide an excellent benefit package to our employees at reasonable cost. The benefit program may change from year to year depending on the plans and networks available through AWC. More detailed plan information is available both on AWC's website, and the City's employee information portal.

The City offers the following options for coverage provided through AWC:

- Medical: Employees may choose between a PPO medical plan and an HMO plan. Cost for coverage and provider networks depend upon the plan chosen.
- Dental: The City offers an incentive level dental plan through Delta Dental of Washington.
- Vision: The City offers vision coverage through VSP (Vision Service Plan).
- Employee Assistance Program: This program is available to provide various types of confidential assistance to employees and their family members.

The City also provides employees the option to extend health care coverage to their eligible dependents. Eligible dependents are the employee's legal spouse, registered domestic partner and; The employee's (or employees spouse or registered domestic partner's) natural child, adopted child, or step-child, less than age 26, or over age 26 if they are incapable of self-support due to developmental disability or physical handicap (proof of incapacity is required).

Employee and City Contributions

City contribution to coverage cost is based on an employee's FTE and will be pro-rated for part-time regular employees as shown in the charts below. Employees who regularly work at least 20 hours per week, but less than 40 hours per week will pay for benefits at the 0.75 FTE rate.

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Medical Premiums:

FTE	Equivalent Weekly Hours	% Paid by Employee	% Paid by City
1.0	40	10%	90%
0.9	36	10%	90%
0.8	32	20%	80%
0.75	30	25%	75%

Dental Premiums:

FTE	Equivalent Weekly Hours	% Paid by Employee	% Paid by City
1.0	40	0%	100%
0.9	36	10%	90%
0.8	32	20%	80%
0.75	30	25%	75%

Vision Premiums: Vision premiums are paid for 100% by the City, regardless of FTE.

The benefits, terms and conditions of the City’s health and welfare plans, including costs owed by eligible employees are further explained in the enrollment materials and plan documents.

Other Insured Benefits

Premiums for these plans are paid from the City’s contribution to MEBT.

- Life insurance/accidental death and disability (AD&D).
- Long term disability (LTD), and survivor life insurance.

Premium Dollars

The City sponsors a program designed to share benefit cost savings with eligible employees. An employee who chooses not to purchase health insurance benefits for themselves and/or their eligible dependents may receive payment of 50% of the amount that the City would have contributed towards the coverage. These “premium dollars” may be directed toward qualified Section 125 expenses, reducing the employee’s own contributions towards their medical / dental / and vision coverage, or deferred compensation contributions.

Voluntary Benefits

The City offers the following optional plans for interested employees:

- WA DRS Deferred Compensation Plan
- ICMA Deferred Compensation Plan (457 Plan)
- AFLAC (short term disability, accident, cancer, and hospital-ICU)

All premiums or contributions to these voluntary plans are paid for entirely by the employee through payroll deduction. Each plan may have their own eligibility requirements and restrictions on use (such as federal rules and regulations governing tax liability and restrictions on withdrawals). To learn more about these plans, employees should contact the benefits representative for the plan directly. Additional information may be found on the City’s employee information portal.

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CHAPTER 6 – EMPLOYEE BENEFITS

6.3 MUNICIPAL EMPLOYEE BENEFIT TRUST

Municipal Employee Benefit Trust (MEBT) Overview

The City of Mill Creek does not participate in the federal Social Security system and, in lieu of Social Security, provides an employee benefit trust for the exclusive benefit of participating employees, their beneficiaries, and dependents. The MEBT program is generally designed to mirror and provide a substitute for Social Security benefits.

Administration and Eligibility

Life and disability insurance are a component of the MEBT plan. An oversight committee of employees is appointed per directives of the plan document. A Summary Plan Description is available upon request or online at www.mebt.org. Participation in MEBT is mandatory for all employees and City Councilmembers.

The City sponsors two different plans; MEBT I and MEBT II. The main distinctions between MEBT I and MEBT II are differences in City/employee contribution amounts, and vesting. All regular full-time and part-time employees and Councilmembers participate in MEBT I. Temporary and casual employees participate in MEBT II.

Contributions to MEBT

All of the employees' mandatory contributions are made via payroll deduction and are pre-tax deductions. The City's contributions to participant accounts are also made in pre-tax dollars.

For MEBT I participants, the City contributes to the plan an amount equal to the employee's contribution of 6.2%. A portion of the City's contribution is used to pay the costs of the premiums for the insurance components; life/AD&D, LTD, and survivor life; and to pay administrative expenses of the plan. The remaining City contribution is then allocated to employees' individual accounts of the MEBT plan. MEBT I participants have the option of making extra voluntary after-tax contributions provided they do not exceed IRS limits. It is the employee's responsibility to monitor that they are within the Internal Revenue Code limits.

Vesting of City contributions to MEBT I accounts:

Time of Continuous Participation	Percentage Vested
Less than 12 months	0%
12 months	10%
Each additional month	1.25%
84 months or longer	100%

MEBT II participants contribute 7.5% to their plan account. MEBT II participants do not have the option of making extra contributions. The City does not make any employer contributions to MEBT II plan accounts, and employees are fully vested immediately.

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CHAPTER 6 – EMPLOYEE BENEFITS

6.4 RETIREMENT PLANS

City employees classified as Full Time Regular or Part Time Regular are eligible to participate in a Washington State retirement system plan. Employees classified as Casual or Temporary are not eligible for participation.

Non-law enforcement employees may choose to participate in the PERS Plan 2 or the PERS Plan 3. Law enforcement employees will participate in the LEOFF plan. All plans are administered by the Washington State Department of Retirement Systems (DRS). Employees must pay any required amounts towards the contribution costs by payroll deduction. More information on these two plans is available at <http://www.drs.wa.gov> and through the City's employee portal.

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CHAPTER 6 – EMPLOYEE BENEFITS

6.5 EXTENDED HEALTH BENEFITS (COBRA)

The City offers continuing health care coverage (as required through COBRA regulations) on a self-pay basis to employees and their dependents who lose their medical coverage as a result of a qualifying event. Qualifying events include: voluntary or involuntary termination of employment, a reduction in hours resulting in loss of health insurance coverage, retirement, or death.

COBRA is administered for the City through AWC (Association of Washington Cities) and all employees eligible for COBRA will be sent an enrollment packet from AWC or their partner Northwest Administrators.

Insurance coverage is always provided and paid for in increments of one full month. When an employee is separated from employment with the City, the City will pay its portion of the premium cost through the end of the month of separation regardless of the employee's last day of work. To continue health care coverage beyond that time frame, employees must enroll in COBRA.

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CHAPTER 6 – EMPLOYEE BENEFITS

6.6 WELLNESS PROGRAM

The City of Mill Creek maintains a Wellness Program to educate, promote and encourage health awareness and healthful lifestyle choices by City employees. We believe that contributing toward maintaining good physical and mental health will have a positive impact on productivity and morale of the City's workforce.

The purpose of the Wellness Program is to:

- Encourage employees to maintain good physical and mental health
- Reduce healthcare expenses by earning a discount on plan premiums
- Increase productivity of our workforce
- Reduce absenteeism

Wellness Committee

A Wellness Committee is appointed by the City Manager and consists of employees representing the various City departments. The Committee will develop, maintain and administer the Wellness Committee operating policies and procedures in order to effectively manage the program, with oversight from the City Manager/Executive Department.

Employee Participation

Participation in the City of Mill Creek Wellness Program (with the exception of the Wellness Day Off) is open to all employees. All wellness activities are voluntary. Some wellness activities will take place during work hours and employees will be allowed to participate during the workday.

Wellness Day Off Program

Participation in the Wellness Day Off program is limited to regular full-time or regular part-time (benefits eligible) employees. Temporary or Casual employees are not eligible for the wellness day off award. The wellness day off is defined as eight hours. One wellness day off may be earned per calendar year, and must be taken within that calendar year at a time approved by the employee's supervisor. An unused wellness day off will not be cashed out upon separation.

The wellness day off is earned by participating in Wellness Program events and exercising on the employee's own time throughout the year and tracking points earned as outlined below:

- Participants qualify for a wellness day off by earning a total of 500 points. At least 400 points must be earned by exercising on the employee's own time.
- Activities and exercise are tracked by the employee on the annual Wellness Program Calendar.
- Exercise is defined as any activity dedicated to increasing your heart rate and/or building strength and sustained for 30 minutes. One 30 minute activity earns 5 points. A maximum of 5 points per day may be earned.

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- Up to 100 points can be earned by participating in various wellness events sponsored by the City (to be determined by the Wellness Committee with approval of the City Manager). Participation in a minimum of three wellness events is required to be eligible for the wellness day off.
- After the employee has earned 500 qualifying points, the employee must provide verification to the Finance Department (Payroll) in order to earn their wellness day off award.

Other Wellness Incentives

To support health and wellness in the workplace, employees who exercise for at least forty-five minutes during their lunch hour may arrange with their supervisor to take a one hour and twenty minute meal break, of which twenty minutes is considered a paid rest period.

DRAFT**CHAPTER 6 – EMPLOYEE BENEFITS****6.7 RECOGNITION AND APPRECIATION**

The City's recognition and appreciation program is designed to encourage employee recognition and appreciation at all levels of the organization. The City also believes that there is no "one-size-fits-all" approach to recognition and appreciation, and so has created both monetary and non-monetary rewards to recognize and appreciate employees. Some of these components may be covered in more detail in other City policies or procedures and additional rewards or premiums may apply to members of a bargaining unit as provided for in their CBA.

Longevity Based Rewards

In order to recognize employee dedication and service, and to promote employee engagement and retention, the City of Mill Creek wishes to distinguish employees who achieve longevity milestones in their careers with the City. The following rewards are offered to employees based on their length of service with the City. Some of these rewards may be found in other sections of this manual as indicated below.

- Longevity-Based Premiums. A percentage of an employee's base pay added to their paychecks each pay period for employees that meet certain length of service requirements. ([4.7 Incentives and Premiums](#))
- Additional Floating Holiday. An additional floating holiday per year for employees that meet certain length of service requirements. ([5.1 Holidays](#))
- Additional Annual Leave. Additional annual leave (vacation time) is given to employees who meet certain length of service requirements. ([5.2 Annual Leave](#))
- Milestone Anniversaries. An employee's 5th, 10th, 15th, 20th, (and every 5 years after) anniversary of their hire date is considered a "Milestone" anniversary. On these milestone anniversaries, employees shall receive a certificate of appreciation and a commemorative token (such as a pen).
- Once per year, the City Manager will hold an employee recognition event for all city employees. The main purpose of this event shall be to recognize employees that have achieved milestone anniversaries. Funding for recognition events and awards is described in [300-01 Business Expense Policy](#).

Retirement Celebrations

To honor the employees that have chosen to work for the City until retirement, the City will authorize a celebration on or around any retiring employee's last work day. Employees who are separated for reasons other than retirement (such as leaving for another job) are not eligible for a retirement celebration.

The employee's department (in conjunction with Human Resources) is responsible for organizing an appropriate celebration, and the City's contribution will include a card and a small gift such as a photo album, flower arrangement, or gift basket. The total amount of the City's contribution shall be limited to \$100 per retirement. Additional gifts, food, or decorations are generally not provided by the City.

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Employee to Employee Appreciation

All employees are responsible for maintaining a culture that supports the City's STAR values of Service, Teamwork, Accountability, and Respect. In alignment with the City's values, all employees are highly encouraged to show their appreciation for their co-workers, supervisors, subordinates, and other City staff. The City offers many avenues to do this, including:

- The Monday Minute – with approval from the Director of Communications and Marketing
- The ADP Homepage – with approval from Human Resources
- "You're a STAR" cards
- Simply saying "Thank-you!"

Recognition Committee

The Recognition Committee is formed of existing employees to organize events and activities that encourage positive workplace morale. For example, employees may be encouraged to participate in certain activities or themes, such as Take Your Dog to Work Day or Blue Fridays, provided that participation in these activities or themes does not create an unreasonable distraction or decrease in productivity. The Recognition Committee also assists City management in organizing recognition events, such as for milestone anniversaries.

Employees are encouraged to bring forward any ideas or suggestions that they have on events, holidays, or celebrations that they would like the City to participate in. The City Manager will have the final say on whether something is unreasonably distracting or unreasonably decreases productivity.

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CHAPTER 6 – EMPLOYEE BENEFITS

6.8 TRAINING AND TUITION REIMBURSEMENT

Training

The City recognizes the importance of employee development and training in improving individual job performance, enhancing knowledge, skills and abilities directly related to an employee’s position, and broadening the skill level within our workforce. The City will provide job related training opportunities to employees as needed and as financial resources to do so are available.

The City may reimburse or pay expenses for employees to attend job-related seminars, webinars, conferences, and business meetings. Authorization for payment or reimbursement must be obtained in advance of the event. Training expenses for courses or certifications that are required by the City will be paid for by the City (except in cases where the license or certification is a pre-employment requirement), including travel expenses, registration, and employee wages.

All payments or reimbursements for training, including other expenses such as airfare or lodging for out of town trainings, must follow [300-01 Business Expense Policy](#).

Tuition Reimbursement

In order to encourage employee development beyond what is required for their position, the City provides tuition reimbursement for employees pursuing college courses that are related to the employee’s current position or future career goals with the City. To qualify for this reimbursement, the employee’s supervisor must concur that the course is job-related.

Tuition reimbursement for college courses caps at \$500 per year, per employee, and is dependent on the employee’s completion of the course with a passing grade. If the employee fails to furnish the City with evidence of successful completion of the course, the City will not provide reimbursement for that course.

Tuition reimbursement will apply to college courses only, and not courses taken through another organization or business. If an employee is not sure whether the course they are planning to take qualifies for tuition reimbursement, they should speak with their supervisor, Human Resources, or the Director of Finance.

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CHAPTER 7 – OTHER PROVISIONS

7.1 EMPLOYMENT RECORDS

Personnel Files

Official personnel files are maintained for all City employees by the Human Resources department. These records are the property of the City and are kept confidential to the maximum extent allowed by law. Personnel records may include, but are not limited to, an employee's offer letter, personnel action forms, performance evaluations, disciplinary actions, training confirmations, and such other records as may be deemed necessary.

The employee(s) that have access to information in personnel files may vary depending on how confidential the information is. Aside from Human Resources, the employee's supervisor or department director, and the City Manager may access personnel records if necessary and as appropriate. Employees may review their own personnel file upon formal request and in the presence of HR staff. Employees or former employees will not be allowed to remove or alter any information maintained in the personnel file, but if an employee disagrees with anything in the file, a statement of disagreement may be added to the file. Employees are responsible for ensuring that their personal information on file with the City is kept current (e.g., address, phone, dependents, beneficiaries, etc.).

Other Employee Files

Some personal information related to an employee may be filed separately from the personnel file due to specific retention schedules or security requirements that may differ from what is required for personnel files. Examples of the information or documents kept separately include; medical information including leave paperwork, information related to background checks, payroll and benefits forms and information, I-9 forms, and worker's compensation related documents.

Supervisors may also keep temporary files with information regarding an employee's performance for use during performance evaluations. When completed, supervisors should turn all supporting documents in to HR along with the employee's performance evaluation.

Release and Destruction of Personnel Records

Confidential personnel records will only be released with the written consent of the employee, or in response to court orders, subpoenas, public records or government requests if approved by the City Attorney.

Archival and destruction of personnel files and records will be managed based primarily on the Common Records Retention Schedule (CORE) guidelines issued by the Washington State Archives, Office of the Secretary of State.

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Employment Verification and References

Finance/payroll and/or Human Resources department staff is authorized to respond to requests for verification of employment for current and former employees.

Only the following information will be given, unless the employee has provided the City with a written release to provide specific additional information:

- Dates of employment
- Current job title, or job title at date of termination
- Department and division employed
- Current or final salary

Official responses to requests for employment references, which typically deal with employee performance, should come from the employee's supervisor. Supervisors may not respond to a reference inquiry without coordinating the response with Human Resources to ensure compliance with legal procedures. Copies of official reference documents should be kept in the employee's personnel file.

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CHAPTER 7 – OTHER PROVISIONS

7.2 RELEASE OF CONFIDENTIAL INFORMATION

All City employees are expected to maintain appropriate confidentiality of work related issues, including but not limited to customer, employee and City information and records. As part of their official duties with the City, employees may have access to information and official records, most of which are public, but some of which are confidential. Public information that is not considered to be confidential may be given out in the daily course of City operations as necessary to accomplish City business. Employees shall not disclose confidential City information to any unauthorized person, nor shall employees use such information for their personal gain or benefit. If an employee receives a request and is unsure if the information is confidential information, they should refer the requestor to the City Clerk's Office to facilitate a Public Records Act request. All requests for employee or personnel information should also be forwarded to the Human Resources department.

Examples of information that would be considered confidential includes, but is not limited to, the following:

- Personnel files of City employees
- Home addresses and telephone numbers of City employees
- Employee social security numbers
- Test questions, scoring keys and other examination data used to administer employment examinations
- Lists of individuals requested for commercial purposes
- Employee doctor's notes or medical information

If an employee releases confidential information wrongfully, or is careless in the security of confidential information (including careless use or treatment of software or devices containing confidential information), they may be subject to disciplinary action up to and including termination.

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CHAPTER 7 – OTHER PROVISIONS

7.3 INCLEMENT WEATHER OR EMERGENCY CLOSURE

If City Hall is Closed

In the event that conditions are so severe that the safety of City employees would be jeopardized by reporting to or remaining at work, the City Manager may allow non-essential personnel to leave early or arrive late. The City Manager may also determine at that time if it is necessary to close City Hall to the public.

Employees who normally would have worked during the impacts to City Hall, who are not permitted to work due to the nature of the weather or other event (and are not authorized to work from home), shall not have paid time off deducted for hours missed due to the closure. Employees who are authorized to work from home should do so if they are able.

Employees who must report to work during inclement weather, emergency, or City Hall closure due to the responsibilities of their position are considered “essential” employees. Different positions may be considered “essential” depending on the nature of the event (Police are generally always considered to be “essential”).

Essential employees who are unable to report to work as scheduled must cover any missed hours by:

- Using available annual leave
- Using compensatory time off
- Using an available floating holiday
- Taking the time as unpaid leave (if approved)
- Making up the time missed within the same work period (if approved)

Employees (essential or non-essential) who were already scheduled to be off work (due to a leave, vacation, “flex” day, or otherwise) will be paid as normal.

If City Hall is Not Closed

In the event of inclement weather or other circumstance where City Hall operations can generally continue as normal, but where an employee may choose to stay home (for example; due to road conditions in that employee’s neighborhood), the employee must cover any missed hours by:

- Using available annual leave
- Using compensatory time off
- Using an available floating holiday
- Taking the time as unpaid leave (if approved)
- Making up the time missed within the same work period (if approved)

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CHAPTER 7 – OTHER PROVISIONS

7.4 VOLUNTEER AND INTERN PROGRAMS

Volunteers

The City of Mill Creek values volunteers who offer their time and their talents to help make Mill Creek a better place to live, work, and visit. Volunteer opportunities offer community members the chance to partner with their local government to provide services to the community and implement the mission and programs of the City. This can also serve to fulfill community service requirements that a citizen may have.

Volunteers are unpaid workers who elect to perform a service for the city either on a one-time basis or an ongoing basis. The City defines which opportunities and projects are open for volunteers, and volunteers must apply for and complete the pre-volunteering requirements for any opportunities as set forth in the Volunteer Program Guidelines prior to providing a service to the City. This is to ensure the safety of volunteers, City workers, and the public, as well as to ensure compliance with all collective bargaining agreements. Volunteer work is not to be used to displace work that should normally be performed by paid City employees.

The City's volunteer program will be coordinated and facilitated by the Communications and Marketing Department, Human Resources, and the department with whom the volunteer is working to provide a service.

Interns

The City of Mill Creek offers internships periodically to provide an opportunity for career exploration, development, and growth. While interns should provide a service to the City, similar to volunteers, the focus of an internship should be on the educational aspects of the intern's work, and the career development opportunities that the City can provide.

Interns are defined as non-employee workers who elect to perform a service for the City in exchange for school credit, educational growth, or career advancement. Interns may be paid or unpaid. Internship opportunities should be provided for as set forth in the Intern Program Guidelines. Potential interns should apply for and complete the pre-internship requirements for the internship program they are interested in. This is to ensure the safety of interns, City workers, and the public, as well as to ensure compliance with all collective bargaining agreements. Internship opportunities may be focused on a single project, a single department or multiple departments, and a start date and end date should be defined prior to the start of the internship.

The City's internship program will be coordinated and facilitated by Human Resources, and will be limited in scope by the time and resources available in the department(s) the intern is working in.

DECEMBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4 Council	5	6	7	8
9	10	11 Council	12	13	14	15
16	17	18	19	20	21	22
23	24 ³⁰	25 ³¹ Holiday	26	27	28	29

JANUARY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1 Holiday	2	3	4	5
6	7	8 Council	9	10	11	12
13	14	15	16	17	18	19
20	21	22 Council	23	24	25	26
27	28	29	30	31		

FEBRUARY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5 Council	6	7	8	9
10	11	12 Council	13	14	15	16
17	18	19	20	21	22	23
24	25	26 Council	27	28		

Tentative Council Meeting Agendas
Subject to change without notice

Last updated: November 29, 2018

December 11, 2018

(Agenda Summary due November 27)

- Presentation: Outgoing Councilmember Jared Mead
- Presentation: Health District Update
- Study Session: Historical Preservation Project
- Adoption of Business License Ordinance
- Adoption of HR Policies
- Exploration Park Contract Award
- Legal Services Agreement
- Sports Park Rate Increase
- Selection Process for City Council Position #2
- 35th Ave Reconstruction Project Contract Amendments
- LEOFF Board ILA
- Cancel 12/25 and 1/1 Council Meetings

January 8, 2019

(Agenda Summary due December 26)

- Terry Ryan Check Presentation - Exploration Park (tentative)
- A&B Board Appointments
- 2019 Council Assignments

January 22, 2019

(Agenda Summary due January 8)

- MCMC Amendments - Code Enforcement
- Waste Management Presentation

MARCH						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5 Council	6	7	8	9
10	11	12 Council	13	14	15	16
17	18	19	20	21	22	23
24	25 ³¹	26 Council	27	28	29	30

APRIL						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9 Council	10	11	12	13
14	15	16	17	18	19	20
21	22	23 Council	24	25	26	27
28	29	30				

MAY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7 Council	8	9	10	11
12	13	14 Council	15	16	17	18
19	20	21	22	23	24	25
26	27	28 Council	29	30	31	

Possible Work Session Topics for Discussion

- Business signs
- Business License Fee Increase
- MCCA storm water discussions
- Utility Project Management
- Hotel/Motel Theater Tax
- Mill Creek Blvd Vision
- ST3 Stations
- EGUV Development Agreement
- SR 96 – Consideration of Speed
- 5G Presentation