

# 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 • John Steckler • Stephanie Vignal

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 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.** 2019-850

**Next Resolution No.** 2019-579

**April 23, 2019  
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

## **PRESENTATIONS**

- B. Community Transit Update  
(*Emmett Heath, CEO and June DeVoll, Manager of Regional Programs & Projects*)
- C. Volunteer Recognition  
(*Kristen Rasmussen, Community Engagement Coordinator*)
- D. Citizen Patrol Oath of Office  
(*Greg Elwin, Chief of Police*)

## **NEW BUSINESS**

- E. Mill Creek Blvd Corridor Study - Contract for Services  
*(Gina Hortillosa, Director of Public Works & Development Services)*
- F. Appointments to the Planning Commission  
*(City Council Interview Committee: Mayor Pro Tem Holtzclaw, Councilmember Bond, and Councilmember Steckler)*

## **STUDY SESSION**

- G. Bond Financing Recommendation  
*(Peggy Lauerman, Director of Finance & Administration)*
- H. Financial Management Policies  
*(Peggy Lauerman, Director of Finance & Administration)*

## **CONSENT AGENDA**

- I. Approval of Checks #60118 through #60202 and ACH Wire Transfers in the Amount of \$631,009.43  
*(Audit Committee: Mayor Pruitt and Mayor Pro Tem Holtzclaw)*
- J. Payroll and Benefit ACH Payments in the Amount of \$267,065.25  
*(Audit Committee: Mayor Pruitt and Mayor Pro Tem Holtzclaw)*

## **REPORTS**

- K. Mayor/Council
- L. City Manager
  - Council Planning Schedule
- M. Staff
  - Memorial Day 2019 Event Report
  - Art & Beautification Board Meeting Minutes of March 13, 2019

## **AUDIENCE COMMUNICATION**

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

## **RECESS TO EXECUTIVE SESSION**

*(Confidential session of the Council)*

- O. To evaluate the qualifications of an applicant for public employment pursuant to RCW 42.30.110(1)(g)

*Action may or may not be taken.*

## **ADJOURNMENT**



Agenda Item # C  
Meeting Date: April 23, 2019

## **CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

### **AGENDA ITEM: VOLUNTEER RECOGNITION**

#### **PROPOSED MOTION:**

None.

#### **KEY FACTS AND INFORMATION SUMMARY:**

National Volunteer Week is held each April, this year falling the week of April 7-13. The City issued a proclamation in honor of that week on April 9, 2019. National Volunteer Week was established by Presidential Proclamation in 1974 to highlight the various opportunities available for those interested in volunteering.

As part of National Volunteer Week, the City partnered with other civic organizations to host a Community Engagement Event at Arena Sports to recognize and thank those who volunteer to keep many organizations running, keep communities safe and provide the services that otherwise would not exist without volunteers.

The City of Mill Creek also would like to recognize and thank those volunteers who specifically serve the City for their dedication and commitment to local government and our community. It is one of the City goals to "achieve strong community spirit by promotion active civic participation." These City volunteers are engaged and strongly support the City's work.

Therefore, the City of Mill Creek will recognize its 2019 City of Mill Creek Volunteers:

- Art & Beautification Board
- Civil Service Commission
- Communication & Marketing Event Volunteers
- Design Review Board
- Park & Recreation Board
- Planning Commission
- Mill Creek Police Outreach Volunteers
- Youth Advisory Board

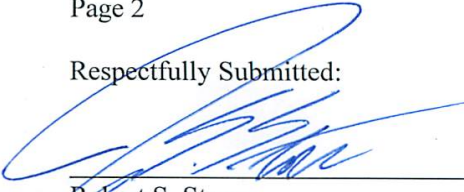
All volunteers have been invited to the April 23, 2019, Council meeting and many have confirmed they will be in attendance. During the meeting, staff will provide a brief presentation showcasing the volunteer services that are provided by each group.

#### **ATTACHMENTS:**

N/A

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Respectfully Submitted:



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Robert S. Stowe  
Interim City Manager



Agenda Item # D  
Meeting Date: **April 23, 2019**

**CITY COUNCIL AGENDA SUMMARY**  
City of Mill Creek, Washington

**AGENDA ITEM: COMMISSIONING OF CITIZEN PATROL VOLUNTEERS.**

**PROPOSED MOTION:**

None – this summary is for informational purposes only.

**KEY FACTS AND INFORMATION SUMMARY:**

The Mill Creek Police Department Citizen Patrol is comprised of community volunteers with an interest in serving alongside and in support of the police department. Citizen Patrol volunteers are vetted in much the same way as other Police Department employees and undergo a criminal background and reference check. The current version of the MCPD Citizen Patrol is an evolution from a similar program that had been in place a number of years ago. Two of our current Citizen Patrol members were a part of the previous team of volunteers and bring with them a wealth of volunteer experience and knowledge. The third member to be commissioned and introduced during the meeting is a recent graduate of the MCPD Citizen Academy and a dedicated member of our community.

Members of the Citizen Patrol receive training in traffic control, security checks and investigation of certain traffic or parking-related offenses in addition to an overall introduction to all aspects of the Police Department. The limited commission that the Citizen Patrol volunteers receive once they take their oath of office will allow them to work events, support patrol operations, enforce certain parking ordinances and otherwise supplement officers' work in the community.

Oath of office ceremonies will be conducted by the Police Chief for two members who were part of the previous version of the program; **Sally Dagna** and **George DeWitt** along with our newest member of the Citizen Patrol; **Barbara Heidel**.

These dedicated community volunteers will serve as the foundation of the Citizen Patrol as it continues to grow and develop. The Citizen Patrol will become one of the shining stars within the Police Department and a valuable asset to the entire city.

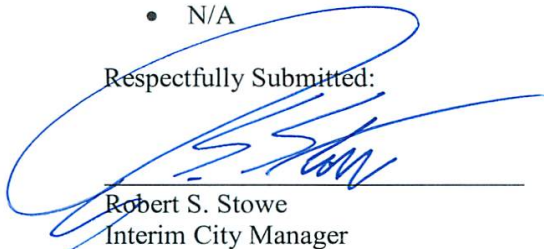
**CITY MANAGER RECOMMENDATION:**

None – this summary is for informational purposes only.

**ATTACHMENTS:**

- N/A

Respectfully Submitted:



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Robert S. Stowe  
Interim City Manager



Agenda Item # E

Meeting Date: April 23, 2019

## **CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

**AGENDA ITEM:   MILL CREEK BOULEVARD LAND USE AND  
INFRASTRUCTURE SUBAREA PLAN – CONTRACT FOR  
PROFESSIONAL SERVICES**

**PROPOSED MOTION:**

Authorize the City Manager to execute a contract for professional services with Otak in an amount not to exceed \$299,895.

**KEY FACTS AND INFORMATION SUMMARY:**

Background

The adopted 2019/20 budget includes funds to hire a consultant to prepare land use and infrastructure plans for the Mill Creek Boulevard Corridor. Last February, the City published a Request for Qualifications to find the most qualified consultant. Through a competitive process, Otak was selected as most qualified.

Since being selected as most qualified, Otak and City staff have negotiated a Scope of Services, Schedule, and Budget for the preparation of the Subarea Plan. These items were presented to the City Council at their regular meeting on April 9, 2019, by Mandi Roberts, project manager and Vice President and Partner with Otak. At the meeting, the City Council expressed support for the project and stressed that it was important that options identified in the plan are realistic and consistent with the vision of the City Council. Toward that end, the proposed Scope of Services includes ample opportunity for the City Council to participate in guiding the Plan's preparation by potentially participating on an "Advisory Committee," as well providing scheduled updates on the Plan's progress to the City Council and the Planning Commission at regular meetings.

Professional Services Contract

For work to begin on the Mill Creek Boulevard Subarea Plan, the City needs to formally enter into a contract with Otak. Staff has prepared a Professional Services Contract consistent with the Scope of Services, Schedule, and Budget that was presented to the Council at the April 9, 2019 meeting. Since the contract exceeds \$50,000, the City Council must formally authorize the City Manager to execute the contract.

Next Steps – Appointment of an Advisory Committee

The proposed Scope of Services includes utilizing an Advisory Committee to assist and guide the consultant's preparation of the Subarea Plan. Once the contract is executed, the Council will be asked to appoint members to this Committee. The Advisory Committee can have as many members as necessary to represent the community; but, to be manageable, staff is recommending that membership be limited to no more than 15 members.

City Council Agenda Summary

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In the past, the City has used advisory committees to help guide the preparation of important plans, such as the Capital Facilities Plan and the Town Center Plan/Design Guidelines. This model provides a group of interested community members with a wide range of interests that can ensure that relevant information is gathered, appropriate questions are asked, and that alternatives to be considered are realistic and acceptable to the community. The Advisory Committee would operate and make decisions by consensus and the discussion/decisions of the Committee would be documented in minutes.

For this project, staff is recommending that the Advisory Committee represent the following segments of the community/interests:

- City Council (up to 3 members)
- City Planning Commission (up to 3 members)
- City Design Review Board (1 member)
- City Park Board (1 member)
- City Arts and Beautification Board (1 member)
- Community Transit (1 member)
- Owners of Property within the Subarea (1 member)
- Chamber of Commerce (1 member)
- Town Center Business Association (1 member)
- General Public (2 members)

The Advisory Committee is not the only way to provide input during the preparation of the Subarea Plan. Task 1 of the Scope of Services includes other activities to gather information from and disseminate information to interested parties including individual interviews and workshops with affected property owners and other stakeholders, providing informational displays with opportunities for feedback at City events, etc.

Once the City Council determines the makeup of the Advisory Committee membership, the City can ask for Letters of Interest through the City's typical media and social media outlets and web page, as well as emailing the members of the applicable City volunteer boards. Once received, the Letters of Interest would be brought back to the City Council to select the members.

**CITY MANAGER RECOMMENDATION:**

- Authorize the City Manager to execute the attached contract with Otak to prepare the Mill Creek Boulevard Land Use and Infrastructure Subarea Plan in an amount not to exceed \$299,895.
- Provide direction to staff on desired composition of Advisory Committee and process for appointment.

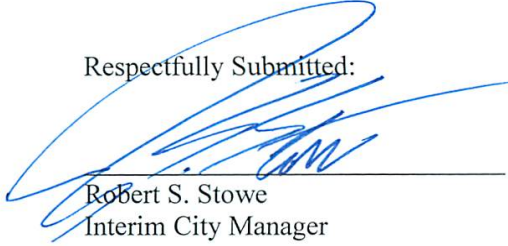
**ATTACHMENTS:**

- Contract for professional services with Otak, Incorporated



City Council Agenda Summary  
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Respectfully Submitted:



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Robert S. Stowe  
Interim City Manager

**CONTRACT 2019 – \_\_\_\_\_**

**CITY OF MILL CREEK  
CONTRACT FOR PROFESSIONAL SERVICES**

**1. Parties**

1.1 THIS AGREEMENT is made and entered into by and between the City of Mill Creek, 15728 Main Street, Mill Creek, Washington, 98012, a Washington municipal corporation (the "City") and Otak, Incorporated, a corporation organized under the laws of the state of Washington, located and doing business at 11241 Willows Road NE, Suite 200, Redmond, Washington 98052 ("Consultant") (collectively at times referred to as "Parties"), and shall be effective upon the authorized signatures of both Parties to this Agreement ("Effective Date").

**2. Recitals**

2.1 The City desires to retain the Consultant to perform certain professional design services related to the Mill Creek Boulevard Land Use and Infrastructure Subarea Plan (the "Project").

2.2 The City solicited for professional services as required by law, including RCW Chapter 39.80.

2.3 The Consultant represents it is available and able to provide qualified personnel and facilities necessary to accomplish the work and services contemplated herein within the required time and in accordance with the City's requirements and professional standards.

In consideration of the mutual benefits and promises of this Agreement, the Parties enter into this Agreement on the terms and conditions set forth herein.

**3. Scope of Work**

3.1 The City hereby retains the Consultant upon the terms and conditions contained herein to perform certain work and services on the Project. The work and services for the Project to be performed by the Consultant are set forth in the Scope of Work, **Exhibit A**, attached hereto and incorporated herein by this reference (the "Work").

3.2 The City has relied upon the qualifications of the Consultant in entering into this Agreement. By execution of the Agreement, Consultant represents it possesses the ability, skill, and resources necessary to perform the Work and is familiar with all applicable current laws, rules, and regulations that reasonably relate to the Work.

3.3 It shall be the responsibility of the Consultant to gather and become familiar with all site information, including existing improvements, before starting and during completion of the Work. The City may make available to the Consultant copies of as-

built plans, drawings, survey notes, studies, soil reports, maintenance and performance records, and other relevant data, and property descriptions of various City facilities related to the Project, if any, which are readily available and on file at the City. If provided, these documents are solely for additional information to the Consultant and do not relieve the Consultant of its duties and obligations under this Agreement nor do they constitute any representation or warranty by the City as to conditions or other matters related to the Project.

3.4 Consultant shall take all precautions reasonably necessary to perform the Work and shall be responsible for the safety of its employees, agents and subconsultants in the performance of the Work.

3.5 Even though Consultant is an independent contractor with the authority to control and direct the performance and details of the Work, the Work must meet the approval of the City and shall be subject to the City's general right of inspection and supervision to secure the satisfactory completion of this Agreement.

**4. Period of Performance**

4.1 Completion Date. Consultant shall commence the Work upon the City's issuance of the notice to proceed and shall complete all Work no later than April 30, 2020 ("Completion Date"), unless extended or terminated earlier by the City pursuant to the terms and conditions of this Agreement. The "Period of Performance" is the period of time between the Effective Date and the Completion Date.

4.2 Project Schedule. The general Project Schedule is set forth in **Exhibit B**, attached hereto and incorporated herein by this reference. Time is of the essence for the Project.

4.3 Time Extensions. The Total Price, Period of Performance, and task budgets shall not be increased because of any unwarranted delays or costs attributable to the Consultant. In the event of a delay not attributable to the Consultant that could not be reasonably anticipated and results in an increase in costs to perform the Work, the City may at its discretion, through the execution of an amendment, increase the Total Price, Period of Performance, and/or task budget.

**5. Administration and Supervision**

5.1 City. The Director of Public Works and Development Services or its designee (who shall be designated in writing by the City) shall perform day-to-day management of this Agreement. Unless otherwise indicated in writing by the City Manager or its designee, the Director of Public Works and Development Services will issue notices to proceed, approve all requests for payment, authorize termination or modification of tasks, and approve in writing changes to the task budgets outlined in the Cost Summary, **Exhibit C**, attached hereto and incorporated herein by this reference, provided that such changes do not impact the Total Price or the Period of Performance. The Director of Public Works and Development Services will also be responsible for determining when the Consultant has satisfactorily performed all Work and for ensuring that the Consultant complies with all provisions of this Agreement.

5.2 Consultant. The Consultant represents that it has, or will obtain, all personnel necessary to perform the Work and that such personnel shall be qualified, experienced, and licensed as may be necessary or required by laws and regulations to perform the Work. All services required under this Agreement shall be performed by the Consultant, its employees, or by subconsultants whose selection has been authorized by the City; provided that the City's authorization shall not relieve the Consultant or its subconsultants from any duties or obligations under this Agreement or at law to perform the Work in a satisfactory and competent manner. Consultant shall ensure that all contractual duties, requirements and obligations that the Consultant owes to the City shall also be owed to the City by the Consultant's subconsultants retained to perform the Work.

5.2.1 Authorized Subconsultants. The Agreement shall identify in the Key Subconsultant List, **Exhibit D**, attached hereto and incorporated herein by this reference, the subconsultants that are authorized to perform Work under this Agreement, or shall state that there are no subconsultants.

5.2.2 Process for Adding or Removing Key Subconsultants

5.2.2.1 If during the term of this Agreement, the Consultant wishes to add or remove a key subconsultant as identified in the Key Subconsultant List, the Consultant shall provide the Director of Public Works and Development Services with a written request identifying the proposed change and obtain written authorization by the City.

5.2.2.2 The City has sole discretion to approve or reject a proposed change in a key subconsultant. Before any key subconsultant not already identified in the Agreement can perform any Work, the Consultant must obtain written authorization from the City.

5.2.3 Process for Adding or Removing Key Personnel

5.2.3.1 If during the term of this Agreement, the Consultant wishes to add or remove key personnel as identified in the Key Personnel List, **Exhibit E**, attached hereto and incorporated herein by this reference, the Consultant shall provide the Director of Public Works and Development Services with a written request identifying the proposed change and obtain written authorization by the City.

5.2.3.2 The City has sole discretion to approve or reject a proposed change in any key personnel. Before any key personnel not already identified in the Agreement can perform any Work, the Consultant must obtain written authorization from the City.

5.2.3.3 If a change is made substituting or changing assigned key personnel or subconsultants, the Consultant shall pay any and all costs associated therewith, including "Transfer of Knowledge and Information." Transfer of Knowledge and Information shall include all time, labor hours, and costs for reviewing Project documentation, participating in meetings with Project personnel, and participating in site visits to familiarize the person or subconsultant with the Project, the Work, and the Project location(s).

5.2.4 City May Request Removal of Subconsultant or Personnel. The Consultant shall remove from the Project any personnel or subconsultant, including key personnel or key subconsultants if, after the matter has been duly considered by the City and the Consultant, the City considers such removal appropriate or necessary and in the best interests of the Project and so advises the Consultant in writing.

5.3 Nondiscrimination. In all hiring or employment decisions arising from this Agreement, there shall be no unlawful discrimination against any employee or applicant for employment because of sex, age, race, color, creed, national origin, marital status, sexual orientation, political ideology, veteran or military status, genetic information, family medical history, or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. This requirement shall apply to, but not be limited to, the following: employment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. No person shall be denied or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this Agreement because of any of the protected characteristics identified above.

**6. Changes in Work**

6.1 The City may at any time direct the Consultant to make additions within the general scope of the Work, delete portions of the Project, or revise portions of the Work. Any direction from the City that results in an increase or decrease in the Scope of Work or Project Schedule, changes the Total Price or Period of Performance, or changes affecting the Scope of Work and Total Price for the Project shall be made only by an amendment to this Agreement prior to the work being performed. Subject to Section 6.2 below, the City Manager is the only authorized City representative who may sign such amendments.

6.2 Changes described in Section 6.1 above may be made in writing by the Director of Public Works and Development Services if such changes individually, and cumulatively as to all such changes for the Project, do not increase the Total Price specified in Section 10.1.

6.3 In the event the Consultant identifies something that may materially impact the Scope of Work, Project Schedule, and/or Total Price, Consultant shall immediately inform the Director of Public Works and Development Services.

**7. Responsibility of the Consultant**

**7.1 Standard of Care**

7.1.1 The Consultant shall be responsible for the professional quality, technical adequacy and accuracy, timely completion, and coordination of the Work and all plans, designs, drawings, specifications, reports, and other services prepared or performed pursuant to this Agreement. Consultant shall exercise the degree of care, skill and diligence normally employed by professional consultants engaged in the same profession, and performing the same or similar services at the time such services are performed. The Consultant shall be responsible for the professional standards, performance, and actions of all

persons and firms performing the Work. The Consultant shall, without additional compensation, correct or revise any errors, omissions, or specific breaches of a contractual obligation in the Work or any plans, designs, drawings, specifications, reports, and other services performed under this Agreement.

7.1.2 The City's acceptance of any portion of the Work, or any plans, drawings, designs, specifications, reports, and other products of the professional services rendered hereunder shall not in any way relieve the Consultant of responsibility for the adequacy and accuracy thereof. The City's review, approval, acceptance of, or payment for all or any of the Work, shall not be construed nor shall it operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

7.1.3 The Consultant shall be knowledgeable and familiar with the current edition of the City's Contract Documents (available from the City), and the current edition of WSDOT Standard Specifications for Roads, Bridges and Municipal Construction. All technical specifications drafted by the Consultant shall be consistent with these documents and shall not create any conflict therewith.

7.1.4 The Consultant shall promptly bring to the City's attention all concerns that the Consultant has regarding the Work, design or any finding, conclusions, or final decisions made by the City. The Consultant shall, at the City's request, provide the City with a written evaluation of its concerns, along with proposed solutions to any identified problems.

7.2 Maintenance of Project Documentation

7.2.1 Upon request by the Director of Public Works and Development Services, the Consultant shall provide the City with access to all documents and correspondence, including e-mail communications, memoranda, computer files, and all other materials prepared or used in performance of the Work.

7.2.2 The Consultant acknowledges that information and documentation submitted to the City will in all likelihood be considered a public record in accordance with the Revised Code of Washington and may not be exempt from disclosure under the Washington State Public Records Act.

7.2.3 The Consultant acknowledges that unauthorized disclosure of information or documentation concerning this Project may cause substantial economic loss or harm to the City. Except as otherwise required by court order or subpoena, the Consultant shall not without prior written authorization by the Director of Public Works and Development Services allow the release, dissemination, distribution, sharing, copying, or other publication or disclosure of information or documentation obtained, discovered, shared or produced pursuant to this Agreement.

**8. Commencement and Monthly Reports**

8.1 Notice to Proceed. After execution of this Agreement by the City and the Consultant, the City will issue a written notice to proceed on the Project and may issue written notice(s) to proceed on specific tasks thereof if necessary to produce specified work products. Upon receipt of a notice to proceed, the Consultant shall promptly commence work.

8.2 Monthly Reports. Unless otherwise stated in the Scope of Work, the Consultant shall submit to the Director of Public Works and Development Services with each invoice a monthly report in a format approved by the Director of Public Works and Development Services sufficient to show the activities completed and the Project progress as measured against the Project Schedule and Cost Summary. At a minimum the monthly report shall identify work completed, costs incurred, budget status (budget vs. estimated balance to complete), amendments, project schedule, any variance between planned vs. actual Project performance, all issues that may result in completion of any task beyond the established schedule or task budget, and all issues that may result in an increase in Total Price.

**9. Compensation**

9.1 The City will pay the Consultant for authorized and satisfactorily completed Work in accordance with the terms of this Agreement. Consultant shall be paid on the basis of time actually expended and out-of-pocket expenses in accordance with the work hours and the rate(s) and for all supervision, labor, supplies, materials, equipment or use thereof, taxes, and for all other necessary incidentals all as specified in the Cost Summary. In no event, however, shall the total cumulative payment(s) paid by the City exceed the sum of **Two Hundred Ninety-Nine Thousand Eight Hundred and Ninety-Five Dollars (\$299,895)**, including applicable state taxes ("Total Price"). The Total Price is the maximum amount to be paid under this Agreement and shall not be exceeded without prior written authorization from the City in the form of a negotiated and executed amendment.

9.2 Invoice Process. The Consultant shall submit to the Director of Public Works and Development Services an invoice for payment for Work once per month. The invoice shall identify the Work completed since the previous invoice, and shall be computed pursuant to this Agreement. The invoice may be combined with the monthly report specified in Section 9.2.

9.2.1 Invoice Details. Invoices shall detail the Work by task, hours, and employee name and level for which payment is being requested; include copies of all invoices from authorized subconsultants and suppliers for which payment is being requested; and shall itemize, and include copies of, receipts and invoices for all other direct costs.

9.2.2 Maximum Amount. At no time shall the total cumulative amounts paid for the Work (calculated as a percentage of the Total Price) exceed the Total Price or the amount that would be due based on the percentage of the Work satisfactorily completed as determined by the City.

9.2.3 Payment. Upon acceptance by the City of the invoiced Work, which acceptance shall not be unreasonably withheld, Consultant shall be compensated in accordance with the City's usual procedures. In the event of a disputed invoice, the City may pay the undisputed amounts and withhold from payment the disputed portion of the invoice.

9.3 Final Payment. Final payment to the Consultant for the Work will be made in accordance with the City's usual procedures after all of the following are verified by the Director of Public Works and Development Services:

9.3.1 Satisfactory completion of all of the Work;

9.3.2 Receipt by the City of the plans, studies, surveys, photographs, maps, calculations, notes, reports, warranties and all other documents and/or deliverables which are required to be prepared and submitted by the Consultant;

9.3.3 Delivery of all equipment and/or materials purchased specifically for the Project where the City has reimbursed the Consultant for such costs.

9.4 Release. Acceptance of any payment by Consultant shall constitute a release of all payment claims against City arising under this Agreement as to such portion of the Services. No payment to the Consultant, whether periodic or final, shall constitute a waiver or release by the City of any claim, right or remedy it may have against the Consultant regarding performance of the Work as required by this Agreement.

**10. Termination of Agreement**

10.1 Termination for Default

10.1.1 The City may terminate this Agreement, in whole or in part and at any time, in writing if the Consultant substantially fails to fulfill any or all of its material obligations under this Agreement through no fault of the City.

10.1.2 If the City terminates all or part of this Agreement for default, the City shall determine the amount of work satisfactorily performed to the date of termination and the amount owing to the Consultant using the criteria set forth below; provided, that (a) no amount shall be allowed for anticipated profit on unperformed Work and (b) any payment due to the Consultant at the time of termination may be adjusted to the extent of any additional costs the City incurs or will incur because of the Consultant's default. In such event, the City shall consider the actual costs incurred by the Consultant in performing the Work to the date of termination, the amount of Work originally required which was satisfactorily completed to the date of termination, whether that Work is in a form or of a type which is usable and suitable to the City at the date of termination, the cost to the City of completing the Work itself or of employing another firm to complete it and the inconvenience and time which may be required to do so, and other factors which affect the value to the City of the Work performed to the date of termination. Under no circumstances shall payments made under this provision exceed the Total Price set forth in this Agreement. This provision shall not preclude the City from filing claims and/or commencing litigation to secure compensation for damages incurred beyond that covered by withheld payments.



10.1.3 If a termination for default by the City is ultimately determined to be wrongful, it shall be deemed a termination for convenience, and not a breach of this Agreement.

**10.2 Termination for Convenience**

10.2.1 The City may terminate this Agreement, in whole or in part and at any time, in writing for the convenience of the City.

10.2.2 If the City terminates this Contract for convenience, the City shall pay the Consultant the amount otherwise due in accordance with this Agreement for services satisfactorily performed to the date of termination. Under no circumstances shall payments made under this provision exceed the Total Price set forth in this Agreement.

**10.3 Consultants Duties Upon Termination**

10.3.1 Upon receipt of a termination notice, whether by default or for convenience, the Consultant shall at no additional cost to the City:

10.3.1.1 Promptly discontinue all Work affected (unless the notice directs otherwise);

10.3.1.2 Terminate all contracts with subconsultants to the extent they relate to the Work terminated; and

10.3.1.3 No later than fourteen (14) calendar days after receipt of termination, promptly deliver or otherwise make available to the City all data, drawings, electronic drawing files, specifications, calculations, reports, estimates, summaries, and other Project documentation, such other information and materials as the Consultant or subconsultants may have accumulated in performing this Agreement, whether completed or in progress and all equipment/materials purchased specifically for the Project where the City has paid the Consultant for such items.

10.3.1.4 Take any action necessary, or that the City may reasonably direct, for the protection and preservation of property or Work related to this Agreement that is in the possession of the Consultant and in which the City has or may acquire an interest.

**11. Ownership and Use of Documents**

11.1 All documents, drawings, specifications, designs, computer programs, software, reports and other work product (collectively referred to as "Work Product") developed or produced by Consultant for the City in connection with the Work rendered under this Agreement shall be owned by the City. Consultant shall provide such Work Product to the City on a data disk compatible with the City's computer equipment and programs. As between the Consultant and the City, the Work Product shall be works made for hire under all applicable copyright law and the City shall own any and all copyrights to such Work Product. Consultant agrees to transfer and assign all ownership rights and copyrights to such Work Product to the City to give effect to this Section. Consultant further

waives any and all moral rights (including rights of integrity and attribution) in and to the Work Product. Re-use of any Work Product by the City for other than the Project that is the subject of this Agreement or modification in use by the City of any of the Work Product without the Consultant's prior written approval shall be at the City's sole risk.

11.2 To the extent it is determined any other records held by the Consultant relating to the Services are subject to the Washington Public Records Act (RCW 42.56), the Consultant shall promptly deliver such records to the City for purpose of responding to a public records request. This section shall survive termination of this agreement.

**12. Third-Party Claims and Disputes**

12.1 At the City's request, Consultant will assist the City in review and evaluation of claims and disputes, preparing information for the City's legal counsel, providing services as witness in litigation or arbitration to which the City is a party, and providing other services in connection with actual or potential claims or disputes arising out of the Work, regardless of whether or not consultant is named in such legal action. The Parties shall cooperate to agree on the compensation for such services. If Consultant is determined to be responsible for the claim, dispute or litigation due to its act, omission, negligence or breach of this Agreement, it shall remit back to the City the amounts paid under this Section to the extent of such act, omission, negligence or breach.

**13. Audit and Access to Records**

13.1 The Consultant, including its subconsultants, shall maintain books, records, documents, and other evidence directly pertinent to performance of the Work in accordance with generally accepted accounting principles and practices consistently applied. The City, or any of its duly authorized representatives, shall, for the purpose of audit and examination, have access to and be permitted to inspect such books, records, documents, and other evidence for inspection, audit, and copying for a period of six years after completion of the Project. The City shall also have access to such books, overhead data, records and documents during the performance of the Work if deemed necessary by the City to verify work performed and invoices, to assist in negotiations for amendments to the Agreement or modifications to tasks, and to resolve claims and disputes.

13.2 Audits conducted under this Section shall be in accordance with generally accepted auditing standards and established procedures and guidelines of the reviewing or auditing agency.

13.3 Consultant shall provide the City, six years after completion of the Project, all original books, records, documents, and other evidence directly pertinent to performance of the Work.

**14. Legal Relations**

14.1 The Consultant shall comply, and shall ensure its subconsultants comply, with all the terms of this Agreement and the City resolutions and federal, state and local laws, regulations and ordinances applicable to the Work to be performed under this Agreement.

14.2 In performing the Work, the Consultant and its subconsultants, employees, agents and representatives shall be acting as independent contractors and shall not be deemed or construed to be employees or agents of the City in any manner whatsoever. The Consultant shall not hold itself out as, nor claim to be, an officer or employee of the City by reason hereof and will not make any claim, demand, or application to or for any right or privilege applicable to an officer or employee of the City. The Consultant shall be solely responsible for any claims/costs and/or losses arising from the Consultant's failure to pay wages, compensation, benefits, or taxes and/or pay for services, supplies, and/or materials provided by Consultant employees, agents and representatives, including subconsultants, and will protect, defend, indemnify and hold the City harmless therefrom.

14.3 The City's rights and remedies in this Agreement are in addition to any other rights and remedies provided by law. The City may exercise such rights and remedies in any order and at any time as it determines necessary or appropriate.

**15. Indemnification and Insurance**

**15.1 Indemnification.**

15.1.1 Consultant shall indemnify, defend and hold harmless the City, its officers, officials, employees, and volunteers ("Indemnified Parties") from and against all claims, damages, losses, and expenses, asserted against one or more Indemnified Parties arising out of or resulting from the Consultant's performance of the Work or any obligation under this Agreement, to the extent caused by the negligent acts or omissions of the Consultant, its subconsultants, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable ("Indemnified Claim"), regardless of whether or not such claim, damage, loss or expense is caused in part by the Indemnified Parties. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Section. Where an Indemnified Claim is caused by or results from the concurrent negligence of the Indemnified Parties and the Consultant, the Consultant's duty to indemnify and defend the Indemnified Parties as provided for herein shall apply only to the extent of the negligence of the Consultant or its subcontractors, consultants or other parties for whom the Consultant is responsible.

15.1.2 Consultant's obligations under this Section include, but are not limited to, all claims against the Indemnified Parties by an employee or former employee of the Consultant or any of its subcontractors. For this purpose, the Consultant expressly waives, as respects to the Indemnified Parties only, all immunity and limitation on liability under any Industrial Insurance Act, including Title 51 RCW, or other worker's compensation

act, disability act, or other employee benefit act of any jurisdiction, which would otherwise be applicable in the case of such a claim.

**BY SIGNING THE AGREEMENT THE OWNER AND CONSULTANT CERTIFY THE WAIVER OF IMMUNITY SPECIFIED BY THIS PROVISION WAS MUTUALLY NEGOTIATED.**

15.1.3 Consultant's obligations under this Section shall survive expiration or termination of the Agreement. In the event of litigation between the parties to enforce the rights under this Section, reasonable attorney fees and costs shall be awarded to the prevailing party.

15.2 Insurance.

15.2.1 Insurance. The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

15.2.2 No Limitation. Consultant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

15.2.3 Minimum Scope of Insurance. Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage. The City shall be named as an additional insured under the Consultant's Automobile Liability insurance policy with respect to the work performed for the City.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the state of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

15.2.4 Minimum Amounts of Insurance. Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

15.2.5 Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance with respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Consultant's insurance and shall not contribute with it.
2. The Consultant's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City. In the event that such endorsement cannot be obtained from Consultant's insurance carrier, Consultant shall be responsible for providing notice in accordance with the terms of this provision.

15.2.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

15.2.7 Verification of Coverage. Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work, which is attached and incorporated by this reference as **Exhibit F**.

15.2.8 Failure to Maintain Insurance. Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

**16. Disputes and Remedies**

16.1 Choice of Law. This Agreement and all provisions hereof shall be interpreted in accordance with the laws of the state of Washington in effect on the Effective Date.

16.2 City Manager Review. All claims, counter-claims, disputes, and other matters in question between the City and the Consultant arising out of or relating to this Agreement shall be referred to the City Manager or a designee for determination, together with all facts, data, contentions, and so forth which relate thereto. The City Manager shall make a determination within thirty (30) calendar days of such referral.

16.3 Alternate Dispute Resolution. Should the claim, counter-claims, or disputes not be resolved by the City Manager's decision, the parties shall attempt to resolve the matter through professional mediation, which shall be conducted within thirty (30) calendar days of the City Manager's decision. The cost of mediation shall be shared equally.

16.4 Exhaustion of Administrative Remedies. Referral to and determination by the City Manager or a designee and ADR shall be a condition precedent to the commencement of a civil action to adjudicate such dispute.

16.5 Jurisdiction & Venue. The Superior Court of Snohomish County, Washington, shall have exclusive jurisdiction and venue over any legal action arising under this Agreement and the laws of the state of Washington shall apply.

**17. Notice**

17.1 Any notice required to be given under the terms of this Agreement shall be in writing and directed to the party at the address set forth below. Notice shall be considered issued and effective upon receipt thereof by the addressee-party. Facsimile notice shall be considered effective with proof of confirmation that the addressee has received the facsimile. Such proof would be a confirmation sheet evidencing such receipt at the fax number listed below.

Director of Public Works and Development Services  
City of Mill Creek  
15728 Main Street  
Mill Creek, Washington 98012  
425-745-1891 (p)  
425-745-9650 (f)

Amanda (Mandi) Roberts, Vice President, Principal, and Senior Project Manager  
Otak, Incorporated  
11241 Willows Road NE, Suite 200  
Redmond, Washington 98052  
425-822-4446 (p)  
425-827-9577 (f)

**18. General Terms**

18.1 Integration. The written terms and provisions of this Agreement, together with all referenced Exhibits, supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of, or altering in any manner whatsoever, this Agreement. The entire agreement between the parties with respect to the subject matter hereunder is contained in this Agreement and the referenced Exhibits.

18.2 Priority of Documents. In the event that the language and provisions of this Agreement are contrary to or conflict with any language or provisions set forth in any exhibit to this Agreement, the language and provisions of this Agreement shall control, and the contrary or conflicting language or provisions of the exhibit(s) shall be disregarded and shall be considered void. Consultant's standard terms and conditions, whether printed on, attached to, or otherwise incorporated into an exhibit or elsewhere, shall not be binding on Owner.

18.3 Assignment. Consultant shall not assign any portion of its duties or obligations under this Agreement without the City's prior written consent. Any assignment of this Agreement by Consultant without the prior written consent of the City shall be void.

18.4 Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of City and Consultant.

18.5 Waiver. A waiver of any breach by either party shall not constitute a waiver of any subsequent breach.

18.6 Exhibits. The Exhibits included in the Agreement are identified below. Any inconsistency or conflict between these Exhibits (all as may be modified by the latest amendment) shall be resolved by giving precedence in the following descending order of importance:

- 18.6.1 Exhibit A, Scope of Work;
- 18.6.2 Exhibit B, Project Schedule;
- 18.6.3 Exhibit C, Cost Summary;
- 18.6.4 Exhibit D, Key Subconsultant List;
- 18.6.5 Exhibit E, Key Personnel List;
- 18.6.6 Exhibit F, Insurance

18.7 Authorized Signatures. By their signatures below each party represents that they are fully authorized to sign for and on behalf of the named principal above.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officers or representatives as of the day and year written below.

**CITY OF MILL CREEK**

**OTAK, INCORPORATED**

\_\_\_\_\_  
Michael Ciaravino, City Manager

\_\_\_\_\_  
Mandi Roberts, AICP, PLA

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Gina Pfister, City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Scott Missall, City Attorney



**Exhibit A**

**Scope of Work**

The scope of work includes four primary stages of work:

- 1.0 INITIATE AND COMMUNICATE**—project start-up and ongoing management, coordination, and communications
- 2.0 REVIEW AND ASSESS**—review and assessment of existing conditions and background information and market analysis
- 3.0 ENVISION AND ANALYZE**—visioning and development and analysis of alternative scenarios and concepts
- 4.0 PLAN AND DESIGN**—selecting the preferred alternative, packaging the subarea plan, and proceeding with 30 percent design of public improvements

**1.0 INITIATE AND COMMUNICATE**

**1.1** The Consultant will develop a detailed project work plan to guide the subarea planning and design process. The work plan will establish milestones and benchmarks that measure the City’s and our team’s progress throughout the subarea planning process.

**1.2** The Consultant will develop a public and stakeholder engagement plan and participation strategy. Public and stakeholder engagement will include multiple series of workshops with property owners, business representatives, residents, public agencies (WSDOT and CT), and other stakeholders, as well as a variety of activities specifically tailored to the Mill Creek community and subarea, such as informational publications and displays, community open houses, presence at local community events, one on one meetings, and other engagement and outreach. Throughout the process, the Consultant team will follow the principles and methodologies of the International Association for Public Participation (IAP2) to ensure meaningful engagement and transparency. The following public, community, and stakeholder engagement activities are assumed in the scope of work.

**1.2.1 *Public and Stakeholder Engagement Plan/Participation Strategy***—The Public and Stakeholder Engagement Plan and Participation Strategy will describe the purpose of public and stakeholder engagement and key objectives to be achieved, the participation audience, methods for engagement, a timeline for these activities, and roles and responsibilities during the engagement process. Information from the IAP2 will be integrated into the plan.

**1.2.2 *Project Advisory Committee***—The City’s core staff team will work with City Council to appoint an advisory committee of up to -15 people to work with our team during the planning and design process. The advisory committee will help generate the vision, policies, and other guiding information and provide feedback on design concepts, ideas, and get input as work progresses. The advisory committee would serve as a sounding board and function as liaisons to the broader interests in the subarea. We anticipate holding meetings with this committee every other month (or up to 7 times during the process) and for

these meetings we will prepare agendas, presentation materials, hand-outs and other supportive information. The advisory committee will participate in the two community workshop series, as well as the open house series.

**1.2.3 Project Information Publications/Brochures**—The Consultant will develop a project information hand-out/brochure for the project. As the project begins, we will develop a specific brand identity (colors, graphics, fonts, etc.) for the Mill Creek Boulevard Subarea Plan and key messages to be reflected in these information sheets. Key messages can be important to help convey consistent information during all phases of the planning process. Three editions of a project information sheet are anticipated:

- Introductory project information (summary of scope, timeline, who to contact, invitation to upcoming engagement process, context/map of study area, etc.)
- In process work – after the vision and draft policies have been developed and moving into design concepts and scenarios with an invitation to second workshop series in fall.
- Towards the end of the 30 percent design process – highlighting the subarea plan and proposed improvements in design; this could double as a “marketing” piece for grant applications and presentations on the project

**1.2.4 Visioning Community and Stakeholder Workshop Series**—This will be a series of interactive focus group workshop sessions over the course of three days (so up to approximately 12 meetings/sessions) as well as an overall community workshop session held within the course of the same week. Otak will facilitate an interactive community workshop approach that engages the property owners, business representatives, a developers forum/session, residents, City interests, and other stakeholders in a series of small group work sessions over the course of several days to a week. These design dialogue workshop sessions are focused on gathering effective, high-quality input from participants that leads to immediate results and graphics that can be integrated into the plan as it is developed.

This initial workshop series will focus on gathering input on the vision for the subarea, initial ideas and opportunities, as well as key challenges that need to be resolved. Visual preference tools will be developed for use in the workshop sessions and for online input. Walking tours and other activities may also be integrated into the visioning workshop series. Anticipated timing for this workshop series is mid to late June 2019. Both workshop series will include a general public workshop session open to the entire community/public (and noticed as such) on one of the afternoons/evenings of the workshop week. (In advance of these meetings, the Consultant team will be reaching out to select property owners to confirm their plans and interests related to their properties—see Subtask 2.2.)

- 1.2.5 *Land Use and Infrastructure Design Concepts and Scenarios Workshop Series***— This will be a series of interactive focus group workshop sessions as well as an overall community workshop session held within the course of three days (up to approximately 12 sessions). This workshop series will focus on gathering input on the potential design concepts and scenarios for land use, urban form, and infrastructure improvements in the building on the information gathered in the visioning workshop series. Anticipated timing for this workshop series is fall 2019. This workshop series also will include a general public workshop session open to the entire community/public (and noticed as such) on one of the afternoons/evenings of the workshop week.
- 1.2.6 *Web-Based Outreach***—Our team will feed information to the City’s website administrators who will be building a project-specific webpage/set of webpages with links to documents, illustrations, etc. We will meet with the website group to discuss setting up the web-pages and anticipated updates during the process. We also will confirm a strategy with the City’s core project team and web-administration staff to push out notices and key messages through the website and the City’s social media venues (Facebook, Twitter, etc.). For the project specific webpage/webpages, our team can provide content, maps, illustrations, and other data and content for placement on the web at key milestones during the planning and design process. The website will also be an important touchstone for project information and venue for gathering comments from the public and stakeholders (through a project-specific email address accessible by the City’s core team). Social media communications can also be a means for notification and outreach with potential postings of meeting activities and workshop results on Facebook, Instagram, Twitter, and other outlets can provide opportunities to reach a broader spectrum of community interests who may be interested in or following the visioning and planning process. We also often do live posting events, and participants can share their perspectives and experiences in social media forums. We also can post videos, such as of the live walking tours or stakeholder interviews.
- 1.2.7 *Public Open House Series***—Once a preferred direction for the land use and infrastructure plan is determined and the area for design improvements is defined, our team will prepare presentation materials and displays representing the project in draft form for public, community, and stakeholder input prior to finalizing the 30 percent design plans. The open house series could include multiple sessions over the course of one day – such as an afternoon session and evening session (but also could include a morning coffee session or lunch time session—we will work with City staff to determine the best timing for stakeholders).
- 1.2.8 *Other Creative Engagement Ideas***. Our team has worked with many communities and each public and stakeholder involvement plan is tailored to specific opportunities and interests in these places. We have created and facilitated many creative engagement events, including outdoor open houses, meet and greets at shopping areas and community locations, additional focus group meetings if needed, virtual bulletin boards, traveling displays, online

surveys (including visual preference exercises) as needed to supplement workshop input, project presence at special events and farmers markets, and a variety of other opportunities we can explore with you. We will work closely with the City to determine the appropriate level of activities and best methods for engagement. Another possibility would be to hold a special event with guest speaker(s) addressing topics of interest to the community and related to the subarea planning process. Our budget includes a management reserve contingency to cover additional preparation and attendance for these special events – to be approved on a case by case basis throughout the planning and design process.

**1.2.9 *Planning Commission and City Council Meetings*** There will be other more formal opportunities to gather public comments and input at Planning Commission and City Council briefings, as well as during the City Council decision-making process. For purposes of budgeting, we assume key project team members will attend up to three Planning Commission meetings and three City Council meetings during the planning and design process (in addition to advisory committee meetings, which also may include members of the Planning Commission and City Council). Meeting attendance dates are to be determined working closely with the City’s core project team. Two additional Planning Commission and two additional City Council meetings are assumed for the adoption process (see Subtask 4.4); so five meetings total each with Planning Commission and City Council. We anticipate City staff will brief and update Planning Commission and City Council at other monthly meetings where our team members may not be in attendance. The three briefings planned as part of this task (1.2.9) will include:

- Briefing/presentation on the market assessment and opportunities/challenges analysis results PRIOR to the visioning workshop series with the community and stakeholders.
- Briefing/presentation on a framework for potential planning and design scenarios PRIOR to the scenarios workshop series with the community and stakeholders.
- Briefing/presentation on preferred direction for preliminary design and priority actions/projects of the subarea plan PRIOR to public open house.

**1.2.10 *Public and Stakeholder Involvement Documentation, Summaries, and Analyses.*** At key milestones in the planning and design process, we can prepare brief summaries of engagement activities and results (assumes up to six summaries) to be posted online or emailed to the advisory committee and key stakeholders. We also will prepare a detailed final report as an appendix to the subarea plan, along with an executive summary to be included in the introductory section of the plan. The primary objective this reporting will be to document the process of listening and what we heard and to describe how input has shaped project outcomes.

- 1.3** Project kick-off meetings and ongoing project management and coordination—the Consultant will set up and facilitate a framework for ongoing project management, coordination, and communications, which will include at a minimum monthly meetings and check-ins with the City’s core team as well as monthly project status reports. As part of the work of Task 1.0, the Consultant team will develop an annotated outline of the contents of the Mill Creek Boulevard Subarea Plan for review by the City and advisory committee.

***Task 1.0 Deliverables***

- Project work plan (scope, schedule, milestones and benchmarks, communication protocols, roles, and responsibilities)
- Public and stakeholder engagement plan and participation strategy with a schedule for events and communications activities
- Project kick-off meetings with the City and our team (agendas and notes)
- Ongoing coordination meetings with the City’s core team (at least monthly) and monthly progress reports
- Ongoing public and stakeholder engagement activities and products:
  - Project advisory committee—agendas and materials for up to 7 meetings
  - Project information sheets (3 editions)
  - Workshop Series 1—Visioning (materials and facilitation) for three-day series/approximately 12 sessions
  - Workshop Series 2—Subarea Design Concepts and Scenarios (materials and facilitation) for three-day series/approximately 12 sessions
  - Web-based outreach support (supplying materials and coordinating with staff)
  - Public open house series (materials and facilitation) to include multiple sessions during one day
  - Other engagement support as needed, drawing from the management reserve contingency
- Briefings to Planning Commission (up to 3) and City Council (up to 3) throughout the planning and design process
- Public and stakeholder engagement summaries during the planning and design process (up to 6 including summaries of each of the two workshop series and the open house series)
- Final public and stakeholder engagement report and executive summary
- Draft outline of the Mill Creek Boulevard Subarea Plan document

**2.0 REVIEW AND ASSESS**

- 2.1** The Consultant team will gather and analyze existing information and existing conditions in the subarea, including an assessment of existing transportation and infrastructure systems and facilities. Past work by others, such as the recently completed assessment of surface water infrastructure, will be important foundational information for our evaluation of existing conditions. (We will build on this work, not re-create it.) This subtask will include a review of:
- Existing land use and zoning provisions within and immediately surrounding the subarea, including relevant adopted plans and policies
  - Existing transportation conditions, as well as transportation improvement plans

- Existing conditions that make terminating the planned SWIFT Orange Line difficult as well as potential opportunities associated with routing the Orange Line via Mill Creek Boulevard and meetings with Community Transit to coordinate on possible routing and facilities, as well as funding strategies for connectivity improvements
- Potential right-of-way acquisition needs
- Existing conditions related to North Creek and North Creek Trail
- Existing conditions related to Pond 6 and other detention facilities and needs for stormwater management improvements
- Existing utilities and other infrastructure in the subarea
- Natural conditions related to streams, wetlands, and other features within and in proximity to the subarea and stormwater management facilities
- Arborist assessment of tree health (focused on trees along the boulevard)
- Existing on-the-ground conditions

The review and analysis of existing conditions will be documented in an Existing Conditions Technical Memorandum.

**2.2** The Consultant will complete a market study to determine economically-viable land uses and zoning scenarios. Leland Consulting Group (LCG) will lead this portion of the project scope, working closely with Otak planners and designers. LCG will assess market conditions in the corridor and Mill Creek market area to inform the development of redevelopment concept alternatives and the relative financial feasibility of those concepts. This information will help the City, potential future developers, and other stakeholders assess the development potential for the corridor. Elements and outcomes of this assessment will include:

- Mill Creek/Snohomish County demographic and economic information, including population and household growth, household incomes, and demographic makeup of the population
- Key existing information and context, such as regional commute and development patterns likely to impact viable uses in the study area
- Summary of national and regional development trends (e.g., effect of online shopping on retail stores, aging population, potential market downturns, etc.) likely to affect development the study area
- Identification of market areas for various land use types
- Analysis of existing land uses and development patterns and how in-place development is likely to affect future development
- Past, current, and near-future attributes for commercial and residential development markets, such as rents levels, occupancy, construction and absorption, and attributes of notable recent developments
- Owner-occupied residential market dynamics, including the pace of permitting and construction, months of supply on the market, home values, successful styles and project amenities; rental residential market dynamics, including pricing, vacancy, absorption, unit sizes, and amenities
- A development program that identifies the types of development (housing, retail, office, lodging, other) most likely to succeed in the corridor; comparison of return

on investment; projected absorption by land use; projected attributes of future development (e.g., height, FAR, density, site sizes, parking ratios, amenities, and brand identity)

- Recommendations for how future uses in the subarea could be more competitively positioned in the market, i.e., the competitive differentiators that will make the development unique in the market place and serve as a distinctive place within the City and region

During this task, the Consultant (Otak and LCG) will conduct business and property owner interviews to gather information from a broad cross-section of key stakeholders and the business and development community. The goal is to elicit candid, direct commentary and build an environment that leads to trust and collaboration from the start—and while this subtask is listed as part of Task 2.0, this work will actually be an early effort in the process (timed with the visioning workshop series). This requires a carefully executed approach to interviews that will ensure excellent turnout and positive results. The interviews will identify key issues, opportunities, and barriers so that our team can focus our efforts and solve the right problems. Categories of stakeholders that we expect to interview will include property owners, business owners, developers, brokers, lenders, and community stakeholders such as residents and neighborhood association representatives—all those who have a stake in a healthy, vibrant corridor. The sensitive nature of some stakeholder positions sometimes requires that we conduct one-on-one meetings. For example, certain property owners may simply not feel comfortable discussing strategic information in small groups, yet their input can be essential to the success of the plan. One-on-one meetings can serve different purposes, such as to engage property owners who wish to keep their plans more private; bringing opponents into the process allowing the opportunity to discuss and address their concerns more directly; seeking additional input and expert advice; and securing early phase investments or wins. We will work with the City core team to identify property owners and business representatives to interview and methods for communication. Please note that these sessions and interviews can be incorporated into the first visioning workshop series, but it is anticipated that additional discussions (phone call interviews, etc.).

Economics and Financial Considerations will be critical to our assessment—in order to drive sustainable economic development in the study area, we will:

- Describe key employment sectors and industry clusters in the center, including the current amount of employment and projected future growth rates. Types of current and future employment are important because they influence the types of land uses and infrastructure that will be in demand. For example, high levels of employment in retail, white collar/professional, healthcare, and manufacturing sectors may drive the implementation of different types of zoning, infrastructure, and amenities.
- Document demographic attributes likely to affect businesses site selection decisions, including educational attainment and current employment types.
- Map commute patterns to and from the study area using US Census data.
- Review and map current commercial real estate development demand in the center, City, and nearby areas by reviewing office, retail, healthcare, and industrial

development, including recent construction, lease and vacancy rates, and other key metrics. The primary data source is the CoStar commercial real estate data service.

- Recommend policies and programs intended to encourage economic development in the center, which could include business recruitment, branding, industry sectors to be targeted, catalyst sites for employment-generating land uses, transportation demand management, zoning modifications, or infrastructure investments

***Task 2.0 Deliverables***

- Existing conditions assessment technical memorandum (draft; final to be integrated into subarea plan)
- Market and Economic Development Assessment and Recommendations Report identifying potential redevelopment opportunities (gathering and documenting of input from business representatives and property owners, information related to ROI with City Council, and other information will be part of this report) (draft; final to be integrated into subarea plan and important note: updated recommendations and related assessment will occur once planning and design of scenarios is completed-this will be an iterative and integral process within our team)
- For other public/community and stakeholder engagement activities to be held during this stage of work, see Task 1.0

**3.0 ENVISION AND ANALYZE**

- 3.1** This stage of work will focus on visioning for the subarea and exploring and illustrating/visualizing potential scenarios for redevelopment. The Consultant will work the City and community to develop a draft vision statement and guiding principles for the subarea that eventually will become part of the policy framework for the plan and gather input on these in the first community workshop series (see Task 1.0).
- 3.2** The Consultant will develop preliminary concepts and ideas and share these in a second community workshop series to gather input and ideas to inform potential redevelopment scenarios.
- 3.3** As an outcome of the second community workshop series, the Consultant will analyze specific opportunities and challenges associated with the scenarios and evaluate them based on specific criteria established with the City that tie to the vision and guiding principles developed for the subarea. As discussed in our project understanding, our team brings experience and diverse skills that will ensure the vision for the subarea is appropriately aspirational as well as realistic and implementable.

***Task 3.0 Deliverables***

All of the following will be integrated into a single technical memorandum as a compilation of Task 3.0 work (draft; with final to be integrated into the subarea plan under Task 4.0)



- Vision statement and guiding principles for the subarea, evolving into a draft vision and policy framework that addresses comprehensive planning parameters
- Presentation materials to support the first community workshop series (see Task 1.0)
- Illustrative and functional redevelopment scenarios—including plan view and 3D SketchUp view models, reference imagery, cross-sections, and other sketches and diagrams that illustrate potential redevelopment ideas and concepts
- Identification and analysis of specific infrastructure and public improvement needs associated with the redevelopment scenarios
- Evaluation criteria tied to the vision statement and guiding principles
- Presentation materials for second community workshop series (see Task 1.0)
- Analysis of opportunities and challenges, as well as potential environmental effects and evaluation of the alternative scenarios according to the criteria to inform decision-making (ROI information for City Council)

#### **4.0 PLAN AND DESIGN**

- 4.1** The culminating stage of work on the project will begin with facilitation of selection of a preferred scenario(s) for the subarea plan and identifying the necessary framework of public improvements to become the focus of design. The Consultant will compile and develop the full subarea plan, as well as recommendations for comprehensive plan and code amendments needed to support subarea plan implementation. This process will engage the advisory committee, Planning Commission and City Council, and that we also will gather public and stakeholder input via the open house series.
- 4.2** The Consultant will complete 30 percent design plans for public improvements associated with the preferred redevelopment scenario and a supporting preliminary cost estimate. The 30 percent design will be focused along the Mill Creek Boulevard corridor. In addition, a preliminary design memorandum will be prepared with recommendations for additional environmental analysis and permitting compliance that might be needed as the project moves forward through implementation. The City has stated that it would like to have sufficient information in the 30 percent design plans and memorandum, as well as information related to the subarea plan to be able to prepare a SEPA checklist and make a threshold determination(s) related to SEPA compliance. We understand that City staff will prepare the SEPA checklist. Our team will provide information developed as part of this task and the existing conditions review (natural resources conditions, tree assessment, etc.) to support the City's work on the SEPA checklist.
- 4.3** The Consultant will prepare a detailed action plan that identifies potential catalyst sites and near-term versus longer-term redevelopment opportunities (phasing), timelines, partnership opportunities, and funding and financial strategies.
- 4.4** The Consultant will finalize all documents above, as well as previous draft products from Tasks 1.0, 2.0, and 3.0 into the final draft of the subarea land use and infrastructure plan. We will prepare corresponding presentation materials for a public open house series to gather input on the draft plan. Based on public/community input, as well as ongoing input from the City, we will finalize the plan and support the

formal adoption process. We assume time for preparing presentation materials and attending up to two Planning Commission meetings and two City Council meetings as part of the formal adoption process.

***Task 4.0 Deliverables***

The following information can be compiled in a binder or as separate documents as part of the final deliverables for this project. The binder would include final products from Tasks 1.0, 2.0, 3.0 and 4.0.

- Full draft subarea plan with recommendations for comprehensive plan and code amendments as applicable
- 30 percent design plans for public improvements and supporting information, including a preliminary cost estimate and a preliminary design memorandum with recommendations for additional environmental and permitting compliance as needed
- Incremental action strategy/action plan for the subarea (draft; final incorporated below)
- Presentation materials for public open house series (see Task 1.0)
- Support during formal adoption process (support to and facilitation of City Council discussion and decision-making at Council meetings); assumes up to two additional Planning Commission meetings and two additional City Council meetings— presentation materials and attendance by our PM and up to one other team member (these Planning Commission and City Council meetings are in addition to those listed under Task 1.0)

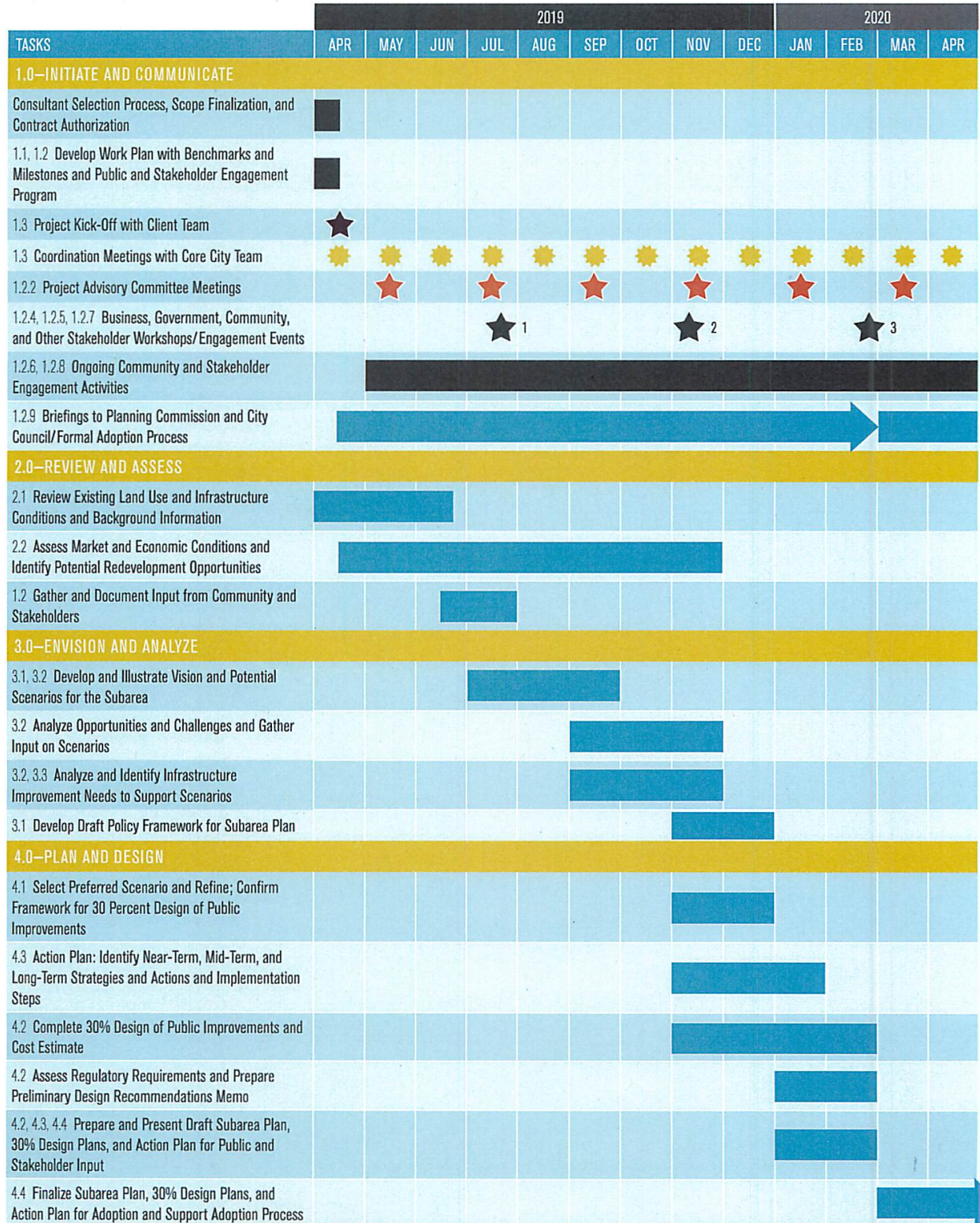
**Project Schedule**

The preliminary project schedule, attached, represents the approach to completing the four stages of work and associated tasks and subtasks within the timeframe from April 2019 to April 2020.

**Exhibit B**  
**Project Schedule**

**MILL CREEK BOULEVARD LAND USE AND INFRASTRUCTURE SUBAREA PLAN**  
Project Schedule

**EXHIBIT B**



1 Visioning Workshop Series

2 Scenarios Workshop Series

3 Open House Series

**Exhibit C**  
**Cost Summary**

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Page 27 of 30

Mill Creek Boulevard Land Use and Infrastructure Subarea Plan and 30% Design of Public Improvements  
Preliminary Project Budgeting--Master Budget Sheet

EXHIBIT C

Activity	Orak, Inc.									Leland Consulting Group - Market Analysis			Traffic Analysis	Hours Per Task	Costs Per Task
	Principal/PM (PM)	Urban Designer/ Arch (A/Archi)	Planner (Planner)	Sr. Civil Engineer (D/Consult and Cole)	Civil Engineer/ Transit Coordination (E/Eng)	Engineering Support (Multiple)	Planning/ Urban Design Support (Multiple)	Materials, Graphics, Drafting, Mapping (Multiple)	Admin	Principal/Lead	Analyst	Admin	ALLOWANCE TBD	Hours	Cost
													180.00		
Hourly Rates with Overhead and Fees Included															
<b>1.0 INITIATE AND COMMUNICATE</b>															
1.1 Project Work Plan	2													4	\$536
1.2.1 Public and Stakeholder Engagement Plan/Participation Strategy	4		8											16	\$2,040
1.2.2 Project Advisory Committee (Up to 7 Meetings)	34		14						14	14		16	1	83	\$11,500
1.2.3 Project Information Publications/Brochures (Up to 3 Editions)	3		12						24					39	\$4,260
1.2.4 Visioning Community and Stakeholder Workshop Series	28	16	28						32	2		16	16	139	\$18,832
1.2.5 Scenarios - Land Use and Infrastructure Design Concepts and Scenarios Workshop Series	28	16	28	16	16	16	56	56	2			16		251	\$31,790
1.2.6 Web-Based Outreach Support	12								24	12				48	\$5,460
1.2.7 Public Open House Series	12		12						16	4				44	\$5,460
1.2.8 Other Creative Engagement Ideas (SEE MANAGEMENT RESERVE BUDGET ALLOCATION BELOW)															
1.2.9 Planning Commission (3) and City Council Meetings (3)	12		6						6	6		16		47	\$6,940
1.2.10 Public and Stakeholder Involvement Documentation, Summaries, and Analyses/Final Report	4		12						16	2				34	\$3,850
1.3 Project Kick-Off Meeting and Ongoing Project Management for 12 Months	25	1	1	1	1	1	1	1	13	12	8	12		77	\$10,875
<b>Total Hours Per Person</b>	<b>154</b>	<b>33</b>	<b>121</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>57</b>	<b>191</b>	<b>59</b>	<b>76</b>	<b>24</b>	<b>16</b>		<b>782</b>	<b>\$101,535</b>
<b>Total Professional Labor Fees Per Person</b>	<b>\$27,720</b>	<b>\$4,620</b>	<b>\$14,520</b>	<b>\$3,060</b>	<b>\$2,975</b>	<b>\$1,785</b>	<b>\$5,415</b>	<b>\$18,145</b>	<b>\$5,015</b>	<b>\$13,680</b>	<b>\$3,000</b>	<b>\$1,600</b>			
<b>2.0 REVIEW AND ASSESS</b>															
2.1 Existing Conditions Analysis (Land Use, Infrastructure, Environmental, GIS Base Mapping) and Technical Memorandum	4	8	8	8	8	40	40	16	8						\$15,840
2.2 Market Study/Assessment and Economic Development Recommendations Report	2									40	100	12			\$21,260
<b>Total Hours Per Person</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>40</b>	<b>40</b>	<b>16</b>	<b>8</b>	<b>40</b>	<b>100</b>	<b>12</b>		<b>\$37,100</b>	
<b>Total Professional Labor Fees Per Person</b>	<b>\$1,080</b>	<b>\$1,120</b>	<b>\$960</b>	<b>\$1,440</b>	<b>\$1,400</b>	<b>\$4,200</b>	<b>\$8,800</b>	<b>\$1,520</b>	<b>\$680</b>	<b>\$7,200</b>	<b>\$12,100</b>	<b>\$1,200</b>		<b>\$37,100</b>	
<b>3.0 ENVISION AND ANALYZE</b>															
3.1 Visioning - Draft Vision Statement and Guiding Principles (Draft Policy Framework)	4		12							4		1			\$3,320
3.2 Preliminary Design Concepts and Scenarios (Kit of Parts Street Elements, Layout Options, Redevelopment/Land Use Scenarios)	16	24	12	12	12	32	64	64	4	4		8	1		\$29,340
3.3 Analysis of Alternatives (Includes Development of Criteria and Analysis of Opportunities and Challenges Related to Each Scenario)	12	2	8	2	0	0	0	16	4	8			1		\$7,160
<b>Total Hours Per Person</b>	<b>32</b>	<b>26</b>	<b>32</b>	<b>14</b>	<b>12</b>	<b>32</b>	<b>64</b>	<b>80</b>	<b>12</b>	<b>20</b>	<b>0</b>	<b>9</b>		<b>\$39,820</b>	
<b>Total Professional Labor Fees Per Person</b>	<b>\$5,760</b>	<b>\$3,640</b>	<b>\$3,840</b>	<b>\$2,520</b>	<b>\$2,100</b>	<b>\$3,360</b>	<b>\$6,080</b>	<b>\$7,600</b>	<b>\$1,020</b>	<b>\$3,600</b>	<b>\$0</b>	<b>\$300</b>		<b>\$39,820</b>	
<b>4.0 PLAN AND DESIGN</b>															
4.1 Facilitate Selection of Preferred Alternative and Develop Full Draft Subarea Plan	12	2	16	8	8	24	24	56	24	8	0	0			\$20,800
4.2 Prepare 3D Percent Design Plans for Selected Public Improvements in Corridors	8	16	4	32	24	120	64	12	8						\$36,520
4.3 Prepare Detailed Action Plan Identifying Funding Strategy, Catalyst Redevelopment Sites and Partnership Opportunities, and Other Info	4		16	16	8	4	4	24	8	20	20	2			\$16,980
4.4 Finalize All Products and Prepare Final Plan and Supporting Products for Adoption; Support Adoption Process (2 PC; 2 CC Meetings)	8	2	16	8	8	16	24	24	12						\$11,740
<b>Total Hours Per Person</b>	<b>32</b>	<b>20</b>	<b>52</b>	<b>64</b>	<b>48</b>	<b>164</b>	<b>116</b>	<b>116</b>	<b>52</b>	<b>28</b>	<b>20</b>	<b>2</b>		<b>\$86,140</b>	
<b>Total Professional Labor Fees Per Person</b>	<b>\$5,760</b>	<b>\$2,800</b>	<b>\$6,240</b>	<b>\$11,520</b>	<b>\$4,400</b>	<b>\$17,220</b>	<b>\$11,020</b>	<b>\$11,020</b>	<b>\$4,420</b>	<b>\$5,040</b>	<b>\$2,500</b>	<b>\$200</b>		<b>\$86,140</b>	
<b>Total Estimated Labor Budget</b>	<b>\$40,320</b>	<b>\$12,180</b>	<b>\$25,560</b>	<b>\$18,540</b>	<b>\$14,875</b>	<b>\$26,565</b>	<b>\$26,815</b>	<b>\$18,285</b>	<b>\$11,135</b>	<b>\$29,520</b>	<b>\$18,000</b>	<b>\$1,300</b>			<b>\$264,595</b>
<b>Estimated Reimbursable Expenses and Travel Costs (See Below)</b>															<b>\$15,300</b>
<b>Management Reserve for Traffic Analysis of the Preferred Alternative Scenario</b>															<b>\$10,000</b>
<b>Management Reserve for Engagement Activities/Additional Meetings if Needed</b>															<b>\$10,000</b>
<b>TOTAL BUDGET FOR SERVICES AND EXPENSES/DIRECT COSTS</b>															<b>\$299,895</b>

BREAKDOWN OF REIMBURSABLE EXPENSES AND DIRECT COSTS INCLUDING TRAVEL

	Airfare	Lodging	Per Diem	Ground Transp	Subtotals	Totals
Leland Consulting Group Travel Expenses (RT Travel from Portland)						
8 Trips by Principal	\$2,000	\$1,200	\$480	\$800	\$4,480	
2 Trips by Analyst	\$500	\$300	\$120		\$920	
Additional Days Per Diem (3 x Principal; 2 x Analyst)			\$300		\$300	\$5,700
Reprographics and meeting materials (display boards, information sheets/brochures, hand out materials, and other reimbursables):						
TASK 1 INITIATE AND COMMUNICATE						\$4,800
TASK 2 REVIEW AND ASSESS						\$1,200
TASK 3 ENVISION AND ANALYZE						\$1,200
TASK 4 PLAN AND DESIGN						\$2,400
Total Estimated Reimbursable Expenses and Direct Costs						\$15,300

**Exhibit D**  
**Key Subconsultant Personnel List**

Key subconsultant team members:

- Brian Vanneman, Principal, Leland Consulting Group, Market Assessment and Economic Development Opportunities
- Otak will consult with TENW and Katherine Casseday, both transportation and traffic analysis subconsultants as needed for preliminary design of the preferred alternative.

**Exhibit E**  
**Key Otak Personnel List**

Key staff members from Otak:

- Amanda (Mandi) C. Roberts, AICP, ASLA/PLA Principal-in-Charge and Project Manager, Community and Stakeholder Engagement Lead
- Tyson Hounsel, PE, Project Engineer
- Curtis LaPierre, AICP, ASLA/PLA, Lead Urban Designer/Landscape Architect, Community and Stakeholder Engagement
- Cristina Haworth, AICP, Lead Urban/Land Use Planner, Community and Stakeholder Engagement
- Windi Shapley, PE, Transit Engineering/Coordination with Community Transit on Swift Operations



**Exhibit F**  
**Insurance**

Attach Insurance Documentation



Agenda Item # F  
Meeting Date: April 23, 2019

## **CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

### **AGENDA ITEM: APPOINTMENTS TO THE PLANNING COMMISSION**

#### **PROPOSED MOTION:**

Motion to appoint three volunteers to serve a three-year term on the Planning Commission plus one volunteer to fill a mid-term vacancy that expires on April 30, 2021.

#### **KEY FACTS AND INFORMATION SUMMARY:**

Three positions on the Planning Commissions will expire on April 30, 2019, and one mid-term vacancy was created with the resignation of Steven Maloney. Staff conducted a recruitment process that included the following:

- A press release was sent to the local newspapers.
- The City's social media outlets were utilized to advertise the vacancies.
- The notice was posted on the bulletin boards at City Hall and at the Library.
- The notice was also posted on the City's website.
- The notice was sent out through the "Notify Me" feature on the City's website, where people interested in serving on the Planning Commission have signed-up to receive notice when a vacancy occurs.

Nine applicants applied for the four positions on the Planning Commission. Two of the candidates are at the end of their three year term and have applied to be reappointed. Interviews are scheduled for Tuesday, April 23, 2019. The Interview Committee is comprised of Mayor Pro Tem Holtzclaw, Councilmember Steckler, Councilmember Bond, and Planning Commission Chair Stan Eisner.

#### **CITY MANAGER RECOMMENDATION:**

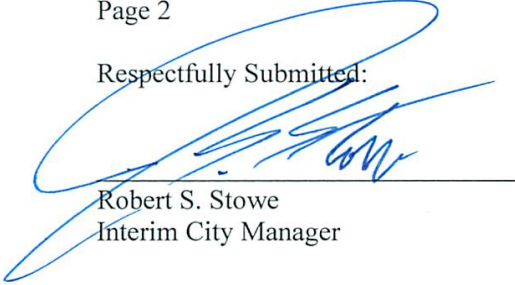
N/A

#### **ATTACHMENTS:**

Applications from the following are attached: April Berg, Jose Borunda, Jeanne Castor, Brian Hyatt, Nicolas Marin, Lars Nielsen, Matthew Nolan, Keunyea Song and Alex Vo

City Council Agenda Summary  
Page 2

Respectfully Submitted:



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Robert S. Stowe  
Interim City Manager



**City of Mill Creek  
Boards & Commissions Application**

**Community Service**

The City of Mill Creek values the residents who volunteer their time to serve on our boards and commissions. The contribution made by such members has helped make Mill Creek the great city it is today.

**Application**

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City of Mill Creek  
Attn: City Clerk  
15728 Main Street  
Mill Creek, WA 98012

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**Please fill out the following information:**

**First Name:** April

**Last Name:** Berg

**Address:** [REDACTED]

**City:** Mill Creek

**Zip:** 98012

**Email:** [REDACTED]

**Phone:** [REDACTED]

**Please complete each of the following questions:**

**1. What board or commission would you like to be considered for?**

I would like to serve on the Planning Commission.

**2. Why are you interested in serving on a board or commission?**

I am interested in serving on the Planning Commission because my husband and children love the City of Mill Creek and I want to help the city continue to be a safe and beautiful community where neighborhoods and businesses thrive as a result of strategic planning. Strategic planning includes the comprehensive planning and coordinated development of land and building use that is in line with the cities guiding principles.

**3. Please explain your professional background and list any professional licenses, registrations or certificates held.**

I have years of experience working with communities as a citizen volunteer and with schools as a parent volunteer. My experience began in 1995 as a member of the Oregon State Board of Higher Education member. In 2004, I created an Elementary School Chess Club (in Edmonds, WA) when my son began playing competitive chess. This led me to become a member of the Washington State Elementary Chess Champion (WSECC) board of directors. In 2014, I became a School Board Director for the Edmonds School District. In my role as a School Board Director, I served as a committee chair for a multi-disciplinary committee that had diverse stakeholders with diverging (and occasionally competing) goals. I was also the Edmonds School Board Legislative Liaison. The Edmonds School District is the largest land owner in Snohomish County, as a Board Member I was involved in comprehensive planning, land development and building use issues that effected over 70,000 people living in five cities and townships.

Academically, I have a Bachelors from Oregon State University. Professionally, I have worked as a Program Manager for a large aerospace company and the Director of Business Development for local start-up companies.

**4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?**

I think the most important issues facing the City of Mill Creek in the next 5-10 years are growth, growth and growth. Growth in population, growth in businesses and growth in our schools. Growth in the City Mill Creek is a great problem to have if managed in an intentional manner. I believe our city's safe and beautiful neighborhoods can be positively impacted if the Planning Commission works to comprehensively plan, with the city's staff, for the imminent and anticipated growth.

**5. What do you see as the City's best asset to bring visitors and new residents to the City?**

Our city is safe and beautiful. Visitors and new residents are drawn to and in awe of the comprehensive planning that has allowed the City of Mill Creek to be a desired destination. Wide sidewalks, a thriving Town Center, beautiful walking trails and top rated schools are among the cities best assets.

**6. Please list any other comments that would help the City Council evaluate your skills for this position.**

I've had the opportunity to work collaboratively with many diverse communities, these include communities of color, diverse socioeconomic communities, students that are first generation college and the LGBTQ+ community. In 1994 I was the first African American, fourth woman and youngest student body president of Oregon State University. Through this experience I learned that everyone has a diverse perspective when it comes to comprehensive and strategic planning.



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Boards & Commissions Application**

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Mill Creek, WA 98012

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**Please fill out the following information:**

First Name: Jose      Last Name: Borunda

Address: [REDACTED]      City: Mill Creek      Zip: 98012

Email: [REDACTED]      Phone: [REDACTED]

**Please complete each of the following questions:**

1. What board or commission would you like to be considered for?

I am interested in being a part of the Planning Commission.

2. Why are you interested in serving on a board or commission?

I think that it is important that residents show an interest in what is going on within our local government. I believe that the Planning commission is where visible changes first happen within

the city. Specifically, with the limited amount of open land that remains in the city I believe that it is important for the planning commission to be thoughtful of any future changes regarding land use that they would want to implement. The right combination of land use for housing as well as businesses should be maintained.

3. Please explain your professional background and list any professional licenses, registrations or certificates held.

I have a Bachelor of Science degree in Mechanical Engineering from UC-San Diego as well as a Masters Degree in Systems Architecting and Engineering from USC. I think this background would fit well with the planning commission as I am able to look at items in detail as well as take a step back and look at an issue from a more holistic view. I've worked for Boeing since 2007 helping with production issues. In my work experience I have dealt with having to accommodate changes while having to deal with challenging constraints. I think this background would assist me in understanding how the city can continue to grow with the limited real estate that is available.

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

Over the next few years some of the most challenging issues that the city will have to face will relate to the growing number of residents in the city. There will continue to be a push to increase the amount of housing needed as well as increasing the resources that city residents will want available. This increase would likely result in needing a larger budget for the city, so there needs to be careful consideration in making sure future changes to how land is used maximizes the tax base that the city collects.

5. What do you see as the City's best asset to bring visitors and new residents to the City?

For new residents the biggest draw to the city is the great effort that the local government has placed on maintaining a safe environment for its residents. There is also a great emphasis placed on maintaining public infrastructure and not allowing things to deteriorate. This helps maintain a positive image for the city as being a great place to live. For visitors the best asset is that we have a town center in which they can have many options for dining as well as entertainment.

6. Please list any other comments that would help the City Council evaluate your skills for this position.

I think that my technical background would serve well with regards to understanding what is being presented before the committee. I also have experience in having to write down requirements within documentation and experiencing how that information is interpreted. I think this is the most important aspect in how I can be of help the committee. I understand that when discussing new regulations there can be certain intent in how it will be applied. However, the most important aspect is that things are written such that the intent will be applied.





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Boards & Commissions Application**

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Attn: City Clerk  
15728 Main Street  
Mill Creek, WA 98012

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**Please fill out the following information:**

First Name: **Jeanne**

Last Name: **Castor**

Address: [REDACTED]

City: **Everett**

Zip: **98208**

Email: [REDACTED]

Phone: [REDACTED]

**Please complete each of the following questions:**

1. What board or commission would you like to be considered for?

**Planning Commission**

2. Why are you interested in serving on a board or commission?

**I'm an avid cyclist in the south Snohomish area. I lead rides out of Archbishop HS in the summer. I would like to give back, help out with anything I can. Also get to know the city, their plans and the people behind all the great things Mill Creek has to offer.**

3. Please explain your professional background and list any professional licenses, registrations or certificates held.

I'm a Quality Control Analyst for a pharmaceutical company in Lynnwood. My background is in biology, cancer research, and pharm testing.

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

Population growth, housing, traffic, etc...

5. What do you see as the City's best asset to bring visitors and new residents to the City?

Landscapes, shops, well care roads, people and parks.

6. Please list any other comments that would help the City Council evaluate your skills for this position.

I work with reviewing and control of documentation, I can be a help there. But if you need someone to plant in the park or collect garbage I can do that too!

Thank you,  
Jeanne



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Mill Creek, WA 98012

**Please fill out the following information:**

First Name: \_Brian\_\_\_\_\_ Last Name: \_\_Hyatt\_\_\_\_\_  
Address: \_\_\_\_[REDACTED]\_\_\_\_\_ City: \_Mill Creek\_\_\_\_\_ Zip: \_98012\_\_  
Email: \_\_\_\_[REDACTED]\_\_\_\_\_ Phone: \_\_\_\_[REDACTED]\_\_\_\_\_

**Please complete each of the following questions:**

1. What board or commission would you like to be considered for?  
Planning Commission

2. Why are you interested in serving on a board or commission?

I serve on the Planning Commission currently and really enjoy the work we're doing.

3. Please explain your professional background and list any professional licenses, registrations or certificates held.

Currently work in and around Mill Creek for Fire District 7 as a Battalion Chief and have lived in the city for 18 years in the Springtree neighborhood. I have been in the fire service for 30 years and have a degree in Fire/Public Administration.

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

The sheer volume of residents moving into the area are impacting services, traffic and access to the area. The city will need to balance the needs of the public with the wants of private business as we continue to see the population in the area increase.

5. What do you see as the City's best asset to bring visitors and new residents to the City?

While the Town Center certainly is a draw, I feel that the friendly people, beautiful surroundings and great central location will continue to bring people to our community.

6. Please list any other comments that would help the City Council evaluate your skills for this position.

As a long time resident of Mill Creek, employee of the fire district and a consumer of the services in Mill Creek I have a vested interest in the success of our town. I have enjoyed my time so far on the Planning Commission and hope to continue for the next full term.



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Boards & Commissions Application**

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City of Mill Creek  
Attn: City Clerk  
15728 Main Street  
Mill Creek, WA 98012

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**Please fill out the following information:**

First Name: Nicolas Last Name: Marin

Address: [REDACTED]  
City: Mill Creek Zip: 98012

Email: [REDACTED] Phone: [REDACTED]

**Please complete each of the following questions:**

1. What board or commission would you like to be considered for?

Planning Commission

2. Why are you interested in serving on a board or commission?

I am interested in serving on the Planning Commission to help improve the quality of the developments, to preserve the character of Mill Creek and its residential neighborhoods, to help in the decision-making process of new development and growth management, and to keep Mill Creek as an attractive community.

3. Please explain your professional background and list any professional licenses, registrations or certificates held.

I have an Associate degree in real estate services, property management, development and construction. My professional background has been mainly in real estate, including real estate management, community management, development, marketing, etc. I have been in this industry for over a decade.

I am the founder and owner of Navigate Community Management, a management company based in Mill Creek, dedicated to the management of community associations (Homeowners Associations and Condominium Associations).

Through my career, I have managed many community Associations from small to larger communities, including high-rises. Our firm currently manages several HOAs in Mill Creek and we continue to grow.

I currently hold the following professional accreditations:

- CMCA: Certified Manager of Community Associations
- AMS: Association Manager Specialist
- PCAM: Professional Community Association Manager

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

In a nutshell, the main concerns are growth, new development, amenities, public service, attractivity, traffic, public transportation and environment. The Seattle area continues to develop and grow rapidly, which brings fast growth to all surrounding towns and cities.

The rapid growth and number of developments affect many areas of the city and the daily life of Mill Creek's residents.

The city will need to manage the growth as it will impact the quality of life of Mill Creek resident's as well as the quality of the public services offered by the city.

5. What do you see as the City's best asset to bring visitors and new residents to the City?

I believe the Association's best assets are:

- Natural Environment/neighborhood-like setting
- Trails and Parks
- Proximity to Bellevue & Seattle
- Town center
- 'Small town' feeling

6. Please list any other comments that would help the City Council evaluate your skills for this position.

I believe that having a professional manager of existing communities such as HOAs and Condominium Associations on the commission would provide expertise and first-hand experience of issues communities faced during and/or after the development phase.

In addition, I am on the Education Committee and the Law Day Committee for the Washington State Community Institute (WSCAI). WSCAI provides education to Board Members, Homeowners and Managers by organizing workshops, seminars and an annual industry related trade-show in Seattle.



**City of Mill Creek  
Boards & Commissions Application**

**Community Service**

The City of Mill Creek values the residents who volunteer their time to serve on our boards and commissions. The contribution made by such members has helped make Mill Creek the great city it is today.

**Application**

If you are interested in serving on the Arts and Beautification Board, Parks & Recreation Board, Design Review Board, Planning Commission or Civil Service Commission, please complete this application and submit it to the City Clerk at [cityclerk@cityofmillcreek.com](mailto:cityclerk@cityofmillcreek.com), or by mail at:

City of Mill Creek  
Attn: City Clerk  
15728 Main Street  
Mill Creek, WA 98012

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**Please fill out the following information:**

First Name: Lars \_\_\_\_\_ Last Name: \_\_\_\_\_Nielsen\_\_\_\_\_

Address: \_\_\_\_\_ \_ City: \_\_\_\_\_Bothell\_\_\_\_\_ Zip: \_\_98012\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

**Please complete each of the following questions:**

1. What board or commission would you like to be considered for?

Planning Commission or Park and Recreation Board

2. Why are you interested in serving on a board or commission?

I would like to serve and give back to the community. Even though my address has a Bothell address. My house sits on unincorporated Snohomish county. I spend most of my time in mill Creek and I can see the beauty of the city and would like to be a part of keeping safe and beautiful.

I took a community and regional planning course in College and it interested me so much I almost switched my major. I would to continue my learning and knowledge and see where it goes.



3. Please explain your professional background and list any professional licenses, registrations or certificates held.

I have an BS in engineering. I work for Lynden Door in Bothell. Worked in the construction industry for 25 years.

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

To increase and grow while keeping the integrity and highest quality of life for all residents that reside in beautiful Mill Creek. As Seattle grows, more houses and business will continue to move out of the city to surrounding areas. The city must have continuous improvement and growth without giving a sense of overpopulation or have a loss of quality.

5. What do you see as the City's best asset to bring visitors and new residents to the City?

To continue to be known for its innovation and vibrant quality of life. To establish and show off our highly engaged and active residents. Maintain and showcase our parks and various public and private walking and cycling trails.

6. Please list any other comments that would help the City Council evaluate your skills for this position.

I feel I would be good for this position because I can listen and come to an intelligent decision based on facts and not emotions. Will listen to both sides and calmly and courteously speak to the people in the community. Not afraid to have homework and to be a fact checker.

A team player and will always give room for another's opinion and have the willness to hear the entire decision and then making an intelligent, well informed decision.

Would treat the position with respect and with the understanding that decisions made could and will affect the city and its quality of life.

The want to keep Mill Creek beautiful and safe for many years to come.

Thank you



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City of Mill Creek  
Attn: City Clerk  
15728 Main Street  
Mill Creek, WA 98012

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**Please fill out the following information:**

First Name: Matthew Last Name: Nolan

Address: [REDACTED] City: Mill Creek Zip: 98012

Email: [REDACTED] Phone: [REDACTED]

**Please complete each of the following questions:**

1. What board or commission would you like to be considered for?  
I am interested in continuing to serve on the planning commission.

2. Why are you interested in serving on a board or commission?  
It is good for citizens to be involved in their government and support their community. I have enjoyed working with the city staff and my fellow planning commissioners to provide input to the elected city officials on issues of importance to the city.

3. Please explain your professional background and list any professional licenses, registrations or certificates held.

I am a Professional Engineer and Licensed Wastewater Treatment Operator. I have more than 25 years of experience in public works and planning. My background includes work both in the management of a transportation agency and a clean water agency.

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

Redevelopment of the downtown core is an issue facing the city. Maintaining staffing stability and predictable development standards helps the city attract and retrain desirable businesses and retailers. The city continues to be a desirable place for families. We need to continue to be a place where people want to raise a family and support our increasing senior population as well. The city was one of the first Urban Planned Developments in the Puget Sound with much of the infrastructure reaching end of life at a similar time. Stable long term funding for public works along with community protection are key for the city's long term desirability.

5. What do you see as the City's best asset to bring visitors and new residents to the City?

The city continues to be a desirable place for families. The network of parks trails and walkability are some of the key attractions. The city needs good consistent access to the economic centers of the region, (Boeing, Bellevue, Seattle) as we continue to be a "bedroom" city of the foreseeable future. The work on the Swift and light rail are key to our long term horizon. In the shorter term we are becoming a fitness and dining hub. Good schools are a key issue for new resident families, the city should cooperate with the district in areas of mutual interest.

6. Please list any other comments that would help the City Council evaluate your skills for this position.

I have been elected by my peers on the planning commission to serve as the Vice Chair. I think this speaks to my collaborative approach and benefits I bring to the team.



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Boards & Commissions Application**

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City of Mill Creek  
Attn: City Clerk  
15728 Main Street  
Mill Creek, WA 98012

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**Please fill out the following information:**

First Name: Keunyea

Last Name: Song

Address: [REDACTED]

City: Mill Creek

Zip: 98012

Email: [REDACTED]

Phone: [REDACTED]

**Please complete each of the following questions:**

1. What board or commission would you like to be considered for?

Planning Commission

2. Why are you interested in serving on a board or commission?

I believe I am well-suited to serve on the planning board as my professional experience and education background integrates sustainable urban development, low impact development, watershed restoration, and stormwater management. I love living in Mill Creek area. Being so close to the nature here in Mill Creek is refreshing and I am always thankful for having it. I would like to contribute the community by serving the planning board and help/strengthen the city sustainable/comprehensive planning, so I can share the beauty of the city with more people for long time.

3. Please explain your professional background and list any professional licenses, registrations or certificates held.

Most of my professional experience involves in green infrastructure designing and implementation related to low impact development.

I have PhD in environmental engineering. During my PhD, I worked on several government funded urban stormwater management, retrofit and watershed characterization projects. Through these activities, I gained valuable skills and insights on comprehensive city planning and sustainable development. Currently, I am working as a stormwater management scientist, evaluating best management practices to reduce urban water pollutions.

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

As Western Washington including the City of Mill Creek grows rapidly, there are increasing needs for development even in forested, riparian or stream areas. Residents in most Western Washington have been and will continue to be more concerned about quality of life due to heavy development, population growth, congestion, pollution and more. The City needs to consider implementing more green infrastructure as feasible.

City planning and decisions need to incorporate information not only about population growth, development needs, but should reflect natural characteristics in the region as a whole. Presence of critical areas, watershed characteristics and cumulative impacts by development should be carefully considered when delineate UGA boundary or at the development planning level.

5. What do you see as the City's best asset to bring visitors and new residents to the City?

Balance between nature and development is the best asset of the City. Evergreen trees, wetlands and streams in the City, their beauty and benefits will become more valuable than ever.

Green city image will attract more people who feel tired of being/working in "grey" cities. Additionally, Mill Creek is a convenient place adjacent to many other bigger cities such as Seattle, Everett and Bellevue. Good transportation programs could bring more people to the City.

6. Please list any other comments that would help the City Council evaluate your skills for this position.

My current and previous positions have given me considerable public outreach and meeting facilitation experience. Through outreach and public service opportunities, I developed my ability to be an effective communicator and a team player working with diverse groups.

I am excited about this possibility of working with the City of Mill Creek and contribute to the community.



am now able to have some free time to give back to the community and a volunteer position with the city would be a great opportunity to do just that.

3. Please explain your professional background and list any professional licenses, registrations or certificates held.

I am a professional in the biotech industry. I have a Ph.D. degree in Biochemistry and have been working in the health science industry for the last 20 years. I am a member of several scientific organizations including the American Chemical Society, American Society of Clinical Oncology, American College of Clinical Pharmacology. I am the founder and President of the Pacific Northwest Bioscience Society, a non-profit society.

4. What are some of the most important concerns or issues that you think the City will have to face in the next 5-10 years?

Mill Creek has been a beautiful city to live and raise a family in, and I believe maintaining this high standard quality of our community life is one of the most important goal for the city. This would include the on-going regular maintenance of the roads, parks, buildings and general infrastructures of the city as the city is aging. I believe going greener would also be a worthy goal for the city to consider. Efforts to reduce the use of plastics, for example, have been implemented in several cities in the greater seattle areas and it would be great if Mill Creek can also become a greater champion for a greener environment. Affordable housing to accommodate the increase in population and economic growth currently experienced in the greater region would be important to plan for, undoubtedly also the myriad issues that come with that growth. I believe it's critically important to nurture and balance growth while maintaining the charms and tranquility that Mill Creek has always been able to offer.

5. What do you see as the City's best asset to bring visitors and new residents to the City? Continue to keep Mill Creek clean and safe, this is why we decided to make Mill Creek our home 10 years ago. Invest in our schools and parks. Promote community events and the Arts. Our best asset is our citizens, so keep them involved and interested in the community.

6. Please list any other comments that would help the City Council evaluate your skills for this position.

In my professional career I have been a Senior Director managing departments with multi-million dollar budget, lead cross-functional teams, a decision maker, an analyst, balancing the need for progress without compromising quality, taking calculated and weighted risk with supporting mitigation strategy in place. I founded a non-profit society in the seattle area after moving here to support the scientific community. I am passionate about work life balance and believe strongly in responsible living, being good stewards of our city, our community and our environment. It's the best legacy we could leave for ourselves, and our children. Thank you for your consideration.



Agenda Item # G  
Meeting Date: April 23, 2019

## **CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

**AGENDA ITEM:**    **STUDY SESSION: BOND FINANCING FOR THE SURFACE WATER AGING INFRASTRUCTURE PROGRAM**

**PROPOSED MOTION:**

None at this time – For discussion purposes only.

**KEY FACTS AND INFORMATION SUMMARY:**

The City has engaged D.A. Davidson to serve as the underwriter for the City of Mill Creek on its proposed offering and issuance of bonds to fund the surface water program identified in the 2019-2024 Capital Improvement Plan.

D.A. Davidson is recommending the City issue a Limited Tax General Obligation bond through private placement. Private placement is a competitive solicitation from the banking community. The City is expecting to receive net proceeds of \$2.8 million to facilitate the surface water capital improvements. Based on current market conditions, there is a savings with a private placement to a bank over a public bond sale that D.A. Davidson will present to council during the study session.

Staff is seeking input from Council on the proposed financing in order to present a bond financing ordinance to Council on May 7, 2019 for approval.

**CITY MANAGER RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Presentation materials will be distributed at the meeting.

Respectfully Submitted:

A blue ink signature of Robert S. Stowe is written over a horizontal line.

Robert S. Stowe  
Interim City Manager





Agenda Item # H  
Meeting Date: April 23, 2019

**CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

**AGENDA ITEM: STUDY SESSION: FINANCIAL MANAGEMENT POLICIES**

**PROPOSED MOTION:**

None at this time – For discussion purposes only.

**KEY FACTS AND INFORMATION SUMMARY:**

The City’s financial goals seek to ensure the financial integrity of the City; manage the financial assets in a sound and prudent manner; improve financial information for decision makers at all levels; maintain and further develop programs to ensure the long-term ability to pay all costs necessary to provide the level and quality of service required by the citizens; and maintain a spirit of openness and transparency while being fully accountable to the public for the City’s fiscal activities.

One of the Council financial goals is to maintain an excellent credit rating in the financial community and assure taxpayers that Mill Creek City government is maintained in sound fiscal condition. Strong financial policies are one factor in achieving a higher credit rating which helps to achieve a lower interest cost.

The bond underwriter is recommending the adoption of formalized financial management policies to provide the most favorable rating associated with future debt issuance. As such, the proposed policies incorporates the adopted policies from the 2019-2020 biennial budget as the basis for these documents. Language is being proposed to enhance and strengthen those policies and assemble them in one document.

The financial management policy document incorporates the following substantive changes from the budget:

**Revenue Policies**

- 7.6 Surface Water Utility – Language added regarding generally accepted rate setting techniques and frequency of conducting a rate study i.e. review and update every 5 years.

**Capital Management Polices**

- 9.1-9.4 Added suggested language to strengthen policies to improve bond ratings.
- 9.9-9.11 Policy language that defines asset capitalization thresholds of \$5,000 with a useful life that is greater than one year and the accounting of assets that fall below this threshold.

City Council Agenda Summary  
Page 2

Debt Management

- 10.0 Comprehensive policy created to:
  - Identify roles and responsibility of city staff related to debt financing
  - Identify compliance with continuing disclosure undertakings pursuant to SEC Rule 15c2-12 for future Bond issues,
  - Apply and promote prudent fiscal practices

Investment Policy

- 11.0 Comprehensive update to the City's Investment and Cash Management; CCP97-007.

Reserve Fund Policies

- 12.1 Definition of available reserves.
- 12.2 Inclusion of fund balances in the biennial budget.
- 12.3 Defines surpluses and the uses of the General Fund Operating Reserve and remedy if reserves fall below stated threshold.
- 12.8 Surface Water Utility Fund Reserve
  - Incorporates Operating, Capital & Debt reserves recommended as a result of the rate analysis.
  - Sets target for parity debt service coverage ratio.
- 12.11 Provides for additional reserves which may be created by the City Council for specific purposes or special projects or as general operations reserves.

Accounting, Auditing, and Financial Reporting Policies

- 14.6 Identifies reporting requirements.
- 14.8 Identifies the establishment and maintenance of an asset listing for the Surface Water Fund.

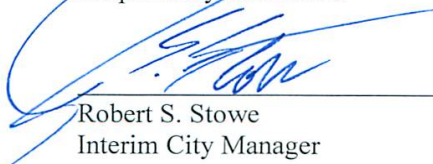
**CITY MANAGER RECOMMENDATION:**

N/A

**ATTACHMENTS:**

- Proposed Financial Management Policies 300-03
- Proposed Debt Management Policy 300-004
- Proposed Investment Policy 300-005
- Investment and Cash Management Policy CCP 97-007

Respectfully Submitted:



Robert S. Stowe  
Interim City Manager



Subject: FINANCIAL MANAGEMENT POLICIES	Index: Department Finance and Administration Number: 300-03
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Effective Date:	Supersedes:	Staff Contact: Peggy Lauerman	Clerk ID Number:	Approved By and Date:
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**1.0 PURPOSE:**

The City of Mill Creek is accountable to its citizens for the use of public dollars. Municipal resources must be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs. The City of Mill Creek is committed to the highest standards of responsible financial management. The City, including the City Council, City Manager and staff will work together to ensure that all financial matters of the City are addressed with care, integrity, and in the best interest of the City.

Written, adopted financial policies have many benefits, such as assisting the elected officials and staff in the financial management of the City, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they will provide the basic foundation and framework for many of the issues and decisions facing the City. They will promote sound financial management and assist in the City's stability, efficiency, and effectiveness.

**2.0 ORGANIZATIONS AFFECTED:**

All departments/divisions.

**3.0 REFERENCE:**

- MCMC Chapter 3.02: General Financial Administration
- RCW 35A.33.135 City Budgeting
- RCW 36.70A.070 Comprehensive plans
- Debt Management Policy 300-04
- Investment Policy 300-05

**4.0 FINANCIAL POLICIES**

The City of Mill Creek’s financial management policies address the following major areas:

5.0 General Policies	10.0 Debt Policies
6.0 Operating Budget Policies	11.0 Investment Policies
7.0 Revenue Policies	12.0 Special Revenue Fund Policies
8.0 Expenditure Policies	13.0 Reserve Policies
9.0 Capital Management Policies	14.0 Accounting, Auditing, and Financial Reporting Policies

**5.0 General Policies**

- 5.1 The City Council may adopt resolutions and ordinances to set financial policies to assure the financial strength and accountability of the City.
- 5.2 The City Manager, or designee, shall develop administrative directives and general procedures for implementing the City Council’s financial policies.
- 5.3 All City departments will share in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and programs will be developed to reflect current policy directives, projected revenues, and future service requirements.

**6.0 Operating Budget Policies**

*The goals of the budget process are: Align the budget with citizen priorities, measure progress towards priorities, obtain the best value for each tax dollar, foster continuous learning in the City, and build regional cooperation.*

- 6.1 The operating budget shall serve as the City’s comprehensive two-year financial plan which provides for the desired level of City services as defined by the City’s priorities. It will serve as the policy document of the City Council for implementing Council goals and objectives.
- 6.2 In order to facilitate the biennial budget development process and 6-year Capital Improvement Plan, the City Manager should propose a combined biennial budget and capital development calendar at the first regular Council meeting in March, in even years.
- 6.3 The City Council will adopt and maintain a balanced biennial operating budget.
- 6.4 The City of Mill Creek defines a balanced budget as current biennium revenues (including fund balances) being equal to or greater than current biennium budgeted expenditures.
- 6.5 The City will strive to adopt a budget where current biennial operating revenues will be equal to or greater than current operating expenditures.

6.6 All general government current operating expenditures should be paid from current revenues and cash carried over from the prior biennium in excess of the adopted reserve level. The City will avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets.

6.7 Revenue and expenditure forecasts will be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, contractual obligations, and capital improvements. The forecast will encompass six years and will be updated as needed but no less than biennially.

6.8 Biennial operating budgets should provide for design, construction, maintenance and replacement of the City's capital, facilities, and equipment consistent with the Capital Improvement Plan including the related cost for operating and maintenance.

6.9 The City should maintain all of its assets at a level that protects the City's capital investment and minimizes future maintenance and replacement costs.

6.10 One-time revenues should be used for one-time/non-recurring expenditures.

6.11 One-time construction sales tax from the General Fund should be transferred into the Capital Improvement Project Fund in accordance with the City's adopted Capital Improvement Plan to help support future capital needs associated with the increased residential and commercial populations.

6.12 All supplemental budget modifications (appropriations requested after the original budget is adopted) including staff additions should conform to the City's budget policies and be carefully considered. All budget modifications will conform to these operating budget policies.

#### **7.0 Revenue Policies**

*Design, maintain, and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support desired City services.*

7.1 Mill Creek strives to maintain as diversified and stable of a revenue system as permitted by state law to shelter the City from short-run fluctuations in any one revenue source.

7.2 Major General Fund revenue streams are impacted by fluctuations in the local, regional and national economies, and therefore, Mill Creek's revenue estimates should be conservative and avoid speculation.

7.3 The City will estimate its biennial revenues through an objective, analytical process using best known economic data.

7.4 The City strives to establish user fees and charges at a level related to the cost of providing the service and within policy parameters established by the City Council.

7.5 In each odd numbered year, the City should review and adjust user fees for the effects of inflation and other costs or legislative factors as appropriate. The City will set fees for user activities in accordance with cost recovery policies adopted by Council.

7.6 Surface Water Utility-The City will strive to set rates at a level that fully supports the total direct and indirect cost of the activity including the cost of annual depreciation of capital assets. Additionally, for analysis and rate modeling purposes, the proposed rates shall also take into account debt service commitments.

- a. The analysis associated with “generally accepted” rate-setting techniques includes the following:
- Revenue Requirement Analysis – Establishes the overall level of financial and rate needs of the City.
  - Cost of Service Analysis – Design rates to collect the appropriate level of revenue and to meet the goals and policies of the City.

b. At a minimum, a rate study should be reviewed and updated every 5 years.

7.7 The City will account for revenues according to City policy, state statute, and as prescribe by the State Auditor’s Office.

**8.0 Expenditure Policies**

*Identify priority services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.*

8.1 The City budget will provide for a sustainable level of service that strives to achieve City goals.

8.2 The City’s operating budget will not use one-time revenues to support ongoing expenditures.

8.3 The City will account for expenditures according to City policy, state statute and as prescribed by the State Auditor’s Office.

8.4 Written cost allocation plans will be developed and incorporated into the City budget as needed. 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).

**9.0 Capital Management Policies**

*Review and monitor the state of the City’s capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.*

9.1 The City of Mill Creek will develop a Capital Facilities Plan (CFP) as defined and required by RCW 36.70A.070. The plan shall be for a period of six years.

9.2 The CFP together with the City's Capital Improvement Plan (CIP) will include all projects to maintain public capital projects required to maintain service levels at standards established by the City Council. It may also include for consideration such other projects as requested by the City Council.

9.3 The CFP/CIP will provide a full description and details on each capital project including estimating costs and potential funding sources for each capital project proposal before it is submitted to Council for approval. The City will use intergovernmental assistance and other outside resources whenever possible.

9.4 The City will finance only those capital improvements that are consistent with the adopted CIP and City budget priorities. All capital improvements will include operations and maintenance costs and the plan will be updated every biennium.

9.5 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.

9.6 One-time revenues should be transferred into the CIP Fund at the end of a biennium. One-time revenues are those receipts that are easily identifiable due to the magnitude of the revenue and are not expected to reoccur, such as one-time development related revenues (e.g., construction sales tax on large buildings). The City recognizes that during each budget cycle, Mill Creek receives a recurring base amount of development related revenues that should not be transferred out of the City's General Fund.

9.7 The City will transfer 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. At the end of each biennium, the City will transfer 33% of all reserve funds above the General Fund Reserve minimum for capital project investment.

9.8 The CIP includes a CIP Contingency in which a minimum of 10% of projected revenues from Real Estate Excise Tax (REET) should be designated for this fund to be used to support Transportation, Parks and Trails, and City Facilities and Equipment. It is at Council's discretion that these funds can be appropriated toward currently unidentified projects, toward approved projects that are underfunded or toward unexpected increases in planned projects.

#### Capital Asset Management

9.9 The City will maintain its capital assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs. The budget will provide for adequate maintenance and orderly replacement of capital assets from current revenues where possible.

9.10 The capitalization threshold used in determining if a given asset qualifies for capitalization is \$5,000 per item with a useful life of over one year. All capital assets shall have a City of Mill Creek property tag affixed to it when placed into service.

9.11 Minor equipment that falls below the \$5,000 threshold but is subject to shrinkage shall have City of Mill Creek property tag affixed to it when placed into City service and will be accounted for on the "Small and Attractive" inventory list.

**10.0 Debt Management Policies**

See Debt Management Policy 300-04

**11.0 Investment Policies**

See Investment Policy 300-05

**12.0 Reserve Fund Policies**

*Maintain the reserves, contingencies, and ending fund balances of the various operating funds at levels sufficient to protect the City's credit as well as its financial position from emergencies.*

12.1 At the end of each biennium, the remaining dollars left in each fund that are undesignated and unencumbered constitute available reserves of the City.

12.2 The City will include all fund balances in the biennial budget.

**12.3 General Fund Operating Reserve**

This reserve sets aside funds (15 percent of the General Fund's budgeted revenues for the ensuing biennium) to respond to economic fluctuations, catastrophic events and unanticipated cash flow needs.

- a. At the end of a budget cycle, a third of any surplus reserve should be transferred to the Capital Improvement Plan (CIP) Fund for future capital investment.
- b. A surplus is defined as the difference between the actual beginning fund balance and the budgeted beginning fund balance.
- c. Biennium surpluses in the General Fund Operating Reserve may remain in the General Fund Operating Reserve, appropriated and used to fund one-time operations and capital expenditures if:
  - Surplus balances remain after all current expenditure obligations and reserve requirements are met.
  - The City has made a determination that revenues for the ensuing biennium are sufficient to support budgeted General Fund operations.
- d. If reserves are used for their intended purpose and spent down below the 15 percent reserve requirement, the City will develop a written fiscal strategy to reinstate the required 15 percent reserve.



**12.4 CIP Contingency Reserve**

A minimum of 10% of projected revenues from Real Estate Excise Tax (REET) should be designated as a Capital Improvement Plan (CIP) Contingency Reserve to be used to support transportation, parks and trails, City facilities and new capital equipment projects. REET receipts fluctuate from year to year based on the transfer of property ownership in Mill Creek. Although staff projects this revenue stream conservatively, it is still prudent to maintain an adequate CIP Contingency Reserve and not allocate or appropriate these monies until they are actually received. Only Council can approve spending down funds in the CIP Contingency Reserve.

**12.5 Annex Fund**

The City will maintain an operating reserve of 5%.

**12.6 Reserved****12.7 Reserved****12.8 Surface Water Utility Fund Reserves****Operating:**

The City shall strive to maintain adequate reserves in order to provide sufficient cash flows to meet operating and capital expenses, while also providing the financial ability to address economic downturn and system emergencies.

The City's goal is to achieve a year-end minimum balance target of 120 days (33%) of total annual operating expenditures excluding transfers. In any year where operating reserves exceed the target, i.e. 120 days of operating expenses, it is assumed that the excess cash is swept into the capital account to help pay for capital projects.

**Capital Reserves:**

This reserve provides a source of emergency funding for unexpected asset failures or other unanticipated capital needs. It can also help the utility address cash flow issues related to capital projects. The City's goal is to achieve a target balance of \$500,000.

**Debt Reserve:**

Bond reserves shall be created and maintained by the Surface Water Utility Fund in accordance with any provisions set forth in the bond covenants. These shall be in addition to the reserves described above.

**Parity Debt Service Coverage Ratio:**

The City shall strive to maintain a minimum target goal for parity debt service coverage ratio (gross revenue of the utility less operating and maintenance expenses (not including depreciation, taxes and debt payments) of 2.00 times or higher on the combined parity annual debt service payments.

**12.9 Equipment Replacement Fund**

The City shall maintain an Equipment Replacement Fund for fleet, capital equipment and general asset replacement. The Equipment Replacement Fund should 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.

Contributions will be made through assessments to the operating departments and maintained on a per asset basis.

**12.10 Unemployment Self Insurance Fund**

This fund will be maintained to accumulate funds for projected unemployment claims in addition to covering the cost of insurance deductibles for property and auto insurance.

**12.11 Additional Reserves**

The City Council may create additional reserve accounts to set aside funds for specific purposes or special projects for known significant future expenditures, or as general operational reserves.

**13.0 Special Revenue Policies**

13.1 The City will establish and maintain Special Revenue Funds to account for the proceeds of restricted revenue streams that have legally specified uses in accordance with the Government Finance Officers Association (GFOA) guidelines and best practices.

13.2 Special Revenue Funds should have biennial operating budgets, be reviewed through the normal budget process, and be included in the City's budget document.

**14.0 Accounting, Auditing, and Financial Reporting Policies**

*Comply with prevailing federal, state, and local statutes and regulations. Conform to a comprehensive basis of accounting in compliance with Washington State statutes and with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA) where applicable.*

14.1 The City will maintain revenue and expenditure categories according to state statute and administrative regulation. The City will use the "Budgeting, Accounting & Reporting System" (BARS) prescribed by the State Auditor for its revenue and expenditure classification.

14.1 The City of Mill Creek will ensure that City records are audited annually or as directed by the State Auditor's Office (SAO) and these audits will result in the issuance of a financial opinion. Audit results are available to the SAO website.

14.2 The City of Mill Creek will establish and maintain a high standard of internal controls and accounting practices overseen by the Finance Director.

14.3 The City accounts for revenues and expenditures on a cash basis.

14.4 Reserved

14.5 Reserved

14.6 Reports on revenues and expenditures will be prepared monthly and budget reports showing the current status of revenues and expenditures will be prepared and reviewed quarterly with City Council and made available for public inspection.

14.7 A fixed asset system will be maintained to identify City assets, their location, and their condition for all general government and internal service funds.

14.8 The City will establish and maintain an asset listing of existing infrastructure by estimating the existing asset infrastructure, including annual depreciation for the Surface Water Fund.



Subject: DEBT MANAGEMENT POLICY	Index: Finance Department Number: 300-04
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Effective Date:	Supersedes:	Staff Contact: Peggy Lauerman	Clerk ID Number:	Approved By and Date:
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**1.0 PURPOSE:**

The Debt Policy for the City of Mill Creek (City) is established to help ensure that all debt is issued both prudently and cost effectively. The Debt Policy sets forth guidelines for the issuance and management of all financings of the City. Adherence to the policy is essential to ensure that the City maintains a sound debt position and protects the credit quality of its obligations while providing flexibility and preserving financial stability.

**2.0 ORGANIZATIONS AFFECTED:**

All departments/divisions

**3.0 REFERENCE:**

N/A

**4.0 POLICY:**

**4.1 Uses of Debt**

4.1.1 The City of Mill Creek uses debt as a mechanism to equalize the costs of needed capital improvements for the benefit of both present and future citizens.

4.1.2 The City of Mill Creek uses debt as a mechanism to reduce the immediate costs of substantial public improvements.

4.1.3 The City of Mill Creek should not use long-term debt to support current operations.

4.1.4 The City may use short-term debt to cover temporary cash flow shortages, which may be caused by a delay in receipting tax revenues or issuing long-term debt. The City will not use short-term debt for current operations.

4.1.5 Long-term borrowing (greater than three years) should only be used for capital improvements that cannot be financed from current revenues.

4.1.6 Non-capital furnishings, supplies, and personnel should not be financed from bond proceeds.

4.1.7 Interest, operating, and/or maintenance expenses should be capitalized only for enterprise activities; and will be strictly limited to those expenses incurred prior to actual operation of the facilities.

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

## 5.0 Debt Limits

### 5.1 Legal Limits:

5.1.2 General obligation debt of Mill Creek shall not exceed an aggregated total of 7.5% of the assessed valuation of the taxable property within the City. RCW 39.36.020

5.1.3 The following individual percentages shall not be exceeded in any specific debt category:

- i. General Debt - 2.5% of assessed valuation
- ii. Non-Voted 1.5% Limited Tax General Obligation (LTGO) Bonds
- iii. Voted - an additional 1.0% Unlimited Tax General Obligation (UTGO) Bonds
- iv. Voted Utility Debt - 2.5% of assessed valuation
- v. Voted Open Space and Park Facilities - 2.5% of assessed valuation

### 5.2 Public Policy Limits:

5.2.1 The City will maintain a comprehensive multi-year Capital Improvement Program (CIP).

5.2.2 Analysis of funding sources will be conducted for all proposed capital improvement projects.

5.2.3 Debt will be issued in accordance with the CIP as necessary.

5.2.4 When borrowing is recommended, the source of funds to cover debt service requirements must be identified.

5.2.5 The City, as determined by the City Council, may consider using long term debt toward public improvements, which have an identified public benefit to the City, associated with economic development to the extent that new revenues from the

project, in excess of those identified by the City Council for other City purposes can be agreed upon to support the debt service.

### 5.3 Financial Limits:

5.3.1 The City's policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the Operating Budget.

5.3.2 The City will conduct a debt affordability analysis to evaluate the City's ability to support debt. The analysis will review available resources for the amount of debt the City can initiate each year, and project the effects of that financing through six years of the CIP.

### 6.0 Allowable Types of Debt

6.1 Short Term Obligations: Short-term borrowing should only be used to meet the immediate financing needs of a project for which long-term financing has been approved or secured but not yet received, such as a bond anticipation note. 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 the funds will not impact the fund's current operations. All interfund loans will be subject to Council approval, will bear interest and have terms consistent with state guidelines for interfund loans.

6.2 Assessment/ LID Bonds: Assessment bonds should be considered in place of general obligation bonds, where possible, to assure the greatest degree of public equity. Local Improvement District (LID) Bonds represent debt that is repaid by the property owners who benefited from the capital improvement through annual assessments paid to the City. LID's are formed by the City Council after a majority of property owners agree to the assessment.

6.3 General Obligation Bonds Limited Tax: General Obligation debt is backed by the full faith and credit of the City and is payable from General Fund or other available money in the City's government fund's revenues and taxes collected by the City. Limited Tax General Obligation (LTGO) Bonds must be issued with the approval of the City Council and should only be issued if: A project requires funding not available from alternative sources; matching fund monies are available which may be lost if not applied for in a timely manner; or Emergency conditions exist.

6.4 General Obligation Bonds Unlimited Tax: Unlimited Tax General Obligation (UTGO) Bonds are payable from excess tax levies and is subject to voter approval by 60% of the voters.

6.5 Revenue Bonds: Revenue bonds are used to finance construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Improvement Program and are generally payable from the enterprise. No taxing power or general fund pledge is provided as security. Unlike general obligation

bonds, revenue bonds are not subject to the City's statutory debt limitation nor is voter approval required.

6.6 Leases: Lease purchase or financing contracts are payment obligations that represent principal and interest components which are general obligations of the City.

6.7 Other Loan Programs:

6.7.1 Public Works Trust Fund Loans are loans from the Public Works Board, authorized by state statute, RCW 43.155 to loan money to repair, replace, or create domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste and recycling facilities, and bridges.

6.7.2 The Local Option Capital Asset Lending (LOCAL) Program is a financing contract with the Office of the State Treasurer under RCW 39.94. It is an expanded version of the state agency lease/purchase program that allows pooling funding needs into larger offerings of securities. This program allows local government agencies the ability to finance equipment needs through the State Treasurer's office, subject to existing debt limitations and financial consideration.

6.7.3 Other state funded programs.

6.8 Alternative types of debt: No variable-rate debt or derivative products should be utilized.

7.0 Debt Structuring Practices

7.1 Maximum term, Payback Period and Average maturity:

7.1.1 The issuance of bonds shall be financed for a period not to exceed a conservative estimate of the asset's useful life with the average life of the bonds less than or equal to the average life of the assets being financed.

7.1.2 General Obligation bonds will be issued with maturities of 30 years or less unless otherwise approved by Council.

7.1.3 The maturity of all assessment bonds shall not exceed statutory limitations. RCW 36.83.050.

7.2 Debt Service Structure:

7.2.1 Unless otherwise justified and deemed necessary, debt service should be structured on a level or declining repayment basis.

7.3 Criteria for issuance of advance refunding, if allowed by tax rules, and current refunding bonds

7.3.1 The City will use refunding bonds, where appropriate, when restructuring its current outstanding debt. A debt refunding is a refinance of debt typically done to take advantage of lower interest rates. Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will not be pursued without a sufficient net present value benefit after expenses.

#### 7.4 Other structuring practices:

7.4.1 Bond amortization schedules will be structured to minimize interest expense with the constraints of revenues available for debt service. The bonds should include call features to maximize the City's ability to refund or retire the debt early. However, call features should be balanced with market conditions to ensure that the total cost of the financing is not adversely affected.

#### 8.0 Debt Issuance Practices

8.1 Council Approval: City Council approval is required prior to the issuance of debt.

8.2 Analytical Review: An analytical review shall be conducted prior to the issuance of debt including, but not limited to, monitoring of market opportunities and structuring and pricing of the debt.

8.3 Use of credit ratings, minimum bond ratings, determination of the number of ratings and selection of rating services: The City will continually strive to maintain its bond rating by improving financial policies, budget, forecasts and the financial health of the City so its borrowing costs are minimized and its access to credit is preserved. The City will maintain good communication with bond rating agencies about its financial condition, coordinating meetings, and presentations in conjunction with a new issuance as necessary.

8.4 Compliance with Statutes and Regulations: The Finance Director, City Attorney and bond counsel shall coordinate their activities and review all debt issuance to ensure that all securities are issued in compliance with legal and regulatory requirements by the State of Washington and the Federal Government's laws, rules and regulations.

#### 8.5 Selection and use of professional service providers:

8.5.1 The City Manager shall be responsible for the solicitation and selection of professional services that are required to administer the City's debt program.

8.5.2 Bond Counsel: All debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all city and state constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's federal income tax status and any other components necessary for the proposed debt.



8.5.3 Financial Advisor: A Financial Advisor(s) may be used to assist in the issuance of the City's debt. The Financial Advisor will provide the City with the objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring of market opportunities, structuring and pricing of debt, and preparing official statements of disclosure.

8.5.4 Underwriters and Purchasers: An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated debt and reselling the debt to investors. A Purchaser (potentially chosen through a bid process) may be used in a private placement sale method.

8.5.5 Fiscal Agent: A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders in a negotiated (or competitive) sale. The City Finance Director may act as the fiscal agent in a private placement. In accordance with RCW 43.80, the City will use the Fiscal Agent that is appointed by the state.

8.6 Criteria for determining sales method and investment of proceeds:

8.6.1 The Director of Finance and Administration shall determine the method of sale best suited for each issue of debt.

8.6.2 The City should generally, when it is fiscally prudent, issue its debt through a competitive process. For any competitive sale of debt, the City will award the issue to the underwriter offering to buy the bonds at a price and interest rates that provides the lowest True Interest Cost (TIC).

8.6.3 The City should provide for the sale of debt by negotiating the terms and conditions of sale when necessary to minimize the cost and risks of borrowing under the following conditions:

- i. The bond issue is, or contains, a refinancing that is dependent on market/interest rate timing.
- ii. At the time of issuance, the interest rate environment or economic factors that affect the bond issue are volatile.
- iii. The nature of the debt is unique and requires particular skills from the underwriter(s) involved.
- iv. The debt issued is bound by a compressed time line due to extenuating circumstances such that time is of the essence and a competitive process cannot be accomplished.

8.7 Bond Insurance: For each publicly sold issue, the City will evaluate the costs and benefits of bond insurance or other credit enhancements. Any credit enhancement purchases by the City shall be competitively procured.

**9.0 Debt Management Practices**

**9.1 Investment of Bond Proceeds**

The City shall comply with all applicable federal, state and contractual restrictions regarding the investment of bond proceeds, including the City of Mill Creek Investment Policy.

**9.2 Continuing Disclosure**

The City's Disclosure Policy for any publicly sold bonds is attached as Exhibit A.

**9.3 Arbitrage Rebate monitoring and filing**

The City should, unless otherwise justified, use bond proceeds within the established time frame pursuant to the bond ordinance, contract or other documents to avoid arbitrage. Arbitrage is the interest earned on the investment of the bond proceeds above the interest paid on the debt. If arbitrage occurs, the City will follow a policy of full compliance with all arbitrage rebate requirements of the federal tax code and Internal Revenue Service regulations, and will perform (internally or by contract consultants) arbitrage rebate calculations for each issue subject to rebate. All necessary rebates will be filed and paid when due in order to preserve the tax-exempt status of the outstanding debt. The City's post issuance compliance procedures are attached as Exhibit B.

**9.4 Federal and state law compliance practices**

Discussed in Debt Issuance Practices sections 5.3 and 5.4 and Debt Management Practices sections 6.1 and 6.3.

**9.5 Market and investor relations efforts**

The City shall endeavor to maintain a positive relationship with the investment community. The City shall communicate Mill Creek's indebtedness, as well as its future financial plans through its published Biennial Budget, Capital Improvement Program, and state required financial statements.

**9.6 Periodic review**

The City's debt policy shall be adopted by City Council. The policy shall be reviewed by City Management and updated every two years during Mill Creek's biennial budget process and Capital Improvement Program update. The policy will then be submitted within these documents and approved by City Council.



Subject: DISCLOSURE POLICY	Index: Finance Department Number: 300-04
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Effective Date:	Supersedes:	Staff Contact: Peggy Lauerman	Clerk ID Number:	Approved By and Date:
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**1.0 PURPOSE:**

As an issuer of municipal securities, the City of Mill Creek, Washington (the “City”) is subject to the antifraud provisions of the Securities Act of 1933, and the Securities and Exchange Act of 1934 and the Securities Act of Washington (chapter 21.70 RCW). These acts impose various obligations on the City, including requiring disclosure of material information regarding its publicly-offered bonds to allow investors to make informed decisions. All documents and statements prepared or made in connection with the purchase or sale of the City’s securities cannot contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements not misleading.

This policy is designed to assist the City in its compliance with securities laws and to promote best practices regarding disclosure.

The City has three major disclosure obligations: (1) to prepare an official statement for all public offerings of its securities that is delivered to the underwriter(s) for distribution to potential and actual purchasers and that sets forth the terms of the securities and information regarding the City, (2) to provide ongoing disclosure in compliance with paragraph (b)(5) of Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”), and (3) if and when the City provides information that can reasonably be expected to be relied on by the market, to ensure that the information is not inaccurate or misleading.

**2.0 ORGANIZATIONS AFFECTED:**

Executive and Finance Departments

**3.0 REFERENCE:**

- RCW Chapter 21.70 Securities Act of Washington
- Debt Management Policy 300-04

**4.0 POLICY:****4.1 Official Statements and Other Disclosure Documents**

The City will prepare an official statement for each publicly offered security offering. The Director of Finance and Administration and the City's bond counsel, disclosure counsel or financial advisor (as determined prior to each publicly offered security offering) will be responsible for preparing the official statement. If the City requests a rating, a rating presentation will be prepared. In addition, an investor presentation for larger bond issues may be prepared.

**4.2 Procedure and Timeline for Preparing Official Statements**

In advance of each financing, the City Manager will determine the financing team, including financial advisor(s), bond counsel and underwriter(s) (for negotiated offerings only), and who will be responsible for compiling the official statement. The Director of Finance and Administration and preparer of the official statement are responsible for providing drafts of the official statement or sections of the official statement, as appropriate, and the Director of Finance and Administration and underwriter or financial advisor are responsible for providing drafts of the rating presentation and investor presentation, if applicable, to the financing team and other City officials in a timely manner to provide adequate time for such individuals to perform a thorough review of such documents. The financial advisor or underwriter will prepare a schedule for each financing, including dates for distributing drafts of the official statement and financing team calls and meetings to discuss the official statement.

The Director of Finance and Administration shall provide certain sections of the disclosure documents to individuals with subject matter knowledge of that section for their review and comments.

The City Manager shall review the disclosure documents to provide a broader perspective.

The City Council shall be given a copy of the official statement in advance of its publication and be given the opportunity to comment and ask questions.

**4.3 Training**

The City shall provide periodic training opportunities to finance staff who participate in the City's debt offerings regarding disclosure obligations and best practices. Such training sessions shall include education on the City's disclosure obligations under applicable securities laws and responsibilities and potential liabilities regarding such obligations.

**4.4 Document Retention**

The Director of Finance and Administration shall retain for a period of at least five years printed copies of each preliminary and final official statement and any written certifications or opinions relating to disclosure matters. The Director of Finance and Administration is not required to retain drafts of any disclosure materials.

#### 4.5 Certifications and Opinions

In connection with the closing of securities, the transcript will include a disclosure counsel opinion, if applicable, a City attorney or other City official certificate or opinion regarding litigation, and a certificate of the City regarding the official statement.

#### 4.6 Ongoing Disclosure

Each time the City issues publicly-offered securities it will enter into a written undertaking to provide continuing disclosure for the benefit of the holders and beneficial owners of the securities as required by Rule 15c2-12. The undertakings will require the City to provide to the Municipal Securities Rulemaking Board an annual report consisting of the City's audited financial statements and specified historical financial and operating data within such time period after the end of each fiscal year as described in each such undertaking. In each undertaking, the City also agrees to provide or cause to be provided, in a timely manner, currently not in excess of 10 business days after the occurrence of the event, to the MSRB notice of the occurrence of the "Listed Events," as defined in the undertaking.

The Director of Finance and Administration (the "Compliance Officer") will be responsible for complying with each undertaking, including to file the annual reports within the specified time and to provide timely notice of any Listed Event. The Compliance Officer is or will be registered with the Electronic Municipal Market Access website ("EMMA") and familiar with the filing requirements and procedures. [The duty to comply with the undertaking is included in the Compliance Officer's job description.] The Compliance Officer shall keep a record of each undertaking and a copy of each filing pursuant to the undertakings. Any failure to comply with an undertaking shall be disclosed in future City official statements for five years after such failure. [The City has signed up with EMMA for email reminders.]

Several of the Listed Events require that notice be filed if the occurrence is material. In determining whether a Listed Event is material, the Compliance Officer shall consider whether the Listed Event involves the same security as the security for the debt for which the City has an undertaking(s), the potential financial impact of the Listed Event, and other factors that the Compliance Officer determines are relevant. In making such determination, the Compliance Officer may consult with the City's bond counsel, financial advisor or underwriter.

Certain of the Listed Events relate to debt and debt-like instruments other than bonds ("Financial Obligations"), such as bank loans, Public Works Trust Fund Loans, leases that operate as vehicles to borrow money, purchases of real estate on contract, and derivatives and guarantees of such Financial Obligations. The Compliance Officer shall maintain a list of Financial Obligations and any other agreements to covenants, events of default, remedies, priority rights, or other terms that may affect bondholders, if material, as well as provisions of Financial Obligations that if breached may reflect financial difficulties.

#### 4.7 Speaking to the Market

The SEC has stated that when a municipal issuer of outstanding securities provides “information to the public that is reasonably expected to reach investors and the trading market, those disclosures are subject to the antifraud provisions”; the information cannot be misleading or contain incorrect information. In order to violate the antifraud rules, the misrepresentation must be made publicly, must be material, must involve a security traded on an efficient market and must be such as would induce a reasonable, relying investor to misjudge the value of the security. Examples of information that could be relied on by investors in the City’s outstanding securities include ongoing disclosure filings, audited financial statements, investor presentations, and financial information posted on the City’s website.



Subject: POST INSURANCE COMPLIANCE PROCEDURES	Index: Finance Department Number: 300-04
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Effective Date:	Supersedes:	Staff Contact: Peggy Lauerman	Clerk ID Number:	Approved By and Date:
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**1.0 PURPOSE:**

The purpose of these post-issuance compliance procedures (“Compliance Procedures”) for tax-exempt bonds and other obligations (sometimes collectively referred to herein as “bonds” or “tax-exempt bonds”) issued by the City of Mill Creek, Washington (the “City”) for which federal tax exemption is provided by the Internal Revenue Code of 1986, as amended (the “Code”), is to facilitate compliance by the City with the applicable requirements of the Code that must be satisfied after the issue date of the bonds to maintain the tax exemption for the bonds after the issue date.

**2.0 ORGANIZATIONS AFFECTED:**

Executive and Finance Departments

**3.0 REFERENCE:**

- Debt Management Policy 300-04

**4.0 POLICY:**

**4.1 Responsibility for Monitoring Post-Issuance Tax Compliance**

The City Council of the City has the overall, final responsibility for monitoring whether the City is in compliance with post-issuance federal tax requirements for the City’s tax-exempt bonds. However, the City Council has or will delegate the primary operating responsibility to monitor the City’s compliance with post-issuance federal tax requirements for the City’s bonds. The City Council also has authorized and directed or will authorize and direct the Director of Finance and Administration of the City to adopt and implement on behalf of the City these Compliance Procedures.

#### 4.2 Arbitrage Yield Restriction and Rebate Requirements

The Director of Finance and Administration will maintain or cause to be maintained records of:

4.2.1 Purchases and sales of investments made with bond proceeds (including amounts treated as “gross proceeds” of bonds under section 148 of the Code) and receipts of earnings on those investments;

4.2.2 Expenditures made with bond proceeds (including investment earnings on bond proceeds) in a timely and diligent manner for the governmental purposes of the bonds, such as for the costs of purchasing, constructing and/or renovating property and facilities;

4.2.3 Information showing, where applicable for a particular calendar year, that the City was eligible to be treated as a “small issuer” in respect of bonds issued in that calendar year because the City did not reasonably expect to issue more than \$5,000,000 of tax-exempt bonds in that calendar year;

4.2.4 Calculations that will be sufficient to demonstrate to the Internal Revenue Service (“IRS”) upon an audit of a bond issue that, where applicable, the City has complied with an available spending exception to the arbitrage rebate requirement in respect of that bond issue;

4.2.5 Calculations that will be sufficient to demonstrate to the IRS upon an audit of a bond issue for which no exception to the arbitrage rebate requirement was applicable, that the rebate amount, if any, that was payable to the United States of America in respect of investments made with gross proceeds of that bond issue was calculated and timely paid with Form 8038-T timely filed with the IRS; and

4.2.6 Information and records showing that investments held in yield-restricted advance refunding or defeasance escrows for bonds, and investments made with unspent bond proceeds after the expiration of the applicable temporary period, were not invested in higher-yielding investments.

#### 4.3 Restrictions on Private Business Use and Private Loans

The Director of Finance and Administration will adopt procedures calculated to educate and inform the principal operating officials of those departments, including utility departments, if any, of the City (the “users”) for which land, buildings, facilities and equipment (“property”) are financed with proceeds of tax-exempt bonds about the restrictions on private business use that apply to that property after the bonds have been issued, and of the restriction on the use of proceeds of tax-exempt bonds to make or finance any loan to any person other than a state or local government unit.

In particular, following the issuance of bonds for the financing of property, the Director of Finance and Administration shall provide to the users of the property a copy of these Compliance Procedures and other appropriate written guidance advising that:



4.3.1 “Private business use” means use by any person other than a state or local government unit, including business corporations, partnerships, limited liability companies, associations, nonprofit corporations, natural persons engaged in trade or business activity, and the United States of America and any federal agency, as a result of ownership of the property or use of the property under a lease, management or service contract (except for certain “qualified” management or service contracts), output contract for the purchase of electricity or water, privately sponsored research contract (except for certain “qualified” research contracts), “naming rights” contract, “public-private partnership” arrangement, or any similar use arrangement that provides special legal entitlements for the use of the bond-financed property;

4.3.2 Under section 141 of the Code, no more than 10% of the proceeds of any tax-exempt bond issue (including the property financed with the bonds) may be used for private business use, of which no more than 5% of the proceeds of the tax-exempt bond issue (including the property financed with the bonds) may be used for any “unrelated” private business use—that is, generally, a private business use that is not functionally related to the governmental purposes of the bonds; and no more than the lesser of \$5,000,000 or 5% of the proceeds of a tax-exempt bond issue may be used to make or finance a loan to any person other than a state or local government unit;

4.3.3 Before entering into any special use arrangement with a nongovernmental person that involves the use of bond-financed property, the user must consult with the Director of Finance and Administration, provide the Director of Finance and Administration with a description of the proposed nongovernmental use arrangement, and determine whether that use arrangement, if put into effect, will be consistent with the restrictions on private business use of the bond-financed property;

4.3.4 In connection with the evaluation of any proposed nongovernmental use arrangement, the Director of Finance and Administration should consult with nationally recognized bond counsel to the City as may be necessary to obtain federal tax advice on whether that use arrangement, if put into effect, will be consistent with the restrictions on private business use of the bond-financed property, and, if not, whether any “remedial action” permitted under section 141 of the Code may be taken by the City as a means of enabling that use arrangement to be put into effect without adversely affecting the tax-exempt status of the bonds that financed the property; and

4.3.5 The Director of Finance and Administration and the user of the property shall maintain records of such nongovernmental uses, if any, of bond-financed property, including copies of the pertinent leases, contracts or other documentation, and the related determination that those nongovernmental uses are not inconsistent with the tax-exempt status of the bonds that financed the property.

#### 4.4 Records to be Maintained for Tax-Exempt Bonds

It is the policy of the City that, unless otherwise permitted by future IRS regulations or other guidance, written records (which may be in electronic form) will be maintained with respect to each bond issue for as long as those bonds remain outstanding, plus three years. For this purpose, the bonds include refunding bonds that refund the original bonds and thereby refinance the property that was financed by the original bonds.

The records to be maintained are to include:

4.4.1 The official Transcript of Proceedings for the original issuance of the bonds;

4.4.2 Records showing how the bond proceeds were invested, as described in 3(a) above;

4.4.3 Records showing how the bond proceeds were spent, as described in 3(b) and 4(c) above, including purchase contracts, construction contracts, progress payment requests, invoices, cancelled checks, payment of bond issuance costs, and records of "allocations" of bond proceeds to make reimbursement for project expenditures made before the bonds were actually issued;

4.4.4 Information, records and calculations showing that, with respect to each bond issue, the City was eligible for the "small issuer" exception or one of the spending exceptions to the arbitrage rebate requirement or, if not, that the rebate amount, if any, that was payable to the United States of America in respect of investments made with gross proceeds of that bond issue was calculated and timely paid with Form 8038-T timely filed with the IRS, as described in 3(c), (d) and (e) above; and

4.4.5 Records showing that special use arrangements, if any, affecting bond-financed property made by the City with nongovernmental persons, if any, are consistent with applicable restrictions on private business use of property financed with proceeds of tax-exempt bonds and restrictions on the use of proceeds of tax-exempt bonds to make or finance loans to any person other than a state or local government unit, as described in 4 above.

The basic purpose of the foregoing record retention policy for the City's tax-exempt bonds is to enable the City to readily demonstrate to the IRS upon an audit of any tax-exempt bond issue that the City has fully complied with all federal tax requirements that must be satisfied after the issue date of the bonds so that those bonds continue to be tax-exempt under the Code.

#### 4.5 Identification and Remediation of Potential Violations of Federal Tax Requirements for Tax-Exempt Bond.

4.5.1 So long as any of the City's tax-exempt bond issues remain outstanding, the Director of Finance and Administration will periodically consult with the users of the City's bond-financed property to review and determine whether current use

arrangements involving that property continue to comply with applicable federal tax requirements as described in these Compliance Procedures. This may be accomplished, for example, by periodically meeting with users, providing questionnaires to users about current use arrangements, or adopting other protocols reasonably calculated to ensure compliance with applicable federal tax requirements on a continuing basis. This periodic review may be scheduled, for example, at or before the times that the City is required to file with the Municipal Securities Rulemaking Board the annual financial information and operating data pursuant to the City's undertaking to provide continuing disclosure with respect to outstanding bond issues.

4.5.2 If at any time during the life of an issue of tax-exempt bonds, the City discovers that a violation of federal tax requirements applicable to that issue may have occurred, the Director of Finance and Administration will consult with bond counsel to determine whether any such violation actually has occurred and, if so, take prompt action to accomplish an available remedial action under applicable Internal Revenue Service regulations or to enter into a closing agreement with the Internal Revenue Service under the Voluntary Closing Agreement Program described under Notice 2008-31 or other future published guidance.

#### 4.6 Education Policy With Respect to Federal Tax Requirements for Tax-Exempt Bonds

It is the policy of the City that the Director of Finance and Administration and her or his staff, as well as the principal operating officials of those departments of the City for which property is financed with proceeds of tax-exempt bonds should be provided with education and training on federal tax requirements applicable to tax-exempt bonds. The City recognizes that such education and training is vital as a means of helping to ensure that the City remains in compliance with those federal tax requirements in respect of its bonds. The City therefore will enable and encourage those personnel to attend and participate in educational and training programs offered by, among others, the Washington Municipal Treasurers Association and the Washington Finance Officers Association with regard to the federal tax requirements applicable to tax-exempt bonds.



Subject: INVESTMENT POLICY	Index: Department Finance and Administration Number: 300-05
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Effective Date:	Supersedes: CCP97-007	Staff Contact: Peggy Lauerman	Clerk ID Number:	Approved By and Date:
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**1.0 PURPOSE:**

It is the policy of the City of Mill Creek to invest public funds in a manner that provides maximum security, while meeting daily cash flow demands, conforming to all state and local statutes governing the investment of public funds, while also providing a market rate of return through budgetary and economic cycles.

**2.0 ORGANIZATIONS AFFECTED:**

All departments/divisions.

**3.0 REFERENCE:**

N/A

**4.0 POLICY:**

**4.1 SCOPE:**

This investment policy applies to all financial assets of the City of Mill Creek. These funds are accounted for in the City of Mill Creek's state required financial report and include:

- General Fund, Special Revenue Funds;
- Capital Projects Funds;
- Enterprise Funds;
- Trust and Agency Funds;
- Debt Service Funds (Unless prohibited by Bond indentures); and
- Any new fund created by City ordinance, unless specifically exempted.

Should bond covenants be more restrictive than this policy, funds shall be invested in full compliance with those restrictions.

**4.2 PRUDENCE:**

Investments shall be made with judgment and care, under circumstances prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the “**Prudent Person**” standard and shall be applied in the context of managing an overall portfolio under prevailing economic conditions at the moment of investment commitments. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

In determining whether an Investment official has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the official had responsibility rather than a consideration as to the prudence of a single investment, and, whether the investment decision was consistent with the written investment policy of the City of Mill Creek.

**4.3 OBJECTIVES:**

The primary objectives, in priority order, of the City of Mill Creek investment activities shall be:

**Safety:** Safety of principal is the foremost objective of the Treasurer’s investment program. Investments of and the City of Mill Creek will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To obtain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

**Liquidity:** The portfolio will remain sufficiently liquid to enable the City of Mill Creek to meet all cash requirements that might reasonably be anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

**Return on Investment:** The Investment portfolio shall be designed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account the City of Mill Creek’s investment risk constraints and liquidity needs. Return on investments is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair rate of return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

A security with declining credit may be sold early to minimize the loss of principal.

A security swap would improve the quality, yield, or target duration of the portfolio.

Liquidity needs of the portfolio require that the security be sold early.

**4.4 DELEGATION OF AUTHORITY**

A. The Treasurer, or their appointed Investment Officer responsibilities will include initiating daily transactions in the investment portfolio based on liquidity and cash flow requirements of the City of Mill Creek. In addition, the Investment Officer shall establish written procedures for the operation of the investment program consistent with the investment policy.

B. No person may initiate investment transactions on behalf of the Treasurer without the express written consent of the Treasurer or the Investment Officer after consultation with the Treasurer.

**4.5 ETHICS AND CONFLICTS OF INTEREST**

A. Investment officials will recognize that the investment portfolio is subject to public review and evaluation. The overall program will be designed and managed with a degree of professionalism that is worthy of the public trust.

B. Officers and employees involved in the investment process shall refrain from personal business activity that may conflict with the proper execution of the investment program, or may impair their ability to make impartial investment decisions. Investment officials shall disclose to the Treasurer any material financial interests in financial institutions that conduct business with the City of Mill Creek, and they will further disclose any personal financial or investment positions that could be related to the performance of the City of Mill Creek's portfolio, particularly with regard to the timing of purchases and sales.

**4.6 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

A. Selection of a primary bank for the City of Mill Creek's general banking services will be made by the Treasurer.

B. The Treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

As required by state law, (RCW 39.58), certificates of deposit will be purchased only from those institutions approved by the Washington Public Deposit Protection Commission (PDPC) as eligible for deposit of public funds. The Treasurer will annually adopt the eligibility list provided by the PDPC as the approved depository list.

The maximum amount placed with any one depository will not exceed the net worth of the institution as determined by the PDPC.

Qualified broker/dealers and financial institutions will be reviewed and selected by the Treasurer on a routine basis. All brokers/dealers and financial institutions that desire to do business with the City of Mill Creek must supply the Treasurer with the following:

1. Annual audited financial statements.
2. Proof of FINRA (Financial Industry Regulatory Authority) certification.
3. Proof of registration with the State of Washington.
4. A completed Broker/Dealer questionnaire and a certification of having read Mill

Creek's Investment Policy.

The Treasurer will conduct an annual review of the financial condition of the firms. A current audited financial statement is required to be on file for each financial institution and broker/dealer with whom the City of Mill Creek invests.

#### **4.7 AUTHORIZED INVESTMENTS**

U.S. Treasury Obligations

U.S. Government Agency obligations and U.S. Government Sponsored Enterprises (GSE's) which may include, but are not limited to the following:

- Federal Farm Credit Bank (FFCB)
- Federal Home Loan Bank (FHLB)
- Government National Mortgage Association (GNMA)
- Federal Home Loan Mortgage Corporation (FHLMC)
- Federal National Mortgage Association (FNMA)
- Student Loan Marketing Corporation (SLMA)

Banker's Acceptances (BA's) purchased through State of Washington Financial Institutions and authorized broker/dealers. Banker's Acceptances shall not be longer than six months duration. Investments in Banker's Acceptances must be in the top thirty banks in the United States, including all banks in the State of Washington as authorized by the Public Deposit Protection Commission. Further, within these limitations, investments may be made only in those banks whose other negotiable obligations are rated at least A-1, P-1 or F-1 (at the time of purchase) by at least two or more internationally recognized agencies such as Moody's or Standard and Poors.

Non-negotiable Certificates of Deposit of financial institutions which are qualified public depositories in accordance with the restrictions therein.

Bonds of the State of Washington and any local government in the State of Washington, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.

General obligation bonds of a state other than the State of Washington and general obligation bonds of a local government of a state other than the State of Washington, which bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.

Washington State Local Government Investment Pool (LGIP). The City of Mill Creek Treasurer will keep on file the most recent LGIP Investment Policy and operations manual. This policy will be assessed for safety of funds on deposit with the LGIP and risks associated with investment strategies. In addition, the LGIP will complete a questionnaire for the Mill Creek Treasurer which will include the following:

- A description of eligible securities;
- How interest and fees are calculated;
- How gains and losses are calculated;
- A description of how the securities are safeguarded,
- How often the securities are priced, and how often the program is audited;

Deposit and withdrawal restrictions; and  
Information regarding how bond proceeds are accounted for in the LGIP.

And other investments authorized by law.

A signed master repurchase agreement in conformance with the Public Securities Association (PSA) model agreement and supplemented with the Treasurer's policy on repurchase agreements must be executed prior to entering into a repurchase agreement transaction.

#### **4.9 SAFEKEEPING AND CUSTODY**

##### **A. Delivery vs. Payment:**

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited with a third party custodian prior to the release of funds.

##### **B. Safekeeping:**

Securities will be held by an independent third-party custodian selected by the Treasurer. Safekeeping receipts will evidence all transactions.

##### **C. CD's:**

Certificates of deposit will be held by the Treasurer.

#### **4.10 DIVERSIFICATION**

It is the policy of the City of Mill Creek to diversify its investment portfolio. To eliminate risk of loss resulting from the over-concentration of assets in a specific maturity, issuer or class of securities, all cash and cash equivalent assets in all funds shall be diversified by maturity, issuer and by the class of security. Diversification strategies shall be determined and revised periodically by the investment officer for all funds. In establishing specific diversification strategies, the following constraints shall apply:

##### **Maximum Percentage of Mill Creek's Investment Portfolio:**

- Washington State Local Government Investment Pool 100%
- U.S. Treasury Obligations 100%
- Federal Agency securities 90%
- Municipal Investment Accounts 40%
- Certificates of Deposit (CDs) 40%
- Repurchase Agreements (Repos) 40%
- Bonds of State of Washington or local government in the State of Washington 20%
- Bonds of other states or local governments of a state other than the State of Washington 15%

#### **4.11 SALE OF PORTFOLIO**

Any major changes in Investment Strategy including the liquidation of the portfolio shall require a majority vote by the City/County Finance Committee.

#### **4.12 MATURITIES**

To the extent possible and to preclude sales of securities that could result in a loss, investments will be made to coincide with anticipated cash flow requirements. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as the Local Government Investment Pool, money market funds to ensure that appropriate liquidity is maintained to meet ongoing



obligations.

A. To this extent, 20% of the portfolio, at the time of investment, will be comprised of investments maturing within a year.

B. Satisfying this requirement, remaining funds may be invested in authorized securities not to exceed five years in maturity, except when compatible with a specific fund's investment needs.

C. To ensure additional liquidity and provide for ongoing market opportunity the weighted average maturity and modified duration of the overall portfolio shall not exceed three years without the prior written approval of the Treasurer.

#### **4.13 INTERNAL CONTROL**

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets are protected from loss, theft or misuse. The Treasurer shall establish an annual process of independent review by the Washington State Auditor's Office. This review will provide internal control by assuring compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion;
- Separation of transaction authority from accounting and recordkeeping;
- Custodial Safekeeping;
- Avoidance of physical delivery securities;
- Clear delegation of authority to subordinate staff members;
- Written confirmation of transactions for investments and wire transfers; and
- Development of a wire transfer agreement with the lead bank and third-party custodian.

#### **4.14 PERFORMANCE STANDARDS/BENCHMARK**

The investment portfolio will be managed in accordance with the parameters specified within this policy. The investment portfolio will be designed to obtain an average rate of return during budgetary and economic cycles, consistent with the investment objectives and cash flow needs. A series of appropriate benchmarks shall be established against which performance shall be compared on a regular basis. The benchmark will be reflective of the actual securities being purchased and the risks undertaken. The benchmarks will have a similar weighted average maturity as the portfolio.

#### **4.15 PROCEDURES**

Day-to-day procedures concerning investment management and accounting are outside the scope of this policy. As deemed necessary, the Treasurer will establish written procedures for the operation of the investment program consistent with this policy.

#### **4.16 REPORTING**

At least quarterly, a report will be submitted to the Mill Creek City Council for their review, summarizing the current position of the Mill Creek portfolio. The Treasurer and/or the Investment Officer shall report to the committee current investment strategy being followed and recent economic conditions and market developments that have a bearing on this strategy. This management report will be prepared in a manner that allows the Mill Creek City Council to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will include:

A listing of individual securities held at the end of the reporting period by authorized investment category

Asset allocation of types of securities

Performance of portfolio and its appropriate benchmark(s)

**4.17 INVESTMENT POLICY ADOPTION**

The City of Mill Creek's investment policy shall be adopted by a majority vote of the Mill Creek City Council. The policy shall be reviewed by Mill Creek City management on an annual basis and any modifications shall be approved by the Mill Creek City Council.

**5.0 DEFINITIONS**

**ACCRUED INTEREST** - The interest accumulated on a bond since issue date or the last coupon payment. The buyer of the bond pays the market price and accrued interest, which is payable to the seller.

**AGENCY** - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally Sponsored Agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. (Also see FEDERAL AGENCY SECURITIES and GOVERNMENT SECURITY)

**AMORTIZATION** - In portfolio accounting, periodic charges made against interest income on premium bonds in anticipation of receipt of the call price at call or of par value at maturity.

**ASSET** - Available property, as for payment of debts

**AVERAGE MATURITY** - A weighted average of the expiration dates for a portfolio of debt securities. An income fund's volatility can be managed by shortening or lengthening the average maturity of its portfolio.

**BANK WIRE** - A virtually instantaneous electronic transfer of funds between two financial institutions.

**BANKERS ACCEPTANCES (BAs)** - Bankers Acceptances generally are created based on a letter of credit issued in a foreign trade transaction. They are used to finance the shipment of commodities between countries as well as the shipment of some specific goods within the United States. BAs are short-term, non-interest bearing notes sold at a discount and redeemed by the accepting bank at maturity for full face value. These notes trade at a rate equal to or slightly higher than Certificates of Deposit (CDs), depending on market supply and demand. Bankers Acceptances are sold in amounts that vary from \$100,000 to \$5,000,000, or more, with maturities ranging from 30 - 270 days. They offer liquidity to the investor as it is possible to sell BAs prior to maturity at the current market price.

**BASIS POINT** - A measure of an interest rate, i.e., 1/100 of 1 percent, or .0001.

**BID** - The indicated price at which a buyer is willing to purchase a security or commodity. When selling a security a bid is obtained. (See Offer)

**BOND** - A long-term debt security, or IOU, issued by a government or corporation that generally

pays a stated rate of interest and returns the face value on the maturity date.

**BOOK ENTRY SECURITIES** - U.S. government and federal agency securities that do not exist in definitive (paper) form; they exist only in computerized files maintained by the Federal Reserve Bank.

**BOOK VALUE** - The amount at which an asset is carried on the books of the owner. The book value of an asset does not necessarily have a significant relationship to market value.

**BROKER** - A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides.

**CERTIFICATES OF DEPOSIT** - Certificates of Deposit, familiarly known as CDs, are certificates issued against funds deposited in a bank for a definite period of time and earning a specified rate of return. Certificates of Deposit bear rates of interest in line with money market rates current at the time of issuance.

**COLLATERAL**: Property (as securities) pledged by a borrower to protect the interest of the lender.

**COMPETITIVE BID PROCESS** - A process by which three or more institutions are contacted via the telephone to obtain interest rates for specific securities.

**CREDIT QUALITY** - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

**CREDIT RISK** - The risk that another party to an investment transaction will not fulfill its obligations. Credit risk can be associated with the issuer of a security, a financial institution holding the entity's deposit, or a third party holding securities or collateral. Credit risk exposure can be affected by a concentration of deposits or investments in any one investment type or with any one party.

**CUSTODIAN** - An independent third party (usually bank or trust company) that holds securities in safekeeping as an agent for the county.

**DEALER** - A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEFEASE** - To discharge the lien of an ordinance, resolution, or indenture relating to a bond issue, and in the process, render inoperative restrictions under which the issuer has been obliged to operate. Comment: Ordinarily an issuer may defease an indenture requirement by depositing with a trustee an amount sufficient to fully pay all amounts under a bond contract as they become due.

**DELIVERY** - The providing of a security in an acceptable form to the County or to an agent acting on behalf of the County and independent of the seller. Acceptable forms can be physical securities or the transfer of book entry securities. The important distinction is that the transfer accomplishes absolute ownership control by the County

**DELIVERY VS PAYMENT** - There are two methods of delivery of securities: Delivery vs. payment and delivery vs. receipt (also called free). Delivery vs. payment is delivery of securities with an exchange of money for the securities. Delivery vs. receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DEPOSITARY** - A person to whom something is entrusted, a depository.

**DEPOSITARY BANK** - A local bank used as the point of deposit for cash receipts.

**DEPOSITARY INSURANCE** - Insurance on deposits with financial institutions. For purposes of this policy statement, depository insurance includes: a) Federal depository insurance funds, such as those maintained by the Federal Deposit Insurance Corporation (FDIC) AND Federal Savings and Loan Insurance Corporation (FSLIC); and b) Public Deposit Protection Commission.

**DISCOUNT** - 1. (n.) selling below par; e.g., a \$1000 bond selling for \$900. 2. (v.) anticipating the effects of news on a security's value; e.g., "The market had already discounted the effect of the labor strike by bidding the company's stock down."

**DIVERSIFICATION** - Dividing available funds among a variety of securities and institutions so as to minimize market risk.

**EFFECTIVE RATE** - The yield you would receive on a debt security over a period of time taking into account any compounding effect.

**FACE VALUE** - The value of a bond stated on the bond certificate; thus, the redemption value at maturity. Most bonds have a face value, or par, of \$1,000.

**FEDERAL AGENCY SECURITIES** - Several government-sponsored agencies, in recent years, have issued short and long-term notes. Such notes typically are issued through dealers, mostly investment banking houses. These Federal government-sponsored agencies were established by the U.S. Congress to undertake various types of financing without tapping the public treasury. In order to do so, the agencies have been given the power to borrow money by issuing securities, generally under the authority of an act of Congress. These securities are highly acceptable and marketable for several reasons, mainly because they are exempt from state, municipal and local income taxes. Furthermore, agency securities must offer a higher yield than direct Treasury debt of the same maturity to find investors, partly because these securities are not direct obligations of the Treasury. The main agency borrowing institutions are the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank System (FHLB), and the Federal Farm Credit System (FFCS).

**FNMA - FEDERAL NATIONAL MORTGAGE ASSOCIATION** - issues notes tailored to the maturity needs of the investor. Maturities range from 30 days up to 30 years. These notes are made attractive by their denominations from \$5,000 to \$1 million.

**FHLB - FEDERAL HOME LOAN BANK SYSTEM** - consists of twelve Federal Home Loan Banks, issues, in addition to long-term bonds, coupon notes with maturities of up to one year. Their attractiveness stems from their investment denominations of \$10,000 to \$1 million.

**FEDERAL DEPOSIT INSURANCE (FDIC)** - A Federal institution that insures bank deposits. The current limit is up to \$100,000 per depository account.

**FEDERAL FUNDS RATE** - The rate of interest at which Fed Funds are traded between banks. Fed Funds are excess reserves held by banks that desire to invest or lend them to banks needing reserves. The particular rate is heavily influenced through the open market operations of the Federal Reserve Board. Also referred to as the "Fed Funds rate."

**FEDERAL HOME LOAN BANKS (FHLB)** - The institutions that regulate and lend to savings and loan associations.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA)** - FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a Federal corporation working under the auspices of the Department of Housing and Urban Development, HUD. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL RESERVE SYSTEM** - The central bank of the United States which has regulated credit in the economy since its inception in 1913. Includes the Federal Reserve Bank, 14 district banks and the member banks of the Federal Reserve, and is governed by the Federal Board.

**FINANCIAL INSTITUTIONS** - Establishments that include the circulation of money, the granting of credit, the making of investments, and the provision of banking facilities.

**FISCAL AGENCY** - A financial institution that handles bond and coupon redemptions on behalf of an entity.

**GINNIE MAES (GNMAs)** - Mortgage securities issued and guaranteed, as to timely interest and principal payments, by the Government National Mortgage, an agency within the Department of Housing and Urban Development (HUD).

**GOVERNMENT SECURITY** - Any debt obligation issued by the U.S. government, its agencies or instrumentalities. Certain securities, such as Treasury bonds and Ginnie Maes, are backed by the government as to both principal and interest payments. Other securities, such as those issued by the Federal Home Loan Mortgage Corporation, or Freddie Mac, are backed by the issuing agency.

**HAIRCUT** - This term describes the way brokers and clients protect themselves from market risk in doing repos. An entity wanting to finance the purchase of \$100 million in Treasury bonds may borrow just \$98 million of the money. The two percent difference between the amount of securities purchased and the amount of money borrowed is the haircut. Similarly, an entity looking to borrow \$100 million may need to provide, as collateral, Treasury securities with a market price equal to \$102 million.

**LIQUIDATION** - Conversion into cash.

**LIQUIDITY** - Refers to the ease and speed with which an asset can be converted into cash without a substantial loss in value.

**LOSS** - The excess of the cost or book value of an asset over selling price.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP)** - The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and

reinvestment.

**MARK-TO-MARKET** - An adjustment in the valuation of a securities portfolio to reflect the current market values of the respective securities in the portfolio. This process is also used to ensure that margin accounts are in compliance with maintenance.

**MARKETABILITY** - Ability to sell large blocks of money market instruments quickly and at competitive prices.

**MARKET RISK** - The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value. The risk that the market value of an investment, collateral protecting a deposit, or securities underlying a repurchase agreement will decline.

**MARKET VALUE** - The price at which a security is trading and could presumably be sold.

**MASTER REPURCHASE AGREEMENT** - An agreement between the investor and the dealer or financial institute. This agreement defines the nature of the transactions, identifies the relationship between the parties, establishes normal practices regarding ownership and custody of the collateral securities during the term of the investment, provides for remedies in the event of a default by either party and otherwise clarifies issues of ownership. **MATURITY** - The time when a security becomes due and at which time the principal and interest or final coupon payment is paid to the investor.

**NET WORTH** - A financial institutions available funds after their total liabilities have been deducted from their total assets.

**OFFER** - The indicated price at which a seller is willing to sell a security or commodity. (See BID) When buying a security an offer is obtained.

**PAR VALUE** - The nominal or face value of a debt security; that is, the value at maturity.

**PORTFOLIO** - Collection of securities held by an investor.

**PREMIUM** - The amount by which a bond sells above its par value.

**PRIMARY DEALERS** - A pre-approved bank, broker/dealer or other financial institution that is able to make business deals with the U.S. Federal Reserve, such as underwriting new government debt. These dealers must meet certain liquidity requirements as well as provide a valuable flow of information to the Fed about the state of the worldwide markets.

**PRIME RATE** - The interest rate a bank charges on loans to its most credit worthy customers. Frequently cited as a standard for general interest rate levels in the economy.

**PRINCIPAL** - An invested amount on which interest is charged or earned.

**PRUDENCE** - The ability to govern and discipline oneself by the use of reason. Shrewdness in the management of affairs. Able to use skill and good judgment in the use of resources.

**QUALIFIED PUBLIC DEPOSITORY** - A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated, for the benefit of the commission, eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**REGISTERED SECURITY** - A security that has the name of the owner written on its face. A registered security cannot be negotiated except by the endorsement of the owner.

**REPRICING** - The revaluation of the market value of securities.

**SAFEKEEPING** - A service to customers rendered by banks for a fee whereby all securities and valuables of all types and descriptions are held in the bank's vaults for protection, or in the case of book entry securities, are held and recorded in the customer's name and are inaccessible to anyone else.

**SALLIE MAES** - Pooling of student loans guaranteed by the Student Loan Mortgage Association (SLMA) to increase the availability of education loans. The SLMA purchases the loans after buying them on the secondary market from lenders. SLMA stock is publicly traded.

**SECURITIES** - Bonds, notes, mortgages, or other forms of negotiable or non-negotiable instruments.

**SETTLEMENT DATES** - The day on which payment is due for a securities purchase. For stocks and mutual funds bought through an investment dealer, settlement is normally five business days after the trade date. Bonds and options normally settle one business day after the trade date mutual fund shares purchased directly by mail or wire settle on the day payment is received.

**SPREAD** - (a) Difference between the best buying price and the best selling price for any given security. (b) Difference between yields on or prices of two securities of differing quality or differing maturities. (c) In underwriting, difference between price realized by the issuer and price paid by the investor.

**STRIPPED TREASURIES** - U.S. Treasury debt obligations in which coupons are removed by brokerage houses, creating zero-coupon bonds.

**TRIPARTITE CUSTODIAN AGREEMENT** - An agreement that occurs when a third party or custodian becomes a direct participant in a repurchase transaction. The custodian ensures that the exchange occurs simultaneously and that appropriate safeguards are in place to protect the investor's interest in the underlying collateral.

**THIRD-PARTY SAFEKEEPING** - A safekeeping arrangement whereby the investor has full control over the securities being held and the dealer or bank investment department has no access to the securities being held.

**TIME DEPOSIT** - Interest-bearing deposit at a savings institution that has a specific maturity.

**TREASURY BILLS** - Treasury bills are short-term debt obligations of the U.S. Government. They offer maximum safety of principal since they are backed by the full faith and credit of the United States Government. Treasury bills, commonly called "T-Bills," account for the bulk of government financing, and are the major vehicle used by the Federal Reserve System in the money market to implement national monetary policy. T-Bills are sold in three, six, nine, and twelve-month bills. Because treasury bills are considered "risk-free," these instruments generally yield the lowest returns in the major money market instruments.

**TREASURY NOTES AND BONDS** - While T-Bills are sold at a discount rate that establishes the yield to maturity, all other marketable treasury obligations are coupon issued. These include

Treasury Notes with maturities from one to ten years and Treasury Bonds with maturities of 10-30 years. The instruments are typically held by banks and savings and loan associations. Since Bills, Notes and Bonds are general obligations of the U.S. Government, and since the Federal Government has the lowest credit risk of all participants in the money market, its obligations generally offer a lower yield to the investor than do other securities of comparable maturities.

**UNDERLYING SECURITIES** - Securities transferred in accordance with a repurchase agreement.

**VENDOR** - A business or individual who provides a service or product at a cost.

**WHEN-ISSUED TRADES** - Typically, there is a lag between the time a new bond is announced and sold and the time it is actually issued. During this interval, the security trades "wi," "when, as, and if issued."

**Wi** - When, as, and if issued. See When-issued trades.

**YIELD** - The rate at which an investment pays out interest or dividend income, expressed in percentage terms and calculated by dividing the amount paid by the price of the security and annualizing the result.

**YIELD BASIS** - Stated in terms of yield as opposed to price. As yield increases for a traded issue, price decreases and vice versa. Charts prepared on a yield basis appear exactly opposite of those prepared on a price basis.

**YIELD SPREAD** - The variation between yields on different types of debt securities; generally a function of supply and demand, credit quality and expected interest rate fluctuations. Treasury bonds, for example, because they are so safe, will normally yield less than corporate bonds. Yields may also differ on similar securities with different maturities. Long-term debt, for example, carries more risk of market changes and issuer defaults than short-term debt and thus usually yields more.

**ZERO-COUPON BONDS** - Securities that do not pay interest but are instead sold at a deep discount from face value. They rise in price as the maturity date nears and are redeemed at face value upon maturity.



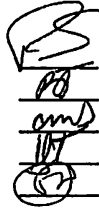
**CITY OF MILL CREEK POLICY  
FOR  
INVESTMENT AND CASH MANAGEMENT**

**City Policy No.:** CCP 97-007

**Effective:** October 15, 1997

**Department Review:**

Executive  
Community Development  
Public Works  
Finance  
Police



It is the policy of the City of Mill Creek to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

This policy shall apply to all excess cash of the City, including all funds which are accounted for and reported in the City's annual financial report. The Finance Director is charged with the responsibility of maintaining the City's investment portfolio and developing written procedures to implement the City's investment policies. In maintaining the City's investment portfolio, the Finance Director and his/her designees shall use the "prudent person" standard in the context of managing an overall City portfolio and follow the City's established internal control structure.

Objectives of the City's investment program shall include and be applied in the following priority order: safety, liquidity, and yield. To support these objectives, the City will diversify its investment portfolio by security type and institution. The City shall invest, to the maximum prudent extent, all moneys or any portion thereof in securities as authorized in Chapter 39.59 RCW. The Finance Director shall maintain a list of financial institutions and security broker/dealers authorized to provide investment services to the City. No public deposits shall be made except in qualified public depositories as provided in Chapter 39.58 RCW. With the exception of U.S. Treasury securities and the Washington State Local Government Investment Pool, no more than 50 percent of the City's total investment portfolio will be invested in a single security type and no more than 25 percent will be invested with a single financial institution.

The City's investment portfolio will be designed to obtain an average rate of return during budgetary and economic cycles which meets or exceeds the average rate of return of the Washington State Local Government Investment Pool. In addition the City may use the six-month U.S. Treasury Bill rate and the average Fed Fund rate as benchmarks for the City's performance standard. This

performance standard shall take into account the City's investment constraints and cash flow needs. Investment maturities shall be made to correspond with anticipated cash flow needs, but should not exceed five years from the date of purchase, unless approved by the City Council. The City's investment strategy is active. The Finance Director shall include a report on the investment activity and returns of the City's investment portfolio in the City's quarterly financial statements.

The City Manager or designee is authorized to develop and maintain administrative procedures to implement this policy.

PASSED BY THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON THIS  
14<sup>th</sup> DAY OF OCTOBER, 1997.

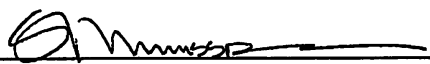
APPROVED:

  
\_\_\_\_\_  
MAYOR KATHY NIELSEN

ATTEST/AUTHENTICATED:

  
\_\_\_\_\_  
CITY CLERK DEBBIE TARRY

APPROVED AS TO FORM:

  
\_\_\_\_\_  
OFFICE OF THE CITY ATTORNEY  
SHORT CRESSMAN & BURGESS

GADATA\EXEC\WPP\FOLICY97\_007.WPD

**INVESTMENT POLICY  
CCP 97-007  
GLOSSARY OF TERMS**

**Active Strategy:** An investment strategy that allows securities to be purchased and sold as it best meets the needs of the City. Securities may be traded before maturity dates if it is in the best interest of the City.

**Agencies:** Federal agency securities.

**Amortization:** The reduction of principal (of debt) at regular intervals.

**Asked:** The price at which securities are offered.

**Banker's Acceptance (BA):** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**Basis Points:** The smallest measure used in quoting the yield of bonds. One basis point equals .01% of yield. For example, a bond that changed from 3% to 3.25% changed twenty-five basis points. One basis point for one year on one million dollars would earn \$100.

**Bid:** The price offered for securities.

**Bond:** A written promise to pay a specified sum of money (called principal or face value) at a specified future date (called the maturity date {s}) along with the periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

**Bond Anticipation Notes:** Short-term interest bearing notes issued in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

**Bond Equivalent Yield (BEY).** A yield that equates monthly pay mortgage-backed securities to semi-annual payment bonds.

**Broker:** A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money, as well as in interdealer markets.

**Cash Flow Budget:** A projection of the cash receipts and disbursements anticipate during a given time period. Typically, this projection covers a year and is broken down into separate projections for each month, week, and/or day during the year.

**Certificate of Deposit (CD):** A time deposit with a specific maturity evidenced by a certificate. Large denomination CDS are typically negotiable.

**Collateral:** Securities, evidence of deposit, or other property that a borrower pledges to secure

repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Coupon:** (1) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (2) A certificate attached to a bond evidencing interest due on a payment date.

**Dealer:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**Debenture:** A bond secured only by the general credit of the issuer.

**Delivery Versus Payment (DVP):** There are two methods of securities; delivery versus payment and delivery versus receipt. Delivery versus payment is delivery with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**Discount:** The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale is also considered to be a discount.

**Discount Securities:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, i.e., U.S. Treasury bills.

**Diversification:** Dividing investment funds among a variety of securities offering independent returns.

**Duration:** The measurement of sensitivity of a security's market value or price. It is the average time until receipt of the weighted present value of the cash flows, expressed in years.

**Factor:** The decimal number representing the proportion of the outstanding principal balance of a security to its original certificate amount currently remaining.

**Federal Credit Agencies:** Agencies of the federal government set up to supply credit to various classes of institutions and individuals, e.g., savings and loans, small business firms, students, farmers, farm cooperatives, and exporters.

**Federal Deposit Insurance Corporation (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**Federal Funds Rate:** The rate of interest at which federal funds are traded. This rate is currently pegged by the Federal Reserve through open market operations.

**Federal Home Loan Banks (FHLB):** The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

**Federal Home Loan Mortgage Corporation (Freddie Mac):** These securities resemble those issued by GNMA, but do not carry a direct federal guarantee.

**Federal National Mortgage Association (FNMA/Fannie Mae):** FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development, HUD. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA 92s securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**Federal Reserve System:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, DC, 12 regional banks, and about 5,700 commercial banks that are members of the system.

**Float:** The amount of money represented by checks outstanding and in the process of collection.

**Full Faith and Credit:** A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

**General Obligation Bonds:** When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is used to refer to bonds that are to be repaid from taxes and other general revenues.

**Government National Mortgage Association (GNMA or Ginnie Mae)** Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by the full faith and credit of the U.S. government. Ginnie Mae securities are backed by FHA, VA, or FMHM mortgages. The term pass-throughs is often used to describe Ginnie Maes.

**Interest Only (IOs):** A strip of the total interest cash flow. These instruments are priced on an absolute yield basis.

**Internal Control:** A plan of organization for purchasing, accounting, and other financial activities which, among other things, provides that: The duties of employees are subdivided so that no single employee handles a financial transaction from beginning to end; proper authorizations from specific responsible officials are obtained before key steps in the processing of a transaction are completed; and records and procedures are arranged appropriately to facilitate effective control.

**Investment:** Securities and real estate purchased and held for the production of an income in the form of interest, dividends, rentals, or base payments.

**Investment Instrument:** The specific type of security which a government purchases and holds.

**Limited Liability Bonds:** When a government issues bonds that do not pledge the full faith credit of the jurisdiction, it issues limited liability bonds. Typically, pledges are made to dedicate one specific revenue source to repay these bonds, or some other special repayment arrangements are made.

**Liquidity:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**Local Government Investment Pool (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**Market Value:** The price at which a security is trading and could presumably be purchased or sold.

**Master Repurchase Agreement:** A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.

**Money Market:** The market in which short-term debt instruments (bills, commercial paper, banker's acceptances, etc.) are issued and traded.

**Open Market Operations:** Purchases and sales of government and other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**Passive Strategy:** An investment strategy that holds all securities until maturity dates regardless of market changes.

**Payment Window:** The length of time between the first and last scheduled payments on the bond.

**Performance Standards:** Specific quantitative measures of work performed within an activity or program (i.e., total interest earned). Also a specific quantitative measure of results obtained through a program or activity (i.e., comparison of portfolio yield to six month treasury bill).

**Pool:** A group of mortgages underlying a specific mortgage backed security (MBS) issue.

**Portfolio:** Collection of securities held by an investor.

**Premium:** The amount by which a security is selling above par.

**Primary Dealer:** A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are submit to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities brokers-dealers, banks, and a few unregulated firms.

**Prudent Person Rule:** An investment standard. This rule assumes investments will be made with the judgement and care which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

**Public Securities Association (PSA):** A measure of the rate at which mortgage loans are being repaid; the higher the PSA, the faster the prepayments.

**Qualified Public Depositories:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the Public Deposit Protection Commission (PDPC) eligible collateral having a value of not less than its maximum liability and which has been approved by the PDPC to hold public deposits.

**Rate of Return:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

**Repurchase Agreement (REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security Abuyer≡ in effect lends the Aseller≡ money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use REPOs extensively to finance their positions. Exception: When the Fed is said to be doing REPOs, it is lending money, that is, increasing bank reserves.

**Safekeeping:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank=s vaults for protection.

**Secondary Market:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SEC Rule 15C3-1:** See uniform net capital rule.

**Securities & Exchange Commission (SEC):** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**Stated Maturity:** A predetermined final maturity date that cannot be altered by prepayments.

**Tax Anticipation Notes:** Notes issued in anticipation of taxes that are usually retired from taxes collected.

**Treasury Bills:** A non-interest bearing discount security issued by the U.S. Treasury to finance the

national debt. Most bills are issued to mature in three months, six months, or one year.

**Treasury Bond:** Long-term U.S. Treasury securities having initial maturities of more than ten years.

**Treasury Notes:** Intermediate term coupon bearing U.S. Treasury securities having initial maturities of one to ten years.

**Uniform Net Capital Rule:** The Securities and Exchange Commission's requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called the Anet capital rule and Anet capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities. Liquid capital includes cash and assets easily converted into cash.

**Weighted Average Life:** The weighted average number of years from the security's issuance until each principal dollar is returned to the investor.

**Yield:** The rate of annual income return on an investment, expressed as a percentage. *Income Yield* is obtained by dividing the current dollar income by the current market price for the security. *Net Yield* or *Yield To Maturity* is the current income yield minus any premium above par or plus any discount from par in the purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

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Date: April 23, 2019

A/P Check Batches		
Dated	Check Numbers	Amount
04/08/2019	ACH-Union 76 Fleet-March	\$4,774.59
04/15/2019	60118-60202	\$626,234.84
<b>Total</b>		<b>\$631,009.43</b>

Voided Checks	
Numbers	Explanation

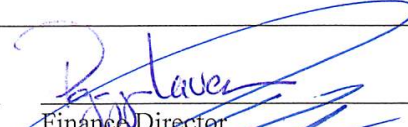
CLAIMS APPROVAL

We, the undersigned Finance/Audit Committee of the City of Mill Creek, recommend approval of check numbers 60118 through 60202, and ACH in the amount of \$631,009.43.


We recommend approval of the above stated amount with the following exceptions:

\_\_\_\_\_

\_\_\_\_\_

Councilmember 

\_\_\_\_\_ Finance Director

Councilmember 

\_\_\_\_\_ Interim City Manager

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RptBatchSumViewForm

Page 1 of 1

ACH Cash Pro Online  
City of Mill Creek

Report Date: 04/08/2019  
Report Time: 07:30:10 PM

Batch Summary Report by ID Number

Company Name:	City of Mill 01	Effective Date:	04/08/2019
ACH ID:	2911225895	Batch Sequence:	1
Application Name:	CCD Payments and Collections	Database Name:	76
Batch Status:	Submitted	Created By:	LOTLEO
Released By:	PLAUERMAN		

<u>Name</u>	<u>ID</u>	<u>Amount</u>	<u>D/C</u>	<u>Bank ID</u>	<u>Account #</u>	<u>Acct Type</u>	<u>Trace #</u>
76 FLEET WEX BANK	0201-00-1059153	\$4,774.59	C	071000288	4539508	C	0115773

	<u>Total Amount in Batch</u>	<u>Total Count in Batch</u>
Debits	\$0.00	0
Credits	\$4,774.59	1
Prenotes	\$0.00	0

	<u>Grand Total Amount</u>	<u>Grand Total Count</u>
Debits	\$0.00	0
Credits	\$4,774.59	1
Prenotes	\$0.00	0

**Accounts Payable**

Checks by Date - Detail by Check Date

User: Jodieg  
 Printed: 4/16/2019 8:15 AM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
60118	911SUPPL 72178 72209 72672	911 Supply Inc Point Dress Hat, Vest, Trauma Plate - R. Mundw 1 Name Tag - T. Marks Vest - C. White	04/15/2019		1,120.55 22.36 1,070.88
Total for Check Number 60118:				0.00	2,213.79
60119	ACTTARG 041352-IN 041352-IN1	Action Target, Inc. Table Top Clearing Trap/Full Size Clearing Trap Use Tax - Table Top Clearing Trap/Full Size Cle:	04/15/2019		1,267.55 -120.45
Total for Check Number 60119:				0.00	1,147.10
60120	AFSCME1 19.4 2.3	AFSCME Local 1811-M Union Work Permit Fee/Season Wkr - Corry & V Paid Intern Service Fee - M. Duque 9/24/18 - 11/	04/15/2019		130.77 75.00
Total for Check Number 60120:				0.00	205.77
60121	INTEGRA 16023273	Allstream T-1 Monthly Chgs - April	04/15/2019		645.02
Total for Check Number 60121:				0.00	645.02
60122	AMTESTIN 109575	Am Test, Inc 5 - Fecal Coliform Analysis	04/15/2019		125.00
Total for Check Number 60122:				0.00	125.00
60123	AMAZON 11TR-RP6Q-RNPX 1F1D-7NHQ-1R33 1N9R-3QC1-14YW 1R9J-CXR4-HR1R 1V49-3XWQ-4XHG 1XNH-4T99-YNVK 1YM9-JVLN-J7PP	Amazon Capital Services Sweeper Wash-Off Hose Nozzle 11 - iPhone-7 Cases, 4 3/Pk Screen Protectors fc Nikon 05600 Camera Bundle Temporary Evidence Lockers 4 Master Lock Padlocks Cable Accessories Sweeper Wash-Off Hose	04/15/2019		37.52 170.53 836.49 246.40 33.11 25.37 136.80
Total for Check Number 60123:				0.00	1,486.22
60124	bearx pa 4920191	BearX Painting Seal Walls & Floors, Paint Ceilings - Restrooms	04/15/2019		1,270.75
Total for Check Number 60124:				0.00	1,270.75
60125	BRUCEDEE 6188	Bruce Dees & Associates LLC MCSP Turf & Lighting - March	04/15/2019		8,766.28
Total for Check Number 60125:				0.00	8,766.28
60126	BLDGS&G	Builder's Sand And Gravel	04/15/2019		

# AGENDA ITEM #1.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	331307	14 Cubic Yards Crushed Gravel - 4th Ave MC Tr			587.33
			Total for Check Number 60126:	0.00	587.33
60127	CANNONR 6955	Rosario Cannon Circle Time With Friends - Feb - #6955 02/25 - C	04/15/2019		399.00
			Total for Check Number 60127:	0.00	399.00
60128	CARLSONJ 6966	Jessica Carlson Adventures in Art - Winter - Feb - #6966 02/22 -	04/15/2019		504.00
			Total for Check Number 60128:	0.00	504.00
60129	CDW RRL6235	CDW Government 10 - Sandisk USB Flash-Drive - 32GB	04/15/2019		106.20
			Total for Check Number 60129:	0.00	106.20
60130	CHIEFSU 169820 169820A	Chief/Law Enforcement Supply 1 LED Traffic Wand - Red Use Tax - 1 LED Traffic Wand - Red	04/15/2019		12.70 -1.20
			Total for Check Number 60130:	0.00	11.50
60131	CBALDDES Summer/Fall	Christopher Baldwin Design Summer/Fall 2019 Recreation Guide Layout	04/15/2019		1,200.00
			Total for Check Number 60131:	0.00	1,200.00
60132	MichaelC Reimb Ciaravino	Michael Ciaravino Reimb. of Travel Expenses-CM Interviews-M. C	04/15/2019		1,454.55
			Total for Check Number 60132:	0.00	1,454.55
60133	CINTAS 4019133742 4019133742A	Cintas Corporation Loc. #460 Floor Mat Service 03/29 Floor Mat Service 03/29	04/15/2019		96.19 56.03
			Total for Check Number 60133:	0.00	152.22
60134	CIEDMOND RGG-190027	City of Edmonds Domestic Violence Coordinator - April	04/15/2019		1,176.72
			Total for Check Number 60134:	0.00	1,176.72
60135	CODPUBCO 63041 63106	Code Publishing Company Municipal Code Update - Ord. #2019-845, 2019. Municipal Code - Web Update 3/29/19 - Ordinar	04/15/2019		536.51 155.74
			Total for Check Number 60135:	0.00	692.25
60136	COMCAST 0724345	Comcast Internet for ITS 03/14-04/13	04/15/2019		106.40
			Total for Check Number 60136:	0.00	106.40
60137	CONNERS Reimb. Conner Reimb. ConnerA	Sean Conner Per Diem-Conner-Leadership/West Pt. Model Tr Per Diem - Conner-Leadership/West Pt. Model Tr	04/15/2019		27.00 250.00
			Total for Check Number 60137:	0.00	277.00

# AGENDA ITEM #1.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
60138	MatthewC Reim. Coppler	Matthew Coppler Reimb of Expenses - CM Interview - 03/21 - 03/	04/15/2019		1,557.35
			Total for Check Number 60138:	0.00	1,557.35
60139	CXTEC CII1836	CXtec, Inc Network Switch Module	04/15/2019		436.08
			Total for Check Number 60139:	0.00	436.08
60140	DATAQST 8404	DataQuest, LLC Background Checks - M Feeley & I Trejo	04/15/2019		152.00
			Total for Check Number 60140:	0.00	152.00
60141	DVNPTGRP 102322	Davenport Group, Inc 11 Dell Latitude 5420 Rugged Laptop/12 Havis	04/15/2019		45,484.80
			Total for Check Number 60141:	0.00	45,484.80
60142	DAY&NITE 026705-1 026797-1	Day & Nite Plumbing & Heating Plugged Toilet - Staff Restroom - Library Installation of Mop Sink Faucet - Maintenance S	04/15/2019		474.72 593.18
			Total for Check Number 60142:	0.00	1,067.90
60143	EIKENBCH Reim. Hotel Reim. Meals Reim. Mileage Reim. Shuttle	Charlie Eikenberry Reimb - C. Eikenberry - Hotel NPELRA 04/07 - Reimb Per Diem - C. Eikenberry - Meals NPELI Reimb - C. Eikenberry - Mileage - NPELRA 04/ Reimb - C. Eikenberry - Shuttle- NPELRA 04/07	04/15/2019		798.16 74.00 33.64 24.80
			Total for Check Number 60143:	0.00	930.60
60144	Faro 90615117	Faro Technologies, Inc FARO - Laser Scanner Training - C. White 3/14	04/15/2019		1,868.01
			Total for Check Number 60144:	0.00	1,868.01
60145	FCICUSPV 16417 16419 16430	FCI Custom Police Vehicles 6 Antennas - Multiple Cars Pit Bars & Replacement Push Bars - Car #42 Vehicle Build - 2019 Ford Explorer - Car #46	04/15/2019		291.37 952.88 4,361.45
			Total for Check Number 60145:	0.00	5,605.70
60146	FELDMAJ March 2019	Feldman & Lee, P.S. Public Defender Contract - Flat Fee - March	04/15/2019		9,000.00
			Total for Check Number 60146:	0.00	9,000.00
60147	FIELDTRF Progress Pay #3	FieldTurf USA, Inc MCSP Turf & Lighting - Progress Payment #3	04/15/2019		303,053.52
			Total for Check Number 60147:	0.00	303,053.52
60148	FoxValle TPB0000524162	Fox Valley Technical College Sexual Offense Training 02/27 & 02/28 - Ian Du	04/15/2019		195.00
			Total for Check Number 60148:	0.00	195.00
60149	FTRLTD 13062/01	FTR LTD For the Record - Gold Upgrade & Annual Suppo	04/15/2019		2,540.25

# AGENDA ITEM #1.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 60149:	0.00	2,540.25
60150	HARBORPC No. 9	Harbor Pacific Contractors, Inc 35th Ave SE Reconstruction 02/03 - 03/02	04/15/2019		113,055.87
			Total for Check Number 60150:	0.00	113,055.87
60151	HOLIDAY 17681	Holidaygoo, Inc 17.5 Pack - 17,500 Unfilled Plastic Easter Eggs -	04/15/2019		1,076.25
			Total for Check Number 60151:	0.00	1,076.25
60152	HORIZON 2M080551	Horizon Distributors Inc 50 Lb. Grass Seed - Cougar Park	04/15/2019		99.37
			Total for Check Number 60152:	0.00	99.37
60153	HUIK 7008 7009 7013	Kelly Hui Ballet - Creative - 10:30AM - March - #7008 03/ Ballet - Creative - 11:15AM - March - #7009 03/ Ballet - Beginning - 12:00PM - March - #7013 0	04/15/2019		420.00 126.00 420.00
			Total for Check Number 60153:	0.00	966.00
60154	IACP-MEM 33145	IACP-Membership IACP Membership Dues - R. Phillips	04/15/2019		75.00
			Total for Check Number 60154:	0.00	75.00
60155	LynnMoto 318767	Lynnwood Motoplex 2 LED Driving Lights/2 Adapter Cables	04/15/2019		657.75
			Total for Check Number 60155:	0.00	657.75
60156	MAYBERM 7045 7049 7053	Mitch Mayberry Tiny Tiger Martial Arts - March - #7045 03/01 - Tiger Martial Arts - Beginner - March - #7049 03/ Tiger Martial Arts - Colored - March - #7053 03/	04/15/2019		504.00 266.00 168.00
			Total for Check Number 60156:	0.00	938.00
60157	OMWATT 822781 13137.080001 822775 822776 822777 822778 822782 822811	Ogden Murphy Wallace Attorneys Prof Legal Services - Martin Suit - Feb Small Cell Code Template Prof Legal Services - Council- Feb Prof. Legal Services - CED - Feb. Prof. Legal Services - Engr - 35th Ave Recon - F Prof Legal Services - Exec - Feb Prof. Legal Services - Police - Feb Prof Legal Services - Kirschten Tort Claim - Feb	04/15/2019		390.60 3,000.00 2,084.50 4,987.50 6,492.28 520.00 1,465.00 162.50
			Total for Check Number 60157:	0.00	19,102.38
60158	OLBRECAS March	Olbrechts & Associates PLLC Hearing Examiner Services - March	04/15/2019		528.00
			Total for Check Number 60158:	0.00	528.00
60159	OREILLY 2986-199483 2986-199629	O'Reilly Automotive Inc Motor Oil & Oil Filter - PW10 Motor Oil, Oil Filter - PW1	04/15/2019		37.73 49.70

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	2986-199727	Exchange for Correct Oil Filter - PW1			0.55
	2986-200702	Oil Filter & Oil - Sweeper - Aux Motor			37.73
	2986-200775	Adapter for PW 4 & 5			28.14
	2986-201820	Mount Tape, Bungee Cords for Motor Unit With			9.34
	2986-202450	PW Shop Supplies - PD Table, Plug Adapter for			11.46
	2986-202496	Supplies for MCSP Restroom Repairs			3.72
			Total for Check Number 60159:	0.00	178.37
60160	PACAIR 19158	Pacific Air Control, Inc. HVAC Inspect, Replace Filters - Library	04/15/2019		416.21
			Total for Check Number 60160:	0.00	416.21
60161	PACRIMC 03-2019	Pacific Rim Code Services, Inc Building Inspections - 03/26, 03/28	04/15/2019		640.00
			Total for Check Number 60161:	0.00	640.00
60162	PAKOR 8035225	Pakor Inc 2 Cases - Passport Film	04/15/2019		620.73
			Total for Check Number 60162:	0.00	620.73
60163	Peckman 3	Peckham & McKenney Professional Fee - City Manager Search	04/15/2019		7,500.00
			Total for Check Number 60163:	0.00	7,500.00
60164	ELLITIRE 064462006643 064462006648 064462006729	PepBoys-Remittance Dept LOF, Air Filter - Car #29 Replace Upstream O2 Sensor - Car #41 Ignition Coil & Spark Plug - Car #40	04/15/2019		70.51 313.95 340.90
			Total for Check Number 60164:	0.00	725.36
60165	PERTEET 20160281.010-7 20160281.018-4	Perteet Inc Prof. Svcs - Phase 2 NPDES 10/01 - 03/31 Prof. Svcs - Muttley Square - 01/28 - 03/03	04/15/2019		4,284.00 375.00
			Total for Check Number 60165:	0.00	4,659.00
60166	PILCHVT 74827	Pilchuck Vet Hospital Emergency Consult - Cytology, Ear - Bagira	04/15/2019		149.39
			Total for Check Number 60166:	0.00	149.39
60167	PLANTSCP 47989E-A 47989E-B 47989E-C 47989E-D 47989E-E	Plantscapes Horticultural Services Landscape Maintenance - March Landscape Maintenance - March Landscape Maintenance - March Landscape Maintenance - March Landscape Maintenance - March	04/15/2019		1,754.74 387.24 5,044.38 87.30 1,283.85
			Total for Check Number 60167:	0.00	8,557.51
60168	PUBSAF 2019-0149	Public Safety Testing 1st Qtr Subscription Fees - Jan - Mar 2019	04/15/2019		271.00
			Total for Check Number 60168:	0.00	271.00
60169	SNOCPUD	PUD No. 1 of Snohomish County	04/15/2019		

# AGENDA ITEM #1.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	100383632	Hill Side Park - 02/28 - 03/29			16.20
	108406022	2501 147th Pl SE 02/22 - 03/22			48.16
	111708293	Street Lights - 1 Light - 160W 03/01 - 03/31			5.18
	115007337	3401 148th St SE 02/21 - 03/21			165.95
	121641548	16110 1/2 29th Dr SE 02/27 - 03/27			32.88
	124961648	2701 155th St SE 02/28 - 03/28			73.38
	124964101	Street Lights - 386 Lights - 100W 03/01 - 03/31			1,389.60
	128244671	Street Lights - 189 Lights - 200W 03/01 - 03/31			1,736.91
	131550717	15510 Village Green Dr 02/28 - 03/28			15.66
	134857700	Street Lights - 21 Lights - 400W 03/01 - 03/31			312.90
	134858007	Street Lights - 49 Lights 20W 03/01 - 03/31			17.15
	138062799	13903 N Creek Dr 02/16 - 03/19			199.87
	141372691	1700 Mill Creek Rd 02/23 - 03/25			80.17
	151304767	Street Lights - 87 Lights - 250W 03/01 - 03/31			942.21
	151304768	Street Lights - 841 Lights - 100W 03/01 - 03/31			6,021.56
	154555693	13332 44th Ave SE 03/05 - 04/03			57.66
	157749823	15601 22nd Ct SE 02/27 - 03/27			19.59
	157751150	Street Lights - 6 Lights - 150W 03/01 - 03/31			28.98
	157752978	4560 SAC 03/06 - 04/03			49.15
	160935882	Street Lights - 1 Light - 240W 03/01 - 03/31			7.94
	164151882	Street Lights - 8 Lights 200W 03/01 - 03/31			47.68
	164151883	Street Lights - 38 Lights - 250W 03/01 - 03/31			285.38
	164151884	Street Lights - 39 Lights - 400W 03/01 - 03/31			441.48
	167388181	Street Lights - 17 Lights - 100W 03/01 - 03/31			52.87
		Total for Check Number 60169:		0.00	12,048.51
60170	RAMERJ 2019-04	Jon Ramer Consulting Services - Memorial Day Parade	04/15/2019		2,000.00
		Total for Check Number 60170:		0.00	2,000.00
60171	RONGERJ 8976	John Rongerude P.S. Conflict Public Defender - 820344960, Case No.	04/15/2019		300.00
		Total for Check Number 60171:		0.00	300.00
60172	Safarila I19-038540	Safariland, LLC 4 - 40MM Def - Tech Launcher	04/15/2019		3,272.26
		Total for Check Number 60172:		0.00	3,272.26
60173	SAGAJ Reimb. Saga	Josh Saga Reimb. J. Saga -1st Responder Conferene 3/20 -	04/15/2019		290.63
		Total for Check Number 60173:		0.00	290.63
60174	DAGNAS Reimb. Dagna	Dagna Sally Reimb. S. Dagna - Supplies & Food-Citizen's Ac	04/15/2019		92.12
		Total for Check Number 60174:		0.00	92.12
60175	SANDACLN 032519 032519A	Sanda Cleaners Uniform Dry Cleaning - G. Elwin, S. Eastman Uniform Dry Cleaning - S. Conner, T. Hughes	04/15/2019		203.73 86.77
		Total for Check Number 60175:		0.00	290.50
60176	SILVERL 14112-27585 14737-19068 17679-27345	Silverlake Water District 132nd & SR 527 - Irrig 03/01 - 03/31 13617 28th Dr SE - Irrig 03/01 - 03/31 15429 1/2 Bothell Everett Hwy 03/01 - 03/31	04/15/2019		7.60 7.60 7.60



# AGENDA ITEM #1.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	17684-27596	15429 Bothell Way - Irrig 03/01 - 03/31			7.60
	24079-27593	Hillside Irrig - 03/01 - 03/31			7.60
	32140-27632	13903 N Creek Dr - Irrig 03/01 - 03/31			7.60
	32141-27633	13903 N Creek Dr 03/01 - 03/31			68.05
	35995-27914	SR 527 - Irrig 03/01 - 03/31			7.60
	35996-27914	14600 SR 527 - Irrig 03/01 - 03/31			7.60
	35997-27914	13800 N SR 527 - Irrig 03/01 - 03/31			7.60
	35998-27914	1600 SR 527 - Irrig 03/01 - 03/31			7.60
	35999-27914	15200 SR 527 - Irrig 03/01 - 03/31			7.60
	36000-27914	15100 N SR 527 - Irrig 03/01 - 03/31			7.60
	36016-27914	SR 527 & Trillium Blvd - Irrig 03/01 - 03-31			11.60
	36025-27914	14600 SR 527 - Irrig 03/01 - 03/31			7.60
	36026-27914	SR 527 & Dumas Rd - Irrig 03/01 - 03/31			7.60
	36365-27593	Dumas Rd - Irrig 03/01 - 03/31			22.30
	37034-30017	14721 12th Ave SE - Irrig 03/01 - 03/31			7.60
	37680-27914	0 33rd Dr & Northpointe Circle Irrig - 03/01 - 03			7.60
	40191-27914	13315 45th Ave. SE - Restroom 03/01 - 03/31			67.05
			Total for Check Number 60176:	0.00	290.60
60177	SMARSH	Smarsh Inc	04/15/2019		
	INV00489582	Use Tax - Text Archiving Platform - Verizon Mo			-10.92
	INV00489582A	Text Archiving Platform - Verizon Monthly 03/0			273.72
			Total for Check Number 60177:	0.00	262.80
60178	SNOCOM	Snohomish County 911	04/15/2019		
	1316	Dispatch Service - April			19,690.67
			Total for Check Number 60178:	0.00	19,690.67
60179	SNOCOPW	Snohomish County Public Works	04/15/2019		
	I000497206	RR7797 - Aid Agreement - Sanding/Plowing - F			1,316.61
	I000P497205	RR7554 - 164th SE & 9th SE - Signal Maintenan			290.87
	I000P497205A	RR7869 - Mill Creek Blvd & Main - Signal Mai			427.96
			Total for Check Number 60179:	0.00	2,035.44
60180	SNOCOTRS	Snohomish County Treasurer	04/15/2019		
	00625800014700	Silvercrest Pocket Park - 2019 Surface Water Fee			150.00
	00689100001500	CHN - 2019 Surface Water Fee			3,956.38
	00756100030100	Library Park - 2019 Surface Water Fee			150.00
	00769500006500	Highlands Park - 2019 Surface Water Fee			150.00
	00791700010000	Heron Park - 2019 Surface Water Fee			150.00
	00791700010200	Heron Park - 2019 Surface Water Fee			150.00
	00846400099800	Pine Meadow Park - 2019 Surface Water Fee			150.00
	00846500099900	Pine Meadow Park - 2019 Surface Water Fee			150.00
	00853900099900	Cougar Park - 2019 Surface Water Fee			150.00
	00860200099900	Nickel Creek Park - 2019 Surface Water Fee			150.00
	00945700010100	Hillside Park - 2019 Surface Water Fee			150.00
	27050600202300	Mill Creek Library - 2019 Surface Water Fee			1,757.15
	28053100102500	MCSP - 2019 Surface Water Fee			2,482.92
	28053100201400	The Cook House - 2019 Surface Water Fee			150.00
	28053300108400	Buffalo Park - 2019 Surface Water Fee			150.00
			Total for Check Number 60180:	0.00	9,996.45
60181	SNDPUBIN	Sound Publishing Inc	04/15/2019		
	EDH849529	Publication of Ordinance No. 2018-848			24.08

# AGENDA ITEM #1.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 60181:	0.00	24.08
60182	SDISTCRT I000495772 I000495772A	South District Court Filing Fees SD Court - Feb Interpreter Costs - Feb	04/15/2019		4,913.46 36.76
			Total for Check Number 60182:	0.00	4,950.22
60183	STAND April	Standard Ins. Company RA Life, AD&D & LTD Prem - MEBT - ER - April	04/15/2019		3,838.31
			Total for Check Number 60183:	0.00	3,838.31
60184	STAND2 April	Standard Ins. Company RA Survivor Prem - MEBT - ER Paid - April	04/15/2019		2,186.28
			Total for Check Number 60184:	0.00	2,186.28
60185	STAPLEAD 7010796OLA 7010796OLA-1	Staples Advantage Copy Paper, Writing Pads, Cash Bags Correction Tape, Highlighters, Voicemail Log, Pen:	04/15/2019		654.96 106.12
			Total for Check Number 60185:	0.00	761.08
60186	STARDMSV 012241-IN 012241-INA	Stardom Services Inc Janitorial Services March - CHS Janitorial Services March - CHN	04/15/2019		995.00 1,184.13
			Total for Check Number 60186:	0.00	2,179.13
60187	STERICYC 3004639587	Stericycle Inc Biomedical Waste Services - Monthly Fee	04/15/2019		10.36
			Total for Check Number 60187:	0.00	10.36
60188	TACSCREW 18234975	Tacoma Screw Products Inc 2 Tamperproof Multi-Bit Screwdrivers	04/15/2019		80.41
			Total for Check Number 60188:	0.00	80.41
60189	SHERWILL 5550-4	The Sherwin-Williams Co Cleaning Supplies - MCSP	04/15/2019		40.77
			Total for Check Number 60189:	0.00	40.77
60190	THYSSEN 3004533858	Thyssenkrupp Elevator Corp. Elevator Maintenance - CHN - 04/01 - 06/30	04/15/2019		1,279.11
			Total for Check Number 60190:	0.00	1,279.11
60191	TRANSUN 03909385	Trans Union LLC Basic Service Monthly Fee - Credit Checks 02/2-	04/15/2019		55.20
			Total for Check Number 60191:	0.00	55.20
60192	TLOLLC 839489	TransUnion Risk and Alternative Background/Identity Investigations - March	04/15/2019		55.20
			Total for Check Number 60192:	0.00	55.20
60193	UNWAYSNC April 2019	United Way of Snohomish County United Way EE for April 2019	04/15/2019		230.00

AP Checks by Date - Detail by Check Date (4/16/2019 8:15 AM)

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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 60193:	0.00	230.00
60194	USBANK March 2019	US Bank NA - Custody Investment Custody Charges 03/01 - 03/31	04/15/2019		28.00
			Total for Check Number 60194:	0.00	28.00
60195	USPS Quarter 2	USPS Postage - City Quarterly Publication	04/15/2019		2,703.71
			Total for Check Number 60195:	0.00	2,703.71
60196	UULC 9030187 9030187A	Utilities Underground Location Center On Call Location Services - 119 Locates On Call Location Services - 119 Locates	04/15/2019		76.76 76.75
			Total for Check Number 60196:	0.00	153.51
60197	WRPA 3878	WA Recreation & Park Assoc. WRPA Mbrship-J Wright, K Rasmussen, M Hart	04/15/2019		315.00
			Total for Check Number 60197:	0.00	315.00
60198	WSPCA 2019 Dues	WA State Police Canine Association WSPCA Membership - N. Lerma	04/15/2019		50.00
			Total for Check Number 60198:	0.00	50.00
60199	WASTPAT 119006683	Washington State Patrol Background Checks - March	04/15/2019		92.75
			Total for Check Number 60199:	0.00	92.75
60200	WAVEDIV 08303255	WaveDivision Holdings, LLC Fiber Lease - 15728 Main St - To 3000 Rockefel	04/15/2019		629.28
			Total for Check Number 60200:	0.00	629.28
60201	WINSUPP 029812 00	Winsupply Company B/F Preventer/Brass Nipples - Sweeper Clean O	04/15/2019		150.43
			Total for Check Number 60201:	0.00	150.43
60202	AFSCME March 2019	WSCCCE, AFSCME, AFL-CIO Union Dues - AFCSME - March	04/15/2019		1,217.53
			Total for Check Number 60202:	0.00	1,217.53
			Total for 4/15/2019:	0.00	626,234.84
			Report Total (85 checks):	0.00	626,234.84



**Mill Creek**  
WASHINGTON

Date: April 23, 2019

Payroll Check Batches		
Dated	Check Numbers	Amount
04/10/2019	ACH Automatic Deposit Checks	\$154,127.59
04/10/2019	ACH Wire- FWT & Medicare Taxes	\$27,394.17
04/10/2019	ACH Wire - Assoc. of WA Cities	\$83,603.00
04/10/2019	ACH Wire – BAC – Flex Savings Acct	\$1,778.00
04/10/2019	ACH Wire – BAC – Flex Spending Acct	\$162.49
<b>Total</b>		<b>\$267,065.25</b>

Voided Checks	
Numbers	Explanation

CLAIMS APPROVAL

We, the undersigned Finance/Audit Committee of the City of Mill Creek, recommend approval of the ACH Automatic Deposit checks and ACH Wire Transfers in the amount of \$267,065.25.

We recommend approval of the above stated amount with the following exceptions:

\_\_\_\_\_

Councilmember

\_\_\_\_\_

Councilmember

\_\_\_\_\_

Finance Director

\_\_\_\_\_

City Manager

G:\FINANCE\Restricted (old I drive)\Payroll\Voucher Coversheets\2019\Payroll Voucher Approval 04232019.docx  
4/16/2019

Statistical Summary

**Statistical Summary**

Company:A0W - City Of Mill Creek Service Center:0076 Pacific North West Status:Cycle Complete  
 Week#:15 Pay Date:04/10/2019 P/E Date:03/31/2019  
 Qtr/Year:2/2019 Run Time/Date:13:20:37 PM EDT 04/05/2019

<b>Taxes Debited</b>	Federal Income Tax	20,543.50	
	Earned Income Credit Advances	0.00	
	Social Security - EE	0.00	
	Social Security - ER	0.00	
	Social Security Adj - EE	0.00	
	Medicare - EE	3,147.42	
	Medicare - ER	3,147.37	
	Medicare Adj - EE	0.00	
	Medicare Surtax - EE	0.00	
	Medicare Surtax Adj - EE	0.00	
	COBRA Premium Assistance Payments	0.00	
	Federal Unemployment Tax	0.00	
	State Income Tax	0.00	
	Non Resident State Income Tax	0.00	
	State Unemployment Insurance - EE	0.00	
	State Unemployment Insurance Adj - EE	0.00	
	State Disability Insurance - EE	0.00	
	State Disability Insurance Adj - EE	0.00	
	State Unemployment/Disability Ins - ER	0.00	
	State Family Leave Insurance - EE	185.22	
	State Family Leave Insurance - ER	0.00	
	State Medical Leave Insurance - EE	166.78	
	State Medical Leave Insurance - ER	203.88	
	Transit Tax - EE	0.00	
	Workers' Benefit Fund Assessment - EE	0.00	
	Workers' Benefit Fund Assessment - ER	0.00	
	Local Income Tax	0.00	
School District Tax	0.00		
<b>Total Taxes Debited</b>	<b>27,394.17</b>		
<b>Other Transfers</b>	Full Service Direct Deposit Acct. <del>63000010470011001</del> / ABA 125300024	154,127.59	<b>Total Liability</b>
	<b>Total Amount Debited From Your Account</b>	<b>181,521.76</b>	<b>181,521.76</b>
<b>Bank Debits &amp; Other Liability</b>	Checks	0.00	<b>181,521.76</b>
	Adjustments/Prepay/Voids	0.00	<b>181,521.76</b>
<b>Taxes- Your Responsibility</b>	None this payroll		<b>181,521.76</b>

**ASSOCIATION OF WASHINGTON CITIES  
MILL CREEK, CITY OF**

**ACCOUNT SUMMARY** - contains all changes to this account as of 04/09/2019 07:53:17 AM

**FUND: 100**

**ACCOUNT NUMBER: 186 L**

BILL MONTH:	04/2019
COVERAGE MONTH:	04/2019
PAYMENT DUE BY:	<b>04/10/2019</b>
CURRENT BILLING AMOUNT:	\$83,603.00
PRIOR OVERAGE OR SHORTAGE:	\$0.00
ADJUSTMENTS:	\$0.00
<b>TOTAL AMOUNT DUE:</b>	<b>\$83,603.00</b>

100 186 L 042019 0

Fund	Account Number	Bill Month	Amount Paid
100	186 L	04/2019	\$ <u>83,603.00</u>

**If you have questions concerning your billing, please contact the Association of Washington Cities Office at (800) 562-8981 or (360) 753-4137 or Northwest Administrators, Inc. at (206) 726-3345.**

**MAIL PAYMENT TO:** *If payment is made by check, please print a copy of this page and mail it with your payment to the following address.*

ASSOCIATION OF WASHINGTON CITIES  
PO BOX 84303  
SEATTLE, WA 98124-5603

RptBatchSumViewForm

Page 1 of 1

ACH Cash Pro Online  
City of Mill Creek

Report Date: 04/16/2019  
Report Time: 12:21:56 PM

**Batch Summary Report by ID Number**

Company Name:	City of Mill 01	Effective Date:	04/11/2019
ACH ID:	██████████	Batch Sequence:	1
Application Name:	CCD Payments and Collections	Database Name:	BAC
Batch Status:	Submitted	Created By:	LOTLEO
Released By:	PLAUERMAN		

<u>Name</u>	<u>ID</u>	<u>Amount</u>	<u>D/C</u>	<u>Bank ID</u>	<u>Account #</u>	<u>Acct Type</u>	<u>Trace #</u>
BAC	BENEFIT ADMIN C	\$1,778.00	C	██████████	██████████	C	0334429

Total Amount in Batch

Total Count in Batch

Debits	\$0.00	0
Credits	\$1,778.00	1
Prenotes	\$0.00	0

Grand Total Amount

Grand Total Count

Debits	\$0.00	0
Credits	\$1,778.00	1
Prenotes	\$0.00	0

RptBatchSumViewForm

Page 1 of 1

ACH Cash Pro Online  
City of Mill Creek

Report Date: 04/16/2019  
Report Time: 12:20:31 PM

**Batch Summary Report by ID Number**

Company Name:	City of Mill 01	Effective Date:	04/11/2019
ACH ID:	██████████	Batch Sequence:	2
Application Name:	CCD Payments and Collections	Database Name:	BAC
Batch Status:	Submitted	Created By:	PLAUERMAN
Released By:	PLAUERMAN		

<u>Name</u>	<u>ID</u>	<u>Amount</u>	<u>D/C</u>	<u>Bank ID</u>	<u>Account #</u>	<u>Acct Type</u>	<u>Trace #</u>
BAC	BENEFIT ADMIN C	\$162.49	C	██████████	██████████	C	0340886

Total Amount in Batch

Total Count in Batch

Debits	\$0.00	0
Credits	\$162.49	1
Prenotes	\$0.00	0

Grand Total Amount

Grand Total Count

Debits	\$0.00	0
Credits	\$162.49	1
Prenotes	\$0.00	0



APRIL						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2 Council	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	
JUNE						
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	25 Council	26	27	28	29

**Tentative Council Meeting Agendas**  
**Subject to change without notice**

*Last updated: April 17, 2019*

**April 23, 2019**

*(Agenda Summary due April 10)*

- Presentation: Community Transit
- Presentation: Volunteer Recognition
- Presentation: Citizen Patrol Oath of Office
- Planning Commission Appointments
- Contract for Services – Mill Creek Blvd Corridor Study
- Study Session: Bond Financing Recommendation
- Study Session: Financial Management Policies
- Report: Memorial Day Plans

**May 7, 2019**

*(Agenda Summary due April 29)*

- Proclamation: Public Works Month
- Proclamation: Music 4 Life
- Comcast Settlement Agreement
- PSE Fee in Lieu Agreement
- Report: Quarterly Sponsorships

**May 14, 2019**

*(Agenda Summary due May 6)*

- Check Presentation to City's AWC Scholarship Nominee
- Presentation: Chamber of Commerce
- Utility Box Project – A&B Board
- Surface Water F Failures – Construction Contract Award
- Study Session: Updates to the Governance Manual

**May 28, 2019**

*(Agenda Summary due May 20)*

- Hawk/SR 96 – Consideration of Speed
- Wireless Communication Facilities
- Study Session: Compensation Strategies

**June 4, 2019**

*(Agenda Summary due May 27)*

- Presentation: Youth Advisory Board Year-End Recognition
- Presentation: Waste Management
- Heron Park ILA with Snohomish County

JULY						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
		Council				
7	8	9	10	11	12	13
		Council				
14	15	16	17	18	19	20
21	22	23	24	25	26	27
		Council				
28	29	30	31			

AUGUST						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

**Possible Work Session Topics for Discussion**

- Business signs
- MCCA storm water discussions
- Utility Project Management
- Hotel/Motel Theater Tax
- Mill Creek Blvd Vision
- ST3 Stations
- 5G Presentation
- Legislative Retreat
- Gold Star Memorial
- Dobson Remillard Property
- Fleet Program
- Bike Lanes
- Community Funding Criteria and Source of Funds
- Surface Water System Study Group



**MINUTES**

**Art & Beautification Board Meeting**

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**4:00 PM - Wednesday, March 13, 2019**

Council Chambers, 15728 Main Street, Mill Creek, WA 98012

Minutes are the official record of Art & Beautification Board meetings. Minutes document action taken at the council meeting, not what was said at the Board meeting.

The agenda for this Art & Beautification Board meeting can be found [here](#).

**CALL TO ORDER**

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**ROLL CALL**

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Members Present:

*Matt Buchanan, Chair  
Michelle Edwards  
Paula Dickman  
Ken Lowery  
Jeanne Smart*

Members Absent:

*Guy Armfield  
Benjamin Briles  
John Steckler*

**ANNOUNCEMENTS**

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- A.** The City Manager candidates will be in town next week. Though details are not firm, we know there will be a social for members of the public to meet candidates in the evening of Friday, March 22. Details will be forthcoming.

**APPROVAL OF MINUTES**

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- B.** Motion to approve made by Member Edwards. Member Lowery seconded the motion and it passed unanimously.

**OLD BUSINESS**

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- C.** Exploration Park

The Board met at Exploration Park to visualize art/beautification opportunities. Ideas included:

- **Brass Statues:** Varying ideas, including Lewis & Clark to tie in with the exploration theme; kids with magnifying glasses and backpacks; sculptures tied into a bench. These could cost several thousand dollars just to purchase.
- **Bike Rack with an artistic theme:** Artistic bike racks generally cost under \$500. Installation costs would need to be added.
- **Artistic Bench:** This bench would be a piece of art in addition to serving a functional need. Costs range between \$3,000 and \$6000 for the bench and installation.

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- **Sculptural Board:** This would incorporate an artistic mosaic concept. People can hang items of interest or community announcements. With the mosaic element, this could be up to \$2,000.
- **Footprints stamped into the cement sidewalk** to create an adventure theme. Concrete stamps generally cost under \$100. The biggest cost element would be the time to stamp the sidewalks.
- **Tiny Library:** There is a website that sends stuff for such a library. Initial books could have the theme of exploration. This is an idea that the Board would like to implement in addition to another project. This is very inexpensive at only a couple hundred dollars, including a registration fee to be added to the Little Free Library registry.

Director Kirk will ask the City Manager and Public Works Director about next steps for incorporating art into the Park.

**D. Great Garden Awards**

Materials for the Great Garden Awards will be handed out in May.

**E. Utility Box Update**

Following the last meeting where designs were selected for the utility boxes by Dumas Road, we learned that the gap between the utility boxes is so small that we eliminate four panel sides. Director Joni Kirk and Chair Buchanan met with West, who helped finalize the design for the last utility boxes. He will be working with the artwork to determine best use of the pieces. Chair Buchanan will follow up with him. Member Smart noted she had sent an email to the principal of Mill Creek Elementary School about an art project for the boxes nearby, but hasn't yet heard back. She suggested we may need to have an after-school art program to obtain submissions.

**F. Historical Preservation Project**

The panels should be hung in City Hall South in the next week or so for public input. Staff will create comment cards. The panels and a comment form also are available on the website. Staff anticipates that the panels will be up for at least three months. The City also has applied for a grant to help with production of the panels and hopes to hear soon about the status. It was suggested that the Board connect with Heidi Butz about including the panels as part of Art Walk; Chair Buchanan will send Heidi an email about it.

**NEW BUSINESS**

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**G. Rotating Art Program**

Director Kirk asked the Board about a "rotating art program" she'd seen listed on the City website. Chair Buchanan noted that such a program existed, but it has been several years since the Board worked on it due to the challenges with getting artwork. Member Smart suggested the Board could purchase standard frames and ask for submissions to fit the frames so that artists didn't have to worry about the cost of framing their artwork to hang it. The topic was tabled until the April meeting.

**H. New Projects**

Member Edwards asked about bringing new project ideas to the Board. The Board will

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discuss this at the April meeting.

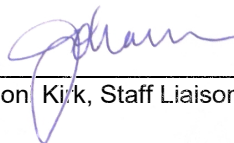
**REPORTS**

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**ADJOURNMENT**

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With no objection, the meeting adjourned at 5:00 p.m.



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Jon Kirk, Staff Liaison



## **Memorial Day 2019 Event Report**

### **Overview**

This year the City is excited to host its fifth annual Memorial Day celebration. This will be the biggest year to date with many exciting new components added to the normal commemorative ceremony and parade. The goal is to build the biggest and best Memorial Day celebration north of Seattle

The theme of this year's events is "We Will Remember" to focus on honoring our veterans. Staff began preparing for the events in January, and has developed a robust plan to showcase civic pride and engagement.

### **Commemorative Ceremony**

The Commemorative Ceremony at Veterans Monument has become a great way for the Mill Creek community to honor those who have served in the United States Armed Forces. The event takes place at 9 a.m. on Monday, May 27, at the Veterans Monument at Library Park (15429 Bothell-Everett Highway, Mill Creek) and will last just over half an hour.

The event includes opening remarks from Mayor Pam Pruitt, a letter from Senator Patty Murray, a prayer by Mill Creek Police Chaplain Nick Lewis, South Snohomish County Police Color Guard presenting the colors and Mill Creek Police Veterans raising the Colors. We will also lay a wreath on the monument while a bugler plays Taps. The Mill Creek Chorale will sing the National Anthem and America the Beautiful.

Volunteers will hand out carnations, which are to be laid by attendees on the monument followed by a moment of silence during the ceremony.

### **Parade**

The parade will start at 11 a.m. in Mill Creek Town Center and will conclude around noon. We anticipate over 5,000 spectators will line the parade route from LA Fitness North Parking Lot (15024 Main St Mill Creek), heading South on Main Street to City Hall North Parking Lot (15720 Main St. Mill Creek). There will be one parade participant performance area located at the intersection of 153<sup>rd</sup> Street SE and Main Street in front of Boston's Restaurant and Sports Bar. The Master of Ceremonies and VIP tent will be located there as well.

The parade has grown each year, starting in 2015 with 12 participating groups. In 2016 the number of groups tripled to 36, in 2018 we had 43 attendees with more than 700 individual participants. With more than a month prior to the event, we currently have 48 confirmed parade participants and another 10 participants from whom we are awaiting confirmation. Confirmed participants include:

- 1925 Ford Model TT Truck
- 1928 Ford Roadster
- 1934 Chevy Coupe Hot Rod
- 1934 Ford Pickup
- 1938 Olds Bus Coupe
- 1945 MB with 82<sup>nd</sup> Airborne Markings
- 1951 Chevy Sedan Street Rod
- 1952 Dodge Radio Command Truck
- 1955 Strawberry Truck
- 1961 Pontiac Ventura

- Air Force Recruiting
- American Legion Post #127 Honor Guard
- AMVETS
- Bothell American Legion Post #127
- Bruins Youth Cheer
- Cub Scouts – Boy Scouts of America Pack 66
- Everett Public Schools NJROTC Color Guard
- FV433 British Abbot Tank
- GI Foundation
- Girl Scouts – Unit 222
- Kamiak Youth Cheer
- Kitty Llama Love
- Mill Creek Community Food Bank
- Mill Creek Little League
- Mill Creek Police
- Mill Creek Police Car 410
- NW Vietnam Korean Veteran Association
- Overlake Composite Squadron, Civil Air Patrol
- Pink Zebra Cheer
- Puget Sound Honor Flight
- Reflections School of Dance
- Safe Splash
- Snohomish County Emergency Radio System (SERS)
- Snohomish County Fire District 7, Honor Guard
- Snohomish County Fire District 7, Engine 76 and Ladder Company 72
- South Snohomish Police Honor Guard
- USS Ralph Johnson Crew

The Grand Marshal of this year's parade is the USS Ralph Johnson Sailor of the Year Maurice Groves.

We also have plans and participants to display tents with historical memorabilia from the NW Veterans Museum from World War I, II, the Korean War, and Vietnam War. There also will be static displays of antique military vehicles along Main Street to give attendees something to look at between the commemorative ceremony and the parade.

Event information will be updated online at [www.millcreektourism.com/memorialday](http://www.millcreektourism.com/memorialday) leading up to May 27.