



City of Tukwila  
**Finance and Governance  
 Committee**

- ◆ De'Sean Quinn, Chair
- ◆ Kate Kruller
- ◆ Cynthia Delostrinos Johnson

<u>Distribution:</u>	
D. Quinn	Mayor Ekberg
K. Kruller	D. Cline
C. Delostrinos Johnson	R. Bianchi
T. McLeod	C. O'Flaherty
K. Hougardy	A. Youn
M. Abdi	L. Humphrey
T. Sharp	

# AGENDA

**MONDAY, JUNE 27, 2022 – 5:30 PM**

**THIS MEETING WILL BE CONDUCTED BOTH ON-SITE AT TUKWILA CITY HALL AND ALSO VIRTUALLY.**

**ON-SITE PRESENCE WILL BE IN THE DUWAMISH CONFERENCE ROOM  
 (2ND FLOOR, 6300 SOUTHCENTER BOULEVARD)**

**THE PHONE NUMBER FOR THE PUBLIC TO PARTICIPATE IN THIS  
 MEETING IS: 1-253-292-9750, Access Code 49933731#**

**Click here to: [Join Microsoft Teams Meeting](#)**

**For Technical Support during the meeting call: 1-206-433-7155.**

Item	Recommended Action	
<b>1. BUSINESS AGENDA</b>		
a. A two-year lease agreement with Sound Cities Association. <i>Brandon Miles, Business Relations Manager</i>	a. Forward to 7/18 Regular Meeting Consent Agenda.	<b>Pg.1</b>
b. An update on the budget process. <i>Vicky Carlsen, Finance Director</i>	b. Discussion only.	<b>Pg.13</b>
<b>2. MISCELLANEOUS</b>		

**Next Scheduled Meeting:** *July 11, 2022*



The City of Tukwila strives to accommodate individuals with disabilities.

Please contact the City Clerk's Office at **206-433-1800** ([TukwilaCityClerk@TukwilaWA.gov](mailto:TukwilaCityClerk@TukwilaWA.gov)) for assistance.





## **INFORMATIONAL MEMORANDUM**

**TO: Finance and Governance**

**FROM: Brandon Miles, Business Relations Manager**

**CC: Mayor Ekberg**

**DATE: June 3, 2022**

**SUBJECT: Sound Cities Association Lease Agreement**

### **ISSUE**

The current lease agreement for office space in the 6300 building with Sound Cities Association (SCA) expires on December 31, 2022. Staff is proposing to enter into a new two-year lease agreement with SCA.

### **BACKGROUND**

SCA is a local non-profit corporation composed of member cities with a population of with 150,000 or fewer people that works locally and partners regionally to create livable, vital communities through advocacy, education, leadership, mutual support and networking. The City of Tukwila is a member of SCA. Since 2006 SCA has leased office space from the City in the 6300 building. The current two-year lease with SCA expires at the end of the year.

### **DISCUSSION**

Staff is proposing a two-year lease agreement from January 1, 2023 – December 31, 2024, to coincide with the biennium budget cycle. The rent per square foot, per year, will increase 50 cent in 2023 and again in 2024. The total annual revenue for 2023 will be \$27,010.00 and in 2024 the revenue will be \$27,704.00. Under revised Code of Washington 35A.11.010 and 35A.11.020 all lease agreements must go before City Council for authorization, unless the City Council has delegated its authority.

### **FINANCIAL IMPACT**

Unless terminated, as permitted under the agreement, the lease agreement will generate \$54,714.00 in general fund revenue for the City.

### **RECOMMENDATION**

The Committee is being asked to forward this item to the July 18 consent agenda for final approval to authorize the Mayor to execute the new lease agreement.

### **ATTACHMENTS**

- Draft lease agreement with Sound Cities Association for office space in the 6300 building.





**DRAFT LEASE AGREEMENT**

**THIS LEASE AGREEMENT** is made between the **City of Tukwila** (“the City” or “Lessor”) and **Sound Cities Association** (“Sound Cities Association” or “Lessee”).

**IN CONSIDERATION OF** the mutual benefits and conditions hereinafter contained, the parties hereto agree as follows:

1. **Premises.** Lessor is the owner of the commercial property located at 6300 Southcenter Boulevard, Tukwila, Washington (the “Property”). Lessor does hereby agree to lease to Lessee, a portion of the Property consisting of approximately 1,460 rentable square feet (the “Premises”). The Premises do not include the exterior walls, roof, land beneath, pipes, ducts, conduits, wires, fixtures and equipment above the suspended ceiling, or any other portion of the Property or the buildings thereon. The City and Lessee agree that the Lessee’s pro-rata share of the Property that the Premises are a part of is 3.45%, based on the ratio of the agreed rentable area of the Premises to the agreed rentable area of the entire Property as of the date of this Lease.
2. **Term.** This Agreement shall be in full force and effect for a period commencing January 1, 2023 and ending December 31, 2024, unless sooner terminated under the provisions set forth in Section 22. Upon termination of this Lease the Lessee shall surrender all keys and/or access cards to the City.
3. **Possession.** Lessee shall be deemed to have accepted possession of the Premises in an “as-is” condition. The City makes no representations to Lessee regarding the Premises including the structural condition of the Premises and the condition of all mechanical, electrical and other systems. Lessee shall be responsible for performing any work necessary to bring the Premises into condition satisfactory to Lessee. Lessee shall not engage in any improvements or alterations to the Premises without the express written consent of the City.
4. **Rent.** Base rent shall be set at \$18.50 per square feet per year, or \$27,010.00 per year, to be paid in monthly installments of \$2,250.83 for the period of January 1, 2023 – December 31, 2023 and \$19.00 per square feet per year, or \$27,740.00 per year, to be paid in monthly installments of \$2,311.67 for the period of January 1, 2024 – December 31, 2024. Rent shall be due on the first day of each month. If payment is not received by the fifth day of each month, Lessee shall be responsible for paying a late fee equivalent to five percent (5%) of the delinquent amount in addition to the past due payment. All delinquent sums not paid within thirty (30) days of the due date shall bear interest at the rate of twelve percent (12%) per annum. Interest on all delinquent amounts shall be calculated from the original due date to the date of payment. The City’s acceptance of less than the full amount of any payment due



from Lessee shall not be deemed an accord and satisfaction or compromise of such payment.

5. **Leasehold Excise Tax.** Lessee shall pay leasehold excise tax due pursuant to RCW 82.29A to Lessor by the first day of each month at the rate of 12.84% of the base rent set forth in Section 4 herein, such amount being \$289.00 per month for January 1, 2023 – December 31, 2023 and \$296.50 per month for January 1, 2024 – December 31, 2024. The leasehold excise tax shall be paid in addition to the monthly rental payment and any other payments required under this Lease. If the State of Washington changes the leasehold excise tax, the tax payable by the Lessee each month under this Lease shall be correspondingly modified in compliance with RCW 82.29A without further action by the parties.
6. **Use of Premises by Lessee.** Lessee shall use the Premises for general office use. The Premises shall be used only for the uses specified herein and for not for any other business or purpose without the prior written consent of the City. No act shall be done on or around the Premises that is unlawful or that will increase the existing rate of insurance on the Premises or cause the cancellation of any insurance on the Premises. Lessee shall not commit or allow to be committed any waste upon the Premises or any public or private nuisance. Lessee shall not do or permit anything to be done on the Premises which will obstruct, cause injury or interfere with the rights of other tenants, or occupants of the Premises or their customers, clients and visitors.
7. **Lessee Maintenance and Repair Responsibility.** Lessee shall, when and if needed, at Lessee's sole expense, make repairs to the Premises and every part thereof; and Lessee shall maintain the Premises in a neat, clean, sanitary condition. Lessee shall surrender the Premises to the City in good condition upon the termination of this Lease, reasonable wear and tear expected.
8. **Signage.** Lessee shall obtain the City's written consent before installing any signs on the Premises and shall install any approved signage at Lessee's sole expense and in compliance with all applicable laws. Lessee shall not damage or deface the Premises when installing or removing signage and shall repair any damage to the Premises caused by such installation or removal.
9. **Utilities, Equipment and Services.** The City shall provide the Premises with the following services, the cost of which shall be included in the rent paid by Lessee: water, electricity, and heating/cooling seven (7) days per week and janitorial services five (5) nights per week, exclusive of holidays.



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The Lessee shall pay the City \$110 per month for internet service, payable on the first of each month along with rent.

The City's Technology Services department shall provide the Lessee with basic technology support to maintain hardware equipment and software applications, such support being performed during the City's regular, non-holiday business hours of 8:30 a.m. to 5:00 p.m. Any after-hours emergency callouts or mutually agreed upon project work will be billed in one-hour increments at a flat rate of \$150/hour with a minimum charge of one hour. Charges will be invoiced upon completion of the work and will be payable within 30-days.

The City shall provide six (6) extensions to the City phone system for use by the Lessee and will maintain the phone system at no additional cost to the Lessee. Lessee shall be responsible for all costs associated with long distance and other toll calls which may be billed separately by the City. Charges will be invoiced upon receipt of phone bill and will be payable within 30-days.

On an annual basis, the Lessee shall provide an inventory list to the City detailing hardware equipment and software utilized by the Lessee. Any hardware equipment or software requested for purchase by the City to update the Lessee's inventory will be billed to the Lessee at actual cost. Any hardware equipment or software purchased by the Lessee shall be reviewed by the City's Technology and Innovation Service Center for system compatibility and supportability prior to purchase and installation.

Virus checking software and that has been approved by the City's Technology and Innovation Service Center is mandatory on all Lessee computers, laptops and servers in use by the Lessee. Any virus signature files released by the virus checking software company shall be set to automatically update to keep the Lessee's software updated to the latest version available.

A data backup program approved by the City's Technology and Innovation Service Center is mandatory and will be configured to automatically back up any of the Lessee's server-based live, primary data. Data that is stored only locally (on computers, laptops, phones, tablets) will NOT be backed up nor monitored at the Lessee's own risk. The performance of the backup program will be monitored and tested on a quarterly basis by both parties.

10. **Destruction of Premises.** If the Premises are completely or partially destroyed by fire or other casualty, or if they are damaged by an uninsured casualty, or by an insured casualty to such an extent that the damage cannot be repaired within sixty (60) days of the occurrence, the City shall have the option to restore the Premises or to terminate this Agreement on thirty (30) days written notice, effective as of any date not more than sixty (60) days after the occurrence. If this Section becomes applicable, the City shall advise the Lessee within thirty



(30) days after such casualty whether the City elects to restore the Premises or to terminate this Agreement. If the City elects to restore the Premises, it shall commence and complete the restoration work with due diligence. For the period from the date of the casualty until completion of the repairs (or the date of termination of this Agreement, if the City elects not to restore the Premises) the monthly base rent shall be abated in the same proportion that the untenable portion of the Premises bears the whole thereof, unless the casualty results from Lessee's negligence or its breach of obligations under this Agreement.

11. **Hazardous Substances.** Lessee shall not generate, release, spill, store, deposit, transport or dispose of (collectively "Release") any hazardous substances, sewage, petroleum products, radioactive substances, medicinal, bacteriological, or disease-producing substances, hazardous materials, toxic substances or any pollutants or substances defined as hazardous or toxic in accordance with applicable federal, state and local laws and regulations in any reportable quantities (collectively "Hazardous Substances") in, on or about the Premises. Lessee shall attach a separate list of Hazardous Substances they propose to store on site and the City must accept the list in writing or Hazardous Substances cannot be stored on site. The Lessee shall indemnify, hold harmless and defend the City from any and all claims, liabilities, losses, damages, clean-up costs, response costs and expenses, including reasonable attorneys' fees, arising out of or in any way related to the Release by the Lessee or any of its agents, representatives or employees, or to the presence of such Hazardous Substances in, on or about the Premises occurring at any time after the effective date of this Agreement to the full extent of the Lessee's liability.
12. **Alterations and Additions.** After obtaining the prior written consent of the City, Lessee may make, at its sole expense, such additional improvements or alterations to the Premises which it may deem necessary or desirable. Any repairs or new construction done by Lessee shall be done in conformity with plans and specifications approved by the City. All work performed shall be done in a workmanlike manner and shall become the property of the City.
13. **Liens.** Lessee shall keep the Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by Lessee.
14. **Insurance.** The Lessee shall procure and maintain for the duration of the Lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises.

- a. No Limitation





The Lessee's maintenance of insurance as required by the Lease shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

- b. Minimum Scope of Insurance. The Lessee shall obtain insurance of the types described below:
  - i. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The City shall be named as additional an insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage.
  - ii. Property insurance shall be written on an all risk basis.
- c. Minimum Amounts of Insurance. Lessee shall maintain the following insurance limits:
  - i. Commercial General Liability insurance shall be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate.
  - ii. Property insurance shall be written covering the full value of the Lessee's property and improvements with no coinsurance provisions.
- c. Other Insurance Provisions. The Lessee's Commercial General Liability insurance policy or policies are to contain or be endorsed to contain that they shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Lessee's insurance and shall not contribute with it.
- d. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M Best rating of not less than A: VII.
- e. Verification of Coverage. Lessee shall furnish the City with original certificates and a copy of any applicable amendatory endorsements including, but not necessarily limited to, the additional insured endorsement evidencing the insurance requirements of the Lessee.
- f. Waiver of Subrogation. Lessee and the City hereby release and discharge each other from all claims, losses, and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the Premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.
- g. City's Property Insurance. The City shall purchase and maintain during the term of this Lease, all-risk property insurance covering the Building for full replacement value without any coinsurance provisions.



- h. **Notice of Cancellation.** The Lessee shall provide the City with written notice of any policy cancellation, within two (2) business days of receiving such notice.
  - i. **Failure to Maintain Insurance.** Failure on the part of the Lessee to maintain the required insurance shall constitute a material breach of this Lease upon which the City may, after giving five (5) business days notice to the Lessee to correct the breach, terminate this Lease or, at its discretion, procure or renew such insurance and pay and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand.
  - j. **City Full Availability of Lessee Limits.** If the Lessee maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Lessee, irrespective of whether such limits maintained by the Lessee are greater than those required by this Lease or whether any certificate of insurance furnished to the City evidence limits of liability lower than those maintained by the Lessee.
15. **Indemnification and Hold Harmless.** Lessee shall defend, indemnify, and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of Lessee's use of Premises, or from the conduct of Lessee's business, or from any activity, work or thing done, permitted, or suffered by Lessee in or about the Premises, except only such injury or damage as shall have been occasioned by the sole negligence of the City. It is further specifically and expressly understood that the indemnification provided herein constitutes the Lessee's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated and agreed to by the Lessee and City. The provisions of this section shall survive the expiration or termination of this Lease.
16. **Assignment and Subletting.** Lessee shall not assign this Lease or sublet any portion of the Premises. Any sublease or assignment made in violation of this provision shall be void.
17. **Default.** Failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Lease, where such failure shall continue for a period of ten (10) days after written notice from the City to cure the default, shall constitute a default and breach of this Lease. Lessee shall notify the City promptly of any default not by its nature necessarily known to the City.
18. **Access.** After reasonable notice from the City (except in the cases of emergency where no notice is required) the Lessee shall permit the City and its agents, employees and contractors to enter the Premises at all reasonable times to make repairs, alterations, improvements or



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inspections. This section shall not impose any repair or other obligation upon the City not expressly stated elsewhere in this Agreement.

19. **Compliance with Laws, Rules and Regulations.** Lessee shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force relation to or affecting the conditions, use, or occupancy of the leased premises. Lessee shall faithfully observe and comply with City rules and regulations.
20. **Permits.** Lessee shall, at its sole cost and expense, be responsible for obtaining any required permits and licenses necessary to perform the work and covenants of this Lease.
21. **Notices.** All notices under this Lease shall be in writing and shall be effective when mailed by certified mail or delivered to the addresses listed below.

Notices to Lessor shall be sent to:  
City of Tukwila  
ATTN: Mayor's Office  
6200 Southcenter Boulevard  
Tukwila WA 98188

Notices to Lessee shall be sent to:  
Sound Cities Association  
ATTN: Executive Director  
6300 Southcenter Blvd, Suite 206  
Tukwila WA 98188

22. **Termination.** Either party may terminate this Agreement if the other party is in default as outlined in Section 17 or at any time on or before the expiration of this Lease by providing a minimum of thirty (30) days written notice to the other party.
23. **Applicable Law; Venue: Attorneys' Fees.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be in King County, Washington. The prevailing party in any such action shall be entitled to its attorneys' fees and costs of suit.
24. **Authority of Lessee.** The Lessee and the individual executing this Lease on behalf of the Lessee represent and warrant that s/he is duly authorized to execute and deliver this Lease and upon execution this Lease is binding upon the Lessee in accordance with the terms herein.
25. **Waiver and Forbearance.** No waiver by the City of any breach or default by the Lessee of any of its obligations or covenants herein shall be deemed to be a waiver of any subsequent breach or default of the same or any other obligation or covenant, nor shall forbearance by



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the City to seek remedy for any break or default of the Lessee be deemed a waiver by the City of its rights and remedies with respect to such breach or default.

- 26. **Entire Agreement - Modification.** This Lease Agreement together with all exhibits or addenda expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. Except as otherwise provided, no modification or amendment of this Lease Agreement shall be valid or effective unless evidenced by an agreement in writing signed by both parties.
- 27. **Severability and Survival.** If any term, condition or provision of this Lease is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable.

CITY OF TUKWILA

SOUND CITIES ASSOCIATION

By: \_\_\_\_\_  
Allan Ekberg  
Mayor

By: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Christy O’Flaherty, City Clerk

Approved as to form:

By: \_\_\_\_\_  
City Attorney



**City of Tukwila**

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STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Allan Ekberg is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Mayor of the City of Tukwila to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
(Print Name)

Residing at \_\_\_\_\_

My appointment expires \_\_\_\_\_

[Stamp or Seal]

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Deanna Dawson is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it the Executive Director of Sound Cities Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Notary Public for Washington

\_\_\_\_\_  
(Printed or Stamped Name of Notary)

Residing at \_\_\_\_\_

My appointment expires: \_\_\_\_\_

[Stamp or Seal]





## **INFORMATIONAL MEMORANDUM**

**TO:** Finance and Governance Committee  
**FROM:** Vicky Carlsen, Finance Director  
**CC:** Mayor Ekberg  
**DATE:** January 18, 2022  
**SUBJECT:** 2023 – 2024 Biennial Budget Process

*Updated June 21, 2022*

### **ISSUE**

Review process associated with the development and adoption of the 2023 - 2024 biennial budget.

### **BACKGROUND and DISCUSSION**

#### *Activities to Date*

As of January 1, we are live with Phase I of our new financial software system, Finance Enterprise. Phase I includes general ledger, accounts payable, accounts receivable, and cashing. Staff will be able to utilize the new system for some, but not all budgeting processes. The system will provide higher accuracy and better tracking of changes as the budget is drafted. Until payroll is implemented, we will still need to calculate labor costs using Excel.

We have also outlined several touch points with City Council in the first few months of the year; prior to budget review session. The touch points are an opportunity to discuss various aspects of the budget and budget process prior to formal review. The following areas have been identified and staff is requesting input from the Committee on these and/or other ideas for touch points.

- City structure from a budgeting perspective including existing policies, best practices, bond rating, etc.
- City revenues including historical data, restrictions, limitations on growth, and how each major revenue source is utilized
- Labor and other costs the City has little or no control over
- Capital projects overview including prioritization and funding options
- Proposed budget process and calendar

#### *Public Outreach*

The City Council and Administration both desire community engagement early in the budget process so that community has the ability to participate and provide input before decisions are made. Due to the ongoing effects of the pandemic, the current plan is for online opportunities. If it is deemed safe to meet in-person at a later date, in-person opportunities can always be added. Public outreach possibilities include:

- Online survey
- Virtual community meetings
- Mail-based outreach
- Feedback via the website, social media, and phone

### *Next Steps*

Next steps include developing a budget calendar that incorporates Council Committee touches on the budget, workshops with the full Council, and due dates for each element of the budget process.

As a reminder, the budget must be adopted prior to the end of 2022 in order for the City to have authority to meet financial obligations. The last City Council meeting of the year is anticipated to be December 12, 2022.

### **New Information as of June 2022**

Since the first touch with the Finance & Governance Committee in January, a number of budget related activities have been completed and several are currently underway.

### *Budget Workshops*

Three workshops and an outreach briefing have been conducted. A binder of all materials from the workshops will be provided in the near future.

- March 7, 2022 – Structure of City Funds, Financial Policies, and Bond Rating
- May 2, 2022 – City Revenues
- May 16, 2022 – Budget Outreach Overview
- June 6, 2022 – Capital Projects

### *Community Outreach*

Community outreach is currently underway. Staff is meeting with as many boards and commissions as possible over the next several weeks. A Council-led Town Hall is also planned for July. As part of the outreach efforts, a new tool, Balancing Act is being introduced and everyone is encouraged to complete it. The tool provides the community the ability to indicate their priorities for services and how they would like to see the budget balanced: reducing lower priority services, adding a new revenue source or increasing an existing revenue stream, or a combination. Staff has also implemented another tool for in-person events that allows the community to provide input on their top five priority services as well as thoughts on revenues or reduction in existing services. This will also be available online to ensure there are multiple ways for community members to provide input. This initial round of community outreach is planned to be wrapped up by the end of July so that there will be time to review and consider how best to utilize the information. However, we expect community engagement to continue throughout the budget process through adoption.

### *ERP Budget Module and Program Budgeting*

Configuration of the new budgeting module is underway and staff is testing the new process now. Departments are starting to draft initial budget requests by program.

As part of configuring the new budget module, staff has reviewed and updated the list of programs that will be used for priority-based budgeting purposes. Priority-based



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budgeting (PBB) was first incorporated into the City's budget process with the 2019-2020 biennial budget. The City had the opportunity to utilize program budgets in 2020 when the pandemic began. With a significant decline in revenue expected, the City was able to use programs as one tool to reduce expenditures. The experience gained during 2020 has allowed the City to refine the programs so that they are more effective in communicating city services. The updated program list will reflect services on a city-wide perspective rather than by department only. The updated list will better show how resources are allocated to programs and services that provide the greatest value to our residents, which will also help better evaluate alignment with strategic and community priorities. This perspective is a pathway to more strategic decision-making regarding levels of service. Attachment A is the updated program catalogue that staff will be utilizing to submit budget requests.

### *Roles and Responsibilities*

With the 2023-2024 budget process well underway, it is a good time to review the roles and responsibilities of staff, administration, and Council.

City Council has the role of setting policy and confirming that the budget meets the direction of the policy by adopting the budget. City Council also has the role of monitoring the budget to ensure that expenditures conform to the budget and desired results are met.

The role of the Mayor is to propose the policy direction at the beginning of the process and to oversee the organizational strategy to implement the policy.

Departments, including the Finance Department, develop the operational strategy to meet policy direction set by Council. Departments also provide the services that have been approved through the budget adoption process. Departments are also accountable for the day-to-day operations of providing the services.

The Finance Department works with all departments to draft budgets within parameters outlined by Council and Administration. The Finance Department manages and ensures that the budget is balanced and adopted prior to the start of the new fiscal year.

### *Budget Calendar*

Attachment B is an updated budget calendar for review. It includes the legally required dates the City must meet in order to comply with State law as well as internal dates for building the budget to ensure that the required dates are met.

### **RECOMMENDATION**

~~Staff is seeking Committee discussion and feedback on the proposed process for the upcoming budget cycle.~~

Discussion only at this time.

### **ATTACHMENTS**

Attachment A: Updated Program Catalog

Attachment B: Updated 2023-2024 Biennial Budget Calendar



Program Name	Program Description
Accounts Payable	Process invoices for payment, review department coding and data input, issue 1099s. Review and post purchase card transactions
Acct Rec/Misc Billing/LID/etc.	Tracks and reports outstanding balances owed to the City. Maintain Local Improvement District #33 database and manage assessment billing
Administration	General functions for standard operations of the department, including purchasing, timecards, budget development and oversight, culture and internal communications, recruiting and hiring, employee supervision and performance evaluations.
Animal Control	The City contracts with King County Animal Control to provide these services
Benefit Plan Management	Managing health, retirement and other benefits. Claims processing
Boards/Commissions/Committees	Staffing, participating and other support for the successful development and administration of Board and Commission recruitment, trainings, and meetings. Also includes assisting with appointments and monitoring terms of appointment and training requirements. Receive applications and compile memo for Mayor, schedule interviews, as requested, maintains a roster with all appointees and expiration dates, send memos for approved appointment for city council agenda, issue press releases, send thank you, regrets and/or congratulations letters to residents
Budget/CIP Development	Facilitate development of the biennial budget, review, and file budget with State Auditor. Process budget amendments. Plan and develop 6-year CIP document addressing current and future city-wide capital needs.
Business & Developmt Attr/Rtnnt	Attracting businesses and developments to Tukwila. Building and maintaining relationships with businesses, including networking, providing general assistance, and helping businesses resolve issues related to the City.
Business Application Svcs	Business application which include financial, asset management (fleet, facilities, parks, and city infrastructure e.g. water, sewer, surface water and street), human resources support
Business License Admin	Provide customer service to both internal and external customers, review, and route applications to other departments for review before issuing licenses
Business System Mgmt & Support	Maintaining and supporting enterprise application relational databases to ensure integrity of application data
Capital Asset Accounting	Monitor, review and update capital asset records and transactions in preparation of financial reporting purposes including computation of depreciation
Case Management	The constellation of court rules, business practices, culture and governance, and staffing and technology infrastructure assembled to achieve the objectives of timely, cost-effective, and procedural fairness.
City Attorney Services	Contracted City Attorney services
City Policy Development	Work on general City policies. Includes reviewing policy changes proposed by other departments, participating on policy development teams, and recommending policy changes.
City Property Dev & Mngmnt	Coordinating management, development, and/or sale of select city owned properties including the following: Healthpoint Health & Wellness Center, Newporter Site, Tukwila Village, George Long Shops, Minkler Shops, Old Fire Station 51, and Longacres.
Civil Service Recruit & Hiring	Recruitment, testing and hiring for Police and Fire
Classification & Compensation	Job descriptions, rep and non-rep
Clubhouse Maintenance	Facility maintenance at Foster Golf Links Clubhouse
Code Enforcement	Compliance with the City's laws and regulations for land use, zoning, building, housing, landscaping and environmentally sensitive areas
Communications & Community Eng	Fosters more inclusive public participation and relationship building.
Community Investment	Providing Tukwila community members with resources to improve quality of life and access to opportunities.
Community Policing Team	The Community Policing Team (CPT) is a proactive team with the overarching goal of establishing a relationship between the Tukwila Police, residents, and business owners, allowing for a more proactive police role in the community. Patrolling on foot, bicycles, and via traditional vehicles, the team partners with community groups to identify opportunities for cooperation and increased safety
Community Risk Reduction	Fire Marshal Office processes, inspections, development review, CARES unit
Construction Permit Review & Inspection	Review Building, Plumbing, Electrical, Energy, and Mechanical Permits for compliance with State Building Code requirements

Council Agenda/Meeting Functns	Administration, agenda production, agenda review and long-term planning, meeting facilitation, minutes, legislative history
Council Legislative Support	Oversees and coordinates with city staff in preparation for City Council meetings; Provides information to Council for their deliberation. Supports and implements Council policy decisions.
Course Maintenance	Execute maintenance tasks on PGA -rated Foster Golf Links, including maintenance of cart paths, course accessories, irrigation, landscape, sand bunkers, set course, turf, and equipment necessary to care for the course
Court Interpreter Program	In compliance with RCW 2.43 the court provides AOC Certified Court Interpreters to all court customers for criminal and non-criminal hearings, mitigation and contested hearings, front counter assistance and Court Support Services.
Court Support Services	Court Support Services (known in the industry as Probation) is a multi-faceted program that enhances public safety by providing supervision for people convicted of misdemeanor offenses while increasing the chance of successful re-entry into the community through less-restrictive alternatives to jail, support and guidance for clients working on meeting court conditions, educational programming, provision of food, clothing, and hygiene items, and connections to community resources.
Critical Incident Response	The Tukwila Police Department is an active member of Valley SWAT/Hostage Negotiator Team and The Valley Civil Disturbance Unit, regional teams whose mission it is to support the extraordinary law enforcement needs of the participating agencies through the use of specialized tactics and techniques. The teams are highly trained and well-equipped to respond to and effectively resolve a variety of high-risk and large-scale situations.
Current Planning	Review of land use permits such as SEPA, design review, rezones, conditional use permits etc.
Cyber Secrty/Busnss Continuity	Application of technologies, processes and controls to protect City systems, networks, programs, devices and data from cyber attacks. ? Restore technology services to maintain critical city services in the event of a natural disaster or cyber security attack..
Data Analytics	Provide quantitative management data of delivered city services by organizing, managing and extracting insights from diverse systems and data sets. ?Proactively inform staff if services are not meeting expected service levels.
Debt Management	Support judicious borrowing by the City within the framework of its written debt management policy. Finance coordinates with bond attorneys, rating agencies and other financial professionals and provides required reporting and disclosures to the State and investors
Deployments	Deployments out of jurisdiction that are reimbursed
Destination Development	Developing the City as a destination for tourism by investing in facilities and infrastructure.
Detention & Incarceration Svcs	This program covers all tasks and responsibilities associated with bringing offenders to justice, including the management of our relationships with jails, courts, and all probation programs. Includes monthly cost for SCORE.
Digital Records Center	Growth and development of system, microfilming and digitization, importing new record series, GET-IT, policies, training, new initiatives, maintenance costs professional development.?
Ditches, Ponds, Bioswale	Staff time and supplies for maintenance of surface water ditches, ponds, and bioswales by the City?s surface water crew
Emergency Application Services	Emergency service (Fire and Police) application support.?
Emergency Management Program	A comprehensive Emergency Management program has responsibility for ensuring the City and the community can mitigate against, prepare for, respond to, and recover from emergencies and disasters. Emergency Management activities involve training all City departments and engagement with the whole community. This program also works with the Police Department, the City government as a whole, and with other area governments to provide for continuity of operations to ensure essential services are maintained in the event of a large scale disaster.
Emergency Prep & Response	Emergency training, continuity of operations plans, developing backup systems.
EMS	Combine the RED / BLS, Core Services, Run Reviews, Supplies, CBT Training, CBT Instructor etc.- grant funding from King County
End-User Infrastructure Svcs	End-user hardware services; laptops, desk phones, PC, point of sale, first responder (rugged tablets and cameras).

Environmental Stewardship	Activities focused on environmental sustainability, such as Recycling, Transportation Demand Management, and environmental stewardship. Activities to benefit City of Tukwila residents include, community outreach and programs, grant-writing, and other supportive activities.
Equity	Implementation of City Equity policy, support for EPIC (Equity Policy Implementation Committee), equity training and regional/national partnerships with and memberships in equity-focused organizations.
Essential Public Services	Preparation of correspondence, memos, presentations. Oversight of scheduling for Mayor and City Administrator
Evidence and Property Managmnt	Proper chain of custody is imperative to safeguarding the Department's property and evidence system, creating better case integrity, and returning lost or stolen items to their lawful owners. Evidence and Property staff ensures the proper chain of custody and evidencesecurity, storage and disposition for items taken in by the Tukwila Police Department.
Facility Management & Improvmt	Staff time for maintenance and supplies for the City facilities. Staff time for Improvements/additions and supplies for City Facilities. Includes using hired vendors and costs for maintenance such as the HVAC system, roof, and other structural repairs.
Facility Rentals	Schedule use of over 20 rental facilities throughout the Parks and Recreation system: including the Community Center, picnic shelters, ball fields, and rental services (equipment rental)
Fin Report/ACFR/Audit/GL Admin	Preparation and review of annual comprehensive annual financial report, work with State Auditor, continuing disclosure on EMMA
Fin Rept & Anlys for Depts	Assist departments with financial management needs, maintain general ledger, regular reporting to Council and Council committees.
Fire Hydrants	Staff time and supplies for fire hydrant maintenance and replacement. Includes flushing the fire hydrants as well as billable workorders after accidents
Fire Suppression and rescue	Response with training
Fleet Management	Maintenance of all carts, vehicles, and equipment necessary for golf course operations
GIS	Includes staff time and consultant services to maintain the geographic information system (GIS) data necessary for customer inquiries, daily operations and infrastructure maintenance.
Golf Maint Operations Admin	General functions for standard operations of the golf course operations department at Foster Golf Links, including purchasing, timecards, budget development and oversight, culture and internal communications, recruiting and hiring, employee supervision and performance evaluations.
Governmental Affairs	Liaise with other government and regional entities. Includes travel and registrations to regional, state, and national boards
Grants Admin & Accounting	Preparation of grant related contracts; processing invoices for payment, reviewing department coding and data input. Reviewing and posting change orders, pay estimates, retainage and other transactions. Tracking and monitoring of grant funds spent and received.
Grounds Maint-City Facilities	Landscape maintenance of city hall campus, Tukwila Justice Center, and fire stations
Health & Safety	Accident prevention plan, safety plan. Employee injury/illness reports. Training related to health and safety.?
Homeless Encampment Response	Maintenance and cleanup of identified homeless encampment sites within the city
Indirect Cost Allocation Admin	Identify costs that should be shared or allocated among departments; design a methodology to allocate these costs in compliance with Budgeting, Accounting, Reporting System (BARS) and other authoritative guidance (GAAP). Ensure the costs are allocated each year
Invest/Cash Mngmnt/Reporting	
Invstgtn of Felony and Juv Crm	This is our Major Crimes Unit, whose primary responsibility is to investigate a wide variety of crimes, including homicide, robbery, burglary, felony assault, crimes against children and the elderly, felony theft, fraud, forgery, sexual assault, missing persons, and matters relating to registered sex offenders
Labor & Employee Relations	Contract/collective bargaining negotiations. Complaints, grievances, investigations, and contract interpretation.
Legislative & Budget Oversight	Study information and attend meetings to provide policy direction and budget authority for City services
Levees	Management of the City's 205 Levee and cooperation with FEMA and King County Flood Control District.

Lodging Tax Application Oversight/Support	Administrative oversight of committee business including funding requests.
Logistics & Support Operations	Research, purchasing, delivery, management, and inventorying of supplies such as aid equipment, station supplies, this will also include our aid runs, mail run. Rehab equipment, supplies. Support Operations staff provides help to officers in the street (both Tukwila officers as well as other agencies). This support includes: radio monitoring; holding area door security; WACIC/NCIC entry; Spillman entry, attachments and review; dispositions; access card management; building camera security and key access control.
Long-Range & Comprehensive Pln	In compliance with state law, develop long range plans for Tukwila Land Use (i.e., City Comprehensive and Subarea Plans) and functional plans such as Public Works plans (e.g., Stormwater, Transportation, Water, etc.), as well as Economic Development, Parks, Emergency Management, etc.
Long-Range Fin Planning Model	Update long-range model to ensure sound financial decisions are made
Mandatory Training	Trainings required by Federal, State, Local laws and/or City of Tukwila organizational policy.
Manholes/Catchbasins	Staff time for maintenance and supplies for City?s manholes/catch basins. Includes using the Vactor truck and costs for proper disposal of drainage waste
Meter Reading and Maintenance	Staff time for meter reading (majority are radio reads) and maintenance and replacement of water meters
Minor Structural Repairs	Repair of minor structural issues with streets and roadways.
Mobility Services	Cell phones, in-car wireless, virtual private networks, iPads, IoT (internet of things connected smart devices).
Narcotics & Human Trafficking Investigation	This program's primary responsibility is to investigate drug and prostitution related crimes that affect the citizenry of Tukwila. The unit also addresses other crimes as assigned, often relying on special equipment and undercover skills to conduct those investigations. Employees assigned to this program also participate with a variety of local, State, and Federal investigators in an effort to curb crime using combined resources
Network Infrastructure Svcs	Network design and support, maintenance.
Not Assigned to any program	This program code is to be used with budget items that are not part of a program
NPDES	Includes staff time and supplies to adhere to the requirements under Surface Water?s National Pollutant Discharge Elimination System (NPDES) Permit. Includes annual reporting, public education and outreach, staff training, and inspections of public and private systems. Includes staff response to illicit discharge events in City?s right-of-way.
Older Adult Services and Prgms	Services and programs for senior adults ages 50 and above
Ordinance, Resolution & TMC Dev	Legislation creation and review, amending and repealing documents, ongoing TMC development, and significant department-led code changes.
Outfall/Flap Gates/Trash racks	Outfalls, Flap Gates, and Trash racks-Staff time and supplies for maintenance of surface water outfalls, flap gates, and trash racks by the City?s surface water crew. Includes all staff time for monitoring the Green/Duwamish River in high water events
Park Restrooms Contract	Contracted services for restroom closures at city parks
Parks Facility Maintenance	Facility maintenance at Tukwila Community Center
Parks Maintenance	Landscape maintenance at city parks
Payroll & Benefit Admin	Provide payroll preparation and processing to all City employees, administer LEOFF 1 pension plan
Permit Intake, Issuance, Coord	Intake approximately 1,800 construction permits, manage review, and issue approval or denials
Police Patrol Services	Police Patrol Services is responsible for responding to the immediate needs of the Tukwila community. Providing a constant presence, both during and between calls for service, and building the trust of the community, the members of this program are the City's law enforcement first responders. The employees assigned to this program are also tasked with nearly all facets of police work, requiring a high-level of expertise and an ever-increasing amount training
Policy Development/Compliance	Duties related to the development of Human Resources policies as well as ensuring compliance.
Pothole and Litter Control	Roadside cleanup, repair and maintenance of asphalt and shoulders.
Preschool Services and Program	Implement play-based preschool programming for ages 3 to 5

Pro Shop Operations	Customer service, lessons and tournaments, management of play, and retail operations at Foster Golf Links
Professional Dev & Training	Development of operational and strategic knowledge and skills to support staff development and better outcomes for the community and organization.
Professional Standards	This program manages and maintains the Department's localized governing policies
Projects & Capital Impr Mgmt	Planning and executing community infrastructure investments
Prosecution Services	Contracted Prosecuting Attorney services
Public Defense Program	Oversight of the Public Defense Program, processing invoices, reports, complaints. Prepares annual program report. Applies for grant funds to support the program. Oversight of Office of Public Defense Grant funds. Prepares reports as required
Public Record Req & Record Mgt	Adherence to public records laws.
Public Safety Plan	Provide reporting, issue debt specific to the voter-approved public safety plan
Pump Station Monitor/Maint	Covers all work at the City's surface water pump stations, which includes monitoring and maintenance
Recruiting and Hiring	This program is tasked with finding, attracting, evaluating, and hiring top talent. Recruitment for non-Police and Fire. Includes lifecycle of recruitment from vacancy to onboarding.
Rental Housing	Compliance with City's Rental Housing Ordinance and inspection requirement
Reservoir/Water Supply Stns	Reservoir/ Water Supply Stations/ Pressure Reducing Stations Covers all work at the City's reservoir, supply stations, and includes CWA fees for purchased water that supplies the City's water district
Risk Management	Maintain adequate insurance coverage for liabilities, property, and employee errors & omissions. Review claims and file reports as needed
Sales and Other Taxes	Track and research tax revenue ? sales tax, property tax, utility taxes, gambling tax, admissions tax, parking tax, real estate excise tax and others ? to ensure amounts owed the City are received by the City; analyze trends relative to economic activity to forecast future receipts. Stay apprised of new developments and make recommendations for increases. Review and update data in preparation of financial reporting purposes
School Zone Safety Cameras	Program created to reduce speeding in school zones. Includes technology equipment, processing, and staffing for Police & the Court
Service Desk	Tier 1/2 support and triage (Basic IT support and Training).? Advanced Troubleshooting, Device Provisioning and Service Fulfillments.
Sewer Mains/Service Lines	Staff time and supplies for sewer main maintenance and replacement by the City's sewer crew
Sidewalks	Staff time and supplies for sidewalk maintenance and replacement by the City's crew.
Snow & Ice Control	Staff time and supplies for snow removal by the City's crew.
Specialty Rescues	
Street Cleaning	Street sweeping, tree removal, etc.
Street Lighting	Repair and maintenance of streetlight poles.
Streetscapes/Median Landscape	Street landscaping.
Surface Water Mains	Staff time for maintenance and supplies for City surface water mains
Surplus inventory/equipment	
TIB Bus Stop/Streetscape	Bus stop cleanup, repair and maintenance.
Tourism Marketing	Program to attract daytime and overnight visitors.
Traffic Control Devices	Repair and maintenance of traffic signals, signage, and buttons.
Traffic Enf & Crash Invstgn Tm	This program houses the Police Department's Traffic Unit, which investigates serious traffic incidents and is tasked with enforcing the City's roadway laws
Trail Maintenance	Landscape maintenance at city numbered trails, Green River Trail, and Interurban Trail
Utilities/Surface Water	Staff time and supplies for surface water main maintenance and replacement by the City's crew.
Utility Billing	Provides support to the water, sewer, and surface water management departments. Provides all aspects of billing services, leak adjustments, financial reporting, etc
Valley Ind. Investigative Team	
Video & Fiber	Staff time and supplies for video and fiber maintenance and replacement by the City's crew.
Water Mains/Service Lines	Staff time and supplies for water main maintenance and replacement by the City's water crew
Water Quality/Backflow Prev	Staff time and supplies for water quality maintenance and replacement. Includes a full-time water employee to maintain backflow prevention records to meet City codes in order to protect the water quality throughout the City's water district

Wellness & Adult Svcs & Programs	Fitness memberships and classes offered for ages 13+ and adult sport activities
Youth & Teen Svcs and Programs	Programming and activities for youth ages 5-18



## 2023-2024 Biennial Budget Calendar

\*Note\* To make the best use of Council time, Workshops may take place during COW, Regular Meeting, or Special Work Sessions, depending on schedules and other legislative items.

January 24	Process discussion at F&G Committee
February 5	Process/Calendar discussion at Council Retreat
March 7	Council workshop: Overview - Structure of City Funds, Financial Policies, Bond Rating
April - June	Budget module in new ERP system configured and tested
May 2	Council workshop: Review of City revenues, revenue sources
May – June	Program list refined, programs rescored as needed
June - August	Department heads prepare budget estimates <ul style="list-style-type: none"> <li>• RCW: on or before the fourth Monday in September</li> </ul>
May - July	Community outreach (includes Council Town Hall possibly in July)
June 6	Council workshop: Overview of Capital Projects - Prioritization, Funding, Impacts to Ongoing Maintenance
Mid July	Consumer Price Index (CPI) published
July 15	City Council direction on contracting with Puget Sound Regional Fire Authority
Early August	Council workshop: High-level general fund discussion
August - September	Finance Department/Administration reviews departmental budgets; community feedback evaluated
September 1	Contract negotiations with Puget Sound Regional Fire Authority must be completed
September	Council review: any fund that is ready for review that is not impacted by the general fund. Possible funds available for review: drug seizure, lodging tax, contingency, debt service, LEOFF 1 retiree, firemen's pension  (Note: documents for review will be provided as early as possible to allow Council adequate time to review materials prior to work sessions)
October 3	Draft Budget presented to Council by Mayor <ul style="list-style-type: none"> <li>• RCW: no later than the first Monday in October</li> </ul> (Note: complete 2023-2024 Biennial Budget Document and Capital Improvement Program document will be provided as early as possible to allow Council adequate to review materials prior to work sessions)

October	Council workshop: General Fund Review
October	Council workshop: Capital Project Funds, Debt Service Funds
October	Council workshop: Utility Funds, Ancillary Funds
Early November	Council workshop(s): Council-led discussion
November 14	Budget legislation in F&G committee
November 14	Public Hearing on Budget & Property Tax Legislation <ul style="list-style-type: none"> <li>• RCW: Property tax legislation must be sent to the County by December 1.</li> </ul>
December 5 or 12	Budget adopted by Council

Completed

In Progress