

# 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.** 2019-852

**Next Resolution No.** 2019-579

**June 25, 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. ArtsFund, The Art of Community Building: Leveraging the Economic and Social Impact of the Arts  
*(Sarah Sidman, ArtsFund Vice President of Strategic Initiatives & Communications)*

## **OLD BUSINESS**

- C. Authorization for Limited Tax General Obligation Bond Issuance Amount  
*(Peggy Lauerman, Director of Finance & Administration and Gina Hortillosa, Director of Public Works & Development Services)*

## **NEW BUSINESS**

- D. Appointment to the Park & Recreation Board  
*(City Council Interview Committee: Councilmember Cavaleri & Councilmember Vignal)*
- E. Server Upgrades  
*(James Busch, IT Manager)*

## **CONSENT AGENDA**

- F. Approval of Checks #60425 through #60510 and ACH Wire Transfers in the Amount of \$1,246,291.68  
*(Audit Committee: Councilmember Bond and Councilmember Vignal)*
- G. Payroll and Benefit ACH Payments in the Amount of \$214,841.61  
*(Audit Committee: Councilmember Bond and Councilmember Vignal)*
- H. City Council Meeting Minutes of February 26, 2019

## **REPORTS**

- I. Mayor/Council
  - Snohomish County Tomorrow (SCT) Steering Committee
- J. City Manager
  - Council Planning Schedule
- K. Staff
  - Vision 2050

## **AUDIENCE COMMUNICATION**

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

## **RECESS TO EXECUTIVE SESSION**

*(Confidential Session of the Council)*

- M.
  - To discuss the acquisition of real estate pursuant to RCW 42.30.110(1)(b)
  - To discuss potential litigation pursuant to RCW 42.30.110(1)(i)

*Action may or may not be taken.*

## **ADJOURNMENT**

6/20/2019



## ECONOMIC IMPACT OF THE ARTS

In 2014, nonprofit arts, cultural, and scientific organizations in the Central Puget Sound:

- \$2.4 billion impact in Washington
- 35,376 jobs
- \$996 million in labor income
- \$105 million in sales, B&O, and hotel-motel tax revenue
- \$694 million in spending by cultural organization patrons, 67% of which is spent on transportation, meals, lodging, souvenirs & gifts, and child care.

*(An Economic Impact Study of Arts, Cultural, and Scientific Organizations in the Central Puget Sound Region, ArtsFund, 2014)*



Seattle International Film Festival, SIFF Cinema Uptown, photo by Matthew Hammond.

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

6/20/2019



**The (Mis)perceived Value of Arts & Culture**

**79%** of people believe arts benefit their personal wellbeing,

*and*

**60%** cite the arts as a key factor in their decision to locate in the area

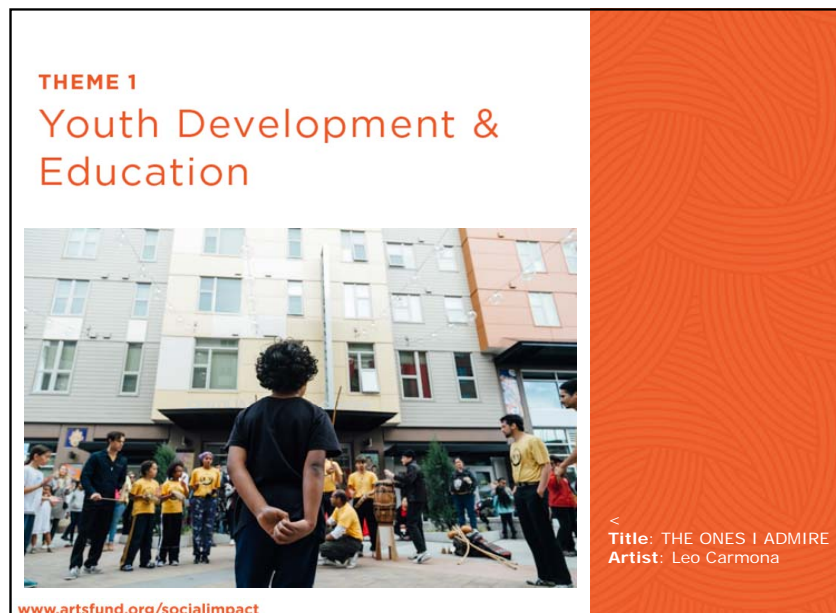
*but only*

**28%** think arts and culture promote social change at a community-level.

According to a 2018 survey of King County residents.

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

6/20/2019



6/20/2019

# 23%

“At-risk” students involved in arts are **23 percentage points** more likely to attend college than peers with low arts involvement.

Source: The Arts and Achievement in At-Risk Youth, 2012

Low-income students with access to cultural resources score higher in English and Math. Low-income students with a high level of arts experience in school are more likely to attend college, vote, and volunteer in their community.

Source: The Social Wellbeing of New York City’s Neighborhoods: The Contribution of Culture and the Arts, 2017

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

### THEME 1

## Youth Development & Education

Involvement in arts can improve academic and social outcomes for youth across socioeconomic status.



Arts Corps, Arts Liberation & Leadership Institute 2017, photo by Amy Pinon.

## Creating an offramp from the school-to-prison pipeline



Photo credits top left to right: photo by Arwa Alghamdi, photo by Ben George, bottom: photo by Austin Wilson, photos courtesy of Urban Artworks.

6/20/2019

**THEME 2**  
**Health & Wellness**



**Title:** Headspace  
**Artist:** Joanna Ngai

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

**THEME 2**  
**Health & Wellness**

In and out of medical settings, arts can improve individual and community health.



Path with Art, Dance Class. Photo courtesy of Path with Art.

**67%**

67% of music therapy participants with dementia felt less anxious and reduced their use of medication

Source: Creative Health: The Arts for Health and Wellbeing, 2017


45% of medical institutions nationwide offer some sort of arts program, with 8 out of 10 of these stating they do so to benefit patient recovery

Source: Participatory Arts for Older Adults: A Review of Benefits and Challenges. Gerontologist, 2018

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

6/20/2019

**THEME 3**  
**Neighborhood Vitality**



<  
Title: Seattle Artist's Magic  
Artist: Taylor Hammes

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

**18%**

Low-income neighborhoods with cultural resources have 14% fewer cases of child abuse and neglect, and 18% less serious crime than low-income neighborhoods without cultural resources

Source: Culture and Social Wellbeing in New York City, 2017

“Arts provide an experience where people of all backgrounds can come together and enjoy something.”

—2018 GMA Survey Respondent

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

**THEME 3**  
**Neighborhood Vitality**

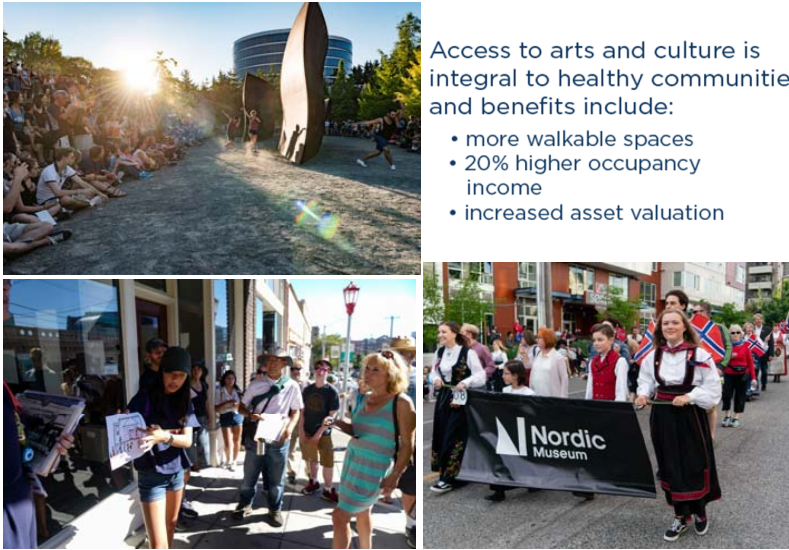
The presence of arts is linked to increased neighborhood livability, community identity, and social wellbeing



Washington Hall Project Team October 2015, photo by Tim Rice.



6/20/2019



Access to arts and culture is integral to healthy communities and benefits include:

- more walkable spaces
- 20% higher occupancy income
- increased asset valuation

Photos top left to right: Seattle Art Museum, Olympic Sculpture Park, Sculptured Dance. Photo by Robert Wade; Wing Luke Museum of the Asian Pacific American Experience, Japanese American Heritage Trail Tour, photo courtesy of The Wing; Nordic Museum, Syttende Mai Parade, photo by Andy Grow.

## BUSINESS

Creative thinking is fundamental to our growing economy:

- 1,500 business leaders identify "creativity" as a highly valued core human skill
- cultural and urban amenities draw and maintain the creative workforce



Seattle Art Museum, Summer at SAM, photo courtesy of Seattle Art Museum; Seattle Arts & Lectures, Writers in Schools, photo courtesy of SAL; SODO Track Mural Project Day 3, photo courtesy of Urban Artworks

6/20/2019

**84%**  
of arts nonprofits  
report partnership  
outside of the sector

Top left, clockwise: Urban Artsworks, Artist and Child, photo by Austin Wilson; Seattle Theatre Group, Dance for Parkinson's, photo courtesy of STG; Camp Leo Outreach 2018, photo courtesy of All City Improv; Seattle Theatre Group; Amalita Mela Festival, photo courtesy of Wells Cultural Center; Seattle Theatre Group; STG in Hospitals, photo by Anthony Rowe.

**WHAT'S NEXT?**

[www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

6/20/2019





# The Social Impact of the Arts Study

How arts impact King County communities



## SUMMARY

### **ARTS:** CHANGING LIVES. CHANGING COMMUNITIES.

The ArtsFund Social Impact Study frames a new way of understanding the public value of the arts in King County. How are arts advancing community priorities and positive outcomes for participants and non-participants alike?

With primary focus on youth development & education, health & wellness, and neighborhood vitality, the study probes the potential for arts to influence more equitable outcomes. The report combines a county-wide public poll; a landscape scan of King County arts, cultural, and heritage nonprofits; a substantive review of 150+ national research resources; and case studies of ten regional arts organizations. Visit [www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact) for the complete findings.

People intrinsically value the arts in their lives—arts entertain, inspire, inform, and provoke us. The Puget Sound region is host to hundreds of arts nonprofits and tens of thousands of artists which have helped shape the vibrant region we are today, and which are integral to our identity as a region built on innovation. However, our research uncovers a disconnect between public perception of the value of the arts and their impact. This disconnect not only threatens the sustainability of the sector, but the future of our community.

Cities throughout the world are implementing arts-based strategies to deal with economic, community, and social development. If King County is to meet our most pressing challenges, we will need to find a way to leverage and expand the powerful impacts of the arts so more people and communities can benefit. Join us.



## THEME 1

### Youth & Education

Involvement in arts can improve academic and social outcomes for youth across socioeconomic status. Arts provide opportunities to learn critical thinking skills and build technical capacity for expression. This suggests that **arts education plays a key role in the development of local talent and a 21st century workforce.** While research indicates all students benefit from arts involvement, studies show that arts' effect on academic achievement and positive outcomes is strongest for lowest-income students. They have better academic outcomes, such as increased high school graduation rates, and social-emotional outcomes, including fewer behavioral challenges.

**See case studies:** *Jet City Improv, Urban ArtWorks, Seattle Arts and Lectures' Writers in the Schools, and Arts Corps*

# 23%

**“At-risk” students involved in arts are 23 percentage points more likely to attend college than peers with low arts involvement.**

Source: The Arts and Achievement in At-Risk Youth, 2012

**Low-income students with access to cultural resources score higher in English and Math. Low-income students with a high level of arts experience in school are more likely to attend college, vote, and volunteer in their community.**

Source: The Social Wellbeing of New York City's Neighborhoods: The Contribution of Culture and the Arts, 2017

**THEME 2**

# Health & Wellness

In both primary care and behavioral health, music and art therapy are widely recognized strategies to reduce stress and anxiety, and cope with symptoms of disease. Evidence of arts' direct impact on human health and wellness is strongest for aging adults and people diagnosed with Alzheimer's or other disorders that cause dementia. **Older adults involved in the arts have fewer visits to the doctor, require less medication, and experience less depression** than older adults not involved in participatory arts programming. There is growing interest in the community-level benefits of art, especially with respect to mental health awareness. Many communities use public art and cultural assets as a tool for health promotion. Community-wide artistic interventions are opportunities to advance a 'culture of health,' and address inequities in the social determinants of health.

**See case studies:** *Path with Art, STG Dance for Parkinson's, and Seattle Arts and Lectures' Writers in the Schools*

# 67%

**67% of music therapy participants with dementia felt less anxious and reduced their use of medication**

Source: Creative Health: The Arts for Health and Wellbeing, 2017

**45% of medical institutions nationwide offer some sort of arts program, with 8 out of 10 of these stating they do so to benefit patient recovery**

Source: Participatory Arts for Older Adults: A Review of Benefits and Challenges. Gerontologist, 2018





## THEME 3

# Neighborhood Vitality

The presence of arts is linked to increased neighborhood livability, community cohesion, and social wellbeing. Research ties the benefits of arts and cultural participation to the informal education and empowerment of the community, and to a sense of pride and shared sense of belonging. In neighborhoods with limited economic resources, engagement with arts and culture can create social capital that exerts a strong, positive effect on wellbeing. Arts also play an important role in fostering social connection and inclusion. **Arts participants are more than twice as likely to volunteer in their communities, independent of education, age, gender, or ethnicity.**

**See case studies:** *Delridge Neighborhoods Development Association, Washington Hall, Urban ArtWorks, Anandamela/Vedic Cultural Center, and Duwamish Alive! Coalition*

# 18%

Low-income neighborhoods with cultural resources have 14% fewer cases of child abuse and neglect, and 18% less serious crime than low-income neighborhoods without cultural resources

Source: Culture and Social Wellbeing in New York City, 2017

Concentrated cultural districts are associated with reduced poverty without neighborhood displacement, improved child welfare, and lower morbidity

Source: CultureBlocks Philadelphia, 2013

**“Arts provide an experience where people of all backgrounds can come together and enjoy something.”**

—2018 GMA Survey Respondent



STATE OF THE REGION

The (Mis)perceived Value of Arts & Culture

79%

of people believe arts benefit their personal wellbeing,

*and*

60%

cite the arts as a key factor in their decision to locate in the area

*but only*

28%

think arts and culture promote social change at a community-level.

According to a 2018 survey of King County residents.

This finding **does not align** with a growing body of national and international research and data on arts impact, or with our inventory of examples of arts advancing social change in King County.

Our work identifies where arts intersect with timely social issues such as:

- positive civic and educational outcomes for **vulnerable youth**;
- **social cohesion** in an increasingly diverse and disconnected population;
- an **aging population** living longer with disease;
- a state of emergency on **homelessness**;
- **workforce readiness** and the future of work;
- safe, vibrant, and **inclusive neighborhoods**;
- and **inequitable access to opportunity**.

**STATE OF THE REGION**

**Our landscape scan of nearly 200 arts, cultural, and heritage organizations revealed**

**OVER**

**140**

arts programs for youth and education, with 70% of those running for over eight years.

**ABOUT**

**50%**

of programs offered in health & wellness and neighborhood vitality have track records of over 8 years.

**MORE THAN**

**4** OUT OF **5**

arts organizations report partnership outside the arts sector, including with

- schools,
- refugee and immigrant organizations,
- hospitals and clinics,
- senior centers,
- environmental organizations,
- city departments,

and many more.



## WHAT'S NEXT

What comes next is bringing the social impact of the arts to its full potential to advance community priorities. That can happen in at least three ways:

- 1 **Invest in arts organizations, supporting both “on” and “off-stage” programming.**
- 2 **Seek out ways to support, scale, and grow partnerships that cut across sectors to create interdisciplinary solutions.**
- 3 **Add your voice and amplify this conversation. Accelerate the impact by integrating these ideas into your work and advancing awareness of arts’ social impact.**

For complete findings from ArtsFund’s Social Impact of the Arts study visit [www.artsfund.org/socialimpact](http://www.artsfund.org/socialimpact)

**Funding support for the 2018 Social Impact Study was provided by:**



**Report authored by:**



**Research collaboration by:**



**Design by:**



**Photo Credits**

**Cover:** Seattle Chamber Music Society, James Ehnes performs in the Illsley Ball Nordstrom Recital Hall, photo by Philip Newton; Seattle Art Museum, Remix, photo courtesy of Seattle Art Museum; The 5th Avenue Theatre, Adventure Musical Theater Touring Company performance of “Rosie the Riveter,” photo by Jeff Carpenter

**State of the Region:** Seattle Opera, Graffiti Art with One Seven Nine, photo by Philip Newton

**Youth & Education:** Urban ArtWorks, youths painting, photo by Austin Wilson

**Health & Wellness:** Path with Art, The Trimpin Wagon, photo courtesy of Path with Art

**Neighborhood Vitality:** Washington Hall Project, Team October 2015, photo by Tim Rice



Agenda Item # C

Meeting Date: June 25, 2019

## **CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

**AGENDA ITEM: LIMITED TAX GENERAL OBLIGATION BOND ISSUANCE AMOUNT**

**PROPOSED MOTION:**

Approve as presented: "Move to approve Amended Ord. No. 2019-851 as presented, with direction to the City Manager that the bond amount be issued for \$\_\_\_\_\_."

**KEY FACTS AND INFORMATION SUMMARY:**

At the meeting on June 11, 2019, Council approved Ordinance No. 2019-851 "relating to contracting indebtedness; providing for the issuance, sale and delivery of a not to exceed \$3,322,000 aggregate principal amount of limited tax general obligation bond to provide funds to finance surface water capital improvements and other capital improvements of the City". (Attachment B)

Council requested additional analysis to consider an optimal level of financing given the low interest rates and volatility in the construction market. In addition to the inherent risk of pipe failure during construction, additional liquidity may allow for the potential to proceed with the assessment of the City's small pipes (less than 18 inches in diameter).

Staff has prepared three scenarios based on net proceeds from debt issuance amounts: \$2,800,000 (base), \$3,050,000 (base + \$250k) and \$3,300,000 (base + \$500k).

**CITY MANAGER RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Attachment A: Presentation

Attachment B: Amended Ordinance 2019-851 clean version

Attachment C: Amended Ordinance 2019-851 redlined version

City Council Agenda Summary  
Page 2

Respectfully Submitted:

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Michael G. Ciaravino  
City Manager



# Authorization for LTGO Bond Issuance Amount

June 25, 2019

# Agenda

- Review(F Failures Cost Increase & Debt)
- Potential Use of Additional Proceeds
- Rate Analysis
- Performance Plan and Council Repayment Evaluation
- Cost Benefit/Analysis



# Review of F Failures Cost Increase

Item	Contract	Amount
1	Road Construction Northwest, Inc.	\$749,325
2	Construction Management (Blueline)	\$108,900
3	Inspection (J. Wiese Consulting, LLC)	\$25,650
4	Contingency (20%)	\$149,865
<b>Total</b>		<b>\$1,033,740</b>

Item	Service Package	2019	2020	2021	2022	2023	2024	2025	2026	Total
1	2019-2024 CIP: Surface Water Aging Infrastructure (Large Pipes only)	\$937,500	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$6,187,500
2	2019-2024 CIP: Water Quality Projects		\$50,000	\$250,000	\$450,000					\$750,000
Total:		\$937,500	\$800,000	\$1,000,000	\$1,200,000	\$750,000	\$750,000	\$750,000	\$750,000	\$6,937,500

**\$150K (F Failure Inspection)**  
**\$637.5 K (F Construction)**  
**+\$150K (2020 C Failure Design)**  
**\$937.5K**

**\$135K (F Failure Inspection)**  
**\$900 K (F Construction)**  
**+\$150K (2020 C Failure Design)**  
**\$1.185M**

**\$1.185M - \$937.5K = \$248K (the delta)**



# Review

- Two Options (net proceeds):
  - \$2,800,000 (Base)
  - \$3,300,000 (Base + \$500k)



# Potential Use of Additional Proceeds

- Potential to assess small pipes
- Construction Market
- Inherent risk of pipe failure during construction
  - Sweetwater Ranch

# Bond Net Proceeds Scenarios

- \$2,800,000 (Base)
- \$3,050,000 (Base + \$250k)
- \$3,300,000 (Base + \$500k)



# Rate Analysis

<b>Rates</b>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
\$2,800,000 (base)*	\$150	\$175	\$200	\$ 206	\$212	\$219	\$225	\$232
\$3,050,000 (base + 250k)	\$150	\$175	\$200	\$ 214	\$229	\$244	\$261	\$269
\$3,500,000 (base + 500k)	\$150	\$175	\$200	\$ 218	\$238	\$249	\$261	\$269

## Increase in Rates from base

\$3,050,000 (base + 250k)	\$ -	\$ -	\$ -	\$ 8	\$ 16	\$ 26	\$ 36	\$ 37
\$3,500,000 (base + 500k)	\$ -	\$ -	\$ -	\$ 12	\$ 25	\$ 30	\$ 36	\$ 37

\$3,050,000 (base + 250k)	0%	0%	0%	4%	8%	12%	16%	16%
\$3,500,000 (base + 500k)	0%	0%	0%	6%	12%	14%	16%	16%

\*Approved by Resolution No. 2018-576  
Assumes no prepayment

## Performance Plan and Council Repayment Evaluation

<b>Rates</b>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
\$2,800,000 (base)	\$150	\$175	\$200	\$ 206	\$212	\$219	\$225	\$232
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Public Works Performance Plan										
Item	Activity	2019			2020			2021		
1	C Failures (Design) -Bundle 1									
2	F Failures (Construction)									
3	Small Pipes (Assessment)									
4	C Failure (Bid opening & Construction)									
5	C Failures (Design) -Bundle 2									
6	C Failures (Bid opening & Construction)									

# Cost/Benefit Analysis

## Interest Cost (1.0%):

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$3,050,000 (base + \$250)	\$1,250	\$3,750	\$6,250	\$7,500
\$3,300,000 (base + \$500)	\$2,500	\$7,500	\$12,500	\$15,000

## Benefits:

- Assessment of small pipes
- Provides additional liquidity for cost overruns
- Reduces the likelihood of a draw from reserves
- Capitalizes on low interest rate (2.44%)



# Questions ?



Peggy Lauerman  
Director of Finance and Administration

Gina M. Hortillosa, PE PMP  
Director of Public Works and Development  
Services





CITY OF MILL CREEK, WASHINGTON

AMENDED ORDINANCE NO. 2019-851

AN AMENDED ORDINANCE of the City of Mill Creek, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of a not to exceed \$3,322,000 aggregate principal amount of limited tax general obligation bond to provide funds to finance surface water capital improvements and other capital improvements of the City; fixing certain terms and covenants of the bond; and providing for other related matters.

Passed June 25, 2019

*This document prepared by:*

*Foster Pepper PLLC  
1111 Third Avenue, Suite 3000  
Seattle, Washington 98101  
(206) 447-4400*

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*\*The cover page, table of contents and section headings of this ordinance are for convenience of reference only, and shall not be used to resolve any question of interpretation of this ordinance.*

CITY OF MILL CREEK, WASHINGTON

AMENDED ORDINANCE NO. 2019-851

AN AMENDED ORDINANCE of the City of Mill Creek, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of a not to exceed \$3,322,000 aggregate principal amount of limited tax general obligation bond to provide funds to finance surface water capital improvements and other capital improvements of the City; fixing certain terms and covenants of the bond; and providing for other related matters.

THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Definitions. As used in this ordinance, the following capitalized terms shall have the following meanings:

(a) “*Bond*” means the bond issued pursuant to and for the purposes provided in this ordinance.

(b) “*Bond Counsel*” means the firm of Foster Pepper PLLC, its successor, or any other attorney or firm of attorneys selected by the City with a nationally recognized standing as bond counsel in the field of municipal finance.

(c) “*Bond Account*” means the account(s) or subaccount(s) known as the Limited Tax General Obligation Bond Account, 2019, of the City created for the payment of the principal of and interest on the Bond.

(d) “*Bond Registrar*” means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of each Bond.

(e) “*Bond Registrar*” means the City’s Finance Director or any successor bond registrar selected for the Bond.

(f) “*City*” means the City of Mill Creek, Washington, a municipal corporation duly organized and existing under the laws of the State.

(g) “*City Council*” means the legislative authority of the City, as duly and regularly constituted from time to time.

(h) “*Code*” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(i) “*Construction Fund*” means the fund(s) or account(s) of the City for the purpose of carrying out the Project.

(j) “*Issue Date*” means the date of the delivery of the Bond to the Purchaser.

(k) “*Project*” means surface water capital improvements and other capital improvements, as deemed necessary and advisable by the City. Incidental costs incurred in connection with carrying out and accomplishing the Project, consistent with RCW 39.46.070, may be included as costs of the Project.

(l) “*Purchaser*” means Zions Bancorporation, N.A., its successors or assigns, or such other corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected to serve as purchaser for the Bond.

(m) “*State*” means the State of Washington.

Section 2. Findings and Determinations. The City takes note of the following facts and makes the following findings and determinations:

(a) *Authority and Description of the Project.* The City is in need of financing surface water capital improvements and other capital improvements. The City Council therefore finds that it is in the best interests of the City to carry out the Project.

(b) *Plan of Financing.* Pursuant to applicable law, including without limitation chapters 35.37, 39.36, 39.44, 39.46 and 39.52 RCW, the City is authorized to issue general obligation bonds for the purpose of financing the Project. The total expected cost of the Project is approximately \$3,322,000, which is expected to be made up of proceeds of the Bond, and other available money of the City.

(c) *Debt Capacity.* The amount of indebtedness authorized by this ordinance is \$3,322,000. Based on the following facts, this amount is to be issued within the amount permitted to be issued by the City for general municipal purposes without a vote:

- (1) The assessed valuation of the taxable property within the City as ascertained by the last preceding assessment for City purposes for collection in the calendar year 2019 is \$4,128,225,777.
- (2) As of December 31, 2018, the City had limited tax general obligation indebtedness, consisting of bonds outstanding in the principal amount of \$31,519, which is incurred within the limit of up to 1½% of the value of the taxable property within the City permitted for general municipal purposes without a vote.
- (3) As of December 31, 2018, the City had no outstanding unlimited tax general obligation indebtedness.

(d) *The Bond.* For the purpose of providing the funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bond, the City Council finds that it is in the best interests of the City and its taxpayers to issue and sell the Bond to the Purchaser consistent with this ordinance.

Section 3. Authorization of the Bond. The City is authorized to borrow money on the credit of the City and issue a negotiable limited tax general obligation bond evidencing

indebtedness in the aggregate principal amount of not to exceed \$3,322,000 to provide funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bond. The proceeds of the Bond allocated to paying the cost of the Project shall be deposited as set forth in Section 8 of this ordinance and shall be used to carry out the Project, or a portion of the Project, in such order of time as the City determines is advisable and practicable.

Section 4. Description of the Bond. The Bond shall be called the City of Mill Creek, Washington, Limited Tax General Obligation Bond, 2019, and shall be issued in the aggregate principal amount of not to exceed \$3,322,000. The City Manager is authorized to approve the final principal amount of the Bond. If the principal amount is less than \$3,322,000, Exhibit A shall be reduced accordingly. The Bond shall be dated the Issue Date, shall be numbered separately in the manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification. The Bond shall mature on December 1, 2033 and shall bear interest at the rate of 2.44% per annum (computed on the basis of a 360-day year of 12 30-day months), payable semiannually on each June 1 and December 1, commencing December 1, 2019. Principal on the Bond shall be payable annually on each December 1, commencing December 1, 2019, as set forth in Exhibit A, which is attached to this ordinance and incorporated by this reference.

Section 5. Bond Registrar; Registration and Transfer of the Bond. Pursuant to RCW 39.46.030(4) the City's Finance Director shall serve as initial fiscal agent for the City (the "Bond Registrar") with respect to the Bond and is authorized, on behalf of the City, to authenticate and deliver the Bond in accordance with the provisions of the Bond and this ordinance. The Bond shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained by the Bond Registrar (the "Bond Register"). The Bond Register shall contain the name and mailing address of the owner of the Bond.

Upon a determination by the Finance Director that maintenance of the duties of the Bond Registrar is no longer convenient, the fiscal agent of the State of Washington shall act as Bond Registrar.

The Bond Registrar shall keep, or cause to be kept, at its office, sufficient books for the registration, assignment or transfer of the Bond, which books shall be open to inspection by the City at all times. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver the Bond transferred or exchanged in accordance with the provisions of the Bond and this ordinance, to serve as the City's paying agent for the Bond and to carry out all of the Bond Registrar's powers and duties under this ordinance.

The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on the Bond.

The Bond may be assigned or transferred only in whole by the Purchaser to a single investor that is a financial institution or an entity reasonably believed to be a qualified institutional buyer within the meaning of the applicable federal securities laws. Any transfer shall be without cost to the owner or transferee, except for governmental charges imposed on any such transfer or exchange. The Bond Registrar shall not be obligated to exchange or transfer the Bond during the 15 days preceding any payment or prepayment date. When the Bond has been

paid in full, both principal and interest, the Bond shall be surrendered to the Bond Registrar, who shall cancel the Bond.

Section 6. Form and Execution of the Bond.

(a) *Form of the Bond; Signatures and Seal.* The Bond shall be prepared in a form consistent with the provisions of this ordinance and State law. The Bond shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on the Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing his or her manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the City, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. The Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication.* Only the Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance: “Certificate of Authentication. This Bond is the fully registered City of Mill Creek, Washington, Limited Tax General Obligation Bond, 2019, described in the Bond Ordinance.” The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

Section 7. Payment of the Bond. Both principal of and interest on the Bond shall be payable in lawful money of the United States of America and shall be paid by electronic transfer, unless payment by check or draft of the Bond Registrar is permitted by the Purchaser, and sent to the Purchaser so that the Purchaser receives said payments when due at the address appearing on the Bond Register. Upon receipt of the final payment of principal of and interest on the Bond, whether at maturity or upon prepayment, the Purchaser shall present and surrender the Bond to the Bond Registrar to be destroyed or cancelled in accordance with law. The City and the Bond Registrar may deem and treat the Purchaser as the absolute owner of the Bond for the purpose of receiving payment of principal and interest and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary other than proper notice of assignment or transfer.

Section 8. Funds and Accounts; Deposit of Proceeds.

(a) *Bond Account.* The Bond Account is a special fund of the City created for the sole purpose of paying principal of and interest on the Bond. All amounts allocated to the payment of the principal of and interest on the Bond shall be deposited in the Bond Account as necessary for the timely payment of amounts due with respect to the Bond. The principal of and interest on the Bond shall be paid out of the Bond Account. Until needed for that purpose, the City may invest money in the Bond Account temporarily in any legal investment, and the

investment earnings shall be retained in the Bond Account and used for the purposes of that fund.

(b) *Construction Fund.* The Construction Fund is created as a fund of the City for the purpose of paying the costs of the Project. Proceeds received from the sale and delivery of the Bond shall be deposited into the Construction Fund (or any subaccounts within such fund) and used to pay the costs of the Project and costs of issuance of the Bond. Until needed to pay such costs, the City may invest those proceeds temporarily in any legal investment, and the investment earnings shall be retained in the Construction Fund and used for the purposes of that fund, except that earnings subject to a federal tax or rebate requirement (if applicable) may be withdrawn from the Construction Fund and used for those tax or rebate purposes.

Section 9. Prepayment. The City may prepay the Bond in whole or in part at any time, without penalty or premium, with 30 business days' notice to the Purchaser, by paying the principal amount thereof to be prepaid together with accrued interest to the date of prepayment. If the Bond is prepaid in full interest shall cease to accrue on the date such prepayment occurs.

Section 10. Failure to Pay Installments; No Acceleration. If any payment of the Bond is not paid when due, the City shall be obligated to pay interest on that installment at the same rate provided in the Bond until that payment is paid in full or until sufficient money for its payment in full is on deposit in the Bond Account, and the principal represented by such installment has been called for payment by giving notice of that call to the Purchaser. The Bond is not subject to acceleration upon the occurrence of a payment default.

Section 11. Pledge of Taxes. The Bond constitutes a general indebtedness of the City and is payable from tax revenues of the City and such other money as is lawfully available, including surface water revenues, and pledged by the City for the payment of principal of and interest on the Bond. For as long as the Bond is outstanding, the City irrevocably pledges that it shall, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, including surface water revenues, to pay principal of and interest on the Bond as the same become due. The full faith, credit and resources of the City are pledged irrevocably for the prompt payment of the principal of and interest on the Bond and such pledge shall be enforceable in mandamus against the City.

Section 12. Tax Covenants; Designation of the Bond as a "Qualified Tax-Exempt Obligation."

(a) *Preservation of Tax Exemption for Interest on the Bond.* The City covenants that it will take all actions necessary to prevent interest on the Bond from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bond or other funds of the City treated as proceeds of the Bond that will cause interest on the Bond to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bond, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bond.

(b) *Post-Issuance Compliance.* The Finance Director is authorized and directed to review and update the City’s written procedures to facilitate compliance by the City with the covenants in this ordinance and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bond from being included in gross income for federal tax purposes.

(c) *Designation of the Bond as a “Qualified Tax-Exempt Obligation.”* The City designates the Bond as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code, and makes the following findings and determinations:

- (1) the Bond does not constitute a “private activity bond” within the meaning of Section 141 of the Code;
- (2) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during the calendar year in which the Bond is issued will not exceed \$10,000,000; and
- (3) the amount of tax-exempt obligations, including the Bond, designated by the City as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bond is issued does not exceed \$10,000,000.

**Section 13. Sale and Delivery of the Bond.**

(a) *Approval of Proposal.* The Purchaser has presented a proposal (the “Proposal”) to the City offering to purchase the Bond under the terms and conditions provided therein. The Purchaser is not charging a fee for the Bond. The City Council finds that the Proposal is in the City’s best interest and authorizes the offer contained therein.

(b) *Preparation, Execution and Delivery of the Bond.* The Bond will be prepared at City expense and will be delivered to the Purchaser in accordance with the Proposal, this ordinance, together with the approving legal opinion of Bond Counsel regarding the Bond.

**Section 14. Reporting Requirements.** With respect to the Bond, the City is exempt from the official statement and ongoing disclosure requirements of the Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934.

The City hereby covenants and agrees for as long as the Bond remains outstanding, it will provide annually to the Purchaser copies of its unaudited annual financial report within 270 days after the end of each fiscal year, and its audited annual financial report when available, and such other information as the Purchaser may reasonably request from time to time.



Section 15. Supplemental and Amendatory Ordinances. The City may supplement or amend this ordinance for any one or more of the following purposes without the consent of the Purchaser:

(a) To add covenants and agreements that do not materially adversely affect the interests of the Purchaser, or to surrender any right or power reserved to or conferred upon the City.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this ordinance in a manner that does not materially adversely affect the interest of the Purchaser.

Section 16. General Authorization and Ratification. The Mayor, City Manager, Finance Director, City Clerk and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of the Bond to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bond. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 17. Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 18. Effective Date of Amended Ordinance. This amended ordinance shall take effect and be in force from and after its passage and five days following its publication as required by law.

PASSED by the City Council of the City of Mill Creek, Washington, at an open public meeting thereof, this 25<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Pam Pruitt, Mayor

ATTEST:

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

APPROVED AS TO FORM:

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

**EXHIBIT A  
AMORTIZATION SCHEDULE**

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
12/01/2019	\$ 231,000.00	\$ 31,972.40	\$ 262,972.40
06/01/2020	--	37,710.20	37,710.20
12/01/2020	188,000.00	37,710.20	225,710.20
06/01/2021	--	35,416.60	35,416.60
12/01/2021	193,000.00	35,416.60	228,416.60
06/01/2022	--	33,062.00	33,062.00
12/01/2022	197,000.00	33,062.00	230,062.00
06/01/2023	--	30,658.60	30,658.60
12/01/2023	202,000.00	30,658.60	232,658.60
06/01/2024	--	28,194.20	28,194.20
12/01/2024	207,000.00	28,194.20	235,194.20
06/01/2025	--	25,668.80	25,668.80
12/01/2025	212,000.00	25,668.80	237,668.80
06/01/2026	--	23,082.40	23,082.40
12/01/2026	217,000.00	23,082.40	240,082.40
06/01/2027	--	20,435.00	20,435.00
12/01/2027	222,000.00	20,435.00	242,435.00
06/01/2028	--	17,726.60	17,726.60
12/01/2028	228,000.00	17,726.60	245,726.60
06/01/2029	--	14,945.00	14,945.00
12/01/2029	233,000.00	14,945.00	247,945.00
06/01/2030	--	12,102.40	12,102.40
12/01/2030	239,000.00	12,102.40	251,102.40
06/01/2031	--	9,186.60	9,186.60
12/01/2031	245,000.00	9,186.60	254,186.60
06/01/2032	--	6,197.60	6,197.60
12/01/2032	251,000.00	6,197.60	257,197.60
06/01/2033	--	3,135.40	3,135.40
12/01/2033	257,000.00	3,135.40	260,135.40
	<u>\$3,322,000.00</u>	<u>\$627,015.20</u>	<u>\$3,949,015.20</u>

**CERTIFICATION**

I, the undersigned, City Clerk of the City of Mill Creek, Washington (the “City”), hereby certify as follows:

1. The attached copy of Amended Ordinance No. 2019-851 (the “Ordinance”) is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on June 25, 2019, as that ordinance appears on the minute book of the City.

2. The Ordinance will be in full force and effect five days after publication in the City’s official newspaper, which publication date is expected to be June \_\_\_\_, 2019.

3. A quorum of the members of the City Council was present throughout the meeting and a majority of the members voted in the proper manner for the passage of the Ordinance.

Dated: June 25, 2019.

CITY OF MILL CREEK, WASHINGTON

\_\_\_\_\_  
City Clerk

CITY OF MILL CREEK, WASHINGTON

AMENDED ORDINANCE NO. 2019-851

AN AMENDED ORDINANCE of the City of Mill Creek, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of a ~~\$2,822,000~~ not to exceed \$3,322,000 aggregate principal amount of limited tax general obligation bond to provide funds to finance surface water capital improvements and other capital improvements of the City; fixing certain terms and covenants of the bond; and providing for other related matters.

Passed June 25, 2019

*This document prepared by:*

*Foster Pepper PLLC  
1111 Third Avenue, Suite 3000  
Seattle, Washington 98101  
(206) 447-4400*

[53369565-653369565.7](#)

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*\*The cover page, table of contents and section headings of this ordinance are for convenience of reference only, and shall not be used to resolve any question of interpretation of this ordinance.*

CITY OF MILL CREEK, WASHINGTON

AMENDED ORDINANCE NO. 2019-851

AN AMENDED ORDINANCE of the City of Mill Creek, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of a ~~\$2,822,000~~not to exceed \$3,322,000 aggregate principal amount of limited tax general obligation bond to provide funds to finance surface water capital improvements and other capital improvements of the City; fixing certain terms and covenants of the bond; and providing for other related matters.

THE CITY COUNCIL OF THE CITY OF MILL CREEK, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Definitions. As used in this ordinance, the following capitalized terms shall have the following meanings:

- (a) “*Bond*” means the bond issued pursuant to and for the purposes provided in this ordinance.
- (b) “*Bond Counsel*” means the firm of Foster Pepper PLLC, its successor, or any other attorney or firm of attorneys selected by the City with a nationally recognized standing as bond counsel in the field of municipal finance.
- (c) “*Bond Account*” means the account(s) or subaccount(s) known as the Limited Tax General Obligation Bond Account, 2019, of the City created for the payment of the principal of and interest on the Bond.
- (d) “*Bond Registrar*” means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of each Bond.
- (e) “*Bond Registrar*” means the City’s Finance Director or any successor bond registrar selected for the Bond.
- (f) “*City*” means the City of Mill Creek, Washington, a municipal corporation duly organized and existing under the laws of the State.
- (g) “*City Council*” means the legislative authority of the City, as duly and regularly constituted from time to time.
- (h) “*Code*” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.
- (i) “*Construction Fund*” means the fund(s) or account(s) of the City for the purpose of carrying out the Project.
- (j) “*Issue Date*” means the date of the delivery of the Bond to the Purchaser.

(k) “*Project*” means surface water capital improvements and other capital improvements, as deemed necessary and advisable by the City. Incidental costs incurred in connection with carrying out and accomplishing the Project, consistent with RCW 39.46.070, may be included as costs of the Project.

(l) “*Purchaser*” means Zions Bancorporation, N.A., its successors or assigns, or such other corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected to serve as purchaser for the Bond.

(m) “*State*” means the State of Washington.

Section 2. Findings and Determinations. The City takes note of the following facts and makes the following findings and determinations:

(a) *Authority and Description of the Project.* The City is in need of financing surface water capital improvements and other capital improvements. The City Council therefore finds that it is in the best interests of the City to carry out the Project.

(b) *Plan of Financing.* Pursuant to applicable law, including without limitation chapters 35.37, 39.36, 39.44, 39.46 and 39.52 RCW, the City is authorized to issue general obligation bonds for the purpose of financing the Project. The total expected cost of the Project is approximately ~~\$2,800,000~~, 3,322,000, which is expected to be made up of proceeds of the Bond, and other available money of the City.

(c) *Debt Capacity.* The amount of indebtedness authorized by this ordinance is ~~\$2,822,000~~, 3,322,000. Based on the following facts, this amount is to be issued within the amount permitted to be issued by the City for general municipal purposes without a vote:

- (1) The assessed valuation of the taxable property within the City as ascertained by the last preceding assessment for City purposes for collection in the calendar year 2019 is \$4,128,225,777.
- (2) As of December 31, 2018, the City had limited tax general obligation indebtedness, consisting of bonds outstanding in the principal amount of \$31,519, which is incurred within the limit of up to 1½% of the value of the taxable property within the City permitted for general municipal purposes without a vote.
- (3) As of December 31, 2018, the City had no outstanding unlimited tax general obligation indebtedness.

(d) *The Bond.* For the purpose of providing the funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bond, the City Council finds that it is in the best interests of the City and its taxpayers to issue and sell the Bond to the Purchaser consistent with this ordinance.

Section 3. Authorization of the Bond. The City is authorized to borrow money on the credit of the City and issue a negotiable limited tax general obligation bond evidencing



indebtedness in the aggregate principal amount of ~~\$2,822,000~~not to exceed \$3,322,000 to provide funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bond. The proceeds of the Bond allocated to paying the cost of the Project shall be deposited as set forth in Section 8 of this ordinance and shall be used to carry out the Project, or a portion of the Project, in such order of time as the City determines is advisable and practicable.

**Section 4. Description of the Bond.** The Bond shall be called the City of Mill Creek, Washington, Limited Tax General Obligation Bond, 2019, and shall be issued in the aggregate principal amount of ~~\$2,822,000~~not to exceed \$3,322,000. The City Manager is authorized to approve the final principal amount of the Bond. If the principal amount is less than \$3,322,000, Exhibit A shall be reduced accordingly. The Bond shall be dated the Issue Date, shall be numbered separately in the manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification. The Bond shall mature on December 1, 2033 and shall bear interest at the rate of 2.44% per annum (computed on the basis of a 360-day year of 12 30-day months), payable semiannually on each June 1 and December 1, commencing December 1, 2019. Principal on the Bond shall be payable annually on each December 1, commencing December 1, 2019, as set forth in Exhibit A, which is attached to this ordinance and incorporated by this reference.

**Section 5. Bond Registrar; Registration and Transfer of the Bond.** Pursuant to RCW 39.46.030(4) the City's Finance Director shall serve as initial fiscal agent for the City (the "Bond Registrar") with respect to the Bond and is authorized, on behalf of the City, to authenticate and deliver the Bond in accordance with the provisions of the Bond and this ordinance. The Bond shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained by the Bond Registrar (the "Bond Register"). The Bond Register shall contain the name and mailing address of the owner of the Bond.

Upon a determination by the Finance Director that maintenance of the duties of the Bond Registrar is no longer convenient, the fiscal agent of the State of Washington shall act as Bond Registrar.

The Bond Registrar shall keep, or cause to be kept, at its office, sufficient books for the registration, assignment or transfer of the Bond, which books shall be open to inspection by the City at all times. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver the Bond transferred or exchanged in accordance with the provisions of the Bond and this ordinance, to serve as the City's paying agent for the Bond and to carry out all of the Bond Registrar's powers and duties under this ordinance.

The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on the Bond.

The Bond may be assigned or transferred only in whole by the Purchaser to a single investor that is a financial institution or an entity reasonably believed to be a qualified institutional buyer within the meaning of the applicable federal securities laws. Any transfer shall be without cost to the owner or transferee, except for governmental charges imposed on any such transfer or exchange. The Bond Registrar shall not be obligated to exchange or transfer the Bond during the 15 days preceding any payment or prepayment date. When the Bond has been

paid in full, both principal and interest, the Bond shall be surrendered to the Bond Registrar, who shall cancel the Bond.

**Section 6. Form and Execution of the Bond.**

(a) *Form of the Bond; Signatures and Seal.* The Bond shall be prepared in a form consistent with the provisions of this ordinance and State law. The Bond shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on the Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing his or her manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the City, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. The Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication.* Only the Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance: “Certificate of Authentication. This Bond is the fully registered City of Mill Creek, Washington, Limited Tax General Obligation Bond, 2019, described in the Bond Ordinance.” The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

**Section 7. Payment of the Bond.** Both principal of and interest on the Bond shall be payable in lawful money of the United States of America and shall be paid by electronic transfer, unless payment by check or draft of the Bond Registrar is permitted by the Purchaser, and sent to the Purchaser so that the Purchaser receives said payments when due at the address appearing on the Bond Register. Upon receipt of the final payment of principal of and interest on the Bond, whether at maturity or upon prepayment, the Purchaser shall present and surrender the Bond to the Bond Registrar to be destroyed or cancelled in accordance with law. The City and the Bond Registrar may deem and treat the Purchaser as the absolute owner of the Bond for the purpose of receiving payment of principal and interest and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary other than proper notice of assignment or transfer.

**Section 8. Funds and Accounts; Deposit of Proceeds.**

(a) *Bond Account.* The Bond Account is a special fund of the City created for the sole purpose of paying principal of and interest on the Bond. All amounts allocated to the payment of the principal of and interest on the Bond shall be deposited in the Bond Account as necessary for the timely payment of amounts due with respect to the Bond. The principal of and interest on the Bond shall be paid out of the Bond Account. Until needed for that purpose, the City may invest money in the Bond Account temporarily in any legal investment, and the

investment earnings shall be retained in the Bond Account and used for the purposes of that fund.

(b) *Construction Fund.* The Construction Fund is created as a fund of the City for the purpose of paying the costs of the Project. Proceeds received from the sale and delivery of the Bond shall be deposited into the Construction Fund (or any subaccounts within such fund) and used to pay the costs of the Project and costs of issuance of the Bond. Until needed to pay such costs, the City may invest those proceeds temporarily in any legal investment, and the investment earnings shall be retained in the Construction Fund and used for the purposes of that fund, except that earnings subject to a federal tax or rebate requirement (if applicable) may be withdrawn from the Construction Fund and used for those tax or rebate purposes.

Section 9. Prepayment. The City may prepay the Bond in whole or in part at any time, without penalty or premium, with 30 business days' notice to the Purchaser, by paying the principal amount thereof to be prepaid together with accrued interest to the date of prepayment. If the Bond is prepaid in full interest shall cease to accrue on the date such prepayment occurs.

Section 10. Failure to Pay Installments; No Acceleration. If any payment of the Bond is not paid when due, the City shall be obligated to pay interest on that installment at the same rate provided in the Bond until that payment is paid in full or until sufficient money for its payment in full is on deposit in the Bond Account, and the principal represented by such installment has been called for payment by giving notice of that call to the Purchaser. The Bond is not subject to acceleration upon the occurrence of a payment default.

Section 11. Pledge of Taxes. The Bond constitutes a general indebtedness of the City and is payable from tax revenues of the City and such other money as is lawfully available, including surface water revenues, and pledged by the City for the payment of principal of and interest on the Bond. For as long as the Bond is outstanding, the City irrevocably pledges that it shall, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, including surface water revenues, to pay principal of and interest on the Bond as the same become due. The full faith, credit and resources of the City are pledged irrevocably for the prompt payment of the principal of and interest on the Bond and such pledge shall be enforceable in mandamus against the City.

Section 12. Tax Covenants; Designation of the Bond as a "Qualified Tax-Exempt Obligation."

(a) *Preservation of Tax Exemption for Interest on the Bond.* The City covenants that it will take all actions necessary to prevent interest on the Bond from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bond or other funds of the City treated as proceeds of the Bond that will cause interest on the Bond to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bond, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bond.

(b) *Post-Issuance Compliance.* The Finance Director is authorized and directed to review and update the City’s written procedures to facilitate compliance by the City with the covenants in this ordinance and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bond from being included in gross income for federal tax purposes.

(c) *Designation of the Bond as a “Qualified Tax-Exempt Obligation.”* The City designates the Bond as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code, and makes the following findings and determinations:

- (1) the Bond does not constitute a “private activity bond” within the meaning of Section 141 of the Code;
- (2) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during the calendar year in which the Bond is issued will not exceed \$10,000,000; and
- (3) the amount of tax-exempt obligations, including the Bond, designated by the City as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bond is issued does not exceed \$10,000,000.

**Section 13. Sale and Delivery of the Bond.**

(a) *Approval of Proposal.* The Purchaser has presented a proposal (the “Proposal”) to the City offering to purchase the Bond under the terms and conditions provided therein. The Purchaser is not charging a fee for the Bond. The City Council finds that the Proposal is in the City’s best interest and authorizes the offer contained therein.

(b) *Preparation, Execution and Delivery of the Bond.* The Bond will be prepared at City expense and will be delivered to the Purchaser in accordance with the Proposal, this ordinance, together with the approving legal opinion of Bond Counsel regarding the Bond.

**Section 14. Reporting Requirements.** With respect to the Bond, the City is exempt from the official statement and ongoing disclosure requirements of the Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934.

The City hereby covenants and agrees for as long as the Bond remains outstanding, it will provide annually to the Purchaser copies of its unaudited annual financial report within 270 days after the end of each fiscal year, and its audited annual financial report when available, and such other information as the Purchaser may reasonably request from time to time.

Section 15. Supplemental and Amendatory Ordinances. The City may supplement or amend this ordinance for any one or more of the following purposes without the consent of the Purchaser:

(a) To add covenants and agreements that do not materially adversely affect the interests of the Purchaser, or to surrender any right or power reserved to or conferred upon the City.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this ordinance in a manner that does not materially adversely affect the interest of the Purchaser.

Section 16. General Authorization and Ratification. The Mayor, City Manager, Finance Director, City Clerk and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of the Bond to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bond. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 17. Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 18. Effective Date of Amended Ordinance. This amended ordinance shall take effect and be in force from and after its passage and five days following its publication as required by law.

PASSED by the City Council of the City of Mill Creek, Washington, at an open public meeting thereof, this 25<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Pam Pruitt, Mayor

ATTEST:

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

APPROVED AS TO FORM:

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

**EXHIBIT A  
AMORTIZATION SCHEDULE**

Date	Principal	Interest	Total
12/01 /2019	\$ <del>195,000.00</del> <u>231,000.00</u>	\$ <del>28,499.06</del> <u>31,972.40</u>	\$ <del>223,499.06</del> <u>262,972.40</u>
06/01 /2020	--	<del>32,049.40</del> <u>37,710.20</u>	<del>32,049.40</del> <u>37,710.20</u>
12/01 /2020	<del>160,000.00</del> <u>188,000.00</u>	<del>32,049.40</del> <u>37,710.20</u>	<del>192,049.40</del> <u>225,710.20</u>
06/01 /2021	--	<del>30,097.40</del> <u>35,416.60</u>	<del>30,097.40</del> <u>35,416.60</u>
12/01 /2021	<del>164,000.00</del> <u>193,000.00</u>	<del>30,097.40</del> <u>35,416.60</u>	<del>194,097.40</del> <u>228,416.60</u>
06/01 /2022	--	<del>28,096.60</del> <u>33,062.00</u>	<del>28,096.60</del> <u>33,062.00</u>
12/01 /2022	<del>168,000.00</del> <u>197,000.00</u>	<del>28,096.60</del> <u>33,062.00</u>	<del>196,096.60</del> <u>230,062.00</u>
06/01 /2023	--	<del>26,047.00</del> <u>30,658.60</u>	<del>26,047.00</del> <u>30,658.60</u>
12/01 /2023	<del>172,000.00</del> <u>202,000.00</u>	<del>26,047.00</del> <u>30,658.60</u>	<del>198,047.00</del> <u>232,658.60</u>
06/01 /2024	--	<del>23,948.60</del> <u>28,194.20</u>	<del>23,948.60</del> <u>28,194.20</u>
12/01 /2024	<del>176,000.00</del> <u>207,000.00</u>	<del>23,948.60</del> <u>28,194.20</u>	<del>199,948.60</del> <u>235,194.20</u>
06/01 /2025	--	<del>21,801.40</del> <u>25,668.80</u>	<del>21,801.40</del> <u>25,668.80</u>
12/01 /2025	<del>180,000.00</del> <u>212,000.00</u>	<del>21,801.40</del> <u>25,668.80</u>	<del>201,801.40</del> <u>237,668.80</u>
06/01 /2026	--	<del>19,605.40</del> <u>23,082.40</u>	<del>19,605.40</del> <u>23,082.40</u>
12/01 /2026	<del>184,000.00</del> <u>217,000.00</u>	<del>19,605.40</del> <u>23,082.40</u>	<del>203,605.40</del> <u>240,082.40</u>
06/01 /2027	--	<del>17,360.60</del> <u>20,435.00</u>	<del>17,360.60</del> <u>20,435.00</u>
12/01 /2027	<del>189,000.00</del> <u>222,000.00</u>	<del>17,360.60</del> <u>20,435.00</u>	<del>206,360.60</del> <u>242,435.00</u>
06/01 /2028	--	<del>15,054.80</del> <u>17,726.60</u>	<del>15,054.80</del> <u>17,726.60</u>
12/01 /2028	<del>194,000.00</del> <u>228,000.00</u>	<del>15,054.80</del> <u>17,726.60</u>	<del>209,054.80</del> <u>245,726.60</u>
06/01 /2029	--	<del>12,688.00</del> <u>14,945.00</u>	<del>12,688.00</del> <u>14,945.00</u>

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12/01	<del>198,000.00</del> <u>233,000.00</u>	<del>12,688.00</del> <u>14,945.00</u>	<del>210,688.00</del> <u>247,945.00</u>
/2029			
06/01	--	<del>10,272.40</del> <u>12,102.40</u>	<del>10,272.40</del> <u>12,102.40</u>
/2030			
12/01	<del>203,000.00</del> <u>239,000.00</u>	<del>10,272.40</del> <u>12,102.40</u>	<del>213,272.40</del> <u>251,102.40</u>
/2030			
06/01	--	<del>7,795.80</del> <u>9,186.60</u>	<del>7,795.80</del> <u>9,186.60</u>
/2031			
12/01	<del>208,000.00</del> <u>245,000.00</u>	<del>7,795.80</del> <u>9,186.60</u>	<del>215,795.80</del> <u>254,186.60</u>
/2031			
06/01	--	<del>5,258.20</del> <u>6,197.60</u>	<del>5,258.20</del> <u>6,197.60</u>
/2032			
12/01	<del>213,000.00</del> <u>251,000.00</u>	<del>5,258.20</del> <u>6,197.60</u>	<del>218,258.20</del> <u>257,197.60</u>
/2032			
06/01	--	<del>2,659.60</del> <u>3,135.40</u>	<del>2,659.60</del> <u>3,135.40</u>
/2033			
12/01	<del>218,000.00</del> <u>257,000.00</u>	<del>2,659.60</del> <u>3,135.40</u>	<del>220,659.60</del> <u>260,135.40</u>
/2033			
	<u>\$2,830,000.00</u> <u>3,322,000.00</u>	<u>\$533,969.46</u> <u>627,015.20</u>	<u>\$3,355,969.46</u> <u>3,949,015.20</u>

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**CERTIFICATION**

I, the undersigned, City Clerk of the City of Mill Creek, Washington (the “City”), hereby certify as follows:

1. The attached copy of Amended Ordinance No. 2019-851 (the “Ordinance”) is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on June 25, 2019, as that ordinance appears on the minute book of the City.

2. The Ordinance will be in full force and effect five days after publication in the City’s official newspaper, which publication date is expected to be ~~\_\_\_\_\_~~ June, 2019.

3. A quorum of the members of the City Council was present throughout the meeting and a majority of the members voted in the proper manner for the passage of the Ordinance.

Dated: June 25, 2019.

CITY OF MILL CREEK, WASHINGTON

\_\_\_\_\_  
City Clerk

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Agenda Item # D  
Meeting Date: June 25, 2019

## **CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

### **AGENDA ITEM: APPOINTMENT TO THE PARK AND RECREATION BOARD**

#### **PROPOSED MOTION:**

Motion to appoint one volunteer to serve a mid-term appointment on the Park and Recreation Board expiring Oct. 31, 2020.

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

One position on the Park and Recreation Board was vacated by the resignation of Board Member Brett Nagle. Staff conducted a recruitment process that included the following:

- The notice was posted on the bulletin boards at City Hall and at the Library.
- A press release was sent to the local newspapers.
- 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 Park and Recreation Board have signed-up to receive notice when a vacancy occurs.
- The City's social media outlets were utilized to advertise the vacancies.

Three applicants applied for the single vacancy on the Park and Recreation Board. Interviews are scheduled for Tuesday, June 25, 2019. The Interview Committee is comprised of Councilmember Cavaleri, Councilmember Vignal, and Park and Recreation Board Chair Jim Erlewine.

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

N/A

#### **ATTACHMENTS:**

Applications for the volunteer position on the Park and Recreation Board from: Ryan Nichols, Wade Perkins, and Rob Mapes.

Respectfully Submitted:

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Michael G. Ciaravino  
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**

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:  Ryan  Last Name:  Nichols

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?

The Parks and Recreation Board

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

My family and I have recently moved to Mill Creek, as well as the state of Washington. We believe in a strong community, which only happens by the people living in it giving back to make it a great place to live. That is one of the reasons we moved to Mill Creek. Therefore, I

would like to do my part in giving back to the community by helping take care of it and ensuring its growth for years to come. Finally, my wife and I have 3 young children who use the parks and recreation quite a bit, therefore, I would be honored to serve on the board to ensure the parks and recreation of Mill Creek remain a wonderful place for my kids and all families to continue to enjoy.

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

I hold a B.S. in Geology from Purdue University and a M.S. in Information Management from the University of Oregon. I have been an executive in the Information Technology field over the past 14 years for several large corporations including HBO, DirecTV, AT&T and now T-Mobile. During that time, I have served on several customer advisory boards helping shape the direction of technology for the media and telecom industries. Also, in my executive roles, part of my responsibilities included budgeting, vendor negotiations and capital planning for my team. I believe these skills would transfer to the role needed on the Parks and Recreation Advisory Board.

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 believe the biggest issue Mill Creek will face over the coming years is growth and being able to sustain the infrastructure with the rate of growth. Being positioned between Bothell and Everett, as well as a good corridor to Seattle, along with a superb school district, Mill Creek is a prime target for the influx of residents as our economy grows. Therefore, ensuring our parks and recreation can grow as the city's population grows is key. Also, ensuring the current infrastructure is maintained and safe for our families to use is just as important.

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

Mill Creek has several assets to attract both visitors and new residents alike. First, is its location, being positioned between Bothell and Everett with a corridor to Seattle, it is a great location for people to commute to multiple locations easily. Second, its school system is superb, which attracts families looking for that rare combination of location to jobs, good cost of living and great schools for their children. Third is the wonderful town center. Mill Creek has done a great job attracting many wonderful businesses in a aesthetic atmosphere for its residents to enjoy. And finally, Mill Creek continues to do a amazing job of maintaining its green spaces as well as its parks for residents to enjoy. One thing you notice as you drive through Mill Creek is that everywhere is meticulously maintained. It feels like you are moving through a botanical garden. It makes the city a delight to live and be in.

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

I believe that I would be an asset to the Board because I love meeting new members of the community, I'm outgoing and friendly, and I enjoy participating in community events. I believe that I would be a good liaison between the board, community members and the City Council. Finally, we plan to remain in Mill Creek for quite some time as our kids are just entering the school system, so I am committed to being part of the community one way or another and would welcome the opportunity to do my part and serve on the Board.



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

**Community Service**

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**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: Wade

Last Name: Perkins

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 applying for consideration to serve on the Park and Recreation Board.

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

I have a strong passion for parks, trails, recreational programming, and being involved with the inner workings of making those things stronger and more robust for the City of Mill Creek.

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

I have a degree in Wildlife Biology and have spent much of my adult life as a biologist in the field. Aside from my long career as a natural resource specialist, I am also a baseball coach and well experienced sports and recreational program manager. I have worked as a sports director for the YMCA, as well as the leagues and camps manager at Arena Sports in Mill Creek. I have also served on a Parks and Trails Advisory Committee for the city of Stanwood, and I've done scheduling and fields coordination for The Boys & Girls Club.

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?

One of the biggest issues that parks and recreation departments always have to face is the changing demographics of our cities, as well as increasing population. How do we cultivate relationships and opportunities for all of the new families and young people moving into the area, while balancing space and financial limitations?

We also must do so in a way that is inclusive and which sets us apart as the best place in all of Washington to visit and live. Our parks and recreation programs can be a huge reason for people to plan a trip or move to our community, and the work of the board presents a great opportunity to encourage them to do so.

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

Mill Creek's parks are a tremendous draw for families, especially those with children. As a coach who uses many of the City's parks, I know the impact they have for this wonderful community. With many new businesses (such as Arena Sports) coming in, there has never been a better opportunity to capture those young families and activity minded visitors. Mill Creek's location and vision have set it up to be a key destination for visitors and new residents, and the park and recreation department can be pivotal in keeping it that way.

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

I have served on Parks and Recreation boards before and I have a strong passion for the work the city does in this regard. From land acquisition, to planning, to on the ground

programming and everything in between, I've been involved at every step for years and have a strong educational and professional background in the field. Having managed both natural resources and recreational programs successfully, I believe I'm a uniquely qualified candidate for this position.

I greatly appreciate your consideration, thanks!





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

**Community Service**

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**Application**

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

---

**Please fill out the following information:**

First Name: Rob

Last Name: Mapes

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?

Park and Recreation Board

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

I believe there are many aspects to the heart of community. Part of the heart and life of Mill Creek are diverse parks and recreation offerings. I believe Mill Creek can obtain a level of

excellence that can be a role model for other communities. I want to be a part of this process. Stronger and thriving communities is what makes our city, state and country great.

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

I am currently a warehouse supervisor for Panasonic Avionics. I have an extensive background in project management, quality control, vendor relations and negotiations, and people development. My wife and I also own CrossFunction Sports Massage in Mill Creek and will be opening CrossFunction Sports Recovery Center this fall.

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 relation to parks and recreation the most important concern is offering unique classes and outdoor recreation that sets us apart from neighboring communities. Our goal is to discover as a team what will be the best fit for our community while taking into account the feedback of what our community desires.

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

The best asset I see currently is the vast trail system that currently includes 23 trails. I do envision expansion of the trails and boardwalks in our 5 year plan. To ensure that visitors spend the day in Mill Creek, I suggest a theme of waterwheels be discussed. Partnering with the [NRPA](#) and acquiring grants can help with this project. Incorporating historical names for the new trails and parks such as "Olympus" and "Klahanie" will give ties to the birth of Mill Creek.

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

I believe collaboration and feedback with the city and other boards and commissions will give us the best consensus on how our parks and recreation will look in the future. Many other cities have top notch parks and unique offerings that should be researched to find the best fit for our community. I enjoy researching and reaching out to others to find partnerships and knowledge sharing of what works and what does not work. We should strive to be exceptional and at the same time fiscally responsible and environmentally friendly. I look forward to being part of the team!



Agenda Item # E  
Meeting Date: June 25, 2019

**CITY COUNCIL AGENDA SUMMARY**

City of Mill Creek, Washington

**AGENDA ITEM: Server Upgrades**

**PROPOSED MOTION:**

Authorize the City Manager to issue a purchase order to CDWG in the amount of \$50,316.21; providing for a 3-node Nutanix NX-1365-G6-4114 server cluster with 60 processor cores, 384GB RAM, 30TB Raw Storage, 3 years of service agreement, and installation.

**KEY FACTS AND INFORMATION SUMMARY:**

The City’s fourteen virtual servers run on two physical servers. Virtualization software allows for segmentation of the resources (hard drive space, RAM, CPU, etc.) of the two physical servers to run multiple virtual servers and realize some cost benefits. These fourteen servers perform various functions for the City and Police department: file servers, print servers, authentication servers, IT management servers, finance server, permit server, etc. The two physical servers run independent of each other with minimal fault-tolerance and no automated failover capabilities. This means a hardware failure in either of the physical servers would disable approximately half of the City’s servers. All fourteen servers are backed up hourly by the City’s backup system and replicated off-site for data protection. However, these backups are for disaster recovery purposes and would take an extended time period to restore if a server hardware failure were to occur.

Physical Server 1
Virtual Svr 1: Authentication Primary
Virtual Svr 2: Helpdesk, Monitoring
Virtual Svr 3: Auditing, Remote Auth
Virtual Svr 4: Updates, Antivirus
Virtual Svr 5: City File/Print Server
Virtual Svr 6: Permitting Server
Virtual Svr 7: Police Vehicle Laptop Auth
Virtual Svr 8: Office 365 Account Sync

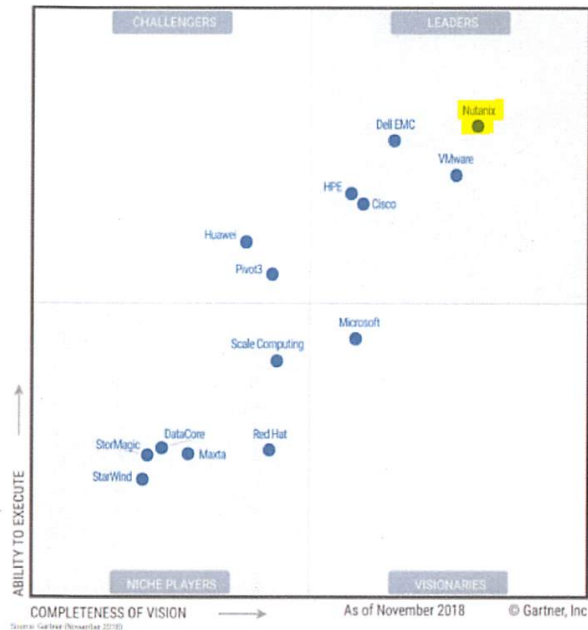
Physical Server 2
Virtual Svr 1: Authentication Secondary
Virtual Svr 2: Police Records Database
Virtual Svr 3: Police File/Print Server
Virtual Svr 4: Finance Database
Virtual Svr 5: Cloud Service Authentication
Virtual Svr 6: Police Vehicle Laptop Auth

Due to the critical importance of the City’s operations, the City’s legal obligation to safeguard public records, and the requirements of a growing City, a more robust server infrastructure with redundancy and fault-tolerance is necessary. Additionally, one of the two physical servers is reaching “end-of life” this fall and will need to be replaced soon.

City Council Agenda Summary  
Page 2

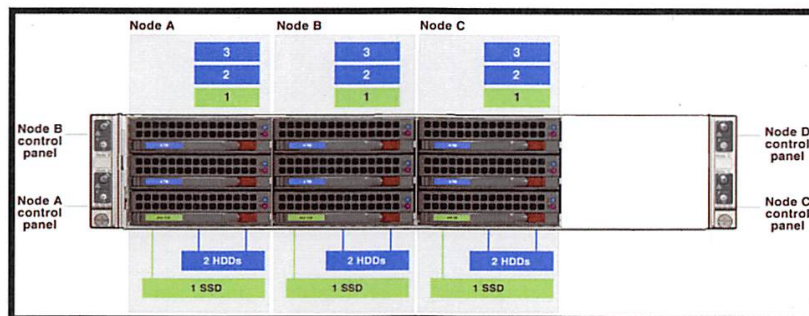
*Hyper-converged* technology combines several elements of conventionally separate systems (Compute, Storage, and Networking) into a single package to allow for simplicity, cost savings, and extremely fault-tolerant results.

Nutanix is at the forefront in hyper-converged hardware, software, and support. They are rated as the top “leader” in Gartner’s Magic Quadrant in the hyper-converged market with the best “ability to execute” and “completeness of vision.” Numerous other government agencies have deployed Nutanix hyper-converged server systems including the Cities of Seattle, Tacoma, Redmond, Arlington, Marysville, Vancouver, Sequim, and Tumwater as well as the Washington State Department of Revenue, Department of Licensing, and Washington Technology Solutions.



With an expected lifespan of 5-7 years, the total cost including installation and sales tax, is \$50,316.21. The 2019 budget for this project is \$60,000.

A 3-node solution from Nutanix provides for critical redundancy and fail-over. Should a hardware failure occur in a node, all server workloads are automatically moved to the remaining functioning nodes resulting in zero downtime for City operations. With the City’s current server infrastructure, should a similar failure occur approximately half of the City’s servers would go offline. Data would need to be restored from backups, resulting in downtime lasting days or potentially weeks.



City Council Agenda Summary  
Page 3

In addition to solving server resiliency problems, upgrading will address the City's growing data storage and processing needs. As new projects are brought online and existing projects expanded, the data storage needs of the City are growing rapidly. Two examples are the massive amounts of digital CCTV footage to be collected as part of the storm water repairs and the increasing amounts of digital evidence collected by the Police Department. Both of these projects are putting added demands on the existing server infrastructure which were not designed to handle these large datasets. Other potential future projects include Geospatial Information Systems (GIS) and Contract/Document Management. The Nutanix system can handle all of these needs and give us room to grow.

Two other hyper-converged solutions were considered as well as migrating the City's server infrastructure onto Microsoft's Azure cloud computing platform. The cost comparisons are:

Nutanix: \$50,316  
Scale Computing: \$50,210  
Dell VxRail: \$66,305  
Microsoft Azure Cloud: \$210,000+ (3 year cost estimate)

While the Nutanix proposal is approximately \$106.00 more expensive than the Scale Computing proposal, the Nutanix solution includes over twice the processing power, twice the memory, and almost 10TB more storage space. Nutanix also included onsite installation whereas Scale Computing included remote installation. Additionally, Gartner lists Scale Computing towards the bottom of their rankings and Nutanix at the very top. Taking into account all of these factors, the Nutanix solution provides much more value to the City and allows more room to grow.

**CITY MANAGER RECOMMENDATION:**

Authorize the City Manager to issue a purchase order to CDWG in the amount of \$50,316.21.

**ATTACHMENTS:**

CDWG Nutanix Quote.

Respectfully Submitted:

---

Michael G. Ciaravino  
City Manager

6/18/2019



## Server Upgrades

6/25/19

### Agenda

- Existing Server Infrastructure
- Reasons for upgrading
- Options & Budget
- Best Solution



Server Upgrades

1

6/18/2019

## Existing Server Infrastructure

Server 1: Purchased 12/9/2014, Warranty Expires 12/10/2019

Server 2: Purchased 8/5/2017, Warranty Expires 8/7/2022

### Physical Server 1

Virtual Svr 1: Authentication Primary  
Virtual Svr 2: Helpdesk, Monitoring  
Virtual Svr 3: Auditing, Remote Auth  
Virtual Svr 4: Updates, Antivirus  
Virtual Svr 5: City File/Print Server  
Virtual Svr 6: Permitting Server  
Virtual Svr 7: Police Vehicle Laptop Auth  
Virtual Svr 8: Office 365 Account Sync

### Physical Server 2

Virtual Svr 1: Authentication Secondary  
Virtual Svr 2: Police Records Database  
Virtual Svr 3: Police File/Print Server  
Virtual Svr 4: Finance Database  
Virtual Svr 5: Cloud Service Authentication  
Virtual Svr 6: Police Vehicle Laptop Auth



Server Upgrades

2

## Reasons for upgrading

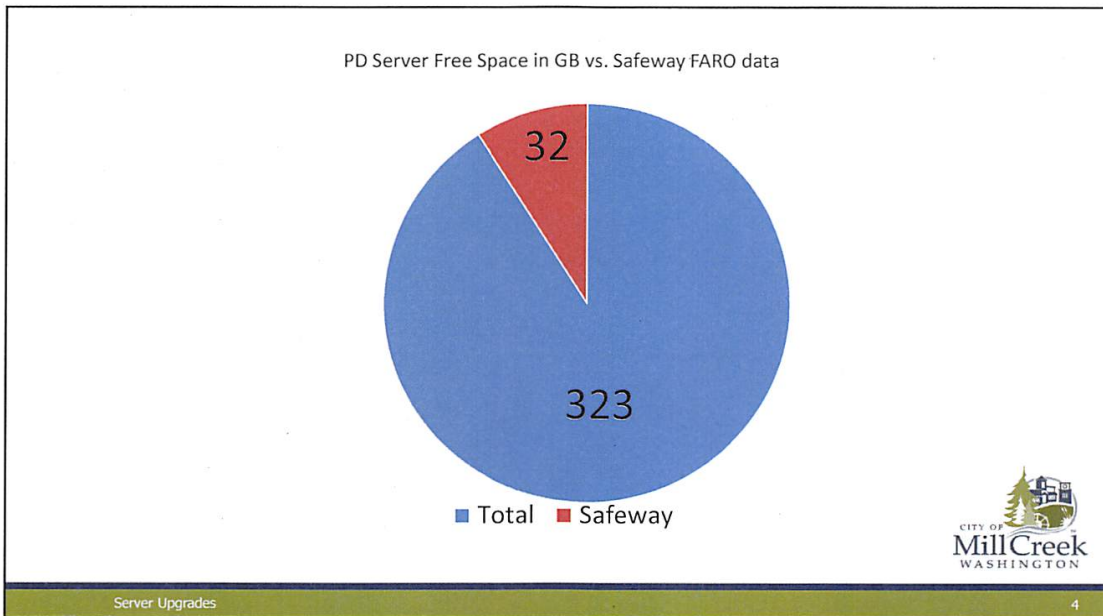
- Minimal fault-tolerance and no automated failover capabilities
  - High risk for extended outage
  - Improved customer service
- Existing server reaching end-of-life and due for replacement
- Expanding needs of the City
  - Ex: Surface Water Repairs
  - Ex: Police Digital Evidence
- Future Needs
  - Ex: GIS
  - Ex: Contract/Document Management



Server Upgrades

3

6/18/2019



## Options & Budget

- Hyper converged Infrastructure
- Move to the cloud
- Budget Available
  - \$60,000 from IT Operating Supplies



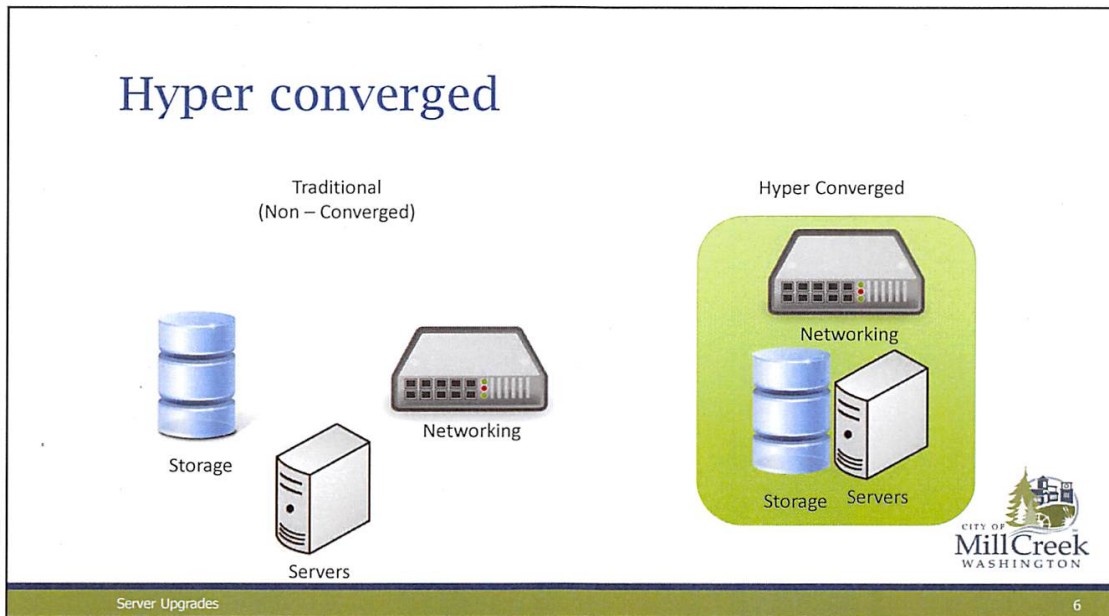
Server Upgrades

5



6/18/2019

## Hyper converged



## Options

- Hyper converged (3 year cost):
  - Nutanix: \$50,316
  - Scale Computing: \$50,210
  - Dell VxRail: \$66,305
- Cloud:
  - Microsoft Azure Cloud: \$210,000 (3 year cost estimate)
  - Amazon AWS Cloud: \$150,000 (3 year cost estimate)



Server Upgrades

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6/18/2019

## Solution - Hyper converged

	Nutanix	Scale Computing	Dell VxRail
Cost	\$50,320	\$50,210	\$66,305
Nodes	3	3	3
Total Processor Cores	60, usable 45	24, usable 21.5	24, usable 21.5
Processor Speed	2.2GHz, turbo to 3.0GHz	2.1GHz, turbo to 3.0GHz	2.1GHz, turbo to 3.0GHz
Total RAM	384GB, usable 288	192GB, usable 186	288GB, usable 260
Total Storage	29.76TB	20.88	20.4TB
Total usable storage	16.79TB, 11.19 during node failure	10.51TB usable	4.7TB, 4.7TB during node failure
Networking Speed	10Gbit	10Gbit	10Gbit
Redundant Network Connections	Yes	Yes	Yes
Redundant Power Supplies	Yes	Yes	Yes
Server Brand	SuperMicro	SuperMicro	Dell
One-click upgrades?	Yes	Yes	Yes
Gartner Rating	Leader	Niche	Leader



Server Upgrades

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## Solution - Hyper converged



Server Upgrades

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6/18/2019

## Solution - Hyper converged

Nutanix – Pacific Northwest Customers



Server Upgrades

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## Solution - Hyper converged

Nutanix

- Founded in 2009
- 5000 Worldwide Employees
- Publicly Traded
- Net Promoter Score of 92
  - Customer's willingness to return for another purchase and to recommend to someone else.
  - Industry average for technology is 54, highest possible score is 100
- Industry leading customer service response times
- Among the best in resolving issues quickly
- Marysville's Support Experience



Server Upgrades

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6/18/2019

## Thank You - Questions?

James Busch  
IT Manager



Server Upgrades

12



**Mill Creek**  
WASHINGTON

Date: June 25, 2019

A/P Check Batches		
Dated	Check Numbers	Amount
06/14/2019	60425-60510	\$1,240,386.90
06/17/2019	ACH-Union 76 Fleet-May	\$5,904.78
<b>Total</b>		<b>\$1,246,291.68</b>

Voided Checks	
Numbers	Explanation

CLAIMS APPROVAL

We, the undersigned Finance/Audit Committee of the City of Mill Creek, recommend approval of check numbers 60425 through 60510, and ACH in the amount of \$1,246,291.68.

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

\_\_\_\_\_

\_\_\_\_\_

Councilmember

\_\_\_\_\_

Councilmember

\_\_\_\_\_

Finance Director

Not Available

City Manager

F:\DATA\EXECUTIVE\WP\FORMS\FIN\Voucher Approval1.doc

**Accounts Payable**

**Checks by Date - Detail by Check Date**

User: Jodieg  
 Printed: 6/20/2019 1:11 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
60425	425Magaz 2019-25809	425 Magazine 1/3 Page Square Ad - Memorial Day 2019	06/14/2019		2,000.00
Total for Check Number 60425:				0.00	2,000.00
60426	911SUPPL 74475 74799 75007 75009 75010	911 Supply Inc 1 Port Authority Softshell Jacket/1 Fleece Jacket 2 Fleece Jackets w/Embroidery - J Lee & D Gilb 1 BDU Belt - S Eastman 1 Pr Tactical Pants & Mourning Band - S Eastma 1 Pr Tactical Pants & Belt - G. Elwin	06/14/2019		105.95 101.54 20.89 71.49 75.88
Total for Check Number 60426:				0.00	375.75
60427	A&CGLASS 14330	A & C Glass Replace Broken Insulated Glass Unit - Library	06/14/2019		767.98
Total for Check Number 60427:				0.00	767.98
60428	ADPLLC 536782779	ADP, LLC ADP - Payroll Services Workforce Now 05/31	06/14/2019		403.15
Total for Check Number 60428:				0.00	403.15
60429	ALEXPRCO 60561 60561A	Alexander Printing Company Inc Business Cards - PW Business Cards - Planning	06/14/2019		215.48 71.82
Total for Check Number 60429:				0.00	287.30
60430	INTEGRA 16155572	Allstream T-1 Monthly Chgs - June	06/14/2019		669.88
Total for Check Number 60430:				0.00	669.88
60431	AMAZON 1F1D-7NHQ-YGC3 1JKD-96R4-79C1 1QDP-KWQ6-NCJ4 1RVJ-F743-SJJN 1WFD-XPKC-4117 1XXK-G1FN-XMJD 1XXK-G1FN-XMJD1	Amazon Capital Services Polycarbonate Fire Hose Nozzle - Wash Off Hos Replacement TV - Patrol Area 7/8 Heavy Duty Stainless Steel Hog Rings - MC; APC 7-Outlet Surge Protector Power Strip Heavy Duty Water Hose With Crush Proof Coup AAA Batteries - Central Supplies AA Batteries - Council Chambers	06/14/2019		17.62 243.09 53.25 12.60 112.43 9.92 26.48
Total for Check Number 60431:				0.00	475.39
60432	TeriBaue 001478506	Teri Bauer Refund 2019 Farmers Market Application Fee	06/14/2019		40.00
Total for Check Number 60432:				0.00	40.00

# AGENDA ITEM #F.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
60433	bearx pa PO 1	BearX Painting Patch & Paint - Library Bathroom Ceilings	06/14/2019		657.47
				Total for Check Number 60433:	0.00      657.47
60434	BESTTREE 052019-3	Best Tree Service Hazard Tree Removal-Pine Meadow Park/Librar	06/14/2019		12,707.50
				Total for Check Number 60434:	0.00      12,707.50
60435	CANNONR 7104	Rosario Cannon Circle Time With Friends 05/13 - 06/10 #7104	06/14/2019		294.00
				Total for Check Number 60435:	0.00      294.00
60436	CARLSONJ 7112	Jessica Carlson Adventures in Art 05/17 - 06/14 #7112	06/14/2019		375.20
				Total for Check Number 60436:	0.00      375.20
60437	CDW SKR0079	CDW Government Additional Microsoft User License- PD Voluntee	06/14/2019		65.86
				Total for Check Number 60437:	0.00      65.86
60438	CINTAS 4020815991 4020815991A 4022595656 4022595656A 4023473772 4023473772A	Cintas Corporation Loc. #460 Floor Mat Service 04/26 Floor Mat Service 04/26 Floor Mat Service 05/24 Floor Mat Service 05/24 Floor Mat Service 06/07 Floor Mat Service 06/07	06/14/2019		56.07 96.29 51.59 112.83 51.59 112.83
				Total for Check Number 60438:	0.00      481.20
60439	COMCAST 8498 31 021 072	Comcast Internet For ITS 06/14 - 07/13	06/14/2019		116.42
				Total for Check Number 60439:	0.00      116.42
60440	CONNERS Reimb Conner	Sean Conner Meal Reimb-Police Leadership/W. Pt. Model-S t	06/14/2019		227.00
				Total for Check Number 60440:	0.00      227.00
60441	MOVOMOZ 7105 7107 7109	Cornell & Cornell Move Over Mozart Piano Classes 3.5-4 Yrs 04/1 Move Over Mozart Piano Classes 5-6 Yrs 04/11 Move Over Mozart Piano Classes 7-12 Yrs 04/11	06/14/2019		462.00 462.00 391.30
				Total for Check Number 60441:	0.00      1,315.30
60442	CURTIS 225197	Curtis Blue Line Replaces Lost Ck #59426 - Hat Badges-Eastman	06/14/2019		229.28
				Total for Check Number 60442:	0.00      229.28
60443	ADLFSASC 146534 146541	ESA Prof Svc - The Farm 05/01 - 05/31 Prof Svc - Crestview Village II Plat 05/01 - 05/31	06/14/2019		406.25 1,302.07
				Total for Check Number 60443:	0.00      1,708.32

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
60444	EVERMARK 54803 54803A 54803B	Ever-Mark, LLC 3' x 8' Full Color/Single Sided Farmer's Market I 3' x 12' Full Color/Single Sided Farmer's Market 3' x 10' Full Color/Single Sided Farmer's Market	06/14/2019		70.42 103.57 87.00
			Total for Check Number 60444:	0.00	260.99
60445	FONGJ 7132	Jeffrey Fong Photography - Intermediate Digital 05/23 - 06/13	06/14/2019		262.50
			Total for Check Number 60445:	0.00	262.50
60446	FOUTCHB Reimb Foutch	Bart Foutch Reimb - Police Leadership W. Point Model -B F	06/14/2019		353.36
			Total for Check Number 60446:	0.00	353.36
60447	GTENORTH 425-316-0326	Frontier Alarm System Line Chgs - Cook House 05/16 - (	06/14/2019		64.28
			Total for Check Number 60447:	0.00	64.28
60448	LisaGrov 00182390	Lisa A. Grove Refund - Overcharged Passport Photo	06/14/2019		19.00
			Total for Check Number 60448:	0.00	19.00
60449	HARBORPC No. 11	Harbor Pacific Contractors, Inc 35th Ave Reconstruction 03/16-04/27	06/14/2019		14,094.20
			Total for Check Number 60449:	0.00	14,094.20
60450	NWCASC 0551092330	Honey Bucket Honey Bucket Rental - Memorial Day Parade	06/14/2019		265.00
			Total for Check Number 60450:	0.00	265.00
60451	HORIZON 2M083776 2M084189	Horizon Distributors Inc Trim Line, Garden Trowel, Wheat Straw Wattle Overflow Supplies - Cougar Park	06/14/2019		94.72 44.21
			Total for Check Number 60451:	0.00	138.93
60452	INTSTBAT 1905701051056 1905701051208 1905702015979	Interstate All Battery Center 12 Volt Battery - Fire Alarm - CHS 9 Volt 12-Pack - Street Irrigation 2.4 Volt Battery For Irrigation Controller	06/14/2019		58.84 25.97 13.04
			Total for Check Number 60452:	0.00	97.85
60453	JRWENTRP 4489 4498	JRW Enterprises Install New CHN Door & Hardware on Electrica Emergency Repair - Door Lock - Library	06/14/2019		502.78 364.65
			Total for Check Number 60453:	0.00	867.43
60454	WSCJTC 201132677	Wa State Criminal Justice Training Commis DT Master Instructor Recertification - R Phillips	06/14/2019		250.00
			Total for Check Number 60454:	0.00	250.00
60455	KCDA 300394104	KCDA Purchasing Cooperative Small Envelopes - Passport Pictures	06/14/2019		18.66



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	300394104A	3x3 Post-It Note Pads			18.26
	300395808	Post-It Pads - Central Office Supplies			19.34
	300395847	Black Pens - Admin Counter			5.76
	300395847A	Black Pens - PD Counter			5.76
		Total for Check Number 60455:		0.00	67.78
60456	MMKIDS 7209 7210	M & M Kids Sports LLC Tennis Classes For Kids: Cedar Wood Elem 04/1 Tennis Classes For Kids: Mill Creek Elem 04/17	06/14/2019		1,478.40 210.47
		Total for Check Number 60456:		0.00	1,688.87
60457	Marmalad 00179508	Marmalade Mama Refund Farmers Market Vendor Fees - App Fee :	06/14/2019		190.00
		Total for Check Number 60457:		0.00	190.00
60458	MAYBERM 7177 7179 7181	Mitch Mayberry TinyTiger Martial Arts 04/19 - 06/07 #7177 Tiger Martial Arts: Beginner 04/19 - 06/07 #717: Tiger Martial Arts: Colored 04/19 - 06/07 #7181	06/14/2019		465.50 465.50 199.50
		Total for Check Number 60458:		0.00	1,130.50
60459	McClure 2	McClure and Sons, Inc. Construction - Exploration Park - Progress Paym	06/14/2019		114,314.79
		Total for Check Number 60459:		0.00	114,314.79
60460	MISTERTS 115764	Mister T's Trophies Name Tag - M Ciaravino	06/14/2019		18.65
		Total for Check Number 60460:		0.00	18.65
60461	MorganSo MSI099778	Morgan Sound Service Call - Council Chambers 05/06/19	06/14/2019		223.76
		Total for Check Number 60461:		0.00	223.76
60462	NATW NNO10277 NNO10277A	National Association of Town Watch Supplies - National Night Out - 2019 Use Tax - Supplies - National Night Out - 2019	06/14/2019		1,296.87 -123.23
		Total for Check Number 60462:		0.00	1,173.64
60463	NELSONM 7099 7100	Melissa Nelson Music For Preschool 9:30AM 05/17 - 06/14 #70: Music For Preschool 10:30AM 05/17 - 06/14 #7	06/14/2019		753.20 773.50
		Total for Check Number 60463:		0.00	1,526.70
60464	KIDZLOVS 7151 7152 7156 7157 7158 7162 7163 7164 7168	North American Youth Activities, LLC KLS Soccer: Mommy & Me - Sat. 9:05AM - 04/ KLS Soccer: Mommy & Me - Tues. 9:30AM - 0- KLS Soccer: Tot-Soccer - Sat. 9:40AM - 04/27 - KLS Soccer: Tot-Soccer - Tues. 10:10AM - 04/3 KLS Soccer: Tot-Soccer - Tues. 3:40PM - 04/30 KLS Soccer: Pre-Soccer - Sat. 10:15AM - 04/27 KLS Soccer: Pre-Soccer - Tues. 10:45AM - 04/3 KLS Soccer: Pre-Soccer - Tues. 4:15PM - 04/30 KLS Soccer: 1 - Sat. 10:55AM - 04/27 - 06/15 #	06/14/2019		952.00 448.00 784.00 224.00 280.00 687.00 376.00 560.00 1,680.00

# AGENDA ITEM #F.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	7169	KLS Soccer: 1 - Tues. 4:55PM - 04/30 - 06/11 #			896.00
	7173	KLS Soccer: Soccer 2 - Sat. 11:45AM - 04/27 - (			1,120.00
	7174	KLS Soccer: Soccer 2 - Tues. 5:45PM - 04/30 - (			896.00
			Total for Check Number 60464:	0.00	8,903.00
60465	NORTHERT 1037222	Northend Truck Equipment, Inc. 1 Swenson 36" Spinner Shaft - Sander Repair	06/14/2019		187.12
			Total for Check Number 60465:	0.00	187.12
60466	OnTarget 1360	On-Target Solutions Group, Inc. Leadership For Law Enforcement - M Schuerme	06/14/2019		150.00
			Total for Check Number 60466:	0.00	150.00
60467	OREILLY 2986-207014 2986-208640 2986-210215	O'Reilly Automotive Inc 1 Tail Light - PW5 1 Socket Adapter - PW5, 1 Tail Light - Polaris 1 Liquid Wax - BMW Motorcycle	06/14/2019		6.21 12.66 14.35
			Total for Check Number 60467:	0.00	33.22
60468	PACAIR 21045	Pacific Air Control, Inc. HVAC Repairs - CHN - Small Community Room	06/14/2019		1,117.96
			Total for Check Number 60468:	0.00	1,117.96
60469	PACTOP 1-T1082879 1-T1082930 1-T1082956 1-T1083095 1-T1083402 1-T1083640 1-T1083690 1-T1083728 1-T1083738 1-T1083744 1-T1089888 1-T1090012 1-T1090023	Pacific Topsoils, Inc. 4 Yards Medium Grade Bark - MCSP 4 Yards Medium Grade Bark - MCSP 3 Yards Wood Chip Mulch - MCSP 3 Yards Medium Grade Bark - MCSP 2 Yards Medium Grade Bark - MCSP 2 Yards 5/8" Crushed Rock - MCSP 4 Yards Medium Grade Bark - MCSP 2 Yards Medium Grade Bark - MCSP 4 Yards Dark Fine Mulch - MCSP 1 Yard Dark Fine Mulch - MCSP Brush Dump - Library Brush Dump - Library Brush Dump - Library	06/14/2019		110.50 110.50 33.15 82.88 59.12 95.03 110.50 59.12 53.04 16.58 52.50 42.00 42.00
			Total for Check Number 60469:	0.00	866.92
60470	PAKOR 8036071	Pakor Inc 2 Cases - Passport Film	06/14/2019		628.89
			Total for Check Number 60470:	0.00	628.89
60471	PAWS 030140	PAWS Animals Brought to Shelter - May	06/14/2019		187.00
			Total for Check Number 60471:	0.00	187.00
60472	Peckman 5	Peckham & McKenney Professional Fee - City Manager Search	06/14/2019		3,224.52
			Total for Check Number 60472:	0.00	3,224.52
60473	ELLITIRE 064462007690	PepBoys-Remittance Dept Fuel Flush, LOF, Remove/Replace Spark Plugs (	06/14/2019		371.67

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	064462007846	LOF - Car #31			39.77
			Total for Check Number 60473:	0.00	411.44
60474	PHILPUB 450L	Philips Publishing Passport Ad - Lynnwood Parks & Rec - Summer	06/14/2019		340.00
			Total for Check Number 60474:	0.00	340.00
60475	PIGOTTL Reimb Pigott	Larissa Pigott Meal Reimb - Crime Prevention Conf - L Pigott	06/14/2019		93.00
			Total for Check Number 60475:	0.00	93.00
60476	PITNEYB 3308933048	Pitney Bowes Global Financial Services Lease Postage Machine, Meter & Scale 03/30 - C	06/14/2019		472.45
			Total for Check Number 60476:	0.00	472.45
60477	PLANTSCP 48214E 48214E1 48214E10 48214E11 48214E12 48214E13 48214E14 48214E15 48214E16 48214E17 48214E2 48214E3 48214E4 48214E5 48214E6 48214E7 48214E8 48214E9	Plantscapes Horticultural Services Landscape Maint - CHS April Landscape Maint - CHN April Landscape Maint - Hillside Park April Landscape Maint - Silver Creek Park April Landscape Maint - Buffalo Park April Landscape Maint - Exploration Park April Landscape Maint - R/W Medians April Landscape Maint - ST Medians April Landscape Maint - Interior Medians April Landscape Maint - Ditches April Landscape Maint - Public Library April Landscape Maint - Library Park April Landscape Maint - Heron Park April Landscape Maint - MCSP April Landscape Maint - Highland Park April Landscape Maint - Pine Meadows Park April Landscape Maint - Nickel Creek Park April Landscape Maint - Cougar Park April	06/14/2019		395.41 174.77 781.27 304.74 1,000.48 1,364.94 1,173.21 1,319.37 111.80 1,756.33 379.77 670.05 729.30 602.07 1,362.80 1,484.41 429.09 1,368.76
			Total for Check Number 60477:	0.00	15,408.57
60478	WASPC INV028777	WA. Assoc of Sheriffs & Police Chiefs WASPC Spring Conf - G Elwin 05/20 - 05/23	06/14/2019		300.00
			Total for Check Number 60478:	0.00	300.00
60479	PRYTHSP 707648 707648A	Protect Youth Sports Background Check - Communications/Marketing Background Check - Volunteer - P Heise	06/14/2019		8.95 8.95
			Total for Check Number 60479:	0.00	17.90
60480	SNOCPUD 111744531 115043638 121677116 124998104 124998105 124999102 131585876 131587204 134889656	PUD No. 1 of Snohomish County 902 164th St SE 05/04 - 06/04 15601 22nd CT SE 04/27 - 05/24 Street Lights - 189 Lights - 200W 05/01 - 05/31 Street Lights - 91 Lights - 250W 05/01 - 05/31 Street Lights - 841 Lights - 100W 05/01 - 05/31 4560 SAC 05/04 - 06/03 14600 16th Ave SE 05/03 - 06/03 15429 1/2 Bothell Everett Hwy 05/07 - 06/05 1700 Mill Creek Rd 04/24 - 05/23	06/14/2019		35.34 17.14 1,736.91 985.53 6,021.56 41.30 25.49 17.66 66.61

AP Checks by Date - Detail by Check Date (6/20/2019 1:11 PM)

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Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	134892057	Street Lights - 8 Lights - 200W 05/01 - 05/31			47.68
	134892058	Street Lights - 38 Lights - 250W 05/01 - 05/31			285.38
	134892059	Street Lights - 39 Lights - 400W 05/01 - 05/31			441.48
	138102675	Street Lights - 21 Lights - 400W 05/01 - 05/31			312.90
	138102999	Street Lights - 386 Lights - 100W 05/01 - 05/31			1,389.60
	138105497	4842 SAC 05/07 - 06/05			63.17
	141408045	16110 1/2 29th Dr SE 04/26 - 05/24			15.66
	141409869	14729 12th Ave SE 04/30 - 05/28			15.66
	141410388	Street Lights - 6 Lights - 150W 05/01 - 05/31			28.98
	141412207	13332 44th Ave SE 05/03 - 06/03			47.64
	141413386	15429 Bothell Everett Hwy 05/07 - 06/05			19.51
	144753521	15510 Village Green Dr 04/30- 05/28			15.66
	144754066	Street Lights - 17 Lights - 100W 05/01 - 05/31			52.87
	148036954	2701 155th St SE 04/30 - 05/28			19.32
	148038670	Street Lights - 49 Lights - 20W 05/01 - 05/31			17.15
	151341503	Street Light - 1 Light - 240W 05/01 - 05/31			7.94
	164187538	Street Lights - 1 Light - 160W 05/01 - 05/31			5.18
			Total for Check Number 60480:	0.00	11,733.32
60481	RAMERJ 2019-06	Jon Ramer Consulting Services - Memorial Day Parade	06/14/2019		2,000.00
			Total for Check Number 60481:	0.00	2,000.00
60482	RONGERJ 9025	John Rongerude P.S. Conflict Public Defender - 8Z0506051, 8Z11783	06/14/2019		900.00
			Total for Check Number 60482:	0.00	900.00
60483	DAGNAS Reimb Dagna	Dagna Sally Reimb Meals/Lodging -Police Volunteer Summit	06/14/2019		242.99
			Total for Check Number 60483:	0.00	242.99
60484	SANDACLN April/May April/May1	Sanda Cleaners Uniform Dry Cleaning - G Elwin & S Eastman 0 Uniform Dry Cleaning -S Conner, S White, T Bi	06/14/2019		245.09 425.87
			Total for Check Number 60484:	0.00	670.96
60485	SILVERL	Silverlake Water District	06/14/2019		
	14112-27585	132nd & SR 527 Irrig 05/01 - 05/31			7.60
	14737-19068	13617 28th Dr SE - Irrig 05/01 - 05/31			7.60
	17679-27345	15429 1/2 Bothell Everett Hwy 05/01 - 05/31			38.80
	17684-27596	15429 Bothell Way - Irrig 05/01 - 05/31			20.60
	24079-27593	Hillside Irrig 05/01 - 05/31			70.00
	32140-27632	13903 N Creek Dr - Irrig 05/01 - 05/31			111.60
	32141-27633	13903 N Creek Dr 05/01 - 05/31			75.65
	35995-27914	SR 527 - Irrig 05/01 - 05/31			7.60
	35996-27914	14600 SR 527 - Irrig 05/01 - 05/31			7.60
	35997-27914	13800 N SR 527 Irrig 05/01 - 05/31			7.60
	35998-27914	1600 SR 527 Irrig 05/01 - 05/31			7.60
	35999-27914	15200 SR 527 Irrig 05/01 - 05/31			7.60
	36000-27914	15100 N SR 527 Irrig 05/01 - 05/31			7.60
	36016-27914	SR 527 & Trillium Blvd - Irrig 05/01 - 05/31			31.00
	36025-27914	14600 SR 527 Irrig 05/01 - 05/31			7.60
	36026-27914	SR 527 & Dumas Rd - Irrig 05/01 - 05/31			7.60
	36365-27593	Dumas Rd - Irrig 05/01 - 05/31			22.30
	37034-30017	14721 12th Ave SE - Irrig 05/01 - 05/31			7.60
	37680-27914	0 33rd Dr & Northpoine Circle - Irrig 05/01 - 05.			20.60

# AGENDA ITEM #F.

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	40191-27914	13315 45th Ave SE - Restroom 05/01 - 05/31			71.05
			Total for Check Number 60485:	0.00	545.20
60486	SIPDIPND 7118	Sip Dip-n-Doodle LLC Canvas Painting: Dizzy Tree 06/01 #7118	06/14/2019		140.00
			Total for Check Number 60486:	0.00	140.00
60487	SMARSH INV00511954 INV00511954A	Smarsh Inc Text Archiving Platform - Verizon Monthly 05/0 Use Tax -Text Archiving Platform - Verizon Mor	06/14/2019		273.91 -11.03
			Total for Check Number 60487:	0.00	262.88
60488	SCFIRDS MC-19-02	Sno County Fire District #7 Fire Interlocal Agreement - 2nd Qtr	06/14/2019		982,686.25
			Total for Check Number 60488:	0.00	982,686.25
60489	SNOCOM 1525	Snohomish County 911 Dispatch Services - June	06/14/2019		19,690.67
			Total for Check Number 60489:	0.00	19,690.67
60490	STAND June 2019	Standard Ins. Company RA Life, AD&D & LTD Prem - MEBT - ER - June	06/14/2019		3,887.95
			Total for Check Number 60490:	0.00	3,887.95
60491	STAND2 June 2019	Standard Ins. Company RA Survivor Prem - MEBT - ER Paid - June	06/14/2019		2,069.70
			Total for Check Number 60491:	0.00	2,069.70
60492	STAPLEAD 303893 303893A 303893B 303893C 303893D	Staples Advantage Copy Paper - Central Supplies Office Supplies - PW Office Supplies - Patrol Office Supplies - Investigations Office Supplies - Support Services	06/14/2019		307.63 376.98 123.95 51.79 363.63
			Total for Check Number 60492:	0.00	1,223.98
60493	STARDMSV 012318-IN 012318-IN1	Stardom Services Inc May Services - Janitorial - CHS May Services - Janitorial - CHN	06/14/2019		995.00 1,184.13
			Total for Check Number 60493:	0.00	2,179.13
60494	STERICYC 3004708070	Stericycle Inc Biomedical Waste Services - Monthly Fee	06/14/2019		10.36
			Total for Check Number 60494:	0.00	10.36
60495	SUPERION 238622	Superion, LLC Trakit (5 Users) - Annual Maint Fee - 07/01/19 -	06/14/2019		9,409.08
			Total for Check Number 60495:	0.00	9,409.08
60496	TACSCREW 1824161	Tacoma Screw Products Inc Oil/Drill Bits - Repairs at Hillside Park - Freddy	06/14/2019		133.77

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
			Total for Check Number 60496:	0.00	133.77
60497	TRANSUN 05909232	Trans Union LLC Basic Service Monthly Fee - Credit Checks 04/2-	06/14/2019		55.25
			Total for Check Number 60497:	0.00	55.25
60498	TRANOUTS 6896	Transcription Outsourcing, LLC Law Enforcement Transcription - Smart# SM19-	06/14/2019		429.86
			Total for Check Number 60498:	0.00	429.86
60499	TLOLLC 839489	TransUnion Risk and Alternative Background/Identity Investigations - May	06/14/2019		55.25
			Total for Check Number 60499:	0.00	55.25
60500	UNWAYSNC June 2019	United Way of Snohomish County United Way EE for June 2019	06/14/2019		220.00
			Total for Check Number 60500:	0.00	220.00
60501	USBANK May 2019	US Bank NA - Custody Investment Custody Charges 05/01 - 05/31	06/14/2019		26.00
			Total for Check Number 60501:	0.00	26.00
60502	USIC 332224 332224A	USIC Locating Services, LLC 91 NC Locates/ 83 Ticket Locates 05/01 - 05/31 91 NC Locates/ 83 Ticket Locates 05/01 - 05/31	06/14/2019		2,007.77 2,007.77
			Total for Check Number 60502:	0.00	4,015.54
60503	UULC 9050188 9050188A	Utilities Underground Location Center On-Call Location Service - 86 Locates On-Call Location Service - 86 Locates	06/14/2019		110.94 110.94
			Total for Check Number 60503:	0.00	221.88
60504	VERIZON 9830655370	Verizon Wireless Access & Use Chgs - Public Safety 04/23 - 05/2-	06/14/2019		538.58
			Total for Check Number 60504:	0.00	538.58
60505	WWGRAIN 9196345665	W.W. Grainger, Inc. Line Strainer - Water Tank Trailer	06/14/2019		74.30
			Total for Check Number 60505:	0.00	74.30
60506	WAALARM 458609 458609A 458609B 458609C 458609D 458609E 458609F	Washington Alarm 2nd Qtr Monitoring Chgs - Cook House PD 2nd Qtr Monitoring Chgs - Cook House 2nd Qtr Monitoring Chgs - MCSP 2nd Qtr Monitoring Chgs - Library 2nd Qtr Monitoring Chgs - CHN 2nd Qtr Monitoring Chgs - CHS 2nd Qtr Monitoring Chgs - Police Storage	06/14/2019		114.00 75.00 60.00 159.00 258.00 162.00 120.00
			Total for Check Number 60506:	0.00	948.00
60507	WAAUDIOS 55739	Washington Audiology Services Inc Annual Police Hearing Test 05/21	06/14/2019		1,083.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Void Checks	Check Amount
	55762	Annual Police Hearing Test 05/28			983.35
			Total for Check Number 60507:	0.00	2,066.35
60508	WESTFALM 7140	Mindy Westfall Essential Oils & Aromatherapy 101 06/08 #7140	06/14/2019		87.50
			Total for Check Number 60508:	0.00	87.50
60509	WINSUPP 031162 00	Winsupply Company Irrigation Supplies - MCSP	06/14/2019		160.08
			Total for Check Number 60509:	0.00	160.08
60510	AFSCME May 2019	WSCCCE, AFSCME, AFL-CIO Union Dues - AFSCME - May	06/14/2019		1,154.85
			Total for Check Number 60510:	0.00	1,154.85
			Total for 6/14/2019:	0.00	1,240,386.90
			Report Total (86 checks):	0.00	1,240,386.90

ACH Cash Pro Online

City of Mill Creek

Report Date: 06/18/2019

Report Time: 04:24:43 PM

Batch Summary Report by ID Number

Company Name:	City of Mill 01	Effective Date:	06/17/2019
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	\$5,904.78	C	071000288	4539508	C	0071636

<u>Total Amount in Batch</u>	<u>Total Count in Batch</u>
------------------------------	-----------------------------

Debits	\$0.00	0
Credits	\$5,904.78	1
Prenotes	\$0.00	0

<u>Grand Total Amount</u>	<u>Grand Total Count</u>
---------------------------	--------------------------

Debits	\$0.00	0
Credits	\$5,904.78	1
Prenotes	\$0.00	0





**Mill Creek**  
WASHINGTON

Date: June 25, 2019

Payroll Check Batches		
Dated	Check Numbers	Amount
06/10/2019	ACH Automatic Deposit Checks	\$159,473.83
06/10/2019	ACH Wire- FWT & Medicare Taxes	\$28,205.82
06/10/2019	ACH Wire MEBT – Wilmington Trust	\$23,314.20
06/10/2019	ACH Wire – BAC – Flex Savings Acct	\$1,922.40
06/10/2019	ACH Wire – BAC – Health Savings Acct	\$162.49
06/10/2019	ACH Wire – ICMA RC – Def. Comp	\$1,762.87
<b>Total</b>		<b>\$214,841.61</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 \$214,841.61.

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

\_\_\_\_\_

\_\_\_\_\_

Councilmember

\_\_\_\_\_

Councilmember

\_\_\_\_\_

*[Signature]*  
Finance Director

*[Signature]*  
City Manager

Statistical Summary

**Statistical Summary**

Company:A0W - City Of Mill Creek Service Center:0076 Pacific North West Status:Cycle Complete  
 Week#:23 Pay Date:06/10/2019 P/E Date:05/31/2019  
 Qtr/Year:2/2019 Run Time/Date:17:33:39 PM EDT 06/06/2019

<b>Taxes Debited</b>	Federal Income Tax	21,084.33		
	Earned Income Credit Advances	0.00		
	Social Security - EE	0.00		
	Social Security - ER	0.00		
	Social Security Adj - EE	0.00		
	Medicare - EE	3,257.10		
	Medicare - ER	3,257.04		
	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	202.41		
	State Family Leave Insurance - ER	0.00		
	State Medical Leave Insurance - EE	182.18		
	State Medical Leave Insurance - ER	222.76		
	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>28,205.82</b>			
<b>Other Transfers</b>	<b>Full Service Direct Deposit</b>	<b>159,473.83</b>	<b>Total Liability</b>	<b>187,679.65</b>
	<b>Total Amount Debited From Your Account</b>		<b>187,679.65</b>	<b>187,679.65</b>
<b>Bank Debits &amp; Other Liability</b>	Checks	0.00		<b>187,679.65</b>
	Adjustments/Prepay/Voids	0.00		<b>187,679.65</b>
<b>Taxes- Your Responsibility</b>	None this payroll			<b>187,679.65</b>

**Payment Details Report**



**Company:** City of Mill Creek  
**Requester:** Leo, Lota  
**Run Date:** 06/18/2019 4:09:45 PM CDT

**Domestic High Value (Wire)**

**Payment Category:** Urgent/Wire

**Status:** Confirmed By Bank  
**Transaction M...**

**Template Name:** MATRIX/MEBT  
**Template Code:** WILTRUST

**Debit Account Information**

**Debit Bank**  
**Debit Account**  
**Debit Account Name:** Treas Checking  
**Debit Currency:** USD

**Beneficiary Details**

**Beneficiary Name:** MATRIX TRUST COMPANY  
**Beneficiary Address:** NA  
**Beneficiary City:** NA  
**Beneficiary Postal Code:** NA  
**Beneficiary Country:** US - United States of America

**Beneficiary Account:** 5  
**Beneficiary Bank ID:** 0...  
JPMORGAN CHASE BANK, NA  
1111 POLARIS PKWY  
COLUMBUS  
US - United States of America

**Beneficiary Email:**  
**Beneficiary Mobile Number:**

**Payment Details**

**Credit Currency:** USD  
**Credit Amount:** 23,314.20

**Value Date:** 06/14/2019

**Optional Information**

**Sender's Reference Number:** CITY MILL CREEK

**Beneficiary Information:** City of Mill Creek n3177e

**Additional Routing**

**Intermediary Bank ID:**

**Receiver Information:**

**Control Information**

**Input:** lottleo  
**Approved:** plauerman  
**Initial Confirmation:** WTX:2019061400446566  
**Confirmation #:** CHPR:0494930

**Input Time:** 06/14/2019 2:36:49 PM CDT  
**Time:** 06/14/2019 3:03:40 PM CDT

RptBatchSumViewForm

Page 1 of 1

ACH Cash Pro Online  
City of Mill Creek

Report Date: 06/18/2019  
Report Time: 04:23:46 PM

**Batch Summary Report by ID Number**

Company Name:	City of Mill 01	Effective Date:	06/17/2019
ACH ID:		Batch Sequence:	2
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	\$1,922.40	C			C	0071715

Total Amount in Batch

Total Count in Batch

Debits	\$0.00	0
Credits	\$1,922.40	1
Prenotes	\$0.00	0

Grand Total Amount

Grand Total Count

Debits	\$0.00	0
Credits	\$1,922.40	1
Prenotes	\$0.00	0

RptBatchSumViewForm

Page 1 of 1

ACH Cash Pro Online  
City of Mill Creek

Report Date: 06/18/2019  
Report Time: 04:24:25 PM

**Batch Summary Report by ID Number**

Company Name:	City of Mill 01	Effective Date:	06/17/2019
ACH ID:		Batch Sequence:	3
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	\$162.49	C			C	0071718

<u>Total Amount in Batch</u>	<u>Total Count in Batch</u>
------------------------------	-----------------------------

Debits	\$0.00	0
Credits	\$162.49	1
Prenotes	\$0.00	0

<u>Grand Total Amount</u>	<u>Grand Total Count</u>
---------------------------	--------------------------

Debits	\$0.00	0
Credits	\$162.49	1
Prenotes	\$0.00	0

**Payment Details Report**



**Company:** City of Mill Creek  
**Requester:** Leo, Lota  
**Run Date:** 06/18/2019 4:10:43 PM CDT

**Domestic High Value (Wire)**

**Payment Category:** Urgent/Wire

**Status:** Confirmed By Bank  
**Transaction NumL**

**Template Name:** ICMA 457 Plan  
**Template Code:** ICMA

**Debit Account Information**

**Debit Bank:**  
**Debit Account:**  
**Debit Account Name:** Treas Checking  
**Debit Currency:** USD

**Beneficiary Details**

**Beneficiary Name:** ICMA RC  
**Beneficiary Address:** P.O. Box 64553  
**Beneficiary City:** Baltimore  
**Beneficiary Postal Code:** 21264-4553  
**Beneficiary Country:** US - United States of America

**Beneficiary Account:** \*  
**Beneficiary Bank ID:** MANUFACTURERS AND TRADERS TR C  
 ONE M AND T PLAZA, 15TH FL  
 BUFFALO  
 US - United States of America

**Beneficiary Email:**  
**Beneficiary Mobile Number:**

**Payment Details**

**Credit Currency:** USD  
**Credit Amount:** 1,762.87

**Value Date:** 06/14/2019

**Optional Information**

**Sender's Reference Number:** 302029

**Beneficiary Information:** City of Mill Creek 302029

**Additional Routing**

**Intermediary Bank ID:**

**Receiver Information:**

**Control Information**

**Input:** lotleo  
**Approved:** plauerman  
**Initial Confirmation:** WTX:2019061400446568  
**Confirmation #:** FEDR:20190614B6B7HU2R014812

**Input Time:** 06/14/2019 2:38:13 PM CDT  
**Time:** 06/14/2019 3:03:40 PM CDT



**MINUTES**

**City Council Regular Meeting**

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**6:00 PM - Tuesday, February 26, 2019**

Council Chambers, 15728 Main Street, Mill Creek, WA 98012

Minutes are the official record of Mill Creek City Council meetings. Minutes document action taken at the council meeting, not what was said at the council meeting.

A recording of this City Council meeting can be found [here](#).  
The agenda packet for this City Council meeting can be found [here](#).

**CALL TO ORDER**

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Mayor Pruitt called the meeting of the Mill Creek City Council to order at 6:00 p.m. and led the Pledge of Allegiance.

**PLEDGE OF ALLEGIANCE**

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**ROLL CALL**

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Councilmembers Present:

*Pam Pruitt, Mayor  
Brian Holtzclaw, Mayor Pro Tem  
Vince Cavaleri, Councilmember  
Mike Todd, Councilmember  
Mark Bond, Councilmember  
John Steckler, Councilmember  
Stephanie Vignal, Councilmember*

Councilmembers Absent:

**AUDIENCE COMMUNICATION**

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

Barbara Heidel, a Mill Creek resident, commented on the City's snow event response and asked Council to purchase an additional snow plow. Ms. Heidel requested that Council consider purchasing video equipment to record Council meetings and asked Council to speak clearly into their microphones. Lastly, Ms. Heidel would like another open house to be held at Vintage by The Farm developer.

Kevin White, a Mill Creek resident, would like The Farm developer to hold an additional open house.

Khurram Khan, owner of The Learning Center in Mill Creek, expressed concern over The Farm traffic impacts.

**PRESENTATIONS**

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**B.** City Staff Recognition

February 26, 2019 REGULAR COUNCIL MEETING MINUTES

- 2017 Larry F. Davis Award - Corporal Rory Mundwiler
- 2017 Police Officer of the Year - Officer Tony Bittinger
- Police Department Commendation Medal - Officer Tobie Eikenberry
- 2018 Larry F. Davis Award - Officer Tony Bittinger
- 2018 Police Officer of the Year - Corporal Brett Thompson
- 2018 Employee of the Year - Jodie Gunderson

Interim City Manager Bob Stowe and Police Chief Greg Elwin recognized and showcased the talent and accomplishments of the 2017 and 2018 City staff award recipients.

**OLD BUSINESS**

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**C. Ordinance Amending the Mill Creek Municipal Code Related to Code Enforcement**

Interim City Manager Bob Stowe reviewed changes made to the proposed amendments since the meeting on February 19 and highlighted the significant changes to the requirements used to evaluate when considering enforcement.

**Councilmember Cavaleri made a motion to adopt Ordinance 2019-846, AN ORDINANCE OF THE CITY OF MILL CREEK, WASHINGTON, AMENDING MILL CREEK MUNICIPAL CODE SECTION 14.01.030 DEFINITIONS, SECTION 17.22.080 VEHICLE PARKING, AND SECTION 17.24.030 MAINTENANCE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE. Councilmember Bond seconded the motion. The motion passed unanimously.**

**NEW BUSINESS**

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**D. 2019 Street Pavement Marking Program - Construction Contract Award**

Director of Public Works & Development Services Gina Hortillosa summarized the construction bid package and detailed the base bid and four additive alternatives including thermoplastic, paint striping, raised pavement markers, and paint. Director Hortillosa reviewed the funding, costs, and timeline for the project.

Council engaged in discussion.

**Councilmember Steckler made a motion to authorize the City Manager to execute a contract with Apply-A-Line, LLC for the construction of the 2019 Street Pavement Marking Program in an amount not to exceed \$139,720. Councilmember Todd seconded the motion. The motion passed unanimously.**

**STUDY SESSION**

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**E. The Farm Development Agreement**

Interim City Manager Bob Stowe facilitated a study session regarding The Farm Development Agreement. City staff and developer Ryan Patterson presented background information and answered questions on the East Gateway Urban Village (EGUV) developments, the history of developments in the district, and specifics

February 26, 2019 REGULAR COUNCIL MEETING MINUTES



relating to the new mixed-use facility.

Senior Planner Christi Amrine led Council through a [PowerPoint](#) presentation reviewing the Development Agreement process, purpose, and highlighted key aspects of the Development Agreement. Senior Planner Amrine detailed environmental impacts, mitigation, City revenues and expenses, and briefed Council on next steps.

City Attorney Scott Missall provided Council with the [redline version of the Development Agreement](#).

Due to the recent snow event, developer Ryan Patterson offered to hold another open house for the community. The date will be announced within the week.

**Councilmember Bond made a motion to hold a Public Hearing on The Farm development on March 26, 2019. Councilmember Steckler seconded the motion. The motion passed unanimously.**

**At 8:27 p.m. Councilmember Todd made a motion to extend the meeting up to 9:30 p.m. Councilmember Steckler seconded the motion. The motion passed unanimously.**

- F. Indoor Facility Use Policy and Ordinance Amending the Mill Creek Municipal Code Related to Facility Use Fees

Director of Communications and Marketing Joni Kirk briefed Council on questions that had come in over the weekend and provided Council with a [redline version](#) the proposed policy.

Director Kirk detailed changes from the old policy and reviewed prioritized user groups, deposit and fee schedules, and administrative rules.

**Mayor Pro Tem Holtzclaw made a motion to adopt Ordinance 2019-847 with one edit to 6.3.3 as discussed, AN ORDINANCE OF THE CITY OF MILL CREEK, WASHINGTON, AMENDING THE MILL CREEK MUNICIPAL CODE SECTION 3.42.230 COMMUNITY ROOM USE CHARGES; AND ESTABLISHING AN EFFECTIVE DATE. Councilmember Steckler seconded the motion. The motion passed unanimously.**

#### **CONSENT AGENDA**

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- G. Approval of Checks #59812 through #59907 and ACH Wire Transfers in the Amount of \$754,960.91  
*(Audit Committee: Councilmember Steckler and Councilmember Cavaleri)*
- H. Payroll and Benefit ACH Payments in the Amount of \$284,459.87  
*(Audit Committee: Councilmember Steckler and Councilmember Cavaleri)*
- I. City Council Meeting Minutes of October 9, 2018
- J. City Council Meeting Minutes of October 23, 2018

**Councilmember Steckler made a motion to approve the consent agenda.**

February 26, 2019 REGULAR COUNCIL MEETING MINUTES

**Councilmember Cavaleri seconded the motion. The motion passed unanimously.**

**REPORTS**

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**K. Mayor/Council**

Councilmember Steckler reported that he toured the USS Ralph Johnson with Councilmember Bond, Chief Elwin, City Parade Coordinator Jon Ramer, and is interested in pursuing ship adoption.

Councilmember Cavaleri reported that he attended the annual employee recognition event.

Mayor Pro Tem Holtzclaw reported that the Planning Commission discussed small wireless facilities (5G) at their last meeting.

Mayor Pro Tem Holtzclaw reported that he will be attending the Snohomish County Tomorrow (SCT) meeting on June 27.

Mayor Pro Tem Holtzclaw shared [emails and photos](#) from Mill Creek resident Jean Dewitt and shares her concern over sidewalk access during snow events.

Councilmember Todd shared a [handout](#) from Forward Washington, a comprehensive 10-year transportation and environmental plan to invest in infrastructure and green technology projects throughout the state.

**L. City Manager**

- Council Planning Schedule
- Council Liaison Positions

Due to time, the Council Liaison Positions item will be brought back at a later date.

Interim City Manager Bob Stowe reported that 2 change orders will be coming to Council relating to the 35th Ave SE construction project.

**AUDIENCE COMMUNICATION**

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**M. Public comment on items on or not on the agenda**

Sean Duffy, a Mill Creek resident, thanked Council for allowing public input on The Farm development and noted one discrepancy relating to workforce housing on the City's website FAQs.

Wil Nelson, a Mill Creek resident, asked Councilmember Steckler to spend time researching EGUV history.

Joel St. Marie, not a resident of Mill Creek, explained to Council that The Farm development impacts those living in unincorporated Snohomish County as well as Mill Creek residents. Mr. St. Marie also commented on the EGUV master plan and

expressed concern over traffic related issues.

Joshua Probert, not a resident of Mill Creek, expressed his support of The Farm development and would like to hear more about public transportation options and statistics.

Michael Scherping, a Mill Creek resident, commented that he likes The Farm project but would like to see it on a corridor closer to the Swift Line.

Ryan Patterson, The Farm developer, explained the AMI cap, parking capabilities, and how the Development Agreement differs from the Binding Site Plan.

Khurram Khan, owner of The Learning Center in Mill Creek, expressed concern over costs and increased traffic caused by The Farm, and does not want to see low income housing in Mill Creek.

**RECESS TO EXECUTIVE SESSION**

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*(Confidential Session of the Council)*

- N. At 9:20 p.m. Council recessed to executive session to discuss potential litigation pursuant to RCW 42.30.110(1)(i). City Attorney Scott Missall was present during the executive session. The executive session concluded at 9:29 p.m.

**RECONVENE TO REGULAR SESSION**

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- O. The meeting reconvened to regular session at 9:30 p.m.

**ADJOURNMENT**

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With no objection, Mayor Pruitt adjourned the meeting at 9:30 p.m.

\_\_\_\_\_  
Pam Pruitt, Mayor

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

**Gina Pfister**

---

**Subject:** SCT Steering Commtt: Follow up to meeting of 6/19  
**Attachments:** Britsch Snohomish County Forward Planning 6-19-19.pdf

Begin forwarded message:

**From:** "Pruitt, Cynthia" <[Cynthia.Pruitt@co.snohomish.wa.us](mailto:Cynthia.Pruitt@co.snohomish.wa.us)>

**Subject: SCT Steering Commtt: Follow up to meeting of 6/19**

Steering Committee,

I am following up on last night's meeting. Here, attached, is the PowerPoint presentation from Todd Britsch's briefing per your request.

Also, please see the policy below my signature block calling for local flexibility in targets - from Allan Giffen. (It is being discussed as part of the VISION 2050 deliberations at PSRC.)

Let me know if you have questions. Thank you, and have a good weekend.

**Cynthia Pruitt** | *Coordinator*  
[Snohomish County Planning and Development Services](#) | Snohomish County Tomorrow  
3000 Rockefeller Avenue M/S 604 | Everett, WA 98201  
425-388-3185 | [Cynthia.Pruitt@snoco.org](mailto:Cynthia.Pruitt@snoco.org)

NOTICE: All emails, and attachments, sent to and from Snohomish County are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56)

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**Recommended New Policy MPP RGS-X**

Provide local flexibility in establishing and modifying local growth targets through the countywide planning policies and growth target planning process, provided growth targets support the Regional Growth Strategy.

**Recommended New Action RGS-X**

The PSRC, together with its member jurisdictions, will establish a process to monitor, evaluate and modify, if necessary, local housing and employment targets to support local jurisdictions' efforts to implement the Regional Growth Strategy. A component of this process shall include the development of or exploration of tools to promote economic development in an attempt to assist local jurisdictions in achieving their housing and employment targets.

Rationale:

The PSRC Staff memo to the Growth Management Policy Board for their June 6 meeting, on Agenda Item #8, includes the following comment:

**Regional growth shares.** *The majority of Draft SEIS comments regarding the three alternatives supported the Transit Focused Growth alternative. Commenters supported the core concept of growth near transit, but several raised questions about aspects of the alternative, raised concerns about displacement, and called for local flexibility.*

There is nothing anywhere in the draft MPP's for Vision 2050 that address or mention the flexibility requested by local jurisdictions. Based on our experience with Vision 2040, and knowing that the actual growth for any jurisdiction is likely to be different, either higher or lower than the numbers established through the CPP growth allocation process, we would offer the above to the draft MPP's and Actions are recommended for the Regional Growth Strategy policy chapter.

There are several reasons for the above-recommended additional policy and action statements:

- The housing and employment targets are aspirational, and are affected by many factors that the local jurisdiction has little ability to influence and control.
- Even if a jurisdiction provides sufficient capacity for housing and job targets, and regulations to support the densities necessary to accommodate targets, it does not control the timing of development or the ability of a property owner to develop property, or ensure optimal building types and development densities.
- Implementation of Vision 2040's growth targets is a good illustration of how difficult it is for local jurisdictions to regulate, stimulate or otherwise control market forces that do not align with regional or local aspirations.
- Development usually occurs where it is most profitable, and that may not be in areas where we want to encourage growth, or at the densities consistent with growth targets.
- The SCT letter to the PSRC on the Draft SEIS dated April 29, 2019 had three paragraphs commenting about the need for maintaining local flexibility for the Countywide target setting process, and states, in part:

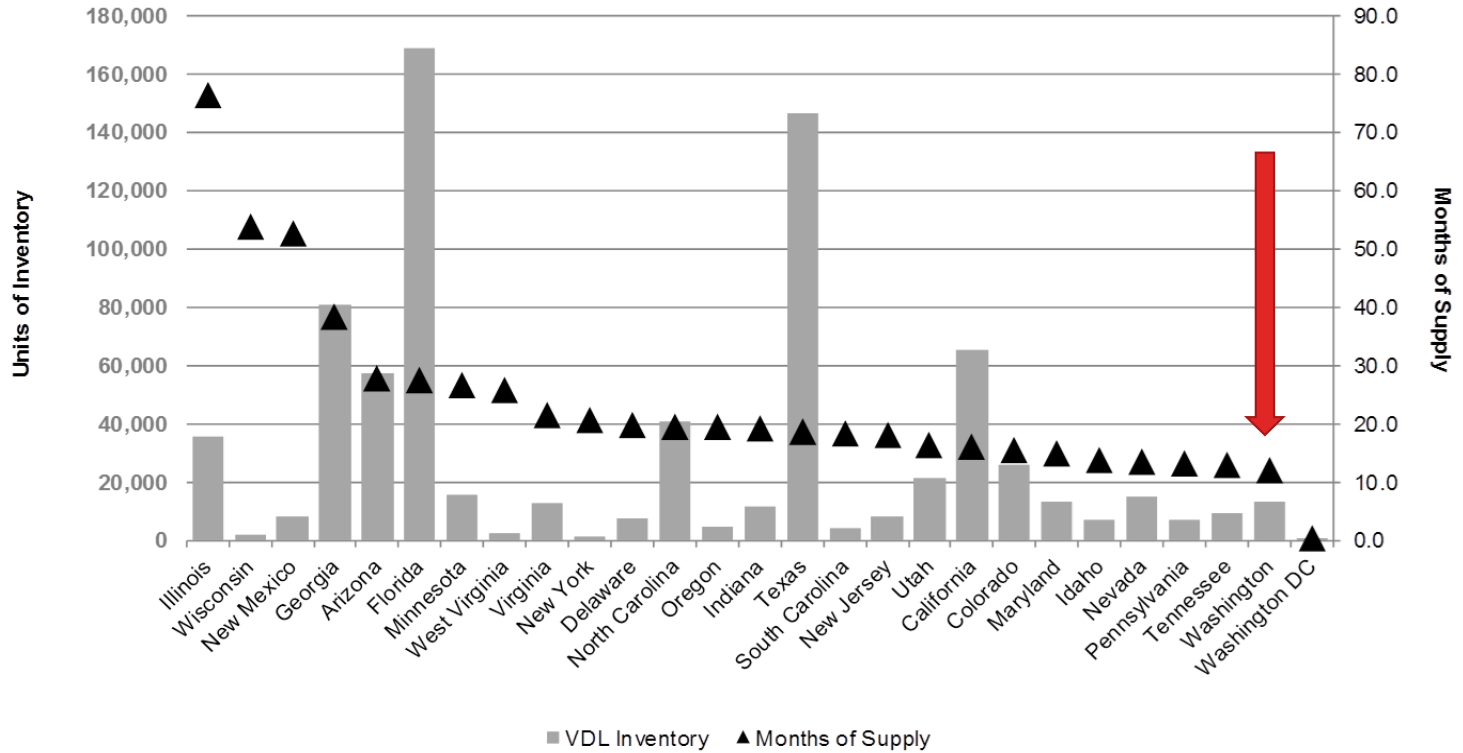
*" . . . local flexibility and authority must be maintained in order to respond to and anticipate actual growth patterns."*



[www.metrostudy.com](http://www.metrostudy.com)

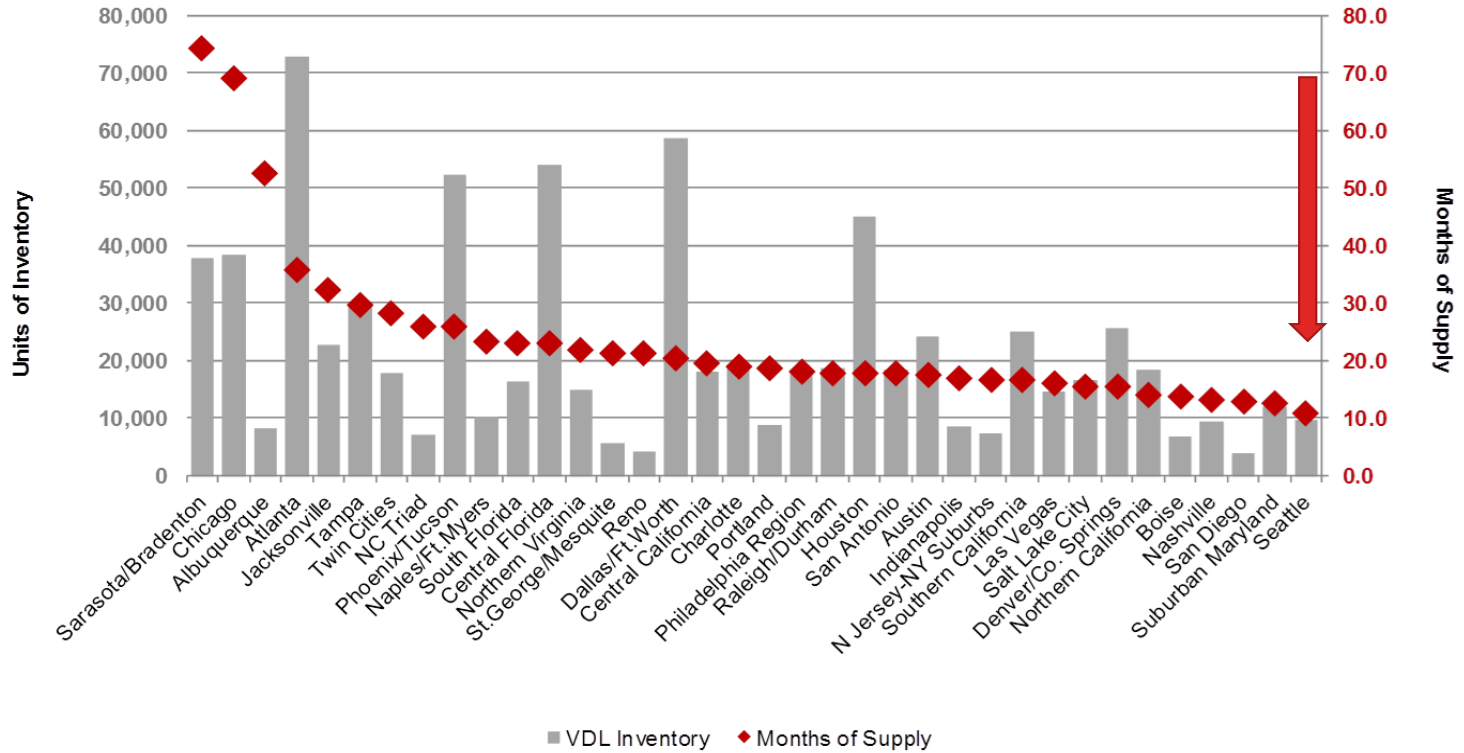
—  
**A NATIONAL LOOK**

# Vacant Development Lot Inventory & Months of Supply by State

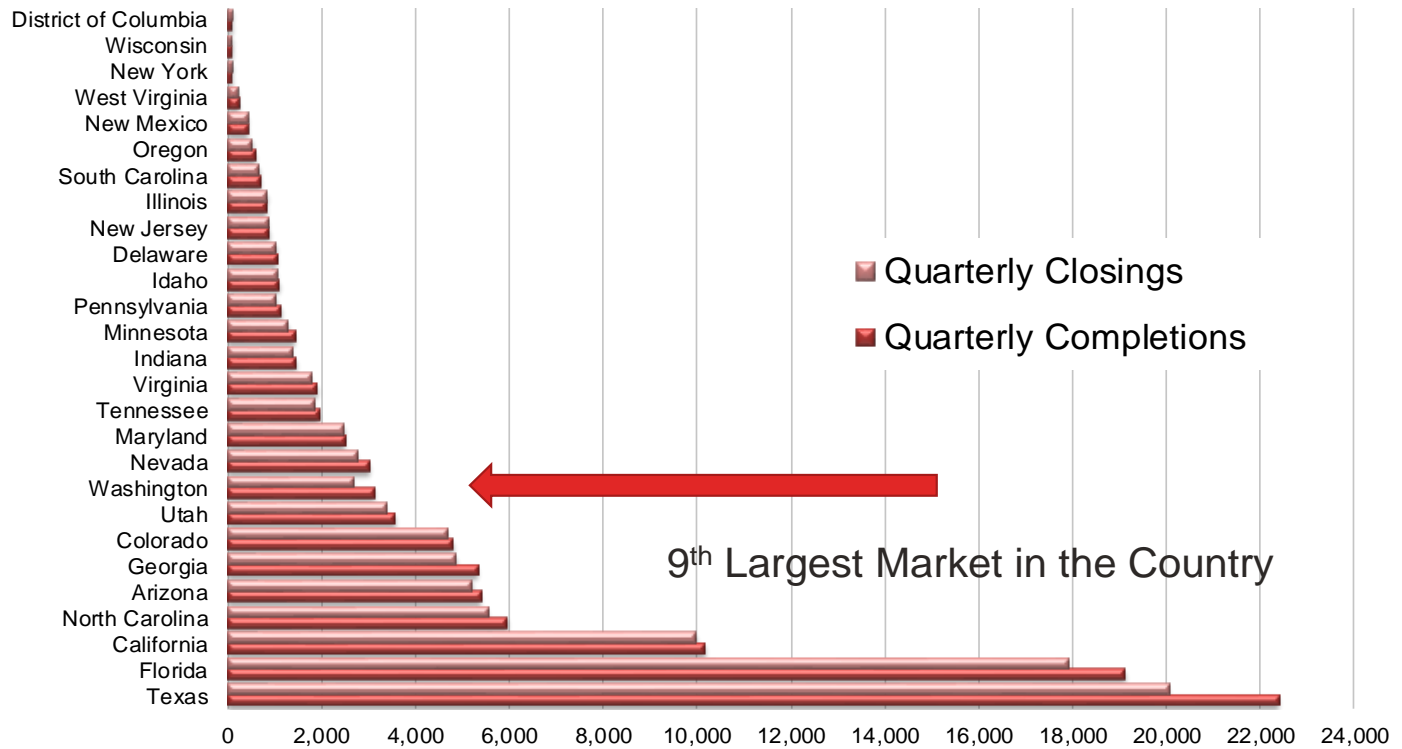




# Vacant Development Lot Inventory & Months of Supply by CBSA



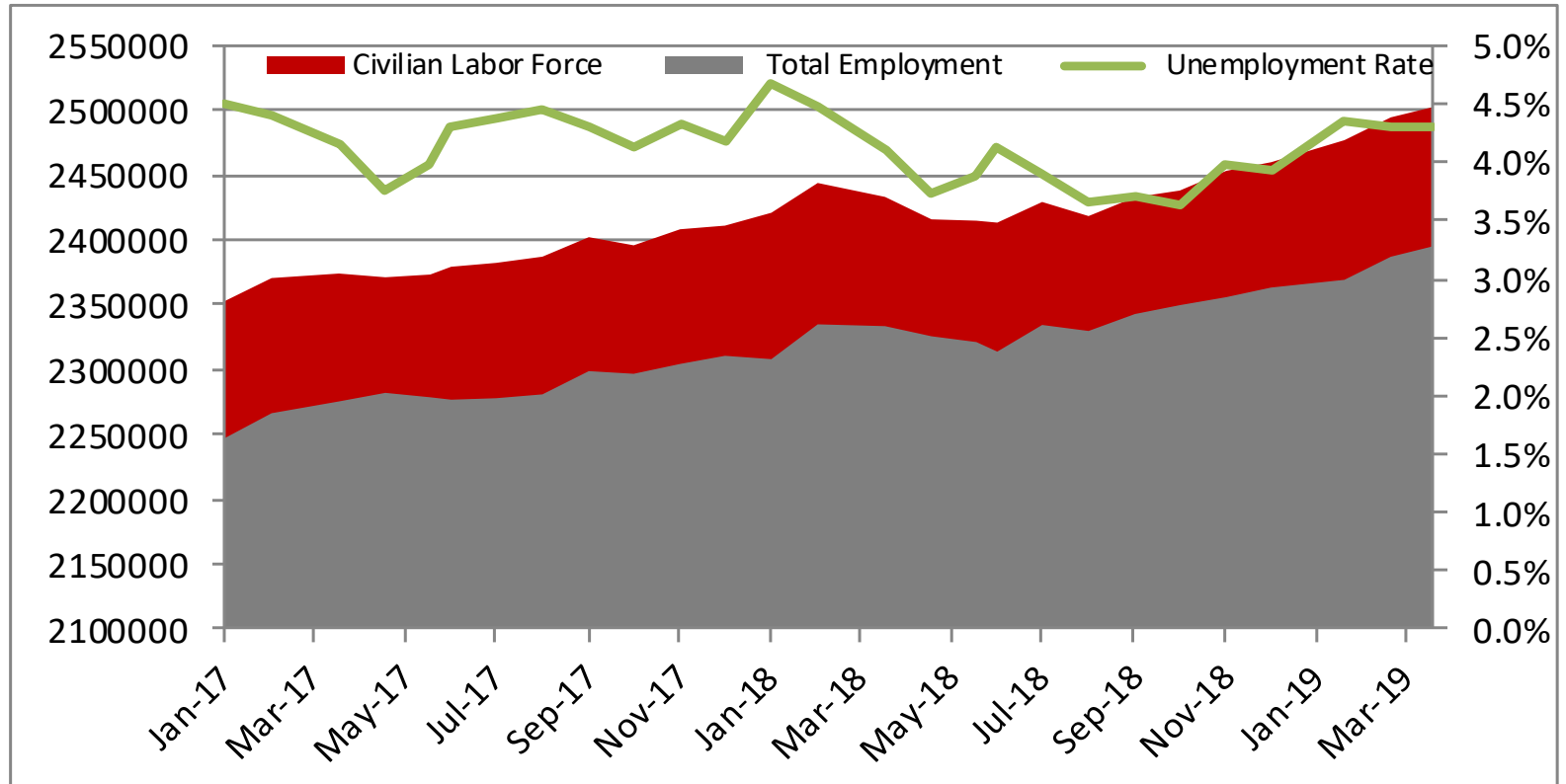
# Quarterly Completions & Closings by State



—  
**LOCAL ECONOMICS**

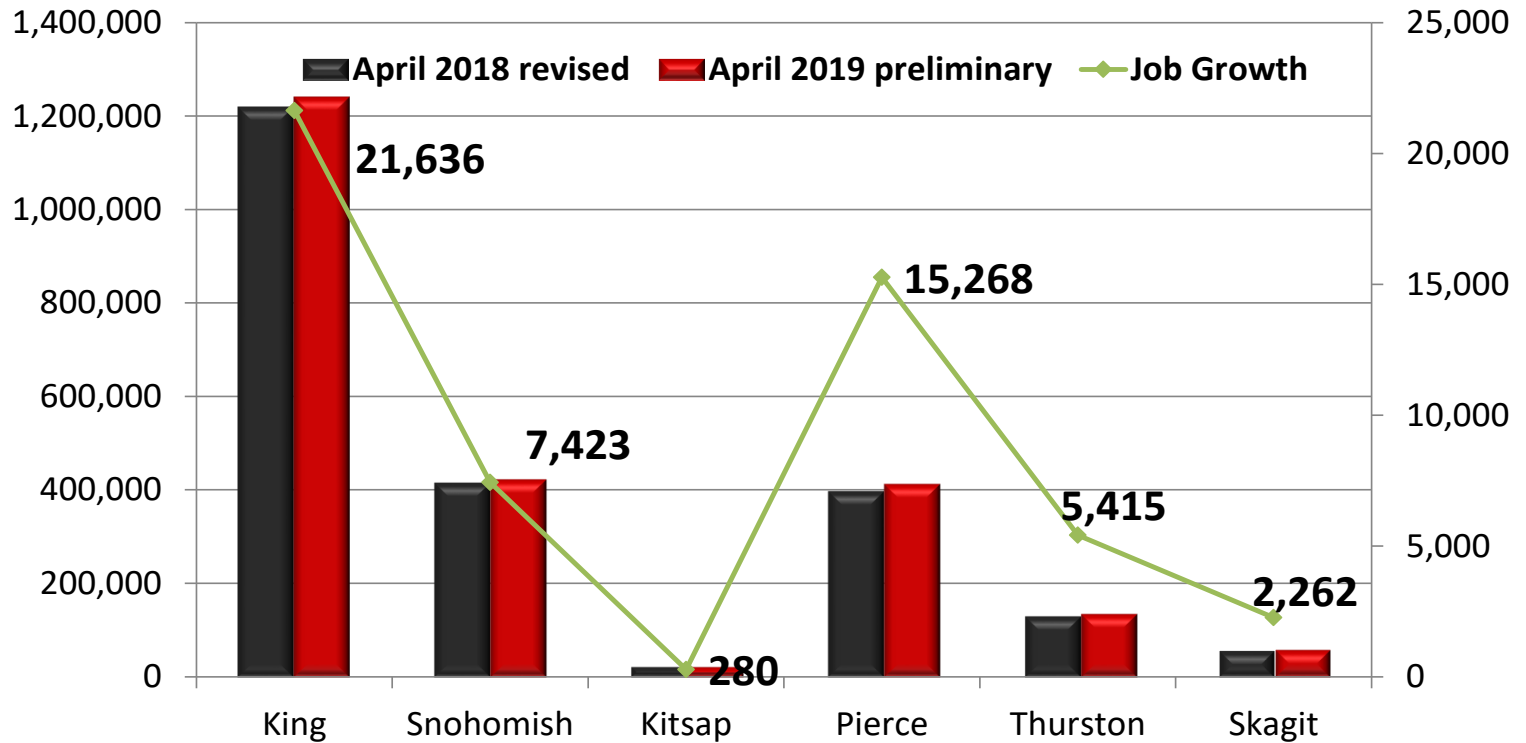
# PUGET SOUND EMPLOYMENT TRENDS

## LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT RATE



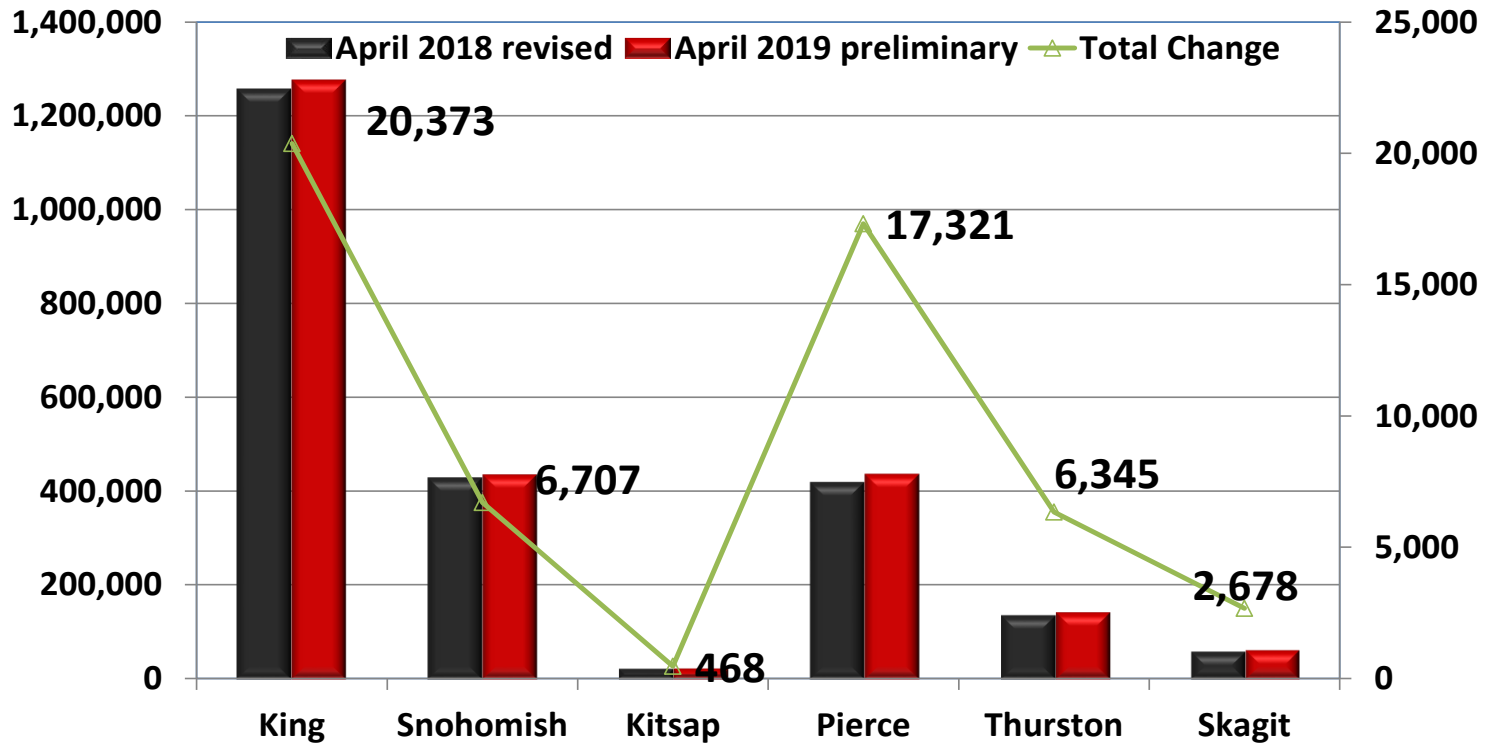
# PUGET SOUND JOB GROWTH

## 12 MONTH CHANGE



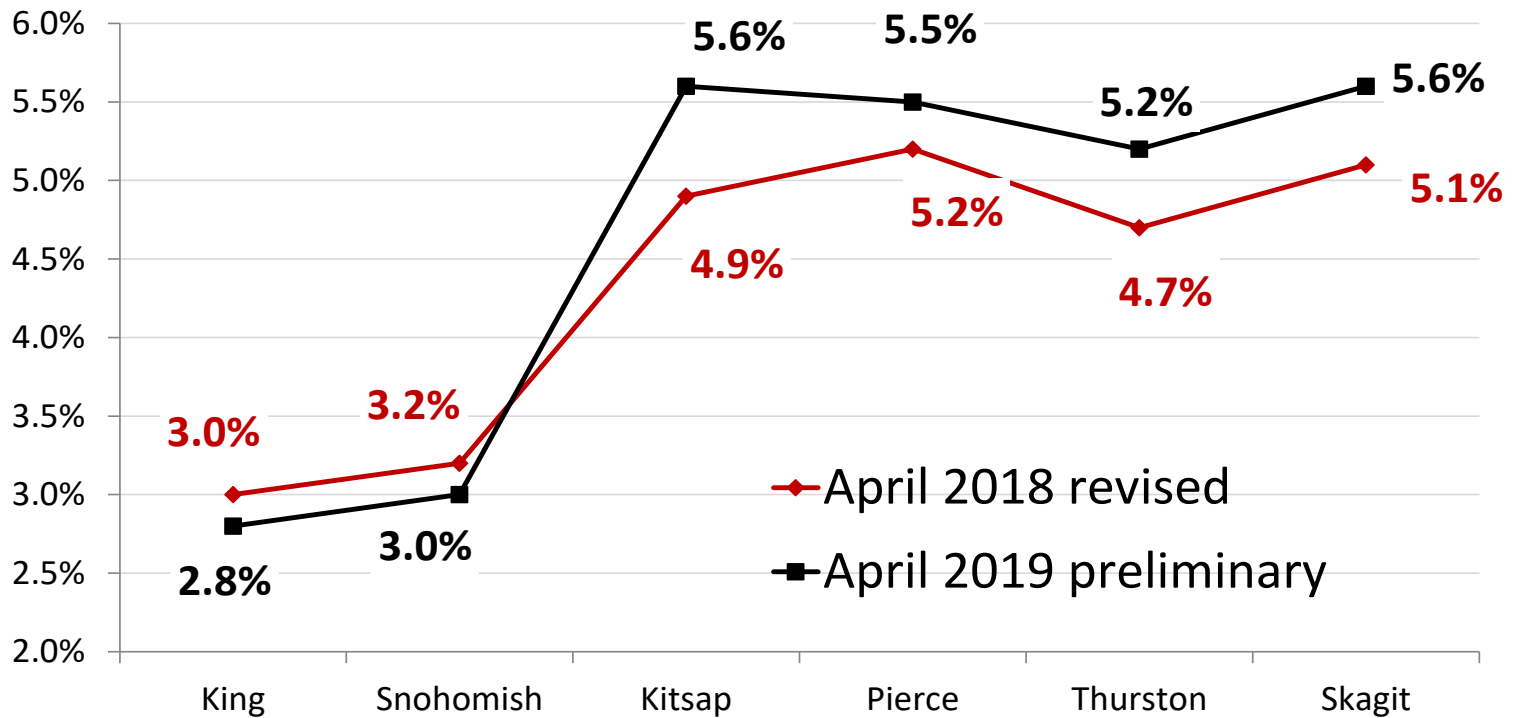
# PUGET SOUND LABOR FORCE

## 12 MONTH CHANGE



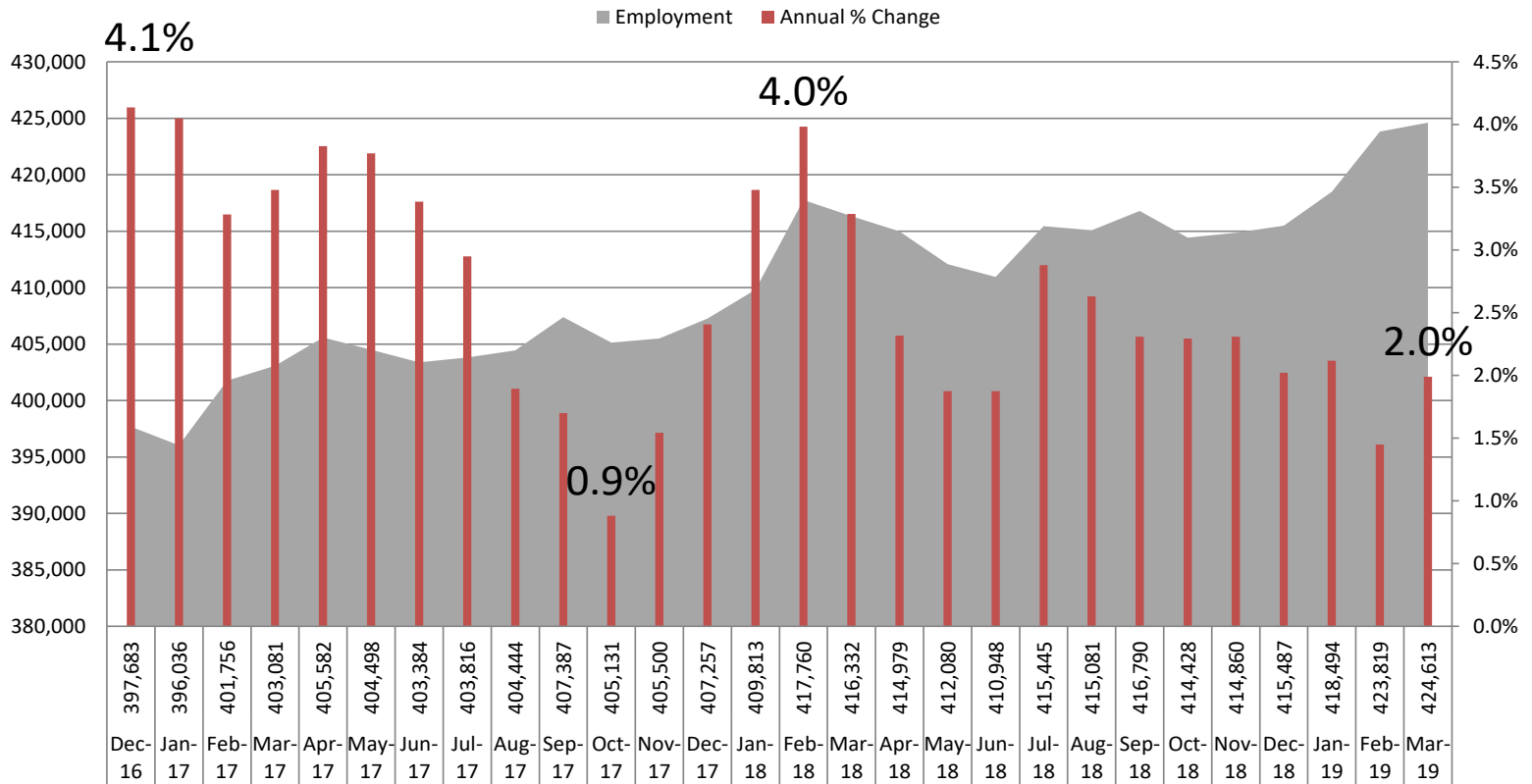
# PUGET SOUND UNEMPLOYMENT RATES

## YEAR/YEAR COMPARISON



# RATE OF EMPLOYMENT GROWTH 2017 through Q1 2019

SINCE 2015 SNOHOMISH COUNTY HAS ADDED A NET **42,724** Jobs

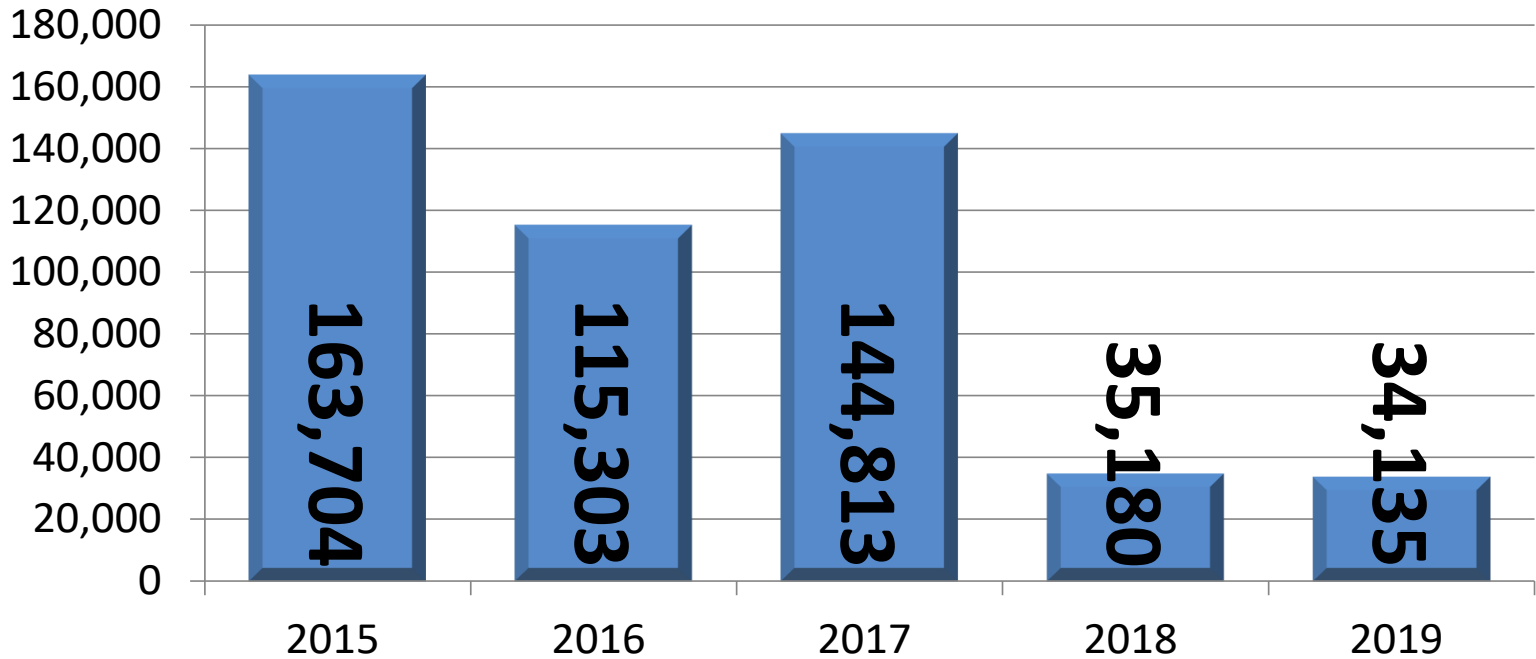




# IN-MIGRATION-WASHINGTON STATE SOURCE- DOL

SNOHOMISH COUNTY CAPTURES AN AVERAGE OF 7% OF DRIVERS PER MONTH WHICH EQUALS 34,519 NEW RESIDENTS SINCE 2015

## Annual Net New Drivers to WA State



# What is the Impact to Housing Demand

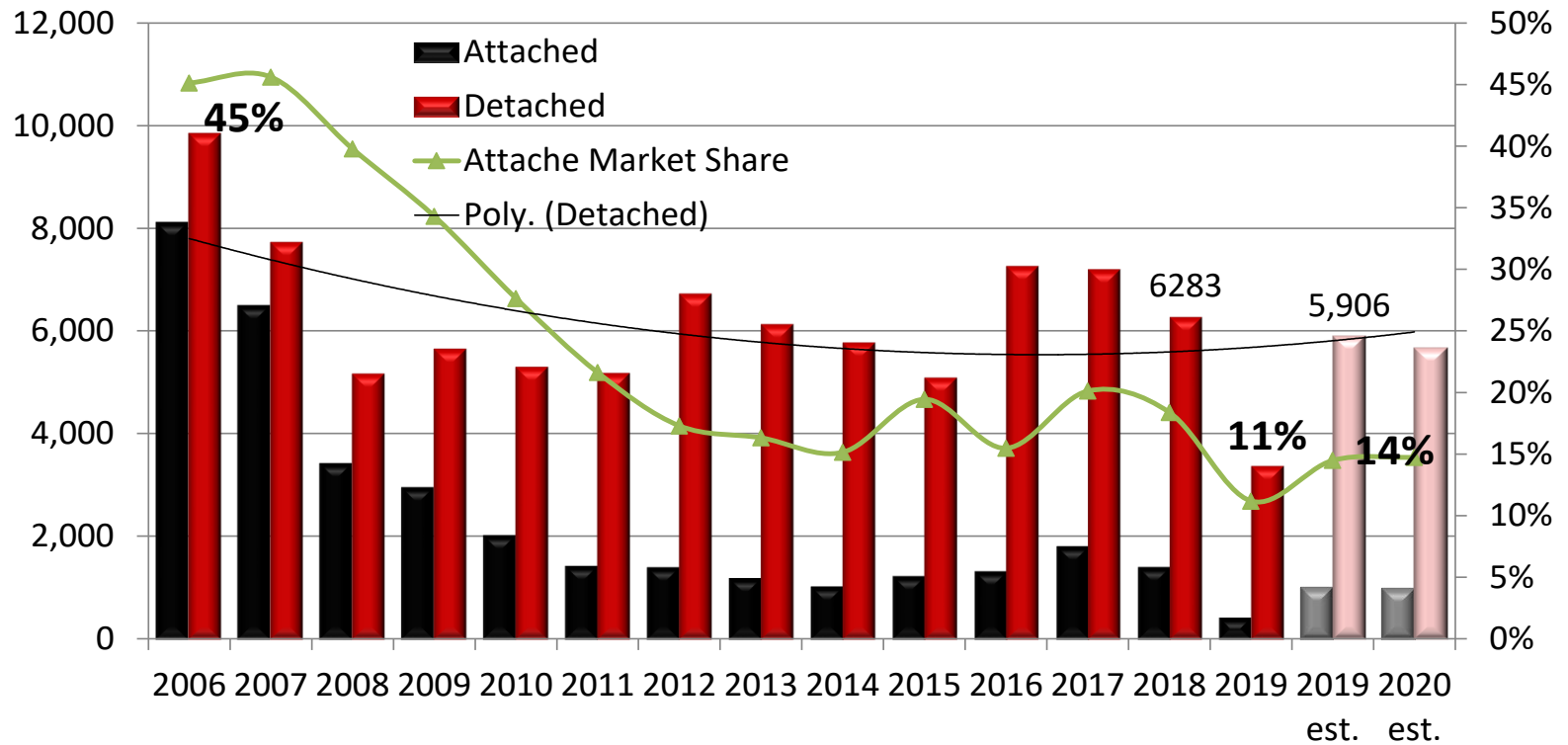
- AN EMPLOYMENT TO PERMIT RATION OF 1.25 EQUALS **34,180** DWELLING UNITS
- SNOHOMISH CURRENT HOME OWNERSHIP RATE IS 67% (Use 63%)
- THIS CREATES A DEMAND FOR **21,500 OWNER OCCUPIED HOMES**
- DOL WOULD ESTIMATE 34,500 NEW RESIDENTS SINCE 2015. 1.5 DRIVER PER HH EQUALS 23K UNITS/ **14,500 OWNER OCCUPIED HOMES**
- 10,000 OWNER OCCUPIED HOMES HAVE BEEN SOLD since 2012
- WHY? ONLY **17%** OF HOUSEHOLDS CAN AFFORD NEW CONSTRUCTION THE LOWEST IN THE REGION AND 42% CAN AFFORD RESALE
- WHY? RESTRICTED SUPPLY HAS DRIVEN PRICES UPWARD 110% SINCE 2011



# PUGET SOUND

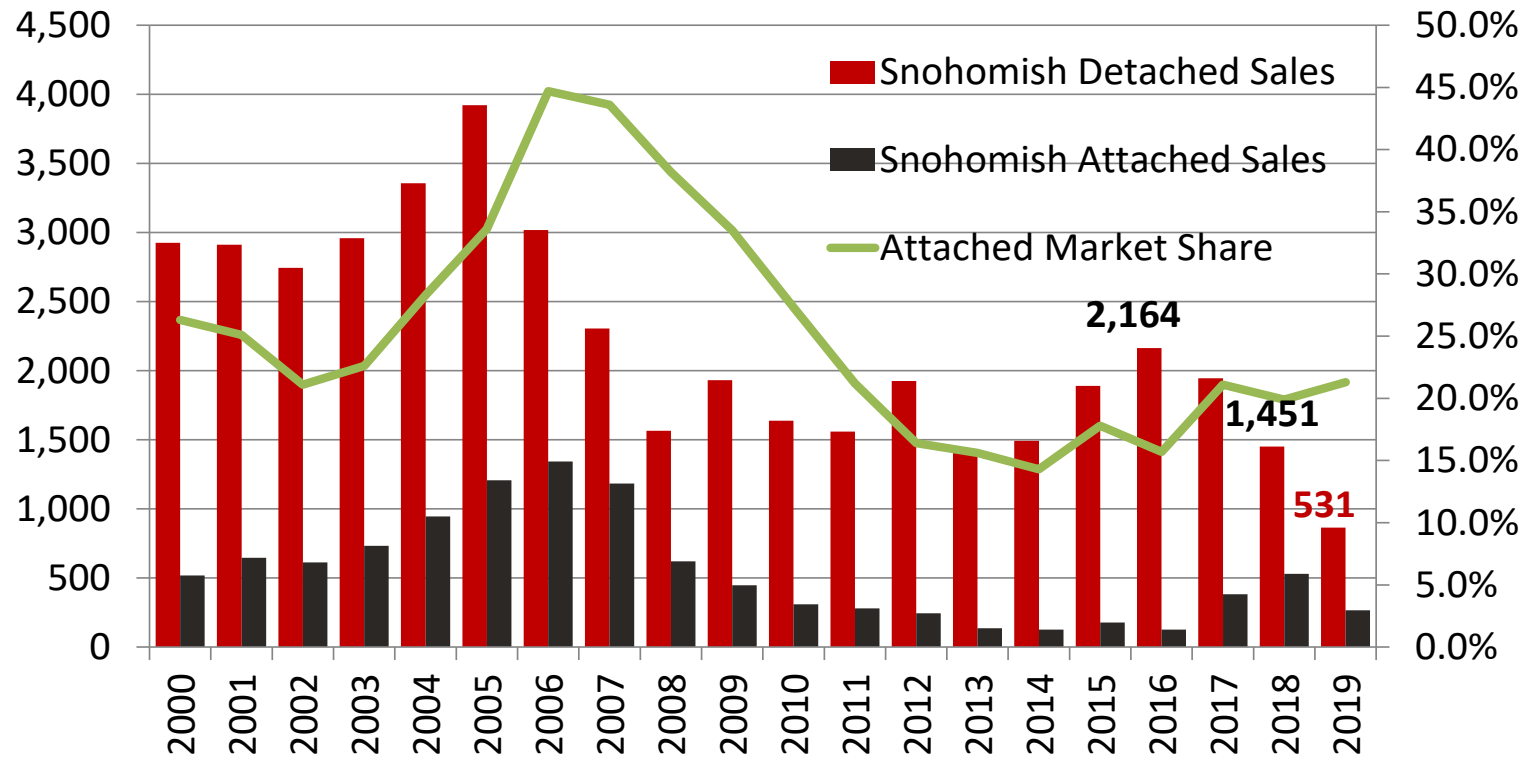
## NEW CONSTRUCTION SALES VOLUME

## PUGET SOUND ANNUAL SALES VOLUME WITH ATTACHED MARKET SHARE KING, KITSAP, PIERCE, THURSTON, SNOHOMISH AND SKAGIT COUNTIES



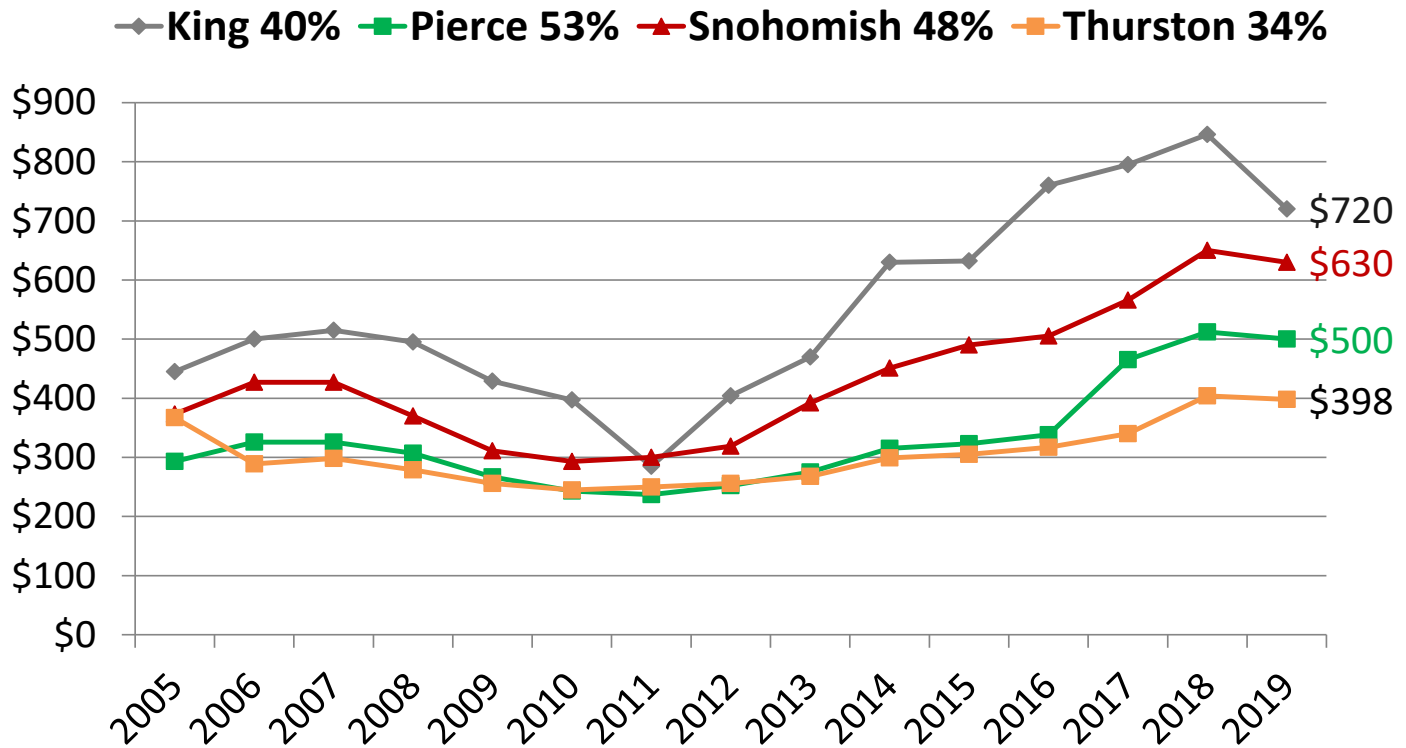
# Snohomish County Only

## Snohomish County Sales History with Attached Market Share



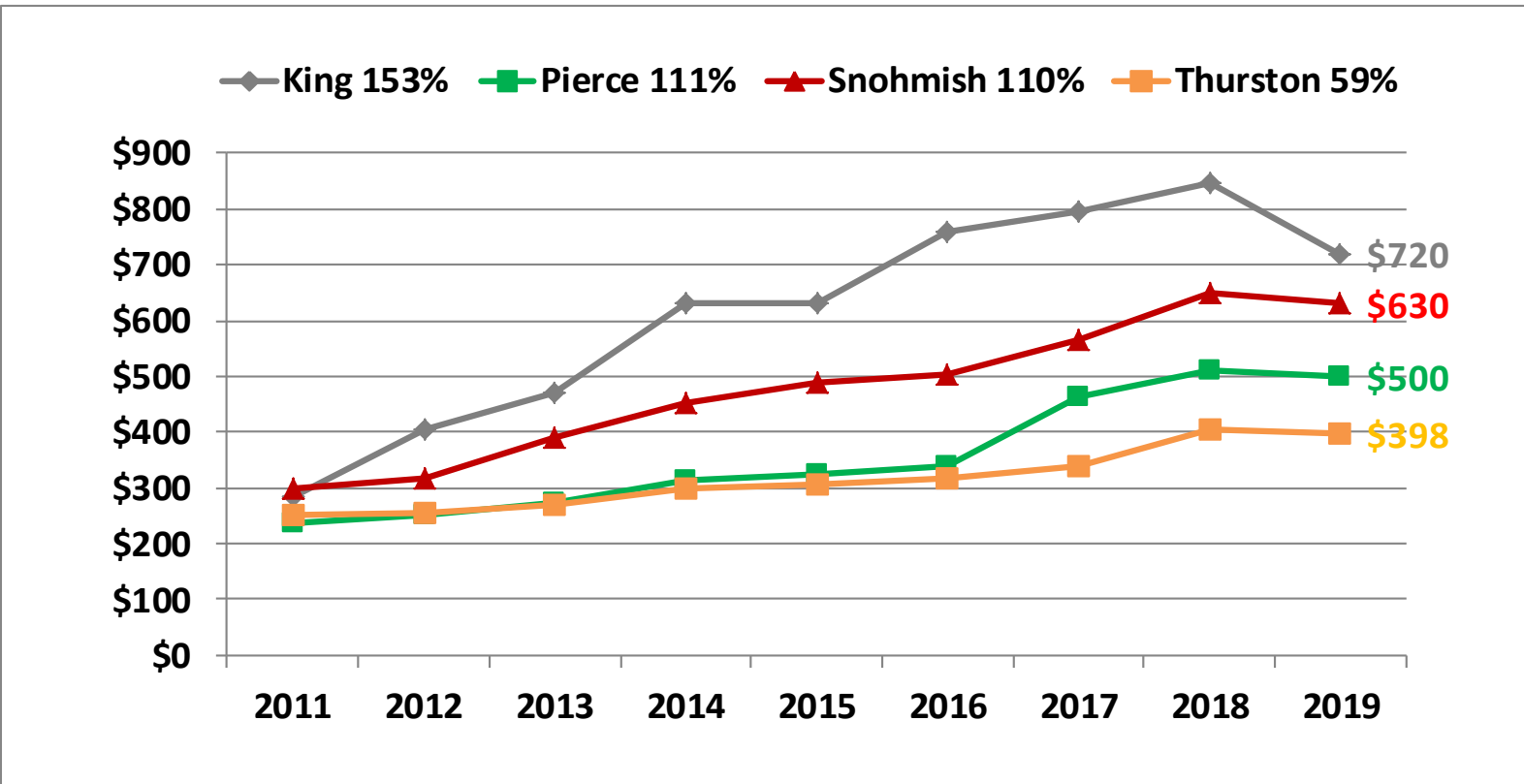
# PUGET SOUND NEW CONSTRUCTION PRICING

# Median SF Closed Price Comparison to Previous Peak of 2007



# MEDIAN SF CLOSED PRICE TRENDS SINCE RECOVERY

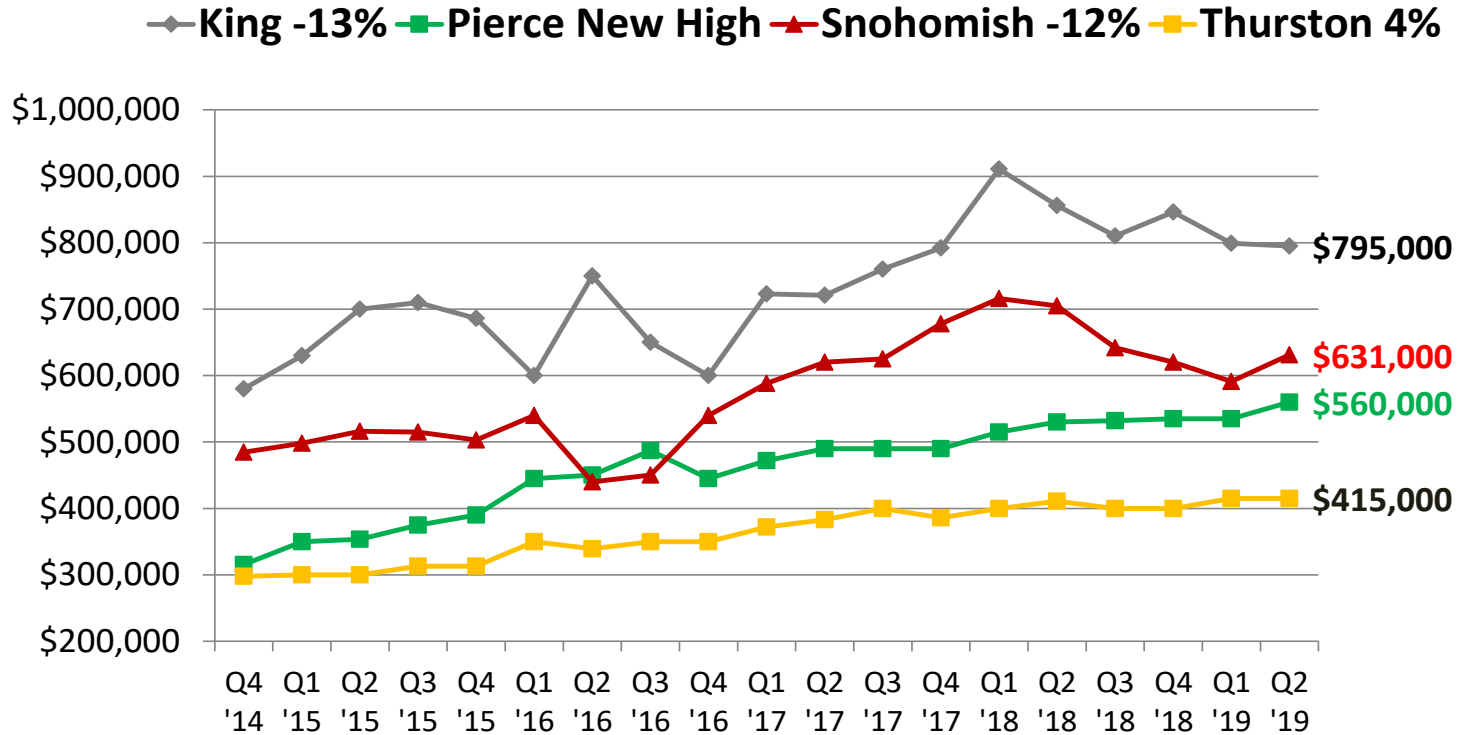
% GROWTH SINCE 2011





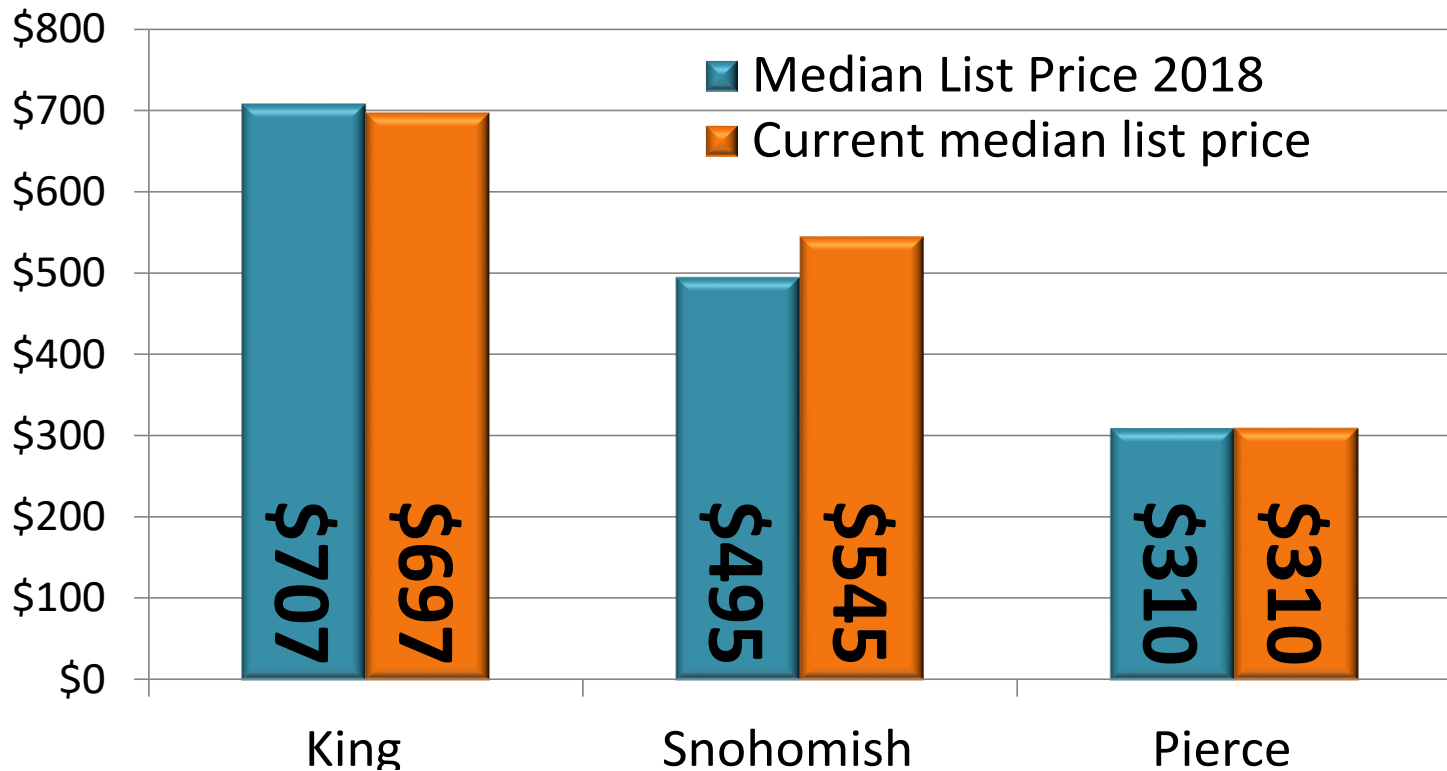
# MEDIAN SF AVAILABLE PRICE

DETACHED PRODUCT ONLY PRICE CHANGE FROM NEW PEAK



# MULTI FAMILY MEDIAN LIST PRICE

2018- 2019



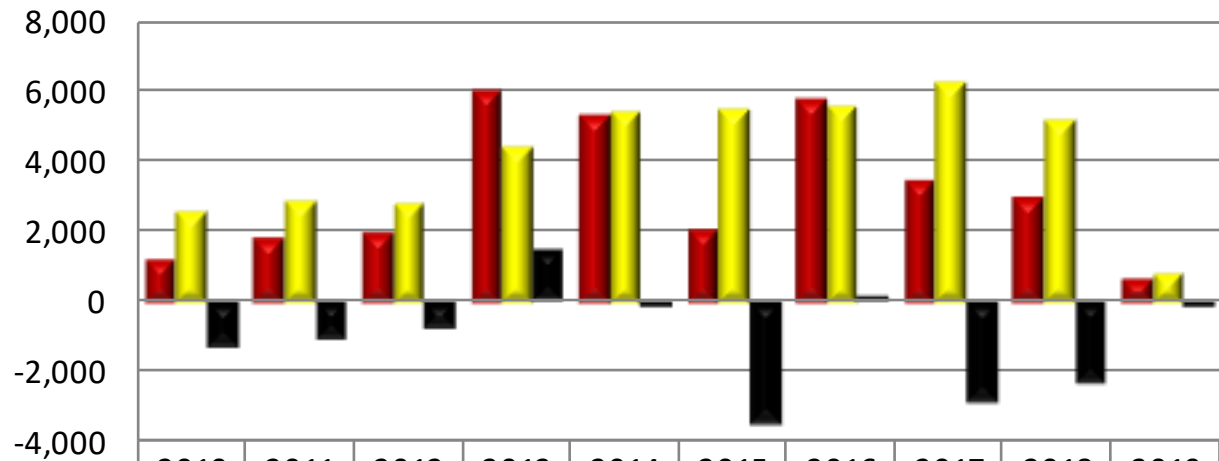
# PUGET SOUND

## NEW CONSTRUCTION INVENTORY

# YEARLY IMPACT TO OUR FUTURE LOT SUPPLY

Methodology- Subtract the number of newly recorded lots from the number of newly proposed lot by year

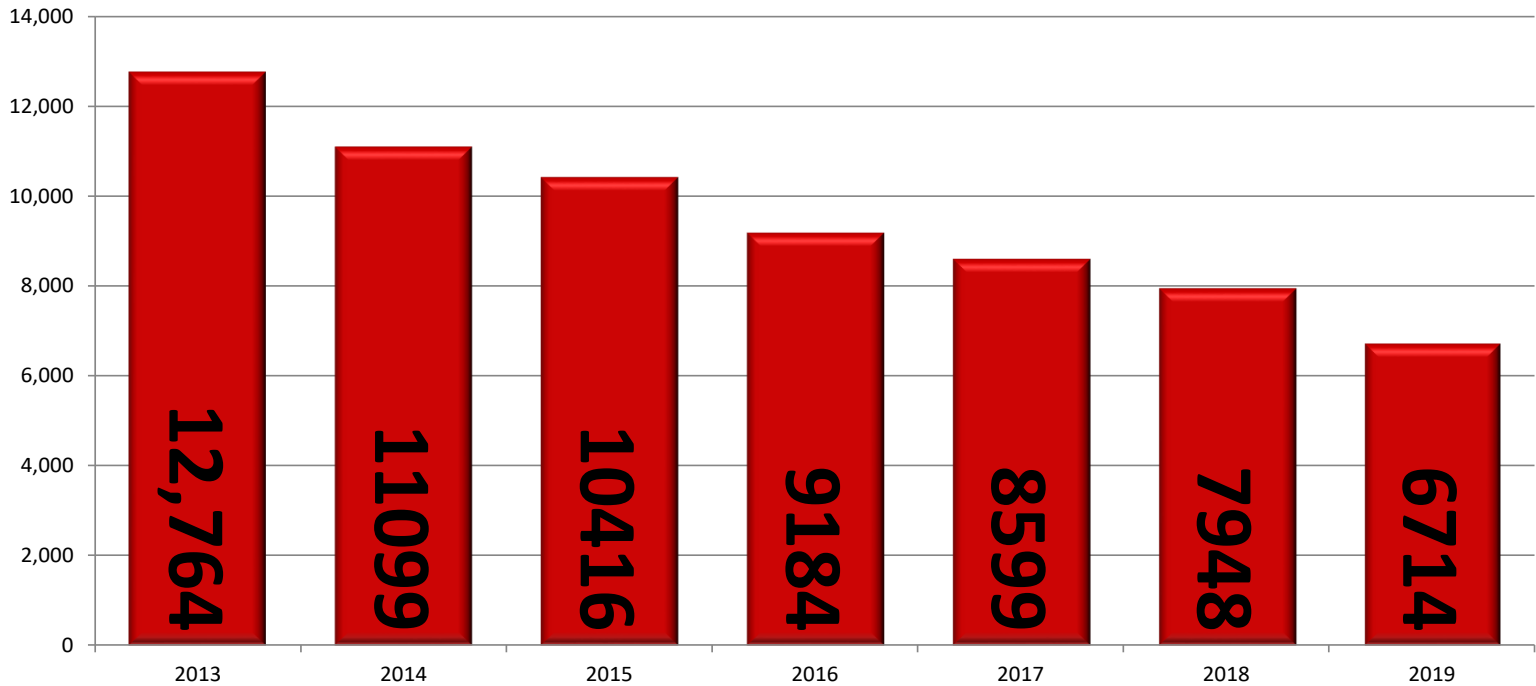
Net number  
of lots not  
replaced in  
the pipeline  
since 2010  
**(-10,614)**



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
■ Lots Applied For	1,217	1,802	2,008	5,957	5,287	2,078	5,788	3,428	2,954	642
■ Lots Delivered	2,568	2,936	2,797	4,476	5,467	5,535	5,621	6,270	5,255	850
■ Future net +/-	-1,351	-1,134	-789	1,481	-180	-3,457	167	-2,842	-2,301	-208

# SNOHOMISH COUNTY FUTURE LOT SUPPLY CHANGE NEARLY A 50% DECLINE SINCE 2013

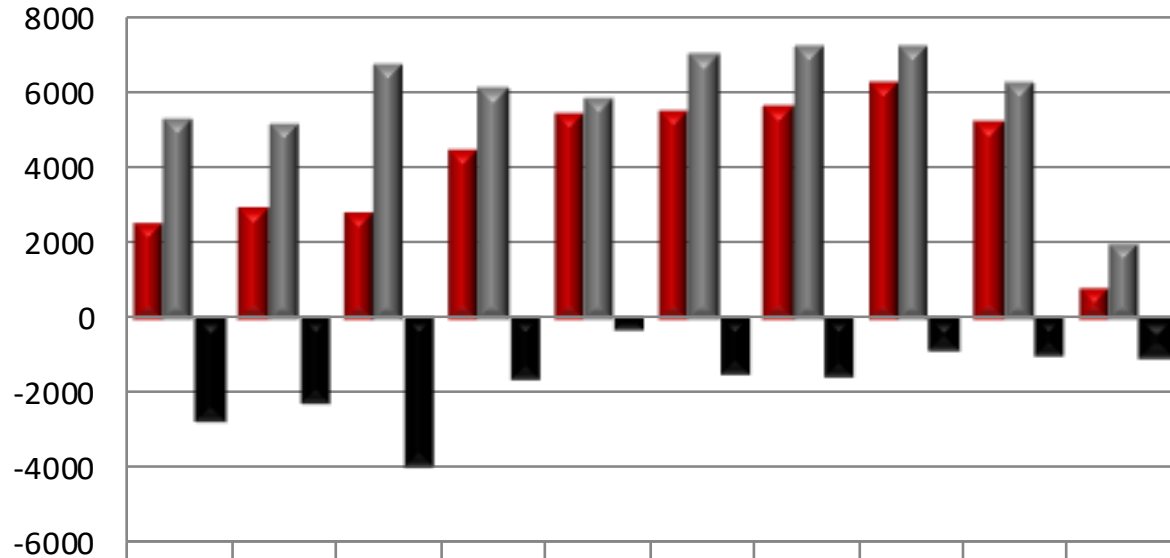
Snohmish County Proposed Single Family Supply



# YEARLY IMPACT TO THE CURRENT LOT SUPPLY

METHODOLOGY- SUBTRACT THE NUMBER OF HOMES SOLD FROM THE NUMBER OF NEW LOTS BROUGHT TO AMRKET EVERY YEAR

Net number of lots extracted from the Puget Sound since 2010  
**(-17,092)**

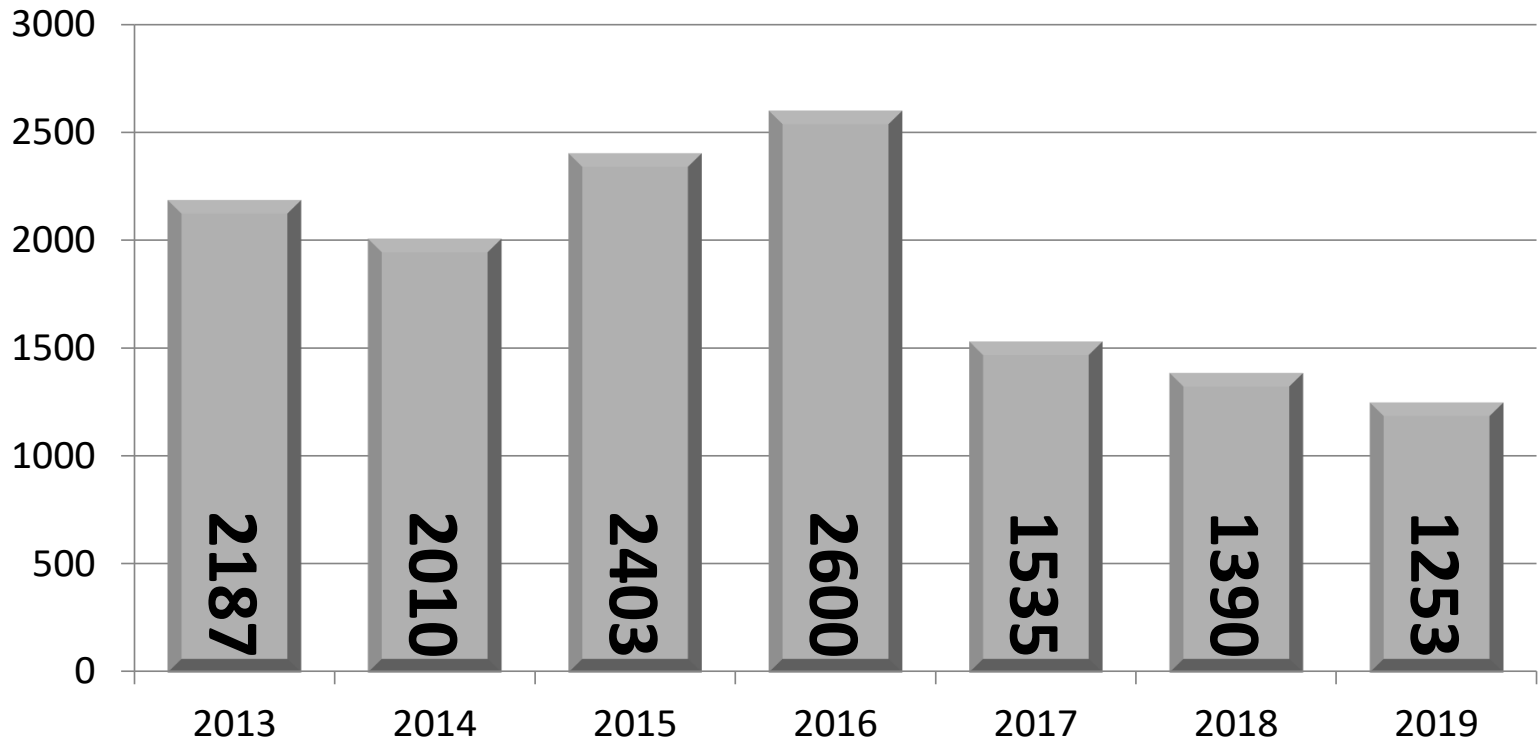


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<span style="color: red;">■</span> New Delivered Lot Count	2568	2936	2797	4476	5467	5535	5621	6,270	5,255	850
<span style="color: grey;">■</span> Homes Sold	5323	5202	6745	6155	5841	7065	7,255	7,211	6,304	1,996
<span style="color: black;">■</span> Net Impact on Lot Supply	-2,755	-2,266	-3,948	-1,679	-374	-1,530	-1,634	-941	-1,049	-1,146

# SNOHOMISH COUNTY AVAILABLE INVENTORY

ROUGHLY A 40% DECLINE IN INVENTORY SINCE 2013

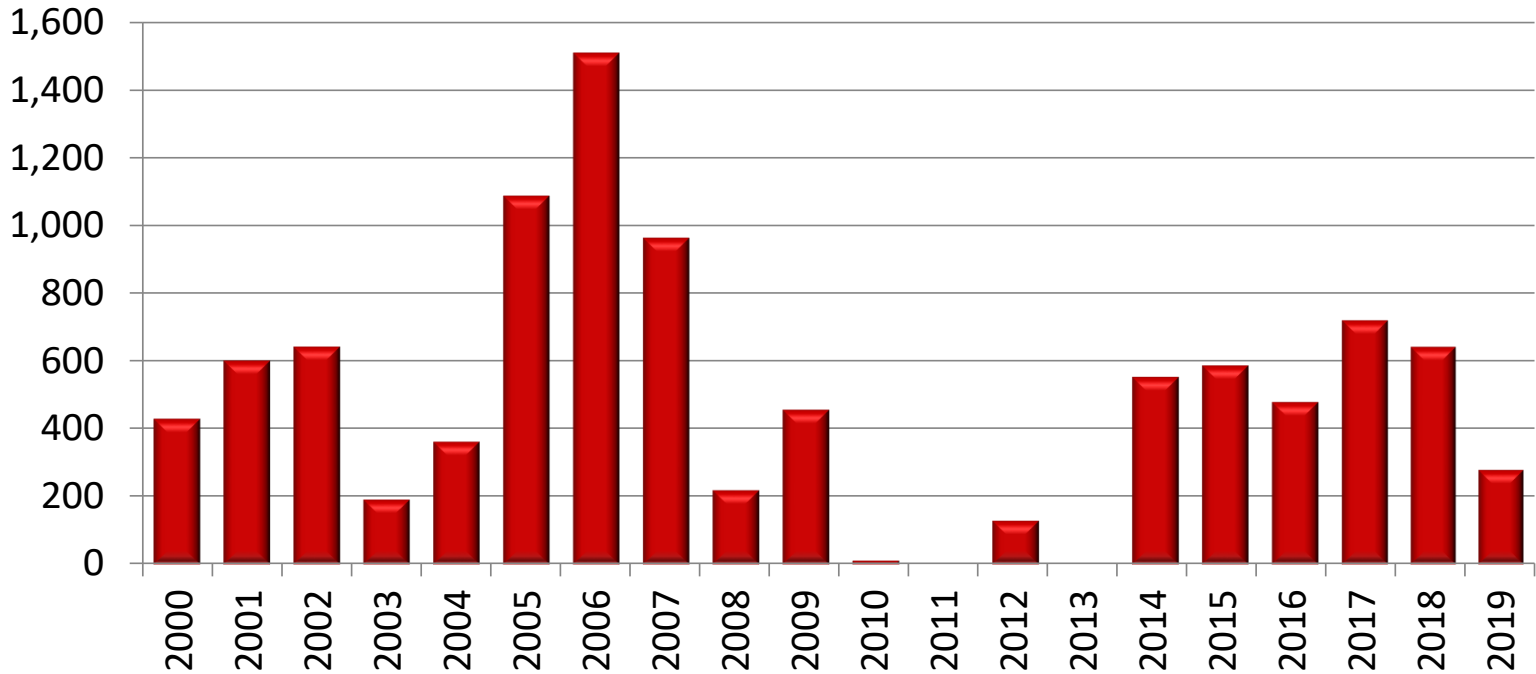
Snohomish county currently selling single family Supply



# MULTI FAMILY UNIT APPLICATIONS

DOWN AS MUCH AS 50%

## New MF Units Applied For



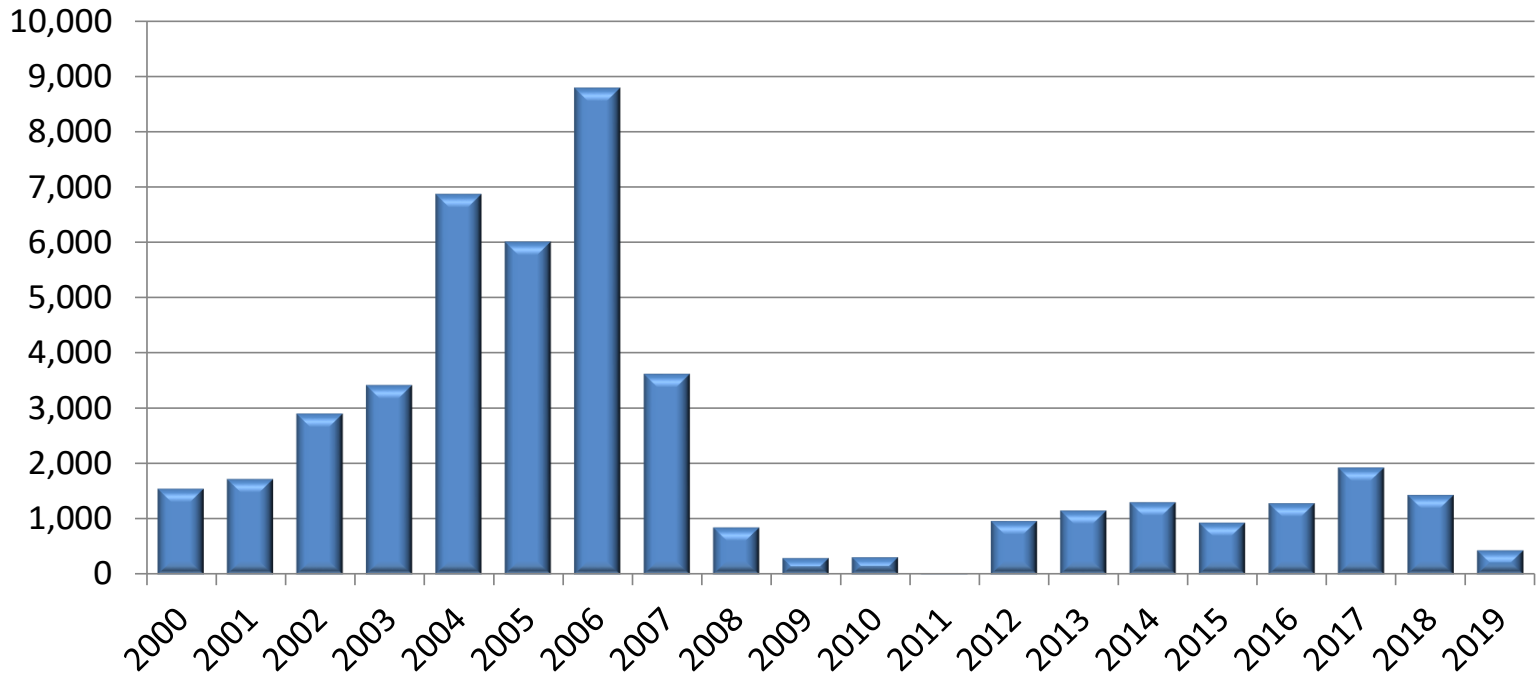


# SINGLE FAMILY LOT APPLICATIONS

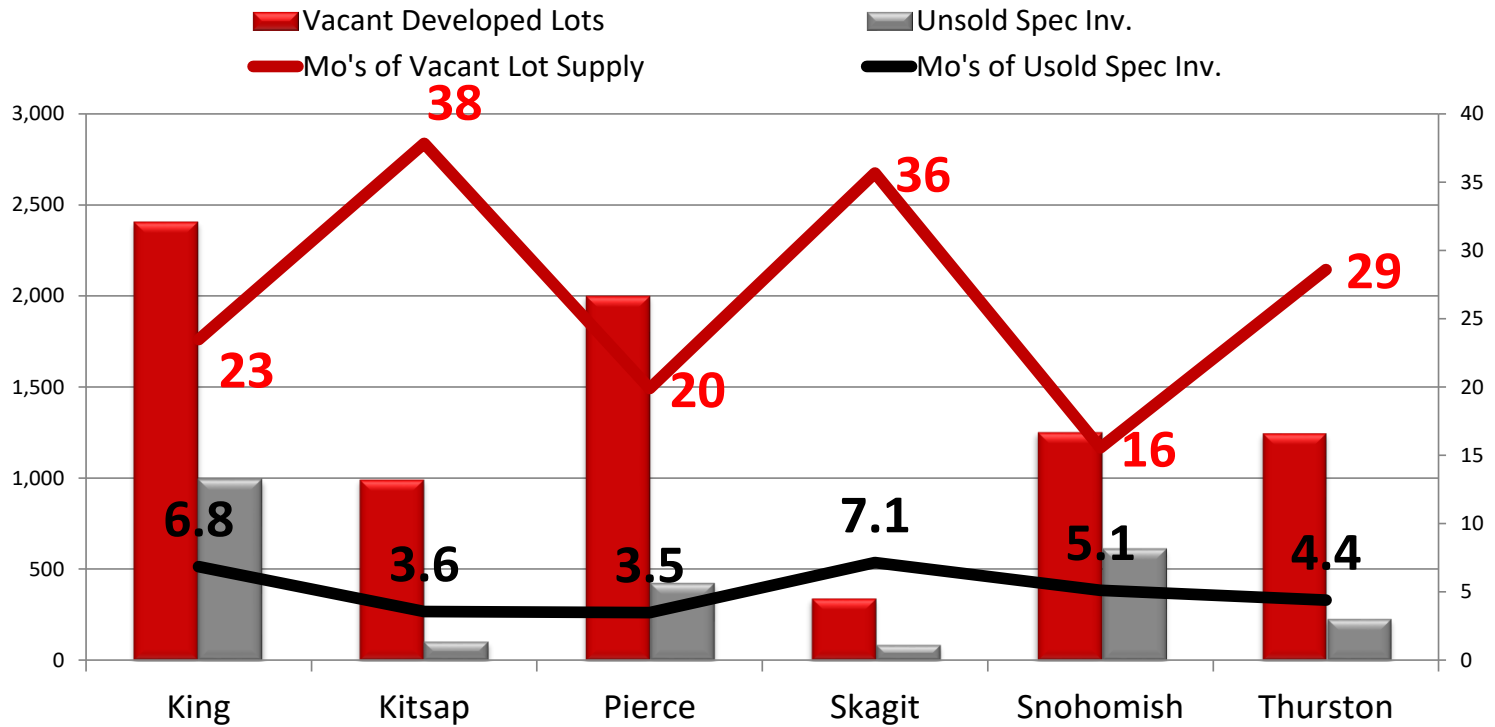
DOWN BY AS MUCH AS 80%



### New SF Lots Applied For



# VACANT LOT AND UNSOLD SPEC MONTHS SUPPLY

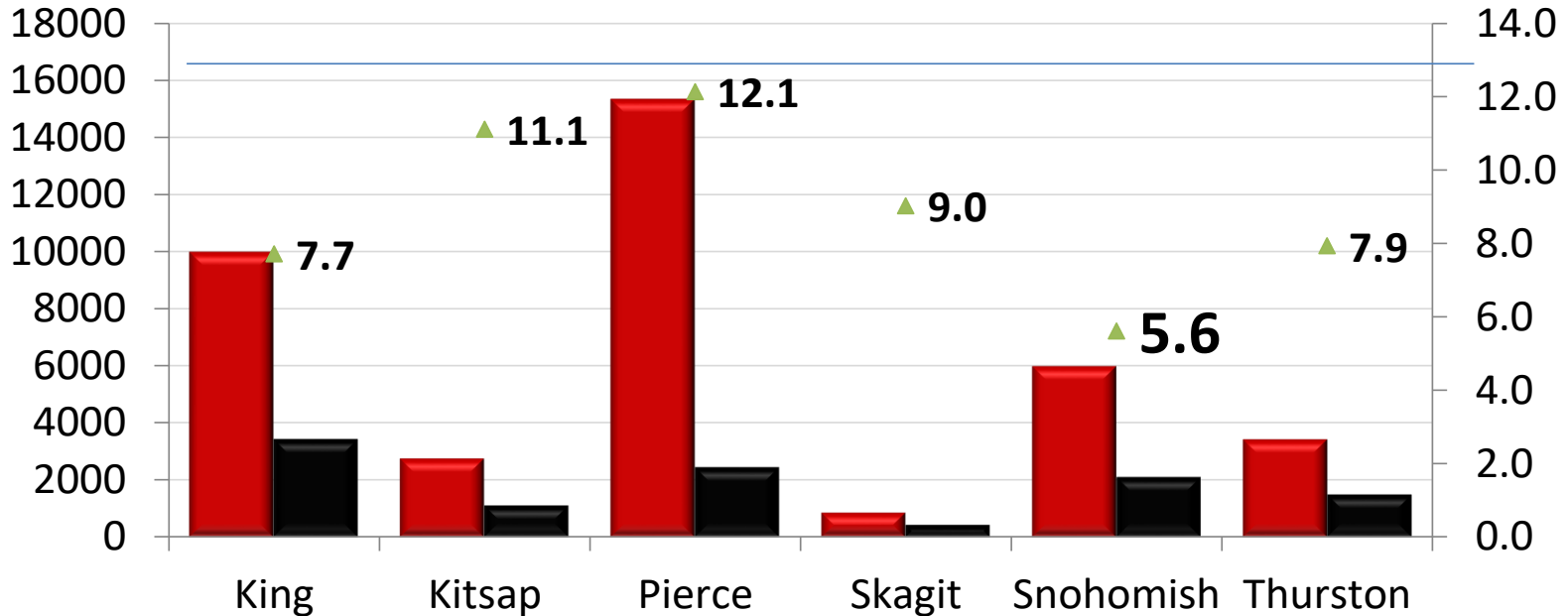


## TOTAL DETACHED SUPPLY

**Snohomish County sells between 26%-30% of the regions homes but only holds 16% of the Future**

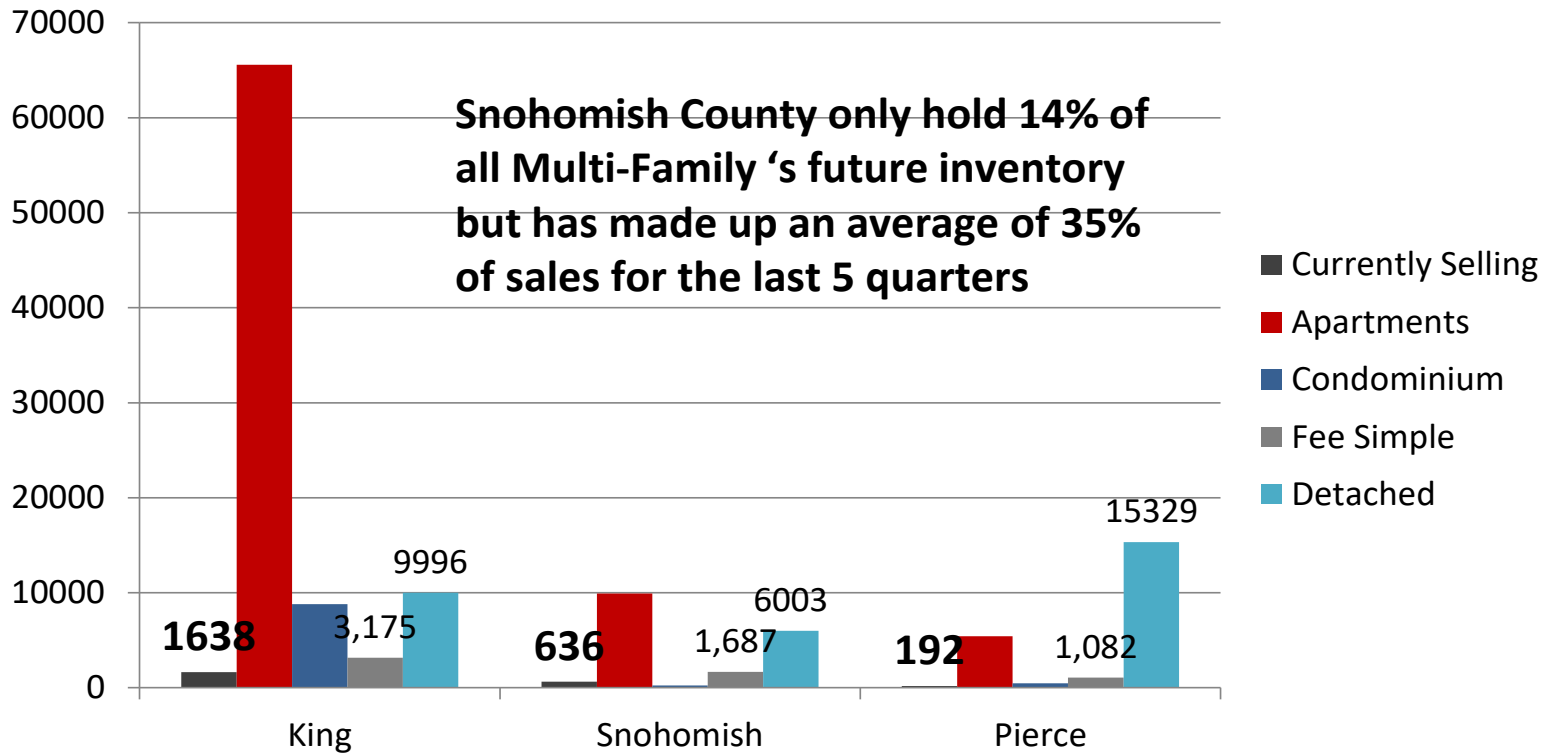
- Detached Proposed Inventory
- Total Recorded Lots and Homes Left to Sell
- ▲ Combined Years of Inventory

Snohomish County only holds **16%** of future Single Family Inventory.



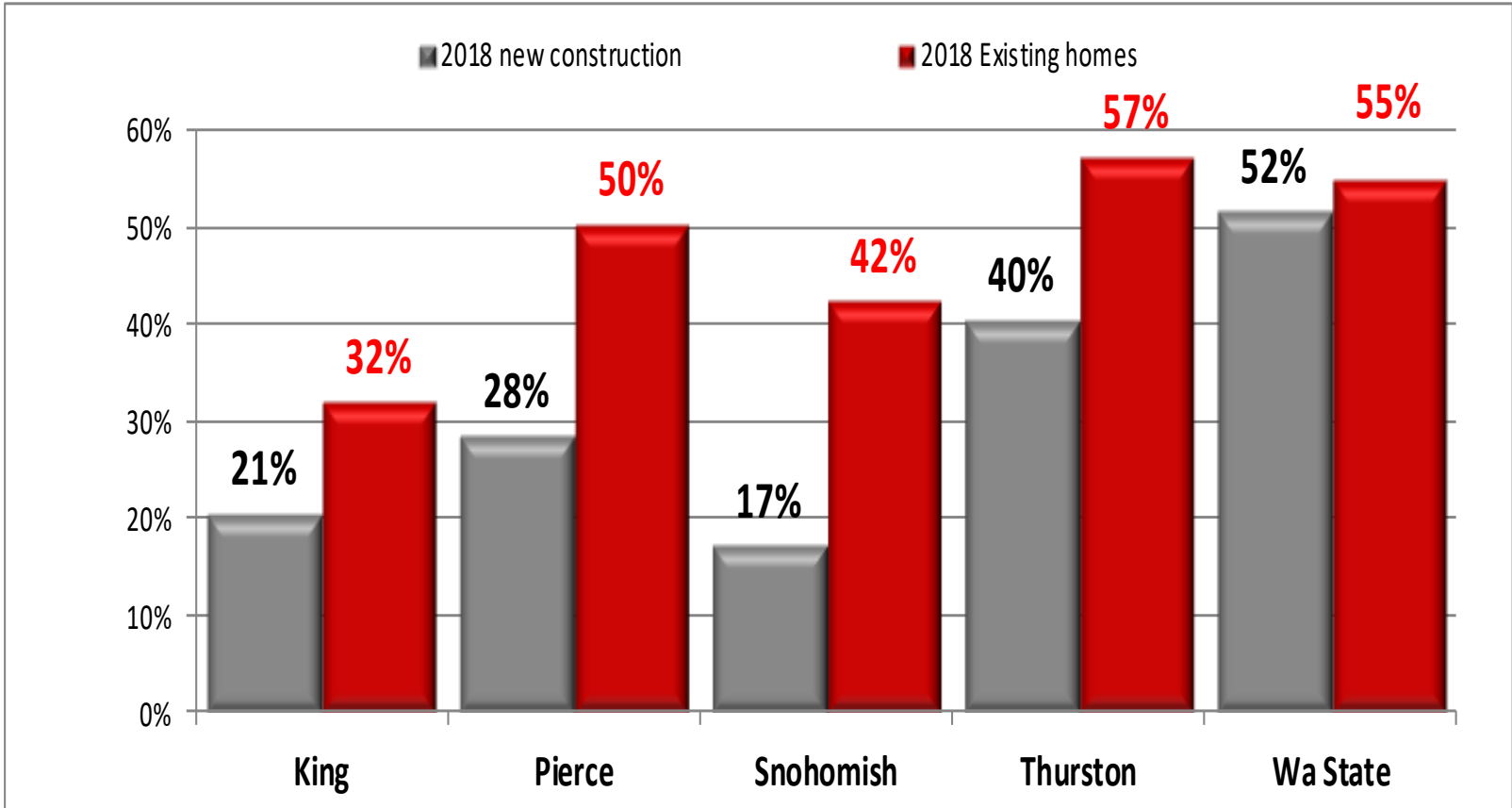
# Total Attached Supplyproduct in the pipeline

In the last year Snohomish County has sold

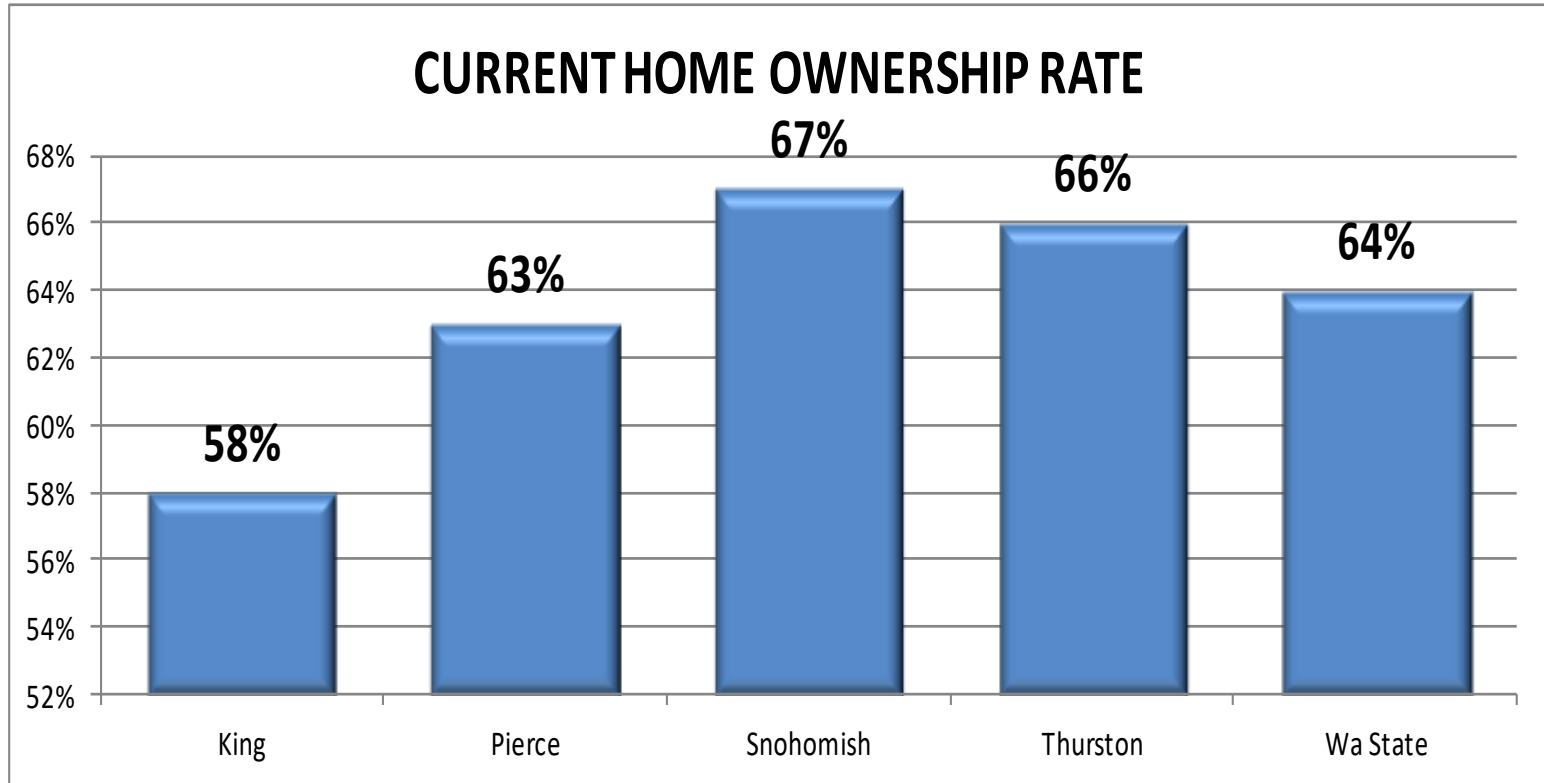


# HOME BUYER DATA

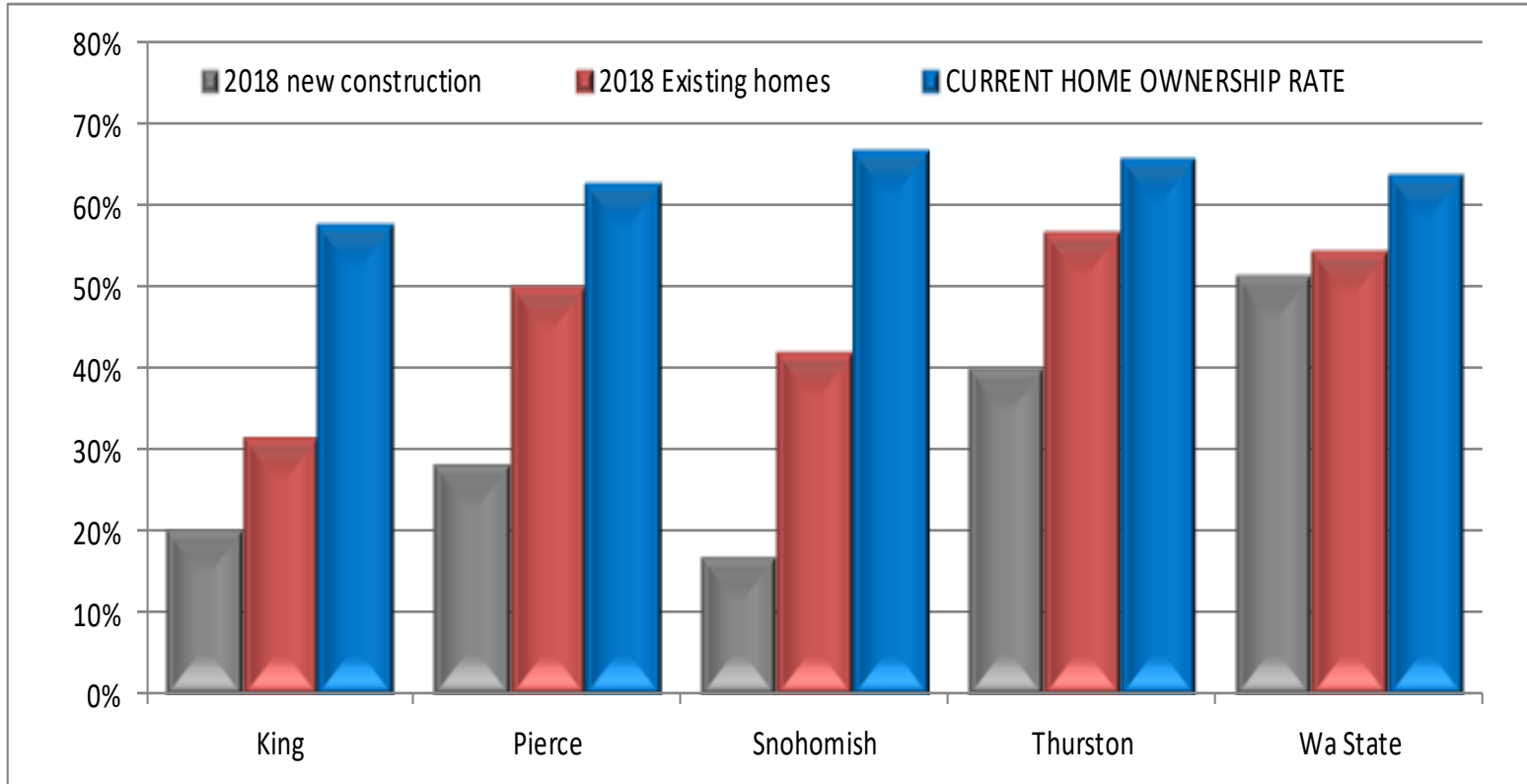
## % OF HOUSEHOLDS ABLE TO AFFORD NEW CONSTRUCTION vs RESALE NEW VS RESALE



## CURRENT HOME OWNERSHIP RATE



### % OF HOUSEHOLDS ABLE PURCHASE NEW VS RESALE ALONG WITH CURRENT HOME OWNERSHIP RATE





# LOOKING FORWARD

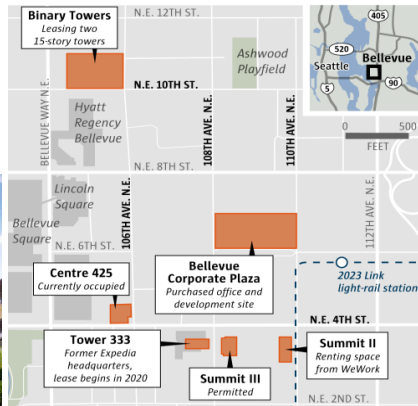


shutterstock.com • 145689659



## Amazon growing again in Bellevue

Amazon already occupies leased space in Bellevue, plans to occupy more and owns one site. Now it's leased another at Binary Towers.



Sources: Amazon, Seattle Times reporting, Sound Transit, Esri  
EMILY M. ENG / THE SEATTLE TIMES

- The remainder of 2019 will continue to see job growth and on into 2025
- Amazons second head quarters is now in Bellevue bringing thousands of jobs
- Amazon has 3 million sqft of office space on the east and they are not done yet.
- Most of the space will be available starting on 2022
- A recession is coming but Washington State should skip right over the top.
- Boomers and Gen Exers will continue to migrate to rural counties

FOR QUESTIONS CONTACT TODD BRITSCH  
[TBRITSCH@METROSTUDY.COM](mailto:TBRITSCH@METROSTUDY.COM)  
425-953-4714

6/4/2019

Off Limits: How Seattle's Suburbs Are Blocking Housing | The Urbanist



## Off Limits: How Seattle's Suburbs Are Blocking Housing

By Doug Trumm - May 21, 2019

Suburbs surrounding Seattle, some of them literally islands, are pulling up the drawbridges to growth. That is putting even more pressure on Seattle to shoulder the load for the entire metropolitan region, and it's making the window for affordable housing solutions even narrower.

Bainbridge Island has had a moratorium on **most** new development since January 2018. Since 2009, Bainbridge had added residences at the "breakneck" pace of 66 per year and local home prices have continued to rise. This prompted several Bainbridge City Councilmembers to exclaim **supply and demand does not work**—at least not in Bainbridge! Do you expect them to add more than 66 homes per year?

In the same timespan, Seattle has added more than 50,000 apartments and well over 100,000 **new residents**.

Mercer Island froze development in 2015 and even with the ban technically lifted, it may be easier for a camel to pass through the eye of a needle than an apartment building to earn a building permit in Mercer Island. The offering of a development site near Mercer Island's future light station station (set to open in 2023) could be the **rare exception** to that rule. Incidentally, Mercer Island is the residence of Seattle Times publisher Frank Blethen, who's turned his paper's opinion section into a **megaphone for apartment bans**—that is preserving single-family housing, neighborhood character, and civilization as we know it.

Sammamish had a year-long moratorium that it **partially lifted** in September 2018, although the City ironically extended the building ban in Sammamish's "Town Center"—supposedly the community's mixed-use focal point. The Sammamish City Council enacted "Neighborhood Character" restrictions like a doubling of building setbacks that will shrink and discourage new development, not to mention a concurrency requirement linking density to wider roads.

The Issaquah City Council passed a **citywide moratorium on apartment development** in September 2016 following uproar over a large new apartment building. Issaquah councilmembers said their decision was

<https://www.theurbanist.org/2019/05/21/off-limits-how-seattles-suburbs-are-blocking-housing/>

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6/4/2019

Off Limits: How Seattle's Suburbs Are Blocking Housing | The Urbanist

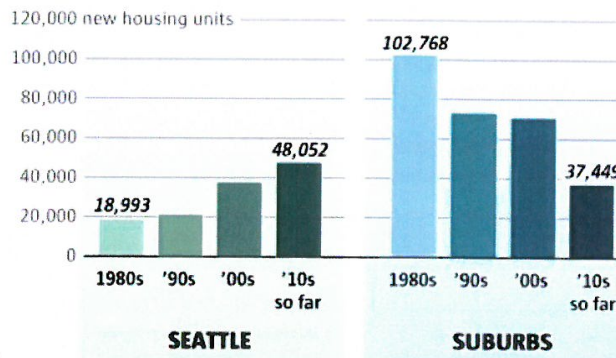
motivated by a desire to encourage more density, improve urban design, and calibrate affordability requirements.

“Get rid of single-story, 1980s suburban retail and replace it with multi-story, denser projects that will accommodate growth and create a more vibrant part of the city in central Issaquah — that’s what [city leaders] wanted, but we weren’t necessarily getting that,” said Issaquah Development Director Keith Niven in a [Crosscut interview](#).

But, to the region, even moratoriums with good intentions end up meaning less housing gets built and more pressure is put on everyone else—and ultimately Seattle given the trend.

### Housing growth in King County

Construction of new housing has surged in Seattle and plummeted in the suburbs that make up the rest of the county.



Source: Washington Office of Financial Management  
EMILY M. ENG / THE SEATTLE TIMES

Issaquah lifted the citywide moratorium in March 2017, but extended the ban in central Issaquah (where apartments were being funneled anyway) to continue tinkering with the development standards and “get it right.” Finally the City lifted the ban completely in May 2018 and released new development guidelines. Admirably, Issaquah has a [urbanist vision](#) for its downtown (big plans for the central district helped the city lobby for its own Link light rail line in the [Sound Transit 3 package](#).) However, the 20-month moratorium seems to have taken the wind out the sails of the little development boom Issaquah had been having. Post-moratorium, no major projects have materialized yet.

Federal Way issued an “emergency” one-year apartment ban in June 2016, citing crowded schools. Even when the ban was lifted, Federal Way policymakers used [exceptionally high impact fees](#) on apartments—raising them seven-fold to more than \$20,000 per unit while leaving single family fees as is—to effectively continue the ban. Public outcry made it clear a loud minority of residents resented apartments and associated them with crime. Federal Way City Council came through with code changes upping parking requirements, reducing building massing, limiting building heights, and increasing setbacks—all seemingly intended to zone new apartments out of existence.

The state legislature considered legislation outlawing impact fees targeting apartments for higher rates than single-family homes, which would have challenged Federal Way’s practice. However, that stipulation was left on the cutting room floor as a more [stripped down version of House Bill 1923](#) passed. Regardless, Federal Way’s code changes may have been sufficient to discourage new apartments exorbitant impact fees or not—or the City may have just invented new obstacles. Federal Way will get a [light rail station](#) in 2024, but transit-oriented development prospects aren’t looking great.

The spate of moratoriums and downzonings jeopardized on the [Growth Management Act](#), which only allows moratoriums in emergency circumstances. Recent history suggests emergencies are now pretty

6/4/2019

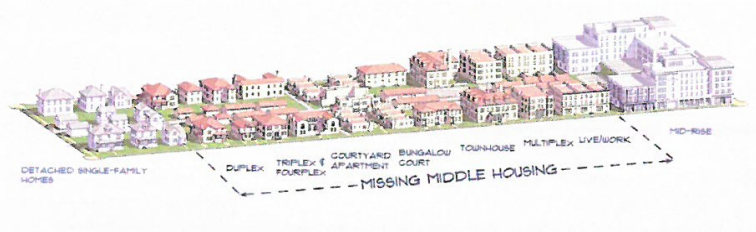
Off Limits: How Seattle's Suburbs Are Blocking Housing | The Urbanist

commonplace in suburban communities. The intent of growth management was to encourage growth in existing communities rather than pushing it out to the unincorporated areas where it'd encroach on farmland, forests, and wilderness areas while requiring expensive new infrastructure and larger climate footprints. Instead, unincorporated Snohomish County and Pierce County seems to be filling the housing vacuum as suburbs shirk their responsibility.

## Some Targeted Suburban Upzones

Some suburban cities are taking measures to encourage growth. Everett rezoned its core to allow some highrises. Edmonds upzoned along SR-99; although, its downtown upzone was scuttled out of desire to preserve the views of hilltop single-family homes. Shoreline rezoned neighborhoods adjoining light rail stations coming online in 2024. Mountlake Terrace is rezoning to allow 12-story buildings adjacent to its future light rail station (again 2024), but is generally preserving single-family zoning everywhere else—a common story.

While providing highrise zoning is a promising sign, the question remains of whether developers will take advantage of it. Lenders may look at large expensive projects in unproven markets as risky investments. Proximity to light rail could be nice selling point that ends up getting big projects built. However, there are plenty of places that are just a little a bit farther from bus rapid transit or future light rail stations that could see missing middle housing typologies (like triplexes, rowhouses, and courtyard apartment buildings). Only they aren't zoned for it. Restrictive single-family zoning continues to hem in the urban districts. Seattle's problem is the same problem nationwide.



Missing Middle housing types. (Opticos Design)

## Opposition to Low-Income Housing

Other suburbs are seemingly pro-growth, but not when it comes to low-income housing.

The Lynnwood City Council is blocking a public housing redevelopment just off its Swift Blue bus rapid transit line on SR-99. Lynnwood had been making waves for its vision for mixed-use midrise development and residential highrise in its new "city center" around its future Link light rail station (set to open in 2024). If the Lynnwood City Council has turned against low-income housing, that could be a bad sign for those that had hoped Lynnwood City Center could prove a release valve for working class folks priced out of Seattle and the Eastside.

Bellevue gets accolades for allowing 60-story towers in its playground for the rich downtown and props for its midrise mixed-use corporate office park at the Spring District. However, when it comes to siting a homeless shelter rather than a corporate campus, Bellevue wasn't so generous. A nonprofit has been

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Off Limits: How Seattle's Suburbs Are Blocking Housing | The Urbanist

trying to build a homeless shelter since 2014 and is looking at a **2022 opening** best case scenario as neighborhood after neighborhood has turned them away, whether by direct opposition or the prevalence of single family zoning. Moreover, "Bellevue's housing stock overall is growing at about half its historical average," Mike Rosenberg pointed out, even with some splashy towers going up.

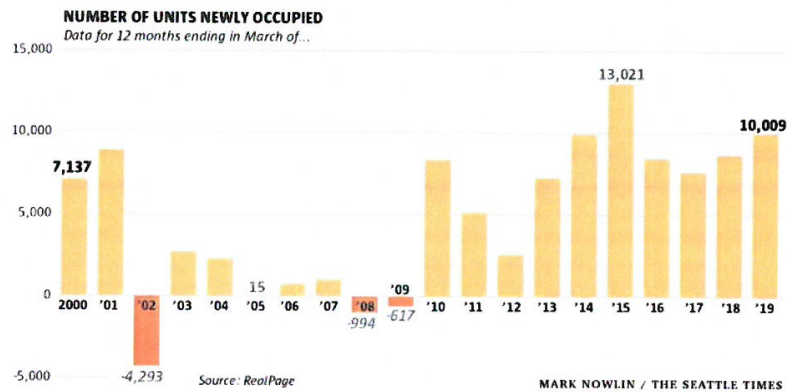
Most of the Eastside shares the sentiment with not many shelters to begin with and only a trickle of new capacity since the region's **homelessness crisis** worsened in the past decade. There are a few promising signs after years of inaction. For example, Kirkland is set to get its **first ever permanent 24-hour homeless shelter** in the year of 2020.

## Seattle Is Facing Housing Obstruction Too

Pointing out that suburbs have been sandbagging growth isn't to let Seattle off the hook. Seattle's designated urban villages have grown remarkably rapidly, carrying **85% of the city's new housing growth**. Meanwhile, the pace of growth in Seattle's single-family zones has been tepid. Some single-family-dominated neighborhoods have seen their **populations shrink** in recent decades as household sizes decrease and no new housing goes in.

### Seattle-area apartment demand growing

The metro area led the nation with the most apartments filled up in the first quarter of 2019. Looking at prior 12-month periods ending in the first quarter, only 2015 had a larger net gain. Some periods had negative growth, indicating more people fled apartments than leased them.



More than 10,000 additional apartments have been leased in the last year. (Credit: Mark Nowlin/The Seattle Times)

Even fighting with a hand tied behind its back, Seattle has done well, leading the region in growth and adding more than 130,000 new residents since the city's 2010 census figure came in at 608,660 to something like **750,000 residents** today. Even so, the narrative many Washington lawmakers continues to push is that Seattle, by obstructing housing and not growing faster than it is, is ruining everything—which is a well-worn narrative and pretty misleading in this case. Sen. Guy Palumbo (D-Maltby) is one state legislator known to use the narrative and his colleague Sen. Joe Fitzgibbon (D-Burien) pointed out one hole in "Seattle is to blame" line; namely, that most suburbs have just as much (if not more) single family zoning as Seattle does.



6/4/2019

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Replying to @justguypalumbo

What does it look like in Bothell?

7 1:54 PM - May 20, 2019

[See Joe Fitzgibbon's other Tweets](#)

## Seattle Is Building Much Faster than the Suburbs

Seattle—even with some **egregious** examples of **NIMBY hijinx**—is growing much faster than the suburbs. Housing obstruction in the suburbs paired with a trend toward walkable urban housing has nearly ground to a halt multifamily housing growth in the suburban cities. Seattle Times real estate reporter Mike Rosenberg reported on the **slow growth suburbs phenomenon** in August 2018:

***RIGHT NOW, SEATTLE HAS 62 PERCENT OF ALL THE APARTMENTS UNDER CONSTRUCTION IN KING COUNTY, ACCORDING TO APARTMENT INSIGHTS/REAL DATA, WHICH TRACKS CONSTRUCTION AND PLANNING OF BUILDINGS WITH AT LEAST 50 UNITS. IN THE COUNTY'S SUBURBS, REDMOND AND BELLEVUE HOST MORE THAN HALF THE APARTMENTS UNDERWAY NOW.***

***BUT LOOKING FARTHER INTO THE FUTURE, THE FORECAST CALLS FOR AN EVEN STRONGER DIVERGENCE: SEATTLE HAS 82 PERCENT OF ALL THE APARTMENTS PLANNED BUT NOT YET UNDER CONSTRUCTION IN KING COUNTY, AMONG LARGE BUILDINGS. ACTUALLY, THERE ARE MORE APARTMENTS PLANNED IN THE CORE OF DOWNTOWN SEATTLE THAN IN ALL OF THE COUNTY'S SUBURBS COMBINED.***

***NOT ALL OF THOSE UNITS WILL GET BUILT, BUT STILL – SEATTLE HAS NEARLY 28,000 APARTMENTS IN THE PIPELINE, WHILE ALL THE SUBURBS COMBINED HAVE ABOUT 6,000 PLANNED, AMONG LARGE BUILDINGS.***

It's hard to explain away such a reversal in growth between Seattle and the suburbs. Certainly urban living is "in" right now and Seattle does have Amazon and other major employers drawing people inward. Still, clearly there's demand to live in communities all across the Puget Sound region and people might live in those places if there were more housing options. It's just that Seattle is doing a lot more to meet that demand than anywhere else and it's not even close.

While some believe markets are very efficient at meeting demand, housing markets are pretty complicated. The 2008 Housing Crisis dried up the development pipeline and drove a good number of construction contractors and developers out of business—especially those overinvested in exurban McMansions. Since the crash, developers may have overcorrected abandoning suburban projects to get

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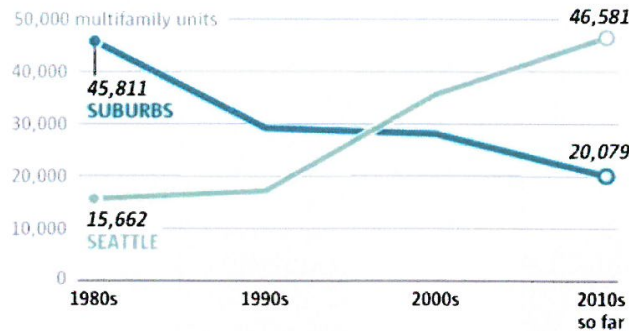
in on the action in Seattle, where Amazon had rapidly added 45,000 high-paying jobs. The hoops, hurdles, and moratoriums developers are being forced to jump through in some suburbs may have helped make their mind up.

### Apartment construction in King County

The suburbs used to build a majority of the county's apartments and other multifamily buildings, but that has flipped.

Source: Washington Office of Financial Management

EMILY M. ENG / THE SEATTLE TIMES



Apartment construction is strong in Seattle but slowing to a trickle in the suburbs. (Credit: Emily M Eng/Seattle Times)

The market had been really good at building suburban sprawl until the 2008 crash. In the 1980s, the suburbs outproduces housing five times over, adding 102,768 as Seattle added less than 19,000. Now, that suburban sprawl is choking growth. Suburbanites are using big-lot single-family zoning, development moratoriums, exorbitant impact fees, parking requirements, setback requirements, and whatever else they can throw at projects to keep their neighborhoods from growing.

Perhaps we need a state or regional body to take more control of zoning and land use restrictions, promoting missing middle housing expansively within the urban growth boundary. We also might need a major investment in social housing to ensure that residential towers go up in places like Everett and Lynnwood that want them but might not be attractive targets for global real estate capital any time soon.

The featured image is credited to Seco Development and shows the Southport complex in Renton.

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**Doug Trumm**

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Governance and a marketing intern at King County Metro. His views are his own and do not represent his employer.



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**Tentative Council Meeting Agendas**  
**Subject to change without notice**

*Last updated: June 20, 2019*

**July 2, 2019**

*(Agenda Summary due June 24)*

- Spine Road Professional Services Contract - Gina H
- Emergency Operations Center - Chief
- Study Session: Grant Funding Application Criteria and Process - Peggy
- Study Session: Huntron Lease - Peggy
- Study Session: PW Shop - Gina H
- Resolution to Accept Grant Award - Gina H

**July 9, 2019**

*(Agenda Summary due July 1)*

- LTAC Grant - Meredith
- Comcast Settlement Agreement - Scott Missall
- Heron Park ILA w/Snohomish County - Gina H

**July 23, 2019**

*(Agenda Summary due July 15)*

**September 3, 2019**

*(Agenda Summary due August 26)*

**September 10, 2019**

*(Agenda Summary due September 2)*

- Presentation: Waste Management
- 2020 Community Events - TBD

**September 10, 2019**

*(Agenda Summary due September 2)*

- Presentation: Swift Orange Line - Community Transit

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**Possible Work Session Topics for Discussion**

- Utility Project Management - Michael
- Hotel/Motel Theater Tax - Michael
- ST3 Stations - Sound Transit
- Legislative Retreat - Michael
- Gold Star Memorial - Michael
- Dobson Remillard Property - Michael
- Fleet Program - Gina H/Greg/Peggy
- Bike Lanes - Gina H
- Community Funding Criteria and Source of Funds - Michael
- Surface Water System Study Group - Gina H
- Updates to the Governance Manual - Michael
- Compensation Strategies - Charlie



## **Providing City Input on Vision 2050 and Other Regional Plans**

### Background

At the May 7 City Council meeting, Mayor Pro Tem Holtzclaw reported on a letter that the Snohomish County Tomorrow (SCT) Steering Committee had discussed and approved at their April 24, 2019 meeting. Mayor Pro Tem Holtzclaw serves as the City's representative on this committee. The purpose of the letter was to provide comments from the Snohomish County region on the draft Environmental Impact Statement that was prepared by the Puget Sound Regional Council (PSRC) for the various alternatives being considered for the Vision 2050 Plan. Following his oral report, the Council discussed the importance of following and providing meaningful input on the upcoming PSRC Vision 2050 Plan. This would also be true for other plans that could have an impact on the City, such as the 2023 Snohomish County Comprehensive Plan Update. At the conclusion of the discussion, City Manager Ciaravino suggested that a meeting be set up with Councilmember Todd, Mayor Pro Tem Holtzclaw, Public Works and Development Services staff, and himself to discuss the best way to participate in the review and adoption of plans that may affect the City.

### May 15, 2019 Meeting

On May 15, 2019, Mayor Pro Tem Holtzclaw, Councilmember Todd, City Manager Ciaravino, Director Gina Hortillosa and Planning Manager Tom Rogers met to discuss how to best participate in the review of regional plans. The group agreed that it is important for the Council as a whole to be adequately informed on issues being considered, so that a collective understanding and an opinion on desired outcomes can be formulated and communicated. To accomplish this, the group discussed inviting officials from the applicable agencies to make presentations to the Council on proposed plans during the plan review periods.

At the meeting the group also agreed that it would be very beneficial for all councilmembers to have a general understanding of the purpose of the various regional plans and how these plans interface with the City's Comprehensive Plan and future planning efforts. Thus, staff agreed to research training opportunities for the City Councilmembers on comprehensive planning and plan implementation under the Washington State Growth Management Act.

### Recommendation

#### *Training on Planning in Washington State:*

High level training on planning processes and issues specific to Washington State and the Growth Management Act is provided free of charge by the Washington State Department of Commerce. These 3-hour long "Short Courses on Local Planning" are conducted periodically at local jurisdictions throughout the state and are taught by experts in their field. The written materials are available on the Department of Commerce's website if you want to see what topics are covered.

Fortunately, the next Short Course nearby is scheduled at the City of Mukilteo City Hall on Tuesday, September 17, 2019, from 6:15 to 9:15 p.m. Joe Tovar, AICP, is a well-known expert on GMA planning and is scheduled to teach a portion of this class. If the Council is interested in attending the course in Mukilteo, staff has confirmed that that space is still available. Councilmembers and appropriate staff could attend the training together and then set aside time on a future Council study session to discuss what we learned and ask follow-up questions. If Councilmembers wish to attend the training, please contact Planning Manager Tom Rogers and he will make the arrangements.

Another option to receive the Short Course training is to individually or as a group review a 3-hour video recording of a previous Short Course presentation, which is available on the Department of Commerce's website. Staff has attended both the live Short Course and has viewed the Short Course video. Staff recommends the live course.

*Providing Input on Planning Issues:*

When regional plans are released for public comment, staff will invite representatives from the applicable agency to make a presentation to the City Council on the alternatives being considered and the potential affect it will have on Mill Creek. If other agency staff is not available, City staff will inform the City Council of the issues. The City Council and staff will then discuss the issues raised in a proposed plan and determine the nature of any comments or other actions that should be taken by the City. Depending on the situation, staff can then prepare a comment letter or a resolution for consideration by the Council.

Conclusion

PSRC is currently preparing a draft of the Vision 2050 Plan. The Plan will be available for public review and comment in July of this year, with adoption anticipated in early 2020. This schedule allows adequate time for Council to take the Short Course on Local Planning recommended above and to arrange for a presentation(s) from the PSRC in time to prepare meaningful and informed input into the proposed plan. Staff will also monitor other planning efforts such as the Snohomish County Comprehensive Plan and ST 3 (Sound Transit service to Everett), and invite agency staff to present information to the Council.