



City of Tukwila
**Finance and Governance
 Committee**

- ◆ **Kate Kruller, Chair**
- ◆ **Kathy Hougardy**
- ◆ **De'Sean Quinn**

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

AGENDA

MONDAY, MARCH 13, 2023 – 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 LISTEN TO THIS
 MEETING IS: 1-253-292-9750, Access Code 965223169#**

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

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

Item	Recommended Action	
1. BUSINESS AGENDA		
a. Approval to conduct a Private LTE Proof of Concept (POC) with the Washington State Broadband Office for student internet access. <i>Joel Bush, Chief Technology Officer</i>	a. Forward to 3/20 Regular Meeting.	Pg.1
b. Monthly General Fund update (January 2023). <i>Tony Cullerton, Deputy Finance Director</i>	b. Discussion only.	Pg.7
c. An update on the Boards and Commissions appointment process. <i>Laurel Humphrey, Legislative Analyst; and Cheryl Thompson, Executive Assistant</i>	c. Discussion only.	Pg.13
d. An update on Capital facilities financing. <i>David Cline, City Administrator; and Brandon Miles, Business Relations Manager</i>	d. Discussion only.	Pg.21
2. MISCELLANEOUS		

Next Scheduled Meeting: March 27, 2023



The City of Tukwila strives to accommodate individuals with disabilities.

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



INFORMATIONAL MEMORANDUM

TO: Finance & Governance Committee

FROM: Joel Bush, Chief Technology Officer

BY: Eric Compton, TIS Franchise Analyst

CC: Mayor Ekberg

DATE: March 7, 2023

SUBJECT: Private LTE / CBRS Proof of Concept Funding

ISSUE

Approval to conduct a Private LTE Proof of Concept (POC) with the Washington State Broadband Office. The State Broadband Office will provide up to \$1 Million in funding for the POC.

BACKGROUND

The City of Tukwila has unsuccessfully applied for grants in the recent past to develop a Private LTE (Long Term Evolution) solution to bridge the digital divide experienced by Tukwila Students. The State Broadband Office reached out to the City of Tukwila to provide up to \$1,000,000 to conduct a POC based on the strength of past grant applications.

Ensuring that every Tukwila student has equitable access to quality internet is the 1st Pillar of Tukwila Smart City Initiative. If successful, this POC can be scaled to meet this end. Additionally, the network can lay the foundational infrastructure for programs to support many other projects including public safety initiatives, measuring air quality, parking availability in the business district, and utility applications.

DISCUSSION

This Private LTE POC will provide quality internet to approximately 1,200 Tukwila students that reside in Tukwila Hill, Allentown and Tukwila International Boulevard neighborhoods. Private LTE is the same technology used by cell carriers on cell phones for over a decade marketed as 4G. The solution will provide cellular connectivity to local students using take home Chromebooks provided by the school district. Tukwila will contract with a partner to manage the provisioning of resources needed to connect the Private LTE network to the Chromebooks.

TIS has consulted with vendors on the feasibility of this project and are confident that the selected vendor will deliver in time and within the agreed upon scope. The Washington State Broadband Office will provide contracting services for the Private LTE Proof of Concept. The final contract will come before the council when it has been developed.

The State Broadband office has implemented a time requirement for the project that the \$1,000,000 will need to be expended by June 30th, 2023.

FINANCIAL IMPACT

There will be limited financial impact in conducting the Private LTE network, but some staff time will be required to determine connectivity of cellular sites to the City or network. In our current discussions, the State Broadband Office will provide enough funds for all infrastructure and three (3) years of spectrum license fees and managed services. Spectrum license and

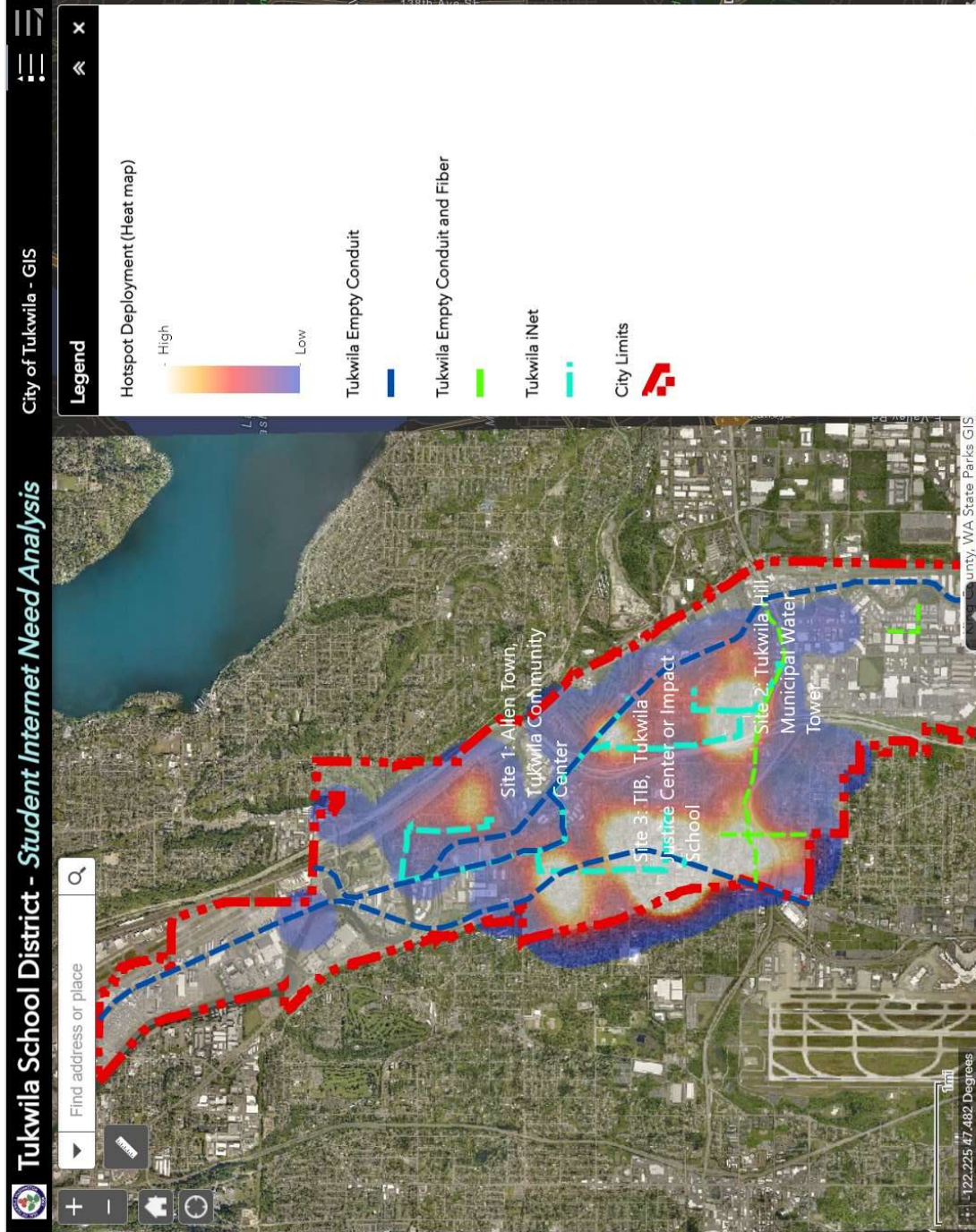
managed service fees of \$94,000 per year will need to be part of the 2025/2026 budget discussions if Tukwila wishes to continue beyond the initial POC.

RECOMMENDATION

The Council is being asked to approve partnering with the Broadband Office on the Proof of Concept at the March 20, 2023 Regular Meeting.

ATTACHMENTS

Student Internet Need Analysis Map
Citizen Broadband Radio Service Spectrum Analysis
Draft of Proposed Cellular Site Locations.



Tukwila Hill

- 56 payor lunch students
- 210 free and reduced lunch students
- **266 TOTAL**

TIB

- 79 payor lunch students
- 687 free and reduced lunch students
- **766 TOTAL**

Allentown

- 35 payor lunch students
- 59 free and reduced lunch students
- **94 TOTAL**

TOTAL SUM OF ALL STUDENTS IN 3 AREAS

1126 TOTAL STUDENTS

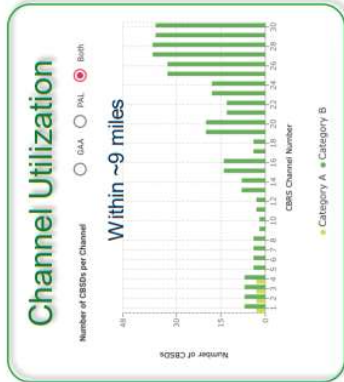
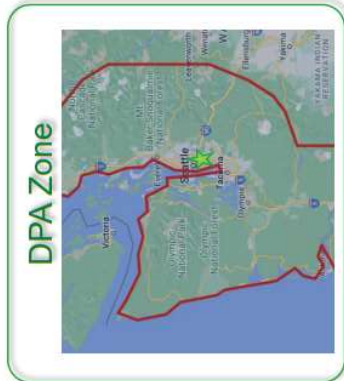
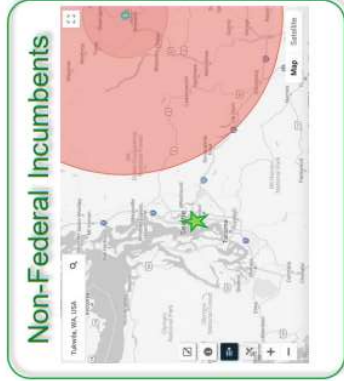
Potential State Broadband Office Private LTE CBRS Proof of Concept

CBRS Spectrum Analysis

Customer	City of Tukwila, WA
Location	Tukwila, WA
Use Case Type	Indoor/Outdoor service for City (TBD)
Bandwidth Required	TBD
Date	18/Jan/2023



Location shows moderate CBRS spectrum utilization within approx. 9 miles. Non-Federal incumbents are not present. Within DPA Zone - radios should be configured to allow frequency change in case of federal activity. PAL channels are present (30 MHz; 3620-3650 MHz). Overall good conditions for CBRS deployments. **GO.**



Draft Cell Site Locations



FIGURE 3: RADIO FREQUENCY COVERAGE

Neighborhood	Site	Facility	Address	Height(ft)	Monopole
Allen Town	AllenTown	Tukwila Community Center	12424 42nd Ave S, Tukwila, WA 98168	60	
Tukwila Hill	Tukwila Hill	Municipal Water Reservoir	15000-14944 57th Ave S, Tukwila, WA 98168	50	YES
Tukwila Hill	Foster	PSE Utility Pole	13537 Interurban Ave S, Tukwila, WA 98168, USA	50	
TIB	Cascade View	Cascade View Elementary school	13601 32nd Avenue S., Tukwila WA 98168	38	
TIB	TIB	Impact Puget Sound Charter School	3438 S 148th St., Tukwila, WA 98168	64	
TIB	Site 2	PSE Utility Pole	38 Rainbow Cir, Tukwila, WA 98188, USA	25	
TIB	Site 3	PSE Utility Pole	15810 39th Pl S, Tukwila, WA 98188, USA	25	



INFORMATIONAL MEMORANDUM

TO: **Finance & Governance Committee**

FROM: **Tony Cullerton, Deputy Finance Director**

CC: **Mayor Ekberg**

DATE: **March 13, 2023**

SUBJECT: **January 2023 General Fund Departmental Budget-to-Actuals Report**

Summary

The purpose of the January 2023 General Fund Financial Report is to summarize for the City Council the general state of departmental expenditures and to highlight significant items. The following provides a high-level summary of the departmental financial performance.

The January 2023 report is based on financial data available as of March 3, 2023, for the period ending January 31, 2023.

Expenditures

Allocated Budget

The 2023 Allocated Budget calculation has changed from the prior year reporting in that, General Fund departments now allocate their annual budget by month based on anticipated spending requirements instead of historical spending behaviors. For example, known insurance payments that are due at the beginning of the year are allocated fully in the month the payment is due, instead of allocating the expense evenly over twelve months. As of the end of January, every department reported activity that is within their allocated budget.

General Fund departmental expenditures totaled \$5.2 million through January, which is \$706,826 less than the allocated budget of \$5.9 million. Department 20, which is transfers to other funds, reported no expenditure activity in the month of January. This is consistent with January 2022 spending patterns. In total, the General Fund reported expenditures of \$5.2 million through January, which is \$706,826 less than the allocated budget of \$5.9 million.

Budget to Actual

When comparing YTD spending to the percent of year completed (8.3%), a few departments finished the month higher. **Finance** reported % Expended of 17% at 8.3% of the year. This is attributed to the maintenance agreement with Tyler Technologies for Eden. **Police** ended the month at 9.1%. Major contributing factors are Salaries and Professional Services. The increase in Salaries is a result of contractual agreements. Professional Services reported an increase over the same period last year of \$360,984 or 129%. The main driver is an increase in Dispatch Services. **Public Works** finished the month at 17.8%. The significant portion of the increase has been traced to Professional Services. Specifically, Facilities Maint. / Ins-Property.

Departmental Variances

Year to Date Department Expenditures Compared to Allocated Budget Through January 2023:

EXPENDITURES BY DEPARTMENT	BUDGET		ACTUAL			Allocated Budget vs Actual OVER/(UNDER)	%	\$ Change	% Change		
	2023	2023	2021	2022	2023					Expended	2022/2023
	Annual	Allocated									
City Council	384,889	28,491	25,650	27,414	28,480	(11)	7.4%	1,066	3.9%		
Mayor's Office	2,502,666	229,365	78,975	113,608	121,425	(107,940)	4.9%	7,817	6.9%		
Administrative Services	5,676,491	444,218	309,492	333,586	405,218	(39,000)	7.1%	71,632	21.5%		
Finance Department	3,868,642	734,334	521,763	644,461	662,025	(72,309)	17.1%	17,564	2.7%		
Recreation Department / Parks Maintenance	5,109,490	375,394	273,418	252,039	336,348	(39,047)	6.6%	84,309	33.5%		
Community Development (DCD)	4,672,314	385,559	257,564	385,765	328,107	(57,452)	7.0%	(57,658)	-14.9%		
Municipal Court	1,741,340	145,112	94,867	119,131	135,263	(9,849)	7.8%	16,133	13.5%		
Police Department	22,746,448	2,228,104	1,463,602	1,541,077	2,075,806	(152,298)	9.1%	534,729	34.7%		
Fire Department	14,790,120	275,195	1,222,368	1,235,466	252,424	(22,771)	1.7%	(983,042)	-79.6%		
Public Works Dept / Street Maintenance	7,574,988	1,036,598	557,927	713,391	830,450	(206,148)	11.0%	117,059	16.4%		
Subtotal	69,067,388	5,882,371	4,805,627	5,365,936	5,175,545	(706,826)	7.5%	(190,391)	-3.5%		
Non Departmental	6,688,881	0	0	0	0	0	0.0%	0	#DIV/0!		
Total Expenditures	75,756,269	5,882,371	4,805,627	5,365,936	5,175,545	(706,826)	6.8%	(190,391)	-3.5%		
						% of Year	8.3%				

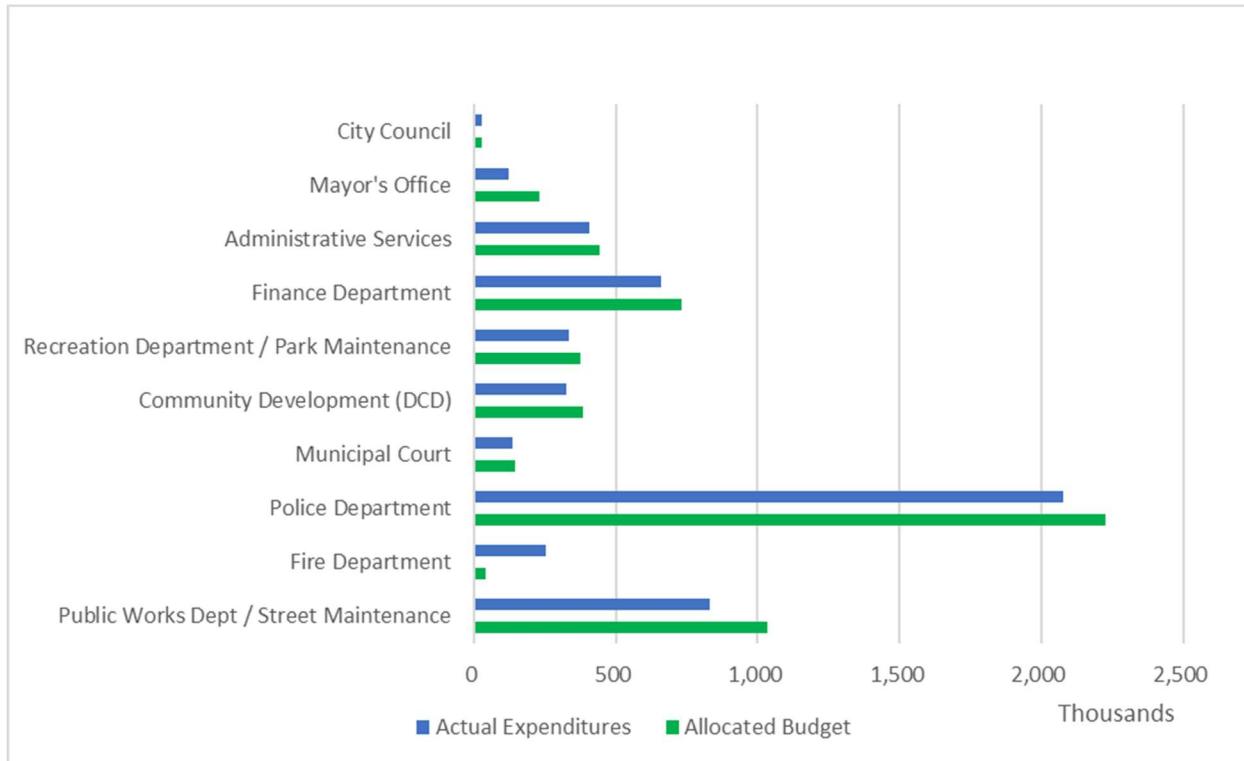
2023 Compared to 2022

Most departments reported increases over the same period of the prior year. An increase in salaries is common across the board. A few departments reported increases greater than 5% and \$50,000 over the same period last year.

In addition to the standard salary increase, **Administrative Services** reported increased Online Services costs in its TIS division, and the AWC annual membership invoice was paid by the HR division. **Recreation** reported the standard increase in salaries over the prior January, as well as an increase in Extra Labor due to the return of services. **Police** reported an increase in Salaries and Professional Services. The increase in Salaries is a result of contractual agreements. Professional Services reported an increase over the same period last year of \$360,984 or 129%. The main driver for this increase is Dispatch Services, which reported January expenditures of \$230,808. Zero expenses were reported for Dispatch Services during the same period last year. While there were Dispatch Services expenditures incurred in January 2022, timely reporting has been enhanced in 2023 compared to prior years. **Public Works** reported an increase on the previous year of \$117,059. The significant portion of the increase has been traced to Facilities Maint. / Ins-Property. January 2022 expenditures for this insurance cost was \$346,858. January 2023 costs was \$438,917, representing a total increase of \$92,059.

Overall, the General Fund departments reported actual spending of 3.5% (\$190,391) less than the same period last year.

The graph below shows the Annual Budget, Actual Expenditures, and Allocated Budget amounts for the General Fund departments.



Per ordinance, the City adopts a biennial budget by fund. This is the required level of reporting for external authoritative sources of oversight such as of the Washington State Auditor’s office. This level of reporting is also utilized for purposes of debt issuance and by other stake holders. For managerial reporting and internal use, the city reports activity at the department level. This provides more details and additional information used by decision makers within the city and those charged with governness. In an effort to provide an enhanced level of reporting, additional information is being provided for activity at the transaction level that reflect an increase of more than 5% over the prior year AND \$50,000.

INFORMATIONAL MEMO

The table below to displays 2022/2023 change in spending by \$ and % for informational purposes. As of the end of January, there was one line item that reported an increase of more than 5% AND \$50,000.

General Fund
City of Tukwila
General Fund Expenditures

Year-to Date as of Jan 31, 2023

	BUDGET		ACTUAL			COMPARISON OF RESULTS			
	2023 Annual	2023 Allocated	2021	2022	2023	Allocated Budget vs Allocated OVER/(UNDER)	%	Change	
								Expended	\$
							2022/2023		2022/2023
511 Salaries	25,787,016	2,148,919	2,351,288	2,454,294	1,942,606	(206,313)	7.5%	(\$11,688)	(20.8%)
512 Extra Labor	769,106	39,670	335	21,795	29,116	(10,554)	3.8%	7,320	33.6%
513 Overtime	755,184	46,724	139,198	233,720	146,202	99,478	19.4%	(\$87,517)	(37.4%)
515 Holiday Pay	250,000	963	2,560	765	0	(963)	-	(765)	(100.0%)
521 FICA	2,110,086	175,841	144,469	155,507	158,801	(17,040)	7.5%	3,295	2.1%
522 Pension-LEOFF	635,410	46,784	68,920	73,834	43,799	(2,985)	6.9%	(\$30,036)	(40.7%)
523 Pension-PERS/PSERS	1,744,919	145,410	133,928	119,230	127,576	(17,834)	7.3%	8,346	7.0%
524 Industrial Insurance	586,183	48,849	45,845	39,511	32,502	(16,347)	5.5%	(\$7,009)	(17.7%)
525 Medical & Dental	5,748,432	479,036	515,036	608,100	449,808	(29,228)	7.8%	(\$158,292)	(26.0%)
526 Unemployment	0	0	0	0	0	0	#DIV/0!	0	#DIV/0!
528 Uniform/Clothing	33,290	9,191	0	0	0	(9,191)	-	0	#DIV/0!
Total Salaries & Benefits	38,419,627	3,141,387	3,401,579	3,706,755	2,930,411	(210,976)	7.6%	(\$776,344)	(20.9%)
531 Supplies	678,334	55,818	32,350	(12,058)	8,326	(47,492)	1.2%	\$20,385	(169.1%)
532 Repairs & Maint Supplies	450,010	37,239	11,551	0	6,286	(30,953)	1.4%	\$6,286	#DIV/0!
534 Resale Supplies	2,500	200	0	0	0	(200)	-	\$0	Null
535 Small Tools	213,203	17,717	2,118	0	172	(17,545)	0.1%	\$172	#DIV/0!
536 Technology Supplies	110,798	9,233	772	0	2,499	(6,734)	2.3%	\$2,499	#DIV/0!
537 Fleet Supplies	7,000	583	36	0	150	(433)	2.1%	\$150	#DIV/0!
Total Supplies	1,461,845	120,790	46,827	(12,058)	17,433	(103,357)	1.2%	\$29,491	(244.6%)
541 Professional Services	21,798,537	1,708,114	1,131,526	1,204,343	1,858,959	150,845	8.5%	\$654,616	54.4%
542 Communications	440,528	35,666	24,359	(200)	14,770	(20,896)	3.4%	\$14,970	(7,484.9%)
543 Professional Developmer	570,359	65,203	16,383	70,637	108,736	43,533	19.1%	\$38,100	53.9%
544 Advertising	66,300	10,867	334	0	0	(10,867)	-	\$0	#DIV/0!
545 Rentals	1,298,059	24,896	10,225	5,930	5,912	(18,984)	0.5%	(\$18)	(0.3%)
546 Technology Services	1,031,264	180,144	10,000	159,407	151,756	(28,388)	14.7%	(\$7,651)	(4.8%)
547 Utilities	2,244,354	164,248	7,996	14,300	41,752	(122,496)	1.9%	\$27,452	192.0%
548 Repairs & Maint Services	1,286,418	108,160	153,220	144,732	1,588	(106,572)	0.1%	(\$143,144)	(98.9%)
549 Miscellaneous	1,012,899	81,903	3,177	22,593	6,520	(75,383)	0.6%	(\$16,073)	(71.1%)
Total Services	29,748,719	2,379,201	1,357,220	1,621,740	2,189,992	(189,209)	7.4%	568,252	35.0%
561 Capital Outlay-Land	0	0	0	0	893	0	-	0	-
563 Other Improvements	0	0	0	0	0	0	-	0	-
564 Machinery & Equipment	420,000	7,500	0	49,499	0	(7,500)	-	(\$49,499)	(100.0%)
565 Construction Projects	0	0	0	0	37,709				
Total Capital Outlay	420,000	7,500	0	49,499	38,602	(7,500)	9.0%	(11,790)	(23.8%)
750 Transfers Out	5,706,078	0	0	0	0	(5,706,078)	-	0	#DIV/0!
Total Non Operating Expense	5,706,078	0	0	0	0	(5,706,078)	-	0	#DIV/0!
TOTAL EXPENDITURES	75,756,269	5,648,878	4,805,627	5,365,936	5,176,438	(6,217,120)	6.8%	(190,391)	(3.5%)
							% of Year	8.3%	

Professional Services is the only line item that reported an increase over the same period last year of both greater than 5% and \$50,000. The majority of the increase is shared between Police (\$360,984) and Fire (\$127,311). The increase with **Police** is attributable to Dispatch Services and an increase in PD Admin / Ins Liability insurance premiums over the same period last year. **Fire**

reported a large increase in Contracted Services. This is due to the contract for services. In 2022 these costs were reported a salary and benefits.



INFORMATIONAL MEMORANDUM

TO: **Finance & Governance Committee**
FROM: **Laurel Humphrey, Legislative Analyst**
Cheryl Thompson, Executive Assistant, Mayor's Office
DATE: **March 7, 2023**
SUBJECT: **Board & Commission Appointments**

ISSUE

On January 9, 2023, the City Council requested a committee review of the current process for Board & Commission appointments.

BACKGROUND

The city is assisted in several operational areas by boards and commissions comprising members of the community. Residents and business representatives serve an important function by volunteering their time and expertise as members. In most cases, members are appointed by the Mayor and confirmed by the City Council. Operational information about boards and commissions is located in the Municipal Code, the By-Laws of each group, and in the [Boards & Commissions Handbook](#).

Recruitment

Vacancies are currently promoted on the City website, social media, community events, word-of-mouth, in the City Administrator Report and in the Hazelnut and/or e-Hazelnut. The Mayor, Councilmembers and currently seated members play an important role in recruitment by spreading the word to constituents across the city and by making a personal ask to qualified individuals. The Equity and Social Justice Commission provided input on equitable outreach in 2019. The annual member review and recruitment process is described in further detail in the attached Administrative Policy.

Appointment Process

In 2019, the Community Development and Neighborhoods Committee reviewed the appointment and reappointment process, and made several suggested changes:

- Online application
- Statement of Interest section on application form
- Optional personal/demographic section on application form
- Requiring reapplication form for those interested in additional terms

These changes were incorporated, and a new Administrative Policy was created to “establish and provide consistent procedures for the review and selection of community members to serve on boards, commissions, and committees.

Qualifications, Requirements & Representations

Boards and commissions have varying requirements regarding community residency or business affiliation. Members are subject to Tukwila Municipal Code Chapter 2.05, Code of Ethics for Employees and Appointed Officials. Members must sign a Conflict of Interest Disclosure Form and Ethics, Open Public Meetings Act, Public Records Act and Equity Policy Training Certification Form within 90 days of appointment or reappointment. This year, a new central repository has been created so that the Mayor's Office can quickly verify that forms for all board and commission members have been completed and are on file.

Term Limits

There are currently no term limits for any of the City's Boards and Commissions. A cursory review of other Washington cities revealed this is more often the case, although an example of a city that does include term limits is Burien, which is a Council/Manager form of government. In Burien, board and commission members "may not serve more than two consecutive full terms. After a two-year absence, members may be reappointed subject to the membership requirements stated above." (BMC 2.50.020(6)). Staff does not currently recommend imposing term limits due to the challenge in finding volunteers in a city of this size.

Social Security Number Requirement

During the City Council's initial discussion, a question was raised regarding the requirement for applicants to provide a social security number. This is a requirement of the third-party vendor used to conduct the background checks for all of the city's volunteers. Social security numbers are redacted from Council meeting packets and are not disclosable upon records requests.

Mayor's Selection Process

When an application is received a copy of the application is provided to the Mayor. In the past, depending on the application, the Mayor has contacted the applicant directly to discuss their interests or sought a staff liaison to do so. In those instances where the Mayor makes contact, he then reaches out to staff to contact the applicant to discuss the Board or Commission and determine if the appointment would be a good fit for the applicant. The Mayor then asks staff for a recommendation. On occasion the Mayor has asked staff to schedule an interview with the applicant. On those occasions the Mayor has included the staff liaison and the Chair of the Commission in the interview process.

Specifically, when a term is ending, the incumbent is asked to complete a reappointment application if they are interested in being reappointed. Reappointment Applications are sent out in early-mid September each year, with a deadline to respond by October 15. At the same time an ad is submitted for the October Hazelnut that advertises all positions where the term is ending with a deadline to submit an application by November 15. The ad for the October Hazelnut is due mid-September. Between October 15 and November 15 staff liaisons are advised on the members that submitted Reappointment Applications and asked to provide feedback about the reappointments to the appointing authority, considering factors like attendance regularity, objectivity, and effectiveness. After November 15 the Executive

Assistant provides the Mayor with the any Reappointment Applications received, and any new applications received for those positions. The Mayor reviews that information as part of the decision-making process, along with appropriate staff liaison, and provides his recommendations to the Executive Assistant to prepare an Memo to Council. When considering reappointment, the Mayor considers factors such as attendance, participation and effectiveness. Historically, Mayor Ekberg has recommended reappointment, however there have been times where he decided not to reappoint and found out the individual didn't reapply, or has appointed a new member to a position rather than the incumbent who had sought reappointment.

RECOMMENDATION

Staff is seeking committee feedback on the appointment process as outlined in the attached administrative policy.

ATTACHMENTS

Administrative Policy 100-17



Board, Commission and Committee Appointment Process

Purpose: To establish and provide consistent procedures for the review and selection of community members to serve on City boards, commissions and committees.

Definitions

- Board: A semi-autonomous body established pursuant to a city ordinance.
- Commission: A body established pursuant to state statute and a city ordinance to study and recommend action to the City Council with the exception of the Civil Service Commission.
- Committee: A body appointed by the City Council with a specified task or function.

Policy and Procedures: Advisory bodies provide guidance to decision-makers and bring public participation into government activities. The City of Tukwila's boards, commissions and committees provide invaluable service to the City.

Authority: The Mayor of Tukwila and the Tukwila City Council are specifically empowered by state law and the Tukwila Municipal Code to fill by appointment all boards, commissions and committees in compliance with the Revised Code of Washington and the Tukwila Municipal Code. The Mayor's Office is responsible for the oversight and administration of the process by which the advisory boards, commissions and committee program is managed.

Appointment Criteria: To be considered for appointment each applicant must meet at least one of the following criteria:

- Be a resident of the City of Tukwila for a resident or community position;
- Be employed in the City of Tukwila for a business representative position;
- Be a Tukwila School District Representative for a school district position; or
- Be a High School Student in the City of Tukwila for a student representative position.

Applicants must also successfully complete a background check.

Qualifications vary for each board, commission and committee and are specifically outlined in the Tukwila Municipal Code.

Appointment Process: Interested applicants must submit a completed Boards, Commissions and Committees application to the Mayor's Office. Applications are available on the city's website at www.tukwilawa.gov/departments/mayors-office/boards-and-commissions.

Applications for the Arts Commission, Community-Oriented Policing Citizens Advisory Board, Equity and Social Justice Commission, Human Services Advisory Board, Library Advisory Board, Landmark Advisory Board, Park Commission, Planning Commission, SeaTac Airport Stakeholder Round Table and Special Committees appointed by the Mayor: When an application is received, an email is sent to the applicant acknowledging receipt of the application and letting them know the application is under review. A background check is conducted and once complete the application is sent to the staff liaison for the

Board or Commission the applicant is interested in. A copy of the application is also provided to the Mayor. The Mayor may contact the applicant directly, ask the staff liaison to contact the applicant or schedule an interview with the applicant. If an interview is scheduled with the applicant, the Council President is invited to participate.

When the Mayor has determined the applicant to recommend for appointment the Executive Assistant will schedule the appointment recommendation to go before Council for confirmation at an upcoming Regular Council Meeting. An Informational Memorandum recommending the appointment is prepared and distributed to the City Council by email and internal mail no fewer than three weeks before the scheduled Council Meeting. A copy of the application with address, phone number and emails redacted is attached to the Informational Memorandum. After the councilmembers have had a few days to review the memo, a letter is sent to the applicant notifying them that the Mayor has recommended their appointment, pending confirmation of the City Council and inviting them to attend the upcoming Council meeting where their confirmation is on the agenda.

Applications for Civil Service Commission: When an application is received an email is sent to the applicant acknowledging receipt of the application and letting them know the application is under review. A background check is conducted and once complete the application is sent to the staff liaison for the Civil Service Commission. A copy of the application is also provided to the Mayor. The Mayor may contact the applicant directly, ask the staff liaison to contact the applicant or schedule an interview with the applicant. Per RCW 41.08.030 and 41.12.030 appointments to the Civil Service Commission are made by the Mayor and do not go before City Council for confirmation.

Applications for the Lodging Tax Advisory Committee (LTAC): When an application is received an email is sent to the applicant acknowledging receipt of the application and letting them know the application is under review. A background check is conducted and once complete the application is sent to the staff liaison for LTAC. The staff liaison will coordinate with the Councilmember serving as LTAC Chair as LTAC appointments are made by the City Council. An Informational Memorandum recommending the appointment is prepared and distributed to the City Council by email and internal mail approximately three weeks before the scheduled Council Meeting. A copy of the application with address, phone number and emails redacted is attached to the Informational Memorandum. After the councilmembers have had a few days to review the memo, a letter is sent to the applicant notifying them that the Council President has recommended their appointment, pending confirmation of the full City Council and inviting them to attend the upcoming Council meeting where their confirmation is on the agenda.

Applications for Special Committees appointed by Council: When an application is received an email is sent to the applicant acknowledging receipt of the application and letting them know the application is under review. A background check is conducted and once complete the application is sent to the staff liaison for the Committee. The staff liaison will notify the Council President and/or relevant standing Committee Chair and schedule the appointment to go through the Council's legislative process, which may include a standing Council Committee.

Appointee Requirements: Every member of an advisory board, commission or committee must sign a Conflict of Interest Disclosure Form and Ethics, OPMA, PRA and Equity Training Certification Form within 90 days of appointment or reappointment. Forms and links to the trainings are located in the Boards and Commissions Handbook.

Applicants Not Appointed: If an applicant applies for a position and is not appointed, they are sent a letter thanking them for applying, notifying them they were not appointed, providing information on any vacant positions, if applicable, and letting them know that their application will be kept on file for one year.

Resignations: When a member resigns from their position before the end of the term, the vacancy is advertised, and a new member is appointed to serve the remainder of the term. A letter is sent to the member thanking them for their service.

Vacant Positions: Vacant positions are advertised in the Hazelnut newsletter, on TukTV, on the City's website, on social media and in the City Administrator's report in the City Council meeting packets.


Reappointment Process: Terms for positions range between two years and six years depending on the Board or Commission. All positions expire December 31 at the end of the term. In September of each year the Mayor's Office will contact all incumbent members with terms expiring at the end of the year to determine if they are interested in reappointment. If the incumbent is interested in being reappointed, they will complete the Reappointment Application and submit it to the Mayor's Office by October 15. The Mayor's Office will notify the Board, Commission and Committee staff liaisons which incumbents have applied for reappointment. The staff liaison will have until November 15 to provide any feedback about the reappointments to the appointing authority, considering factors like attendance regularity, objectivity, and effectiveness. All positions with terms ending will be advertised in the October edition of the Hazelnut newsletter and through other City venues with applications due by November 15. All applications, both reappointment and new, will be reviewed and an Informational Memorandum with appointment and reappointment recommendations will be provided to City Council no later than December 7. All appointments and reappointments for terms that expire December 31 are scheduled for the first Council meeting in January.

Recognition: The Mayor will send a letter of appreciation and thanks to each member of a board, commission or committee upon the completion of a term.

Records: The Mayor's Office shall maintain records of persons who have applied for a vacancy on a given board, commission or committee for one (1) year after each filing period. If a position should become vacant during that timeframe, the applicant will be considered for the position.

Current Boards, Commissions and Committees

	<i>Term Length</i>	<i>Appointment Authority</i>	<i>Governing Legislation</i>
Arts Commission	4 years	Appointed by Mayor Confirmed by Council	TMC 2.30
Civil Service Commission	6 years	Appointed by Mayor	RCW 41.08 RCW 41.12 TMC 2.42
Board of Ethics	1 year	Comprised of the Chair from each of the Commissions	TMC 2.97.040
Community-Oriented Policing Citizens Advisory Board (COPCAB)	4 years	Appointed by Mayor Confirmed by Council	TMC 2.39
Equity & Social Justice Commission	2 years	Appointed by Mayor Confirmed by Council	TMC 2.29
Human Services Advisory Board	3 years	Appointed by Mayor Confirmed by Council	TMC 2.34
Landmark Commission	3 years	Appointed by Mayor Confirmed by Council	TMC 16.60
Library Advisory Board	2 years	Appointed by Mayor Confirmed by Council	TMC 2.33
Lodging Tax Advisory Committee (LTAC)	1 year	Appointed by Council	TMC 2.35
Park Commission	3 years	Appointed by Mayor Confirmed by Council	TMC 2.32
Planning Commission	4 years	Appointed by Mayor Confirmed by Council	RCW 35A.63 TMC 2.36
SeaTac Airport Stakeholder Round Table (StART)	2 years	Appointed by Mayor Confirmed by Council	StART Operating Procedures

Board, Commission and Committee Appointment Process		Initiating Department: Mayor's Office
Effective Date: 1/24/2022	Supersedes: 9/12/2019	Mayor's Office Approval Signature: 



INFORMATIONAL MEMORANDUM

TO: Finance and Governance

FROM: David Cline, City Administrator
Vicky Carlsen, Finance Director

BY: Brandon Miles, Business Relations Manager

CC: Mayor Ekberg

DATE: March 6, 2023

SUBJECT: Public Works Operations Campus Phase 2, Financing Report (DRAFT)

ISSUE

Follow up on the February 27, 2023 Finance and Governance Committee meeting regarding financing for Public Works Operations Campus, Phase 2. At the meeting the Committee asked staff to provide information on various items. This memo begins the process of creating a consolidated document to address the Committee's questions. The memo below is organized to address the topics staff heard in the Committee meeting. The memo will be updated throughout the Spring to address the items raised by the Committee and new items that might be added as the process continues,

BACKGROUND

I. Overview of the Public Safety Plan and Public Works Phase Operations Campus

The following provides a brief overview of the City's recent investment in public facilities over the last 15 years.

Development of the Public Safety Plan

In 2008 the City completed a comprehensive seismic study of city buildings, which was recently updated in 2022. This report found that several buildings, including fire stations and public works shops, would be unusable after an earthquake. It was this study that was the impetus for the City to begin examining how to invest in upgraded facilities, specifically public safety buildings (fire stations, police, municipal court, emergency management and public works functions).

In 2015, after a two-year process, the City Council was presented a report entitled, "*Investing in Tukwila: Essential Governmental Services Facilities Plan 2015-2040.*" The plan recommended the construction and/or replacement of several public safety buildings, including a new justice center to house police, emergency management and municipal court; the replacement of three fire stations; and a combined public works operations facility. The plan also included recommendations for City Hall and the 6300 building.

This final report was presented to the City Council by the Facilities Committee, made up of community members, councilmembers and staff. This Committee recommended a public safety facilities ballot measure, which results in the City Council adopted "Public Safety Plan" to prioritize:

- the construction of three replacement fire stations,

- a new justice center (police, emergency management and municipal court),
- a consolidated public works shop, and
- a funding plan for 20 years of fire apparatus and equipment.

In November 2016 Tukwila voters approved the public safety plan bond measure with 60.5% approval. Funds from the bond measure were used for the new fire stations, fire equipment and apparatus and the justice center. Separately, funding for the public works facilities would come from a variety of sources, including general fund and utility funds.

In 2018, this financing and expenditure plan was updated with the D-20 Model, adopted by the City Council and discussed further below.

In 2018 the City began to identify and acquire land for the public safety plan, based upon the recommendations of the community Siting Advisory Committee. Existing City owned land was used for two of the new fire stations (51 and 52); the City assembled land on Tukwila International Blvd for the Justice Center; and the City acquired three parcels in the north end of the City for a consolidated public works shop. Public Works Operations Campus Phase 1 (hereinafter "Public Works Phase 1") entailed the construction of the west side of the property and moving the City's fleet and facilities functions from George Long to the new site. Public Works Phase 2 will entail work on the east side of the property and will eventually allow the City to move the street and utilities functions from the Minkler Shops to the site, as well as consolidating other functions currently found on other sites, such as spoils storage, etc.

The Justice Center and Fire Station 51 went operational in 2020 and Fire Station 52 became operational in 2021. The Fleet and Facilities building became operational in 2022 (Public Works Phase 1). In 2022, the City Council authorized the test to fit work for the eastern portion of the Public Works Phase 2 - Operations Campus, which will conclude in March of 2023.

The Public Works Operations Campus is the final project remaining from the Public Safety Plan. Funding for design of the Public Works Operations Campus was adopted in the 2023-2024 Budget and construction costs were included the 2023-2028 Capital Improvement Plan starting in 2025.

Financing the Public Safety Plan- the D-20 Model

In 2018, due to cost escalation from market conditions and initial estimates based on incomplete data, the City created options for the Public Safety Plan. Throughout the first half of 2018, the City Council's Finance Committee, together with staff, deliberated on a variety of financing options (A, B, C1, C2 and D) to support the Public Safety Plan. In June 2018, the City Council adopted their recommendation of option D-20 which directed the:

- Construction of two new fire stations (51 & 52) and the Justice Center
- Dedication of \$30 million for land acquisition, building upgrades and master planning for public works shops
- Fire apparatus and equipment funding for ten years
- Issuance of 20-year bonds
- Use of a variety of financial sources (e.g. Limited Term General Obligation Bonds (LTGO), Fire impact fees, land sales and one-time funds, ongoing REET 1, General Fund.)

This long-range model – D20 - (2018-2039) has been updated several times to reflect changing revenues and expenditures.

1. **All major projects in the D-20 model are now complete as originally anticipated in 2018.** The following is a basic overview of the revenue and expenditures to date in the D-20 Model. The work outlined below includes all land acquisition costs (Justice Center, Fire Station 54, and Public Works Operations Campus) construction to date for Fire Stations 51 and 52, Justice Center and Public Works phase 1 (fleet and facilities); interim improvements on Minkler; and planning and test to fit associated with Public Works Phase2. In addition, the initial planning for the Teen and Senior Center was funded from unused budget leftover from the Justice Center and therefore funded from the D-20 model. The only remaining items are finishing the roof and siding updates for the Public Works Phase 1 and the final payment for the 2022 fire engine, which is expected in 2025.
2. **The D-20 Model accounted for all financial aspects of these projects.** Data incorporated two capital project funds, 305 and 306 as well as all debt service funds and other funds that contributed funding sources (general fund, 301, utility funds). Note, revenues are forecasted to be higher than expenditures due to financing costs.
3. **Other Changes.** Sales Tax Mitigation funds were significantly reduced from 2019 to 2020 due to the loss of ongoing Sales Tax Mitigation payments. Council adopted CARES funding for project costs associated with COVID supply chain delays and added Teen/Senior Center planning from unspent Justice Center budgeted funds. Additional general fund and utility fund payments were adopted in 2022 to continue the public safety plan efforts for the consolidated public works shop.
4. **Assuming a successful annexation vote to the Puget Sound Regional Fire Authority (PSRFA), capital acquisition responsibilities for future fire equipment and apparatus shift to PSRFA in 2025.** A portion of the proceeds from completed land sales (Travelers Choice and HealthPoint) and approved (still pending) George Long sale are currently budgeted to support remaining public safety plan financing requirements as well as Public Works Phases 1 and 2.
5. **Land Sales, originally contemplated in the D-20, are no longer required in their entirety.**
 - a. The updated D-20 model (December, 2022) removes future land sales.
 - b. Future City Council direction will be needed on use of land revenue (e.g. lease or sale) for capital facility planning.

D-20 MODEL FINANCIAL SNAPSHOT 2018-2022				
	Original	Updated	Updated	Updated
	June 2018	Dec 2019	Dec 2020	Dec 2022
EXPENDITURES				
Fund 305: Public Safety Plan	\$ 114,730,235	\$ 122,627,139	\$ 120,510,023	\$ 109,804,786
Justice Center	\$ 68,570,005	\$ 66,864,711	\$ 65,747,697	\$ 65,995,940
Fire Stations	\$ 30,334,435	\$ 39,936,632	\$ 38,936,530	\$ 37,791,730
Fire Equipment/Apparatus/Financing	\$ 15,825,796	\$ 15,825,796	\$ 15,825,796	\$ 6,017,117
Fund 306: City Facilities	\$ 30,000,000	\$ 35,700,000	\$ 36,200,000	\$ 43,150,491
PW Shops Phase I	\$30,000,000	\$35,700,000	\$35,700,000	\$36,405,462
Minkler Improvements			\$500,000	\$500,000
Teen/Senior Center				\$395,030
PW Operations Campus Phase 2				\$5,850,000
TOTAL	\$144,730,235	\$158,327,139	\$156,710,023	\$152,955,277
REVENUES				
Voted Bonds (UTGO)	\$ 77,385,000	\$ 77,997,026	\$ 77,997,026	\$ 77,997,026
Councilmanic Bonds (LTGO)	\$ 40,000,000	\$ 45,500,600	\$ 45,500,600	\$ 45,500,600
Fire Impact Fees (Tukwila South- FS 51)	\$ 4,750,000	\$ 4,750,000	\$ 4,750,000	\$ 4,750,000
Fire Impact Fee- ongoing	\$ 8,517,000	\$ 9,817,000	\$ 9,497,000	\$ 8,244,202
Fund 301 Transfer- REET Funds	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,500,000
Land Sales	\$ 15,038,000	\$ 13,053,090	\$ 13,518,000	\$ 3,014,845
REET 1 - Ongoing Support	\$ 12,813,091	\$ 12,813,091	\$ 12,852,409	\$ 11,000,000
Sales Tax Mitigation		\$ 4,017,425	\$ 665,909	\$ 665,909
Cares Act			\$ 300,000	\$ 497,247
Investment Earning	\$ 707,845	\$ 1,480,824	\$ 1,725,661	\$ 1,626,356
Project Contribution (TeenSenior)				\$ 600,000
Project Contribution (General Fund)	\$ 141,854	\$ 2,991,854	\$ 2,991,854	\$ 5,950,954
Project Contribution (Utility Fund)	\$ 141,854	\$ 3,791,854	\$ 4,291,854	\$ 7,791,854
TOTAL	\$ 162,494,644	\$ 179,212,764	\$ 177,090,313	\$ 171,138,993

Completing the Public Safety Plan – Design and Construction of Public Works Phase 2

The last remaining item in the Public Safety Plan is Public Works Phase 2 Operations Campus in order to move city operations from the Minkler Shops and the Longacres site. The City is still providing critical public works activities at the Minkler Shops under older, inefficient conditions. In addition, as part of the Public Safety Plan the City identified a goal to move all critical facilities out of flood-prone areas and the Minkler Shops is located directly behind a levee that has significant concerns. The Army Corps of Engineers has identified there is a risk of levee failure in the event of a high-water event or earthquake.

Public Works has moved from George Long into Public Works Phase 1. On November 1, 2023 the City takes ownership of the eastside of the property and the Council adopted a lease agreement until March 1, 2025 with the current tenant. The City Council authorized the “test-to-fit” work which developed design options for the entire combined public works site. The “test-to-fit” will provide the City better cost estimates for the final phase of the project.

In March 2023, the “test-to-fit” will be completed and the City Council will be briefed on cost estimates for the full buildout and completion of Public Works Phase 2. The City Council will be asked to move forward with the Public Works Phase 2 design. The 2023-2024 budget includes \$5.85 million for the City to complete the design work and permitting for Public Works Phase 2, with construction anticipated to begin in May of 2025.

II. Public Works Operations Campus, Phase 2 Financing

a. The Next D-20 Model, Public Works Campus Financial Model

The D-20 model was a successful tool the City Council approved to track all expenditures and revenues associated with the construction of the Public Safety Plan. A similar model focused on the Public Works Campus will need to be developed separately from the original D-20 model. The table below is a preliminary overview of the current construction estimates in 2023 dollars, cost escalation, and soft costs.

(\$ millions)	Construction Estimates		
2023 Estimates	Project Related (Soft) Cost	Construction Costs (2023 dollars)	Total:
Estimated Expenditures (2023 values):	\$ 29,352	\$ 46,835	\$ 76,187
January 2026 Escalation ¹¹ :	\$ 0	\$7,678	\$7,678
2026 Adjusted Totals:	\$29,352	\$ 54,513	\$ 83,865
	Sources of Funds		
	Project Related (Soft) Cost	Construction Costs (2023 dollars)	Total:
2023/2024 Adopted Budget			
Utility Funds:	\$ 3,000	N/A	\$ 3,000
Lease Revenue (eastern public works property):	\$ 980	N/A	\$ 980
306 Fund Balance:	\$ 1,964	N/A	\$ 1,964
Total:	\$ 5,944	N/A	\$ 5,944
2025/2026 CIP	Construction Phase (construction and soft costs merged)		
Utility Funds (Bond supported):		\$ 21,750	\$ 21,750
Councilmanic Bonds:		\$ 21,750	\$ 21,750
Lease Revenue (eastern public works parcel):		\$0	\$0
306 Fund Balance:		\$ 10,500	\$ 10,500

¹¹ January 2026 is the midpoint of construction. The current schedule has construction commencing on May 1, 2025.

Total:	\$ 54,000	\$ 54,000
Total Additional Funds Needed in 2026:		\$ 23,921
Possible Additional Sources of Revenue	<ul style="list-style-type: none"> • Enterprise Funds²: Councilmanic Bonds (General Fund) • Land Sales Revenue (One Time) • Land Lease Revenue (Ongoing, support debt service) • Sales Tax Credit Back to Project (One Time) • Permit Fee Credit Back to Project (One Time) • Grants (One-Time): Federal and/or State Appropriations • Decant Facility Capital Contribution (Ongoing or onetime) • REET Funds 	

b. Bond Capacity

Information to be added.

c. Construction Delay Costs

Construction is currently anticipated to begin on May 1, 2025, shortly after the existing tenant's lease expires. Current estimates are that for every month in delay the project's construction costs would increase approximately \$300,000 per month.

d. Phasing of the Project

A question came up at the February 27 Finance and Governance Committee meeting regarding a previously discussed phase 3 of the project. This comment seemed to be related to cost management and reducing the scope of the current project.

In 2019 the City Council authorized SHKS Architects to do site design planning for the public works shop site. A copy of the conceptual site design planning, including a three-phased total project is shown in the attachment provided. That proposed phasing would have resulted in the City demolishing and moving out of the Fleet and Facilities building. However, the City Council directed staff not to pursue the three phase plan and to instead plan around the Fleet and Facilities building remaining in its current location. The City Council also provided additional funds to improve the seismic status of the building to be one that can be useable after an earthquake.

Staff has taken this direction from Council and the project does not currently include a third phase and assumes the Fleet and Facility building will remain for the useful life of the building. Staff is working with the SOJ and Miller Hayashi to understand what, if any possible staging might be possible to the current Phase 2 program. However, most of the significant cost items will need to be completed early in the project. There might be some initial cost deferrals for the delaying construction of the proposed decant facility, but these would be cost deferrals and could result in added costs since construction costs would likely continue to rise.

² Upon completion of the project, the city will true up all costs associated with Public Works Operation's Campus.

III. List of City Facilities

Name	Year Built	Seismic Risk	Risk Assessment	Estimated Value	Recent Improvements	Can be surplus?	Other?
			<i>Information to be added.</i>				

IV. Monetization of Surplus City Properties

The City has been exploring possible ways to monetize (sale or lease) several city properties that could be surplus.

Property Name	Status	Estimated Value
Travelers Choice (already sold)	<i>Information to be added.</i>	<i>Information to be added.</i>
HealthPoint (already sold)	<i>Information to be added.</i>	<i>Information to be added.</i>
George Long (proceeds currently dedicated. ½ to repay debt service and ½ for PW Shops soft costs)	<i>Information to be added.</i>	<i>Information to be added.</i>
Newporter	<i>Information to be added.</i>	<i>Information to be added.</i>
Old Fire Station 51	<i>Information to be added.</i>	<i>Information to be added.</i>
Old Fire Station 52 (one parcel that includes old city hall and Hazelnut Park; deed restricted; can't be sold. Would revert back to the Tukwila School District if not in community use).	<i>Information to be added.</i>	<i>Information to be added.</i>
Old Fire Station 53 (Allentown)	<i>Information to be added.</i>	<i>Information to be added.</i>
Longacres	<i>Information to be added.</i>	<i>Information to be added.</i>

6300 Building	<i>Information to be added.</i>	<i>Information to be added.</i>
Minkler Shops	<i>Information to be added.</i>	<i>Information to be added.</i>

V. Intergenerational (Teen/Senior) Center Update

Information to be added.

VI. Minkler Shops and Levee Issues

Information to be added.

VII. Public Works Phase 2 Specific Questions

- a. Can Public Works Phase 2 Be Done in Stages?
- b. Can spoils be located somewhere else doing design and construction phase?
- c. Other

DISCUSSION

Information to be added.

FINANCIAL IMPACT

Information to be added.

RECOMMENDATION

This is intended to be a dynamic memo to be updated throughout spring to present a comprehensive report to the full City Council.

ATTACHMENTS

- SHKS Architects Phasing Outline