

**CITY OF MEDICAL LAKE  
City Council Special Meeting**

2:00 PM  
June 14, 2022

Silver Lake Camp and Retreat Center  
10919 S Lakehurst Drive, Medical Lake

**Minutes**

**NOTE: This is not a verbatim transcript. Minutes contain only a summary of the discussion.**

**COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT**

**Councilmembers**

Heather Starr  
Dawn Olmstead  
Tony Harbolt  
Chad Pritchard  
Bob Maxwell  
Art Kulibert  
Don Kennedy

**Administration/Staff**

Terri Cooper, Mayor  
Katy Allen, Interim-Deputy  
City Administrator  
Scott Duncan, PW Director  
Koss Ronholt, Finance Director  
Steve Cooper, W.W.T.P.  
Felicia Mendez, Utility Clerk

**1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL**

- A. Mayor Cooper called the meeting to order at 2:20 p.m.
  - i. All council members were present at start apart from Councilmember Harbolt who arrived at 4:03 p.m.
- B. Excused Absence(s): None

**2. OPENING REMARKS – Mayor Cooper**

- A. Thank you to Silver Lake Camp and Retreat Center. We look forward to hearing City Council's ideas and vision for our community during the retreat.

**3. PUBLIC COMMENTS**

- A. None

**4. RETREAT TOPICS**

- A. Budget 101 – Koss Ronholt, Finance Director
  - i. Mr. Ronholt provided a power point presentation on the Budgeting process, which included regulatory requirements, the schedule and the process for adopting the 2023 Budget. See Attached.
  - ii. Current Budget Status – Revenues through May 2022 are averaging approximately at 42%. This closely aligns with where we should be – there is nothing unanticipated about the status of city budget at this time.
    - 1. Councilmember Kulibert commented that property taxes will be influencing city revenues. Second half of property taxes are due in October.

2. Discussion regarding what is included in general fund revenues. They include non-allocated funds as well as utilities, business, B & O tax, parks and recreation tax.
- iii. Budget Deadlines – See attached presentation. After Council review, budget is routed back to the Finance Director to finalize and then present to Council for final review. Council will then certify a levy to the County Assessor. Council adopts the budget and will submit to MRSC and SAO no later than December 31<sup>st</sup>.
  1. Ms. Allen mentioned that future items are based on forecasts, are typically conservative on revenue projections, and utilize previous budgets to assist in forecasting.
  2. Councilmember Starr discussed necessity of covering costs from our Solid Waste contract with Sunshine Disposal. Suggested that the city match what Sunshine is charging our customers, otherwise we are funding it with the utility tax. Suggested we could also lower the utility tax to make it accurate.
    - a. Mr. Ronholt mentioned that he will do an analysis of what we are spending with cost recovery as a high priority.
- iv. Public Hearings
  1. There will be a Revenue Hearing held before property tax certification with the county, due by November 30, 2022.
  2. Preliminary hearing with city council on or before the first Monday in December
  3. Final Budget – approved by council and filed with the county by December 31, 2022.
- v. Future Budget Development
  1. Property tax revenue projections and completing a salary survey for existing positions will be included in preparation for the 2023 budget.

**B. DSHS Land Lease – Scott Duncan, Public Works Director**

- i. Current DSHS land lease will expire on Oct. 31, 2022. A map was displayed showing the existing City land lease of approximately 57 acres. Current policy requires that new lease will be assessed at fair market value per acre. In Medical Lake’s situation, land will be designated as agriculture. When the new land lease is executed, a budget amendment to cover the lease will be necessary to retain City’s position on this property.
  1. New land lease options will be yearly with an annual renewal.
  2. Discussions regarding possibilities for offsetting cost of land, compensation from District 3, Public Safety services, fair market value of land, easements, expansion, and surplus. Follow up on these discussions will be given at next council meeting, June 21, 2022.
- ii. Tom Hagerty, City Engineer – provided an update on Grant applications. The SRTC Grant was submitted mid-April. Grant includes upgrade of all ADA ramps on Lake Street from Prentis to Lefevre - \$500,000-\$600,000, new sidewalks on Lefevre from Spence to 4<sup>th</sup> Street, to bring up to grade. Provide gated signs for shorter major crossings. On Jefferson, replacing joint pipe and lead goosenecks on 6/15/2022 – cost is \$400,000-\$500,000. SRTC grant is approximately \$600,000-\$700,000. ARPA funds set limit at 35%. If selected for the grant, IACC will confer and have a tech team put together a funding package.

C. ARPA Funding – Koss Ronholt, Finance Director/City Clerk

- i. Koss Ronholt – presented an update on ARPA funds totaling awarded \$1,386,248. See attached. City has used \$203,932, with unallocated funds totaling \$1,182,316. Money to be encumbered by 2024 and expended by 2026.
- ii. Koss Ronholt covered a proposal to identify percentage (%) breakdown by category. The categories included, Public Works equipment 26%, aerators 14%, Broadband (Ptera) 10%, WWTP Capital Reserves 5%, civic non-profits 7%, expanded parks and trails 10%, downtown beautification 9%, auditorium remodel 9% and city technology and training 10%. See attached for breakdown details.
- iii. ARPA grant application from Non-Profits received to date included:
  - Kiwanis - \$2300
  - Medical Lake Community Outreach - \$50,000, previously received \$100,000
  - Medical Lake Food Bank - \$50,000, previously received \$75,000
  - Re-Imagine Medical Lake - \$20,000
  - American Legion - \$2,000
- iv. There was in-depth discussion regarding funding for non-profits. Mayor Cooper mentioned that there are several sources for additional funding over and above the City of Medical Lake's from other sources. City can approve or deny applications. Mayor Cooper explained that grant money recipients are required to submit reports on how the money was spent.
- v. Non-profit funding allocations will be discussed at a future City Council meeting.

D. Open Discussion – Katy Allen, Interim Deputy City Administrator

- i. Medical Lake Strategic Goals – The Mayor and Council provided input on their ideas and vision for Medical Lake. See attachment.

5. **PUBLIC COMMENTS** – None

6. **CONCLUSION** – Meeting concluded at approximately 5:55 p.m.

  
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Terri Cooper, Mayor

  
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Koss Ronholt, Finance Director/City Clerk