



City Council Meeting Schedule November 2021

City Council temporarily designated the location for regular, special and study session meetings to a virtual location until termination of the state of emergency or until rescinded. The City broadcasts City Council meetings on the City's website <https://www.go2kennewick.com/CouncilMeetingBroadcasts>.

November 2, 2021

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

November 9, 2021

Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website

<https://www.go2kennewick.com/CouncilMeetingBroadcasts>)

1. Fire Department Strategic Plan
2. City Manager's Strategic Plan Update
3. Mid-Biennium Review and Budget Adjustment
4. 2022 Property Tax Levy

November 16, 2021

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

November 23, 2021

Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website

<https://www.go2kennewick.com/CouncilMeetingBroadcasts>)

1. Council Meeting Policy Updates
2. Public Works Capital Update
3. WWTP Phase II Update
4. Code Amendments - Hearing Examiner & Comp Plan Appeals
5. Executive Session - RCW 42.30.110(g) City Manager's Performance Review

November 30, 2021

Tuesday, 6:30 p.m.

NO MEETING SCHEDULED

To assure disabled persons the opportunity to participate in or benefit from City services, please provide twenty-four (24) hour advance notice for additional arrangements to reasonably accommodate special needs.

Please be advised that all Kennewick City Council Meetings are Audio and Video Taped

**Council Workshop
Coversheet**



Agenda Item Number	1.	Meeting Date	11/09/2021
Agenda Item Type	Presentation		
Subject	Kennewick Fire Department Strategic Plan		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	Fire Department		

Info Only

Policy Review

Policy DevMnt

Other

Summary

The Kennewick Fire Department has hired a consultant to lead the department through a strategic planning process. The attached presentation addresses the strategic planning project goals, the project scope and schedule, the community stakeholder and engagement plan, and some key considerations for the project.

Through

Attachments: presentation

Dept Head Approval

Chad Michael
Nov 03, 10:16:07 GMT-0700 2021

City Mgr Approval

Marie Mosley
Nov 05, 10:59:33 GMT-0700 2021





KENNEWICK FIRE DEPARTMENT STRATEGIC PLANNING

KENNEWICK CITY COUNCIL BRIEFING | TUESDAY, NOVEMBER 9, 2021





MEETING OBJECTIVES AND AGENDA

Meeting Objectives

1. Brief City Council on planning goals and process.
2. Obtain Council input on desired project outcomes.

Topics

Project Goals

Chief Chad Michael, *KFD*

Project Scope and Schedule

Brian Murphy, *BERK Consulting*

Community and Stakeholder Engagement

Julia Tesch, *BERK Consulting*

Coordination Going Forward

Chief Chad Michael, *KFD*

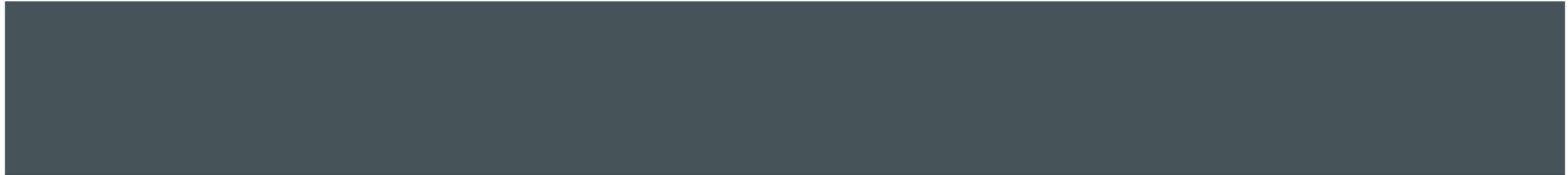


OVERVIEW OF PROJECT GOALS

- Development of a shared Mission, Vision, and Values.
- Establishment of measurable goals with strategies that provide KFD with a clear direction and focus.
- A clear linkage to the identified City of Kennewick Council priorities.
- An opportunity for our customers to provide input in the development of the plan and our future direction.
- A framework that will ensure the plan is a living document that can be updated and revised in the years to come.

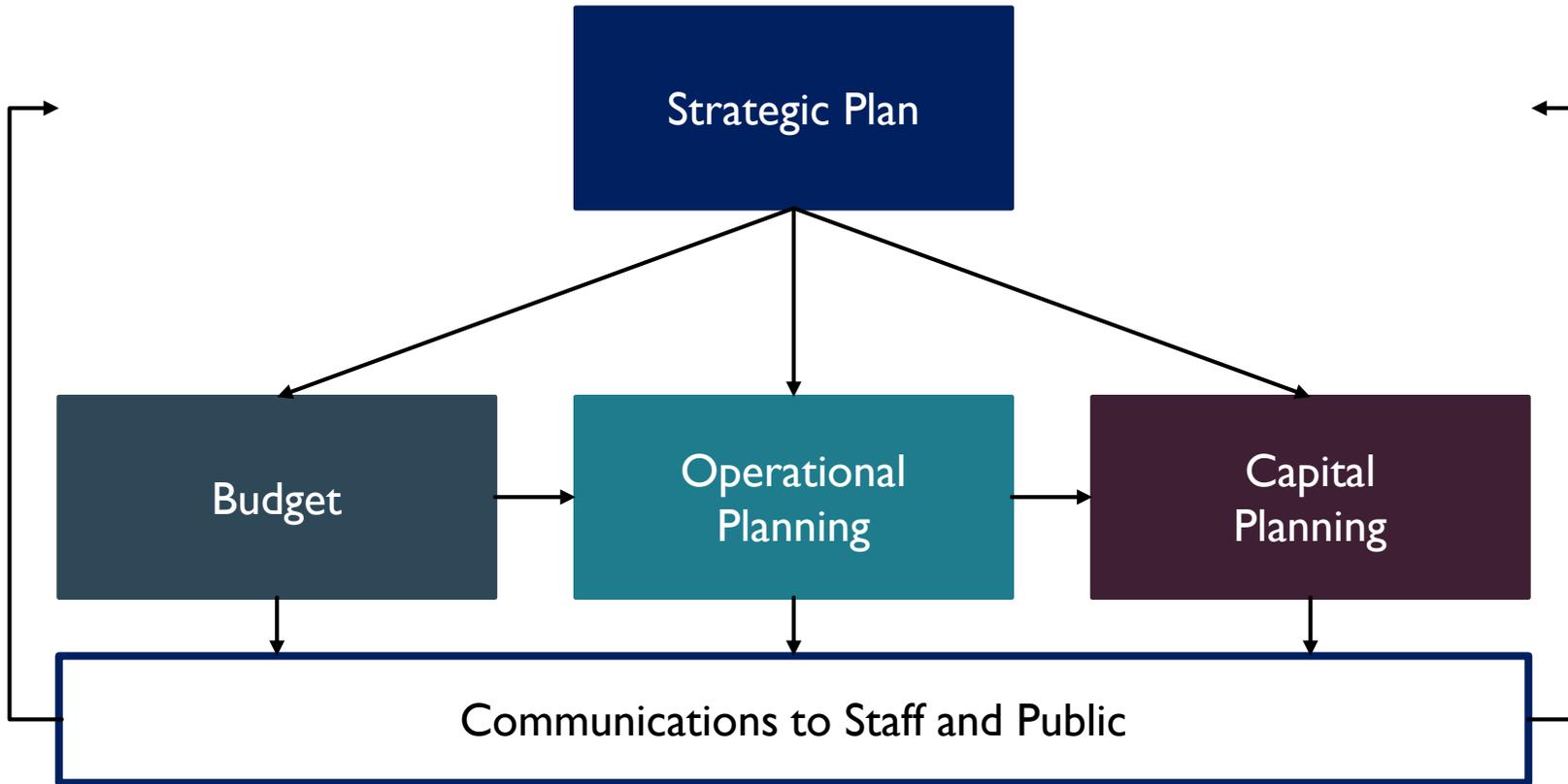


PROJECT SCOPE & SCHEDULE





WHAT IS A STRATEGIC PLAN?



- **High level**, setting our direction
- **Simple and achievable**: guides practical action and has measurable outcomes
- **Speaks to City leadership, KFD staff, and community**:
 - What's our desired future state?
 - What are the big goals we're working towards?



WHY CREATE A STRATEGIC PLAN?

KFD is developing a strategic plan because:

- Our community is evolving and we must continue to evolve to serve it well.
- We can't "do it all" given real-world constraints.
- We need a shared understanding of practical "to-dos," both in operations planning and organizational development.

The objective is alignment around:

- A shared vision for the future.
- What matters most and what we will do and not do.





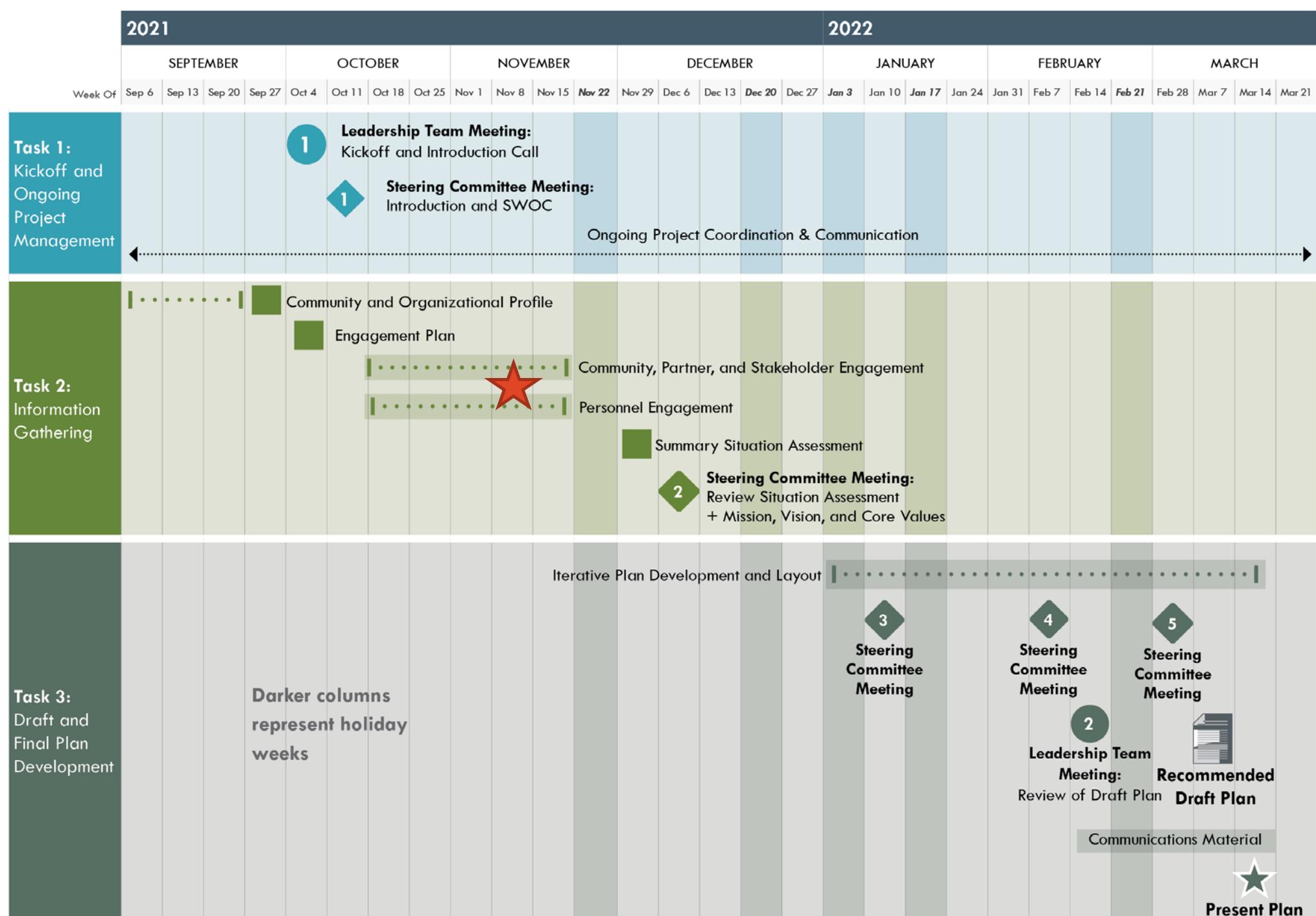
STRATEGIC PLANNING INPUTS AND FINAL PRODUCT

Plan Inputs

- Community and Department Profile
- Community survey, stakeholder interviews, and staff survey
- Guidance by the Leadership Team

Product

- Updated Vision, Mission, and Values
- Durable 5-year Goals
- Simple and achievable milestones and performance measures
- Identification of responsibilities
- Implementation Framework: how will you manage from and update the plan?
- Communications materials





COMMUNITY & STAKEHOLDER ENGAGEMENT





GROUPS OF FOCUS

1. **City of Kennewick:** Gather input from elected officials and staff about KFD's role within the City of Kennewick.
2. **Staff:** Gather candid input from staff, KFD's most valuable resource and the group that has the deepest understanding of the department.
3. **Stakeholders:** Gather outside expert perspectives on KFD's role within the greater community.
4. **Community:** Build public awareness of KFD and services and ensure programs beyond fire and rescue are aligned with community needs.



I. CITY OF KENNEWICK

Objective: Gather input from elected officials and staff about KFD's role within the City of Kennewick.

Leadership Team

- Kennewick Mayor Don Britain
- City Manager Marie Mosley
- Deputy City Manager and Finance Director Dan Legard
- KFD Chief Chad Michael

City Council Briefings

- Briefing early in project
- Updates during the course of the project
- Presentation of the completed Strategic Plan

City Leadership

- Group Interview



2. STAFF

Objective: Gather candid input from staff, KFD's most valuable resource and the group that has the deepest understanding of the department.

Strategic Planning Steering Committee

- **Meetings**
 - *Meeting 1 (Oct):* Kickoff and SWOC analysis
 - *Meeting 2 (Dec):* Review Situation Assessment and Mission, Vision, and Core Values
 - *Meetings 3 – 5 (Jan-Feb):* Iteratively develop the plan & implementation framework
- **Group responsibilities**
 - Review inputs.
 - Discuss plan content.
 - Recommend draft plan to Leadership Team for review.
 - Represent the planning process to peers and represent peers in the planning process.

Anonymous all-staff survey

1. **Policy**
 - Direction of the department
2. **Operations**
 - Community needs and trends
 - Priorities
 - Challenges and opportunities
 - Relationship with community
3. **Personnel and culture**
 - Professional development and training
 - Peer support
 - Mental health and wellness (*approach carefully*)

3. STAKEHOLDERS

Objective: Gather outside expert perspectives on KFD’s role within the greater community.

Group interviews

1. Emergency services
2. Medical providers
3. Adult care providers
4. Education providers
5. Business and industry
6. Community leaders

Sample interview questions

- What does KFD do well? Where could it improve?
- What regional changes may affect the future of service delivery for KFD?
- What role should KFD play in the future?
- How can KFD better partner with you?

Stakeholders Invited to Participate in Interviews

Emergency Services

- Washington State Patrol
- Southeast Communications Center (SECOMM)
- Benton County Emergency Management
- Benton County Fire District 1
- Richland Fire & Emergency Services
- Benton County Sheriff’s Office
- Pasco Fire

Medical Providers

- South-Central Regional EMS & Trauma
- AMR
- Lourdes Medical Center
- Trios Medical Center
- Kadlec Regional Medical Center
- Trios Medical Center
- Medical Program Director (MPD)

Adult care providers

- Adult care community DSHS
- Benton Franklin Health District

Education Providers

- WSU Tri-Cities
- Kennewick School District
- Fire Training Center
- Columbia Basin Community College
- Kennewick School District ECEAP Program

Business and Industry

- Tri-City Regional Chamber of Commerce
- Historic Downtown Kennewick Partnership
- TRIDEC
- Tri-City Regional Chamber of Commerce
- Port of Kennewick
- Hispanic Chamber of Commerce
- Homebuilders Association
- Visit Tri Cities

Community Leaders and City Sponsors

- Benton-Franklin Rental Owners Association
- Leadership Tri-Cities
- Chaplain Services Network
- Kennewick Housing Authority
- Boys and Girls Club
- Religious community leaders
- Habitat for Humanity
- Kennewick Kiwanis
- Rotary Club of Pasco-Kennewick
- Sun Pacific Energy
- Sue Frost
- Simon - Columbia Center Mall Manager
- Lampson International
- Toyota of Tri Cities
- McCurley Integrity Dealership
- O’Brien Construction
- Ray Poland and Sons
- Apollo
- Retter and Company Sotheby’s International Realty



4. COMMUNITY

Objective: Build public awareness of KFD and services and ensure programs beyond fire and rescue are aligned with community needs.

Community survey – English and Spanish

1. Impressions and awareness of KFD

- Awareness of services and programs
- Rank priority areas of focus
- Community Risk Reduction needs

2. Community needs

- Desires and concerns for the region
- Changes that KFD either currently needs to respond to or needs to be prepared to respond to in the future.

3. Preferences for future communications

- Emails, text, postcards, and social media



SUMMARY KEY PLANNING CONSIDERATIONS

- Kennewick is a growing community. Proper planning and preparation is vital for the growth we will continue to experience for years to come.
- As we are a City department, the KFD Strategic Plan will align with the City of Kennewick Vision, Core Value Statement, and Priorities, and plan implementation will occur via the City's decision-making processes.
- This plan will balance aspiration with practicality. As a living document, it will provide durable strategic direction while allowing flexibility based on resource availability and changes in our operating environment.



Thank you.

What questions about the planning process do you have?

Council Workshop Coversheet



Agenda Item Number	2.	Meeting Date	11/09/2021
Agenda Item Type	Presentation		
Subject	Strategic Plan Update		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	City Manager		

Info Only	<input type="checkbox"/>
Policy Review	<input checked="" type="checkbox"/>
Policy DevMnt	<input type="checkbox"/>
Other	<input type="checkbox"/>

Summary

The biennial budget sets forth Council's strategic plan that provides the foundation for the organizational goals and priorities for the biennium, which became the City Manager and Leadership Team goals and priorities. The 2021/2022 biennial budget was adopted at the end of 2020, which detailed the goals and objectives for our strategic plan.

During the November 9th workshop, the accomplishments and status of the strategic plan implementation for the first year of the biennium will be reviewed with Council. In addition to the strategic plan, we will discuss other objectives that were not anticipated and became priorities during this year.

Through

Attachments:

Presentation

Dept Head Approval

City Mgr Approval

Marie Mosley
Nov 05, 11:45:39 GMT-0700 2021



STRATEGIC PLAN GOALS & PRIORITIES

November 2021 Update

PRIORITY AREAS



**Community
Safety**



**Economic
Development**



**Infrastructure
and Growth**



**Quality
of Life**



**Responsible
Government**

COMMUNITY SAFETY

OBJECTIVE

Continue to Ensure the Safety of our Community by Maintaining Current Service Levels & Partnerships



A Safe Place to Live, Work and Play

Combat Gang Activity

- Continue existing program commitments
- Partnership opportunities with Benton County
 - District Court, OPD, Probation Contracts
 - Negotiate jail contract – **COMPLETED (Council adopted 2.16.21)**
 - Recommendation on future of Work Crew Program – **COMPLETED**
- Implement Lexipol for comprehensive police policies – **COMPLETED**

Enhance School Safety

- SRO evaluation for all 5 KSD middle schools –
Continue to discuss partnership options with the School District while providing SRO at Highlands & Park Middle Schools and High Schools

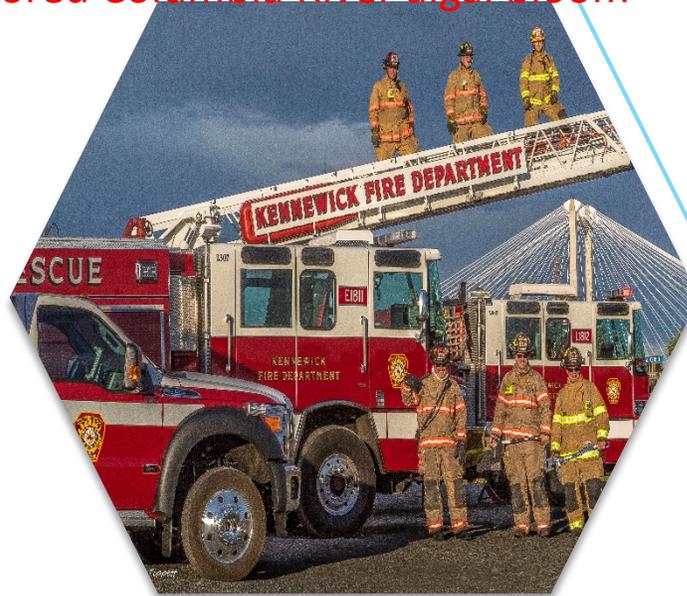


Fire Department Strategic Planning

- Hire Strategic Plan Consultant – **Contract with Berk Consulting Inc approved on 9.10.21**
- Seek input from Council, staff, regional partners, and community – **Interviews in process & workshop tonight**
- Provide recommendation and strategy for future implementation – **Develop goals in 2022**
- **Started the Fire Department peak hour pilot program in January**

Safe Drinking Water

- Water/Sewer rate study implementation recommendation – **COMPLETED (Council adopted 10.6.20)**
- Priority Capital Projects – **AMI contracts approved on 9.21.21; 18th & Kellogg Reservoir completed Oct 21**
- Water and Sewer Comprehensive Plan Updates – **Sewer Comp Plan consultant agreement approved**
- **Closely monitored Columbia River algal bloom**



Council Priority: Community Safety

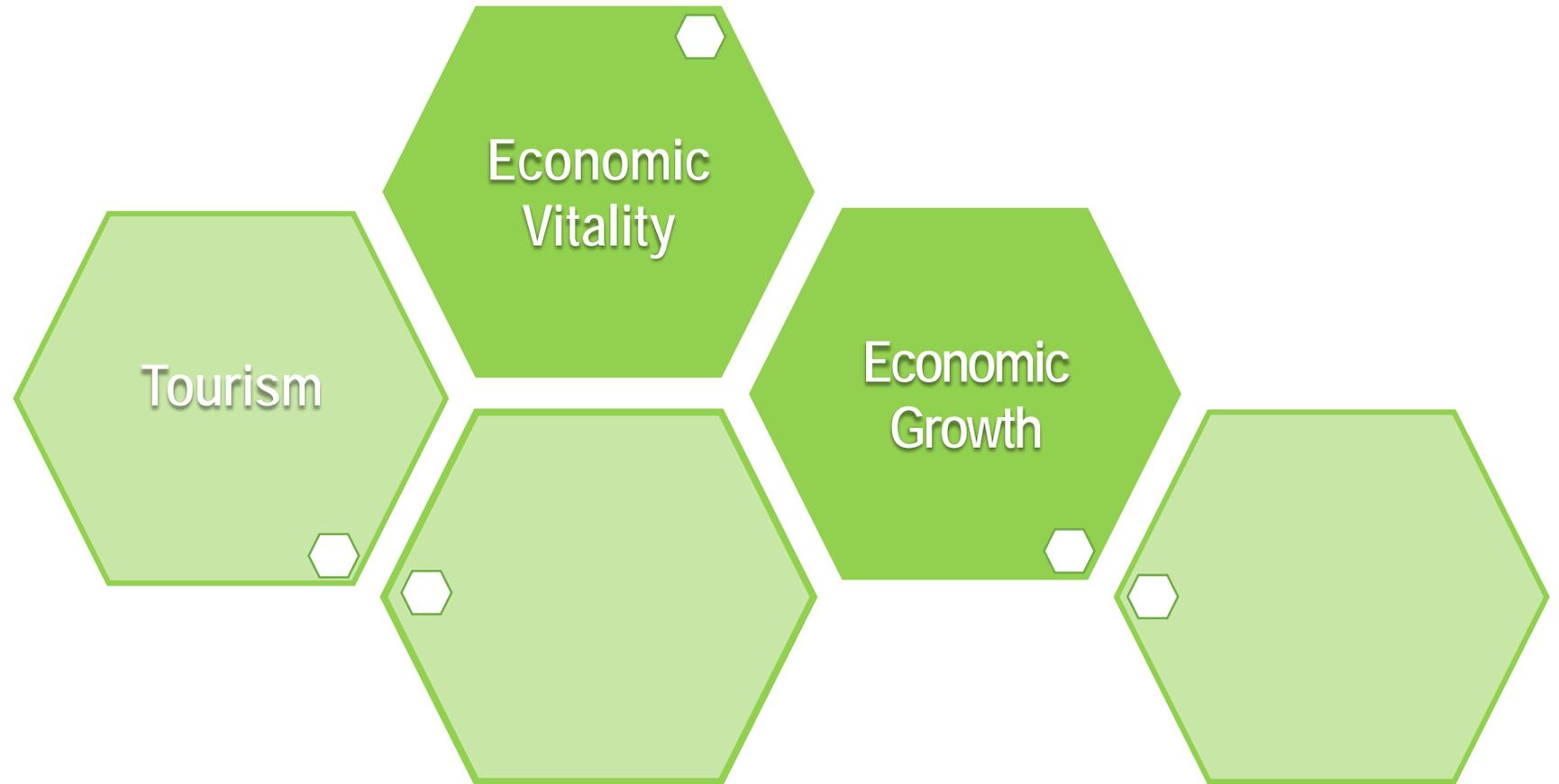
- Propose implementation of code amendments to Titles 8,9, and 10 of the KMC.
 - Amendments reflect changes in case law and the RCW, and will facilitate clarity within the code. – **COMPLETED (Drafted and presented to Council in four batches Jan., March, June, and Sept. of 2021).** Code Amendments ensure KMC is current with state law and interpretation, convictions are less susceptible to appeal



ECONOMIC DEVELOPMENT

OBJECTIVE

Support Existing Businesses and the Creation of Sustainable Family Wage Jobs



A Diverse & Vibrant Economy

Support & Promote Industrial Development Area

- Implement Comprehensive Plan amendment for land use designation – **COMPLETED (Council adopted 10.5.21)**
- Partnership with TRIDEC and developers to identify new businesses
 - Marketing material and location information provided to Department of Commerce that met site selection criteria in coordination with TRIDEC.
 - Direct correspondence with developers and site selectors to provide similar materials.
- Utilities and infrastructure extension plan
 - Funding included in 21/22 biennial budget. ARPA funding recommended, allowing water/sewer funds to be reallocated to other priority projects.



Connect Waterfront to Downtown

- Wine Village & Columbia Drive – **IN PROCESS** (\$500k MOU finalized with POK for Washington Street corridor improvements project contribution. Remaining funding for \$1M project is a \$425k TIB Complete Streets grant with 15% city match.)
 - Partnership with Port of Kennewick, Columbia Basin College, Benton County and Historic Downtown Kennewick Partnership.
 - Washington Street improvements to improve multi-modal transportation and connectivity

Vista Field Partnership

- Identify funding source for Convention Center expansion– **IN PROCESS (monthly meetings continue)**
 - A-1 Pearl provided update on 5.25.21, challenges associated with COVID
 - Amended PSA (#2) on 7.21.20, extended due diligence period 24 months for city and A-1 Pearl.
 - PSA amended on 6.23.21, A-1 Pearl will defer construction of 40k SF commercial structure.
- Partnership with A-1 Pearl on hotel funding identification
- Partnership with Port of Kennewick on Fire Station #3 construction
 - Landscaping and access road in accordance with Vista Field vision.

Opportunity Centers

- Partnerships with property owners and developers for vision implementation at Southridge – **IN PROCESS**
 - Identify and mitigate/avoid impacts to provide efficient and effective emergency services on hillsides.
 - Amendments made to Comprehensive Plan to create a more balanced and efficient distribution of land use.
- Reopen & Economic Recovery– **IN PROCESS**
 - Tournaments & tourism focus in partnership with Visit Tri-Cities, Toyota Center, Carousel of Dreams, Historic Downtown Kennewick Partnership and others.

Flag Plaza License Agreement (Council authorized on 6.1.21)	River of Fire, Water Follies Airshow & Columbia Cup collaboration with Three Rivers Carousel Foundation
Vintage at the Ridge and new 3-on-3 basketball tournament at Southridge	Parks and Recreation received award for Most Valuable COVID Response for government agencies from Regional Chamber
15 baseball/softball tournaments	Water Lantern Festival at Columbia Park

- Partnership with HDKP on Creative District application – **COMPLETED (South Columbia Creative District (SOCO) designated 10.6.21)**

Support Economic Development Incentives:

- Collaborate with legislators/lobbyist to identify and support incentives for economy recovery and to create growth opportunities (including Building Better Ecosystems Act) – **IN PROCESS**
 - Local tax increment financing approved during 2021 Legislative Session (no state incentive)

Economic Development Priorities:

- Evaluation of Economic Development Manager position with focus on contracting video and digital media materials – **IN PROCESS**



INFRASTRUCTURE and GROWTH

OBJECTIVE

Maintain Existing Infrastructure and Build New Infrastructure to Support Economic Development & Expansion



A Well-Maintained City with Infrastructure Keeping Pace with Growth

Sustainable Funding for Priority General Governmental Capital Facilities Plan

- Pavement Preservation - \$2M annually with additional \$1M in 2022 if needed
 - Recommended increase to \$3M annually for 2021/2022
 - Completed Successful BST, Crack Seal and Overlay contracts in 2021
- One-time funding - \$2M capital transfer-defer for the biennium
 - Implemented with 21/22 adopted budget with review opportunity to reinstate \$1M transfer in 2022 at mid-biennium

Priority Capital Needs

Strategic plan for aging infrastructure and a sustainable future

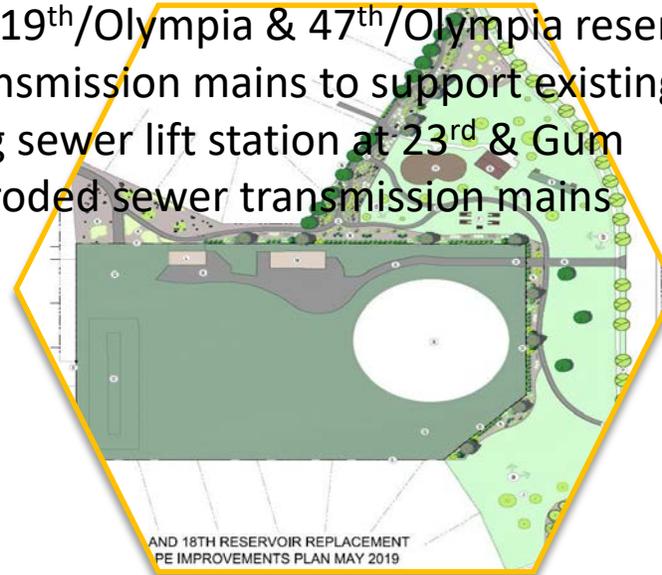
- Animal Shelter - **\$2M funded in 2021/2022 budget**
- Police & Fire fleet replacement program - **2021/2022 items funded**
 - One-time ARPA funding recommendation for 2023 KPD fleet replacement
- Streets & Parks partial fleet replacement – **Highest priorities funded (addressing funding shortfall due to inflation at mid-biennium)**
- Fire Stations – **COMPLETED Station #3 and beginning Station #1 project**
 - Budgetary savings from Station #3 reallocated to Station #1 project for 2022
- Ridegeline/Hwy 395 Intersection (in partnership with WSDOT) – **IN PROCESS**
- Replacement of City Hall (in 5 years) - **2021/2022 items funded**
 - Evaluating broader facility needs to include civic master planning efforts
- Technology improvements – IT Strategic Plan implementation continued
- Fire Training Center – Completed facility assessment & identified key repairs & costs

Implement Creative Solutions to Maintain Existing Infrastructure

- Capital Project Team – Consolidate Parks and PW team and set highest priority projects - **COMPLETED**

Sustainable Funding for Utility Capital Facility Plan Priorities Project

- Utility Capital Projects included in the Water, Sewer, Stormwater rate study
 - Advanced Metering Infrastructure (AMI) project – **IN PROCESS**
 - Contracts in place and construction to take place in 2022
 - Construction of 6MG reservoir (18th & Kellogg) – **IN PROCESS**
 - Reservoir complete & in operation; new booster pump & demo of existing reservoir in 2022
 - Future plant expansion and efficiency planning (Florida Green Model) – **IN PROCESS**
 - \$125,000 biennium increase for drywell repair/rehabilitation funding – **Repaired Several Locations**
 - Completed Stormwater Comprehensive Plan in early 2021
 - Repair & Improve aging 19th/Olympia & 47th/Olympia reservoirs
 - Design & plan water transmission mains to support existing & future growth
 - Improve & replace aging sewer lift station at 23rd & Gum
 - Completed lining of corroded sewer transmission mains



QUALITY of LIFE



OBJECTIVE

Maintain Parks, Provide for Diverse Entertainment Options, and Offer Recreation Programs for a Well Planned Community

Access to a Variety of Amenities and Opportunities in a Safe Environment

Support & Promote Conveyance of Shoreline

- Partner with USACE, TRIDEC & other agencies on Shoreline Reconveyance – **IN PROCESS**
- Golf course management and Bite at the Landing partnership discussions – **Renewed restaurant operation agreement**

Leverage Partnerships in Community

- Wildland/Urban interface mitigation plan – Zintel Canyon partnership with KID and cross-functional team
- Recreation Program Recommendations:
 - Community Center hours reduced to M-TH 5pm (instead of 8pm) closing – **COMPLETED**
 - Boys & Girls Club and YMCA partnerships and evaluation of all recreation program offerings – **Day camp study hall offered during COVID shutdown (with SkyHawks). Siri Brazilian Jiu Jitsu Fall 2021, CDBG eligible financial assistance**
 - Realign recreation staffing resources with focus on priority programs – **COMPLETED**
- Housing & Homelessness – Partnership with Housing Authority, Benton County Human Services, United Way and other agencies
 - 10th Ave Housing Market and Feasibility Study – **Due 1.11.2022**

Park & Greenway Maintenance

- Continue tree replacement and maintenance program based on highest priority - **\$45k budget increase at mid-biennium for hazardous city park trees**
- Creative solutions for art and roundabouts
 - Arts Commission collaboration and sponsorship opportunities – **Repair and reinstall STCU funded roundabout at Hildebrandt/Zintel. Traffic box wraps with STCU and other sponsorship.**
- Jail work crew elimination with funds reallocated to seasonal part-time staffing - **COMPLETED**

Columbia Park Golf Course

- Providing community with quality of life, economic development activity vs. enterprise type of activity
- Partnerships:
 - CourseCo – Operates and maintains course (for a contracted management fee)
 - Bite at the Landing – Lease agreement for operation of Club House Restaurant with potential shared revenue for special events operations – **Renewed Restaurant Concessionaire License through October 2022**



Toyota Center

- Providing community with quality of life, economic development activity vs. enterprise type of activity
- Partnerships:
 - PFD – Interlocal agreement for management
 - City owns Toyota Center & Toyota Arena
 - PFD owns Convention Center – City & PFD sales tax credit contributions
 - VenuWorks – PFD operates and maintains campus (for a contracted management fee)
 - Sponsorships – Toyota of Tri-Cities, Retter & Company, HAPO
- Operating subsidy – Admission Tax generated by Toyota Center & Arena and Lodging Tax – **LTAC approved \$320k in 2021 and 2022 for Toyota Center & Arena for operating needs in addition to \$200k from General Fund.**

Council Priority: Quality of Life

- Continue with citywide efforts to streamline internal processes relate to nuisance and substandard code enforcement cases – **IN PROCESS - transition to a new case system delayed due to COVID, will begin more proactive abatement in 2022**



RESPONSIBLE GOVERNMENT

OBJECTIVE

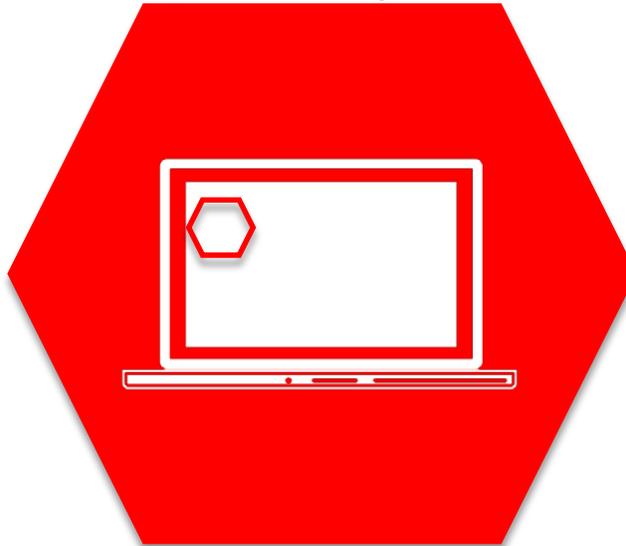
Provide Exceptional
Public Service,
Stewardship,
Transparency, and a
Sustainable Future



Responsive, Responsible, and Fiscally Accountable Government

IT Strategic Plan

- ERP/Eden System replacement – **IN PROCESS**
 - Phase 1 financials live on 6.1.2021
 - Phase 2 EnerGov Online Permitting live on 11.1.2021
 - Phase 3 Asset Maintenance/Work Orders begins January 2022 and go live November 2022
- BIPIN system replacement – **IN PROCESS (projected to go live in 2022)**
- Network equipment replacement – phase 1 – **IN PROCESS (to be completed in 2022)**
- Network resiliency – phase 1 – **IN PROCESS (to be completed in 2022)**
- Telephone system replacement – phase 1 – **IN PROCESS (to be completed in 2022)**
- Workstation replacement – phase 1 – **IN PROCESS (to be completed in 2022)**
- Audio/Video Council Chamber upgrades – **IN PROCESS (to be completed in 2021)**



Internal Cross Functional Teams and Succession Planning

- Development review – Uninterrupted during COVID closure with pre-closure levels and timelines maintained
- Inspection program - Uninterrupted during COVID closure with pre-closure levels and timelines maintained
- Zintel Canyon mitigation and opportunity – Repaired bridges; vegetation control; support Eagle Scout project to repaint amenities and landscape; continue partnership opportunity discussions with KID
- Parks & Public Works capital program consolidation – COMPLETED
- Vacant position evaluation/fill based on priority – Decreased vacancy from 33 to 20, despite multiple retirements; continue to evaluate each vacancy to ensure we are filling priority positions
- Budgeting by priorities model evaluation
 - Monitor revenue projections and provide updates – 2020 review completed 4.27.21, quarterly reports and monthly financial briefings issued
 - Mid-biennium review – IN PROCESS – completed 11.9.21



Council Priority: Responsible Government

- Process review of criminal division procedures and implement changes to coincide with technological functions of partner agencies – **COMPLETED**
 - Obtained access to Benton County's system for document retrieval
 - Early notification to victims and witnesses to allow for improved pre-trial preparedness

Council Priority: Responsible Government

- Small cell deployment and code revisions related to mitigating impacts of development
 - Negotiated draft of small cell franchise with US Cellular, final version scheduled for adoption December 2021
 - Comprehensive Plan amendments to goals and policies for improved traffic and connectivity, code revision scheduled for adoption November 2021

Council Priority: Responsible Government

- Complete UGA expansion appeal process and implementation of industrial development regulations in newly annexed area
 - Reviewed motions, briefings and recent case law regarding UGA appeal
 - Reviewed argument of retained counsel before Div. III of the Court of Appeals on 9.9.2021, awaiting decision by Dev. III

ADDITIONAL ACCOMPLISHMENTS

- Administration of 3 additional HUD grants related to COVID-19
- Interior renovation of Keewaydin Community Center
- Cascade Linear Park Completion
- Playground replacement and accessibility upgrades completed at Keewaydin Park
- City staff provided approximately 5,000 hours of support at the COVID mass vaccination site held at Benton County Fairgrounds
- KPD succession plan implemented in July 2021 with the announcement of Chief Hohenberg's retirement
 - Assistant Chief position created
 - Backfilled Command staff
- Navigating police reform while continuing to combat criminal gang activity and other crimes against people and property
- Overcoming challenges related to COVID
 - Continue work with regional partners to advocate for our community and implement required mandates
 - Ensuring staffing levels are appropriate for call levels and for combating gang activity & assigned duties
 - Maintain hiring standards despite legislative challenges
- Performed BST pilot project for fire station #2 parking lot
- Continue work on succession planning efforts by providing training and promotional opportunities
- Completed transportation projects – safety plan, street light elevation, pedestrian crossings, signal coordination
- Completed solid waste & recycling projects – addendum to Waste Management agreement; MRWF partnership
- Development related projects – KMC & comp plan amendments; ecology concerns regarding debris addressed



QUESTIONS?

THANK YOU

11.9.2021

Council Workshop Coversheet



Agenda Item Number	3.	Meeting Date	11/09/2021
Agenda Item Type	Presentation		
Subject	2021/2022 Mid-Biennium Review		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	Finance		

Info Only	<input type="checkbox"/>
Policy Review	<input checked="" type="checkbox"/>
Policy DevMnt	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>

Summary

The City of Kennewick is approaching the mid-point of the 2021/2022 biennium. State law requires local governments that prepare a biennial budget to have a mid-biennium review and public hearing between September 1st and December 31st of the first year of the biennium. City staff will be providing a presentation at the November 9th workshop that satisfies this requirement. Additionally, staff will present recommendations for the City's Local Fiscal Recovery Funds that were awarded as part of the American Rescue Plan Act (ARPA). A budget adjustment ordinance reflecting mid-biennium and ARPA funding recommendations will be presented for Council's consideration following a public hearing at the City Council meeting on November 16th.

The mid-biennium presentation will include a discussion of the following items:

*Updated assumptions for major revenues and expenditures and revised financial projections for the City's General and Street Funds for the 2021/2022 biennium.

*Mid-biennium recommendations.

*Recommendations for the City's Local Fiscal Recovery Funds awarded under ARPA.

*A summary by fund type of the proposed mid-biennium budget adjustment as well as a description of the major individual items contained in the proposal.

Through

Attachments:

PowerPoint

Dept Head Approval

Dan Legard
 Nov 03, 11:58:07 GMT-0700 2021

City Mgr Approval

Marie Mosley
 Nov 05, 11:15:40 GMT-0700 2021



CITY OF KENNEWICK 2021/2022 MID-BIENNIUM REVIEW

Kennewick City Council Workshop

November 9, 2021

AGENDA

- 2021/2022 Projections for General and Street Funds
- Mid-Biennium Recommendations
- American Rescue Plan Act (ARPA) Funding Recommendations
- Overview of Proposed Mid-Biennium Budget Adjustment

2021/2022 REVENUE ASSUMPTIONS

Item	Adopted Budget	Revised Assumptions
Sales Tax	2% incr. in 2021 (relative to 2020) 3% in 2022 (Addt'l Fed Stimulus Unknown)	15% incr. in 2021 (relative to 2020) 6.5% decline in 2022 (Addt'l Fed Stimulus Uncertain)
Property Tax	Prelim '21 levy & proj '22 levy (\$100M new construction)	Actual '21 levy & prelim '22 levy (\$122.1M new construction)
Electric Utility Tax	1% incr. in 2021 (relative to 2020) 2.5% incr. in 2022	5% incr. in 2021 (relative to 2020) 1.5% incr. in 2022
Telephone Utility Tax	7.5% decr. in both 2021 and 2022	18% decr. in 2021 (relative to 2020) 10% decr. in 2022
Cable Utility Tax	1% decr. in 2021 (relative to 2020) 2.5% decr. in 2022	0% Incr. for both 2021 & 2022
Other Utility Taxes	No incr. in 2021 (relative to 2020) 2% incr. in 2022	1-2% growth in both 2021 and 2022
Gambling Taxes	60% of 2019 amount for 2021 100% of 2019 amount for 2022	90% of 2019 amt. for 2021 & 2022

2021/2022 REVENUE ASSUMPTIONS

Item	Adopted Budget	Revised Assumptions
State Shared Revenues	No reductions	No reductions to existing & \$339K in one-time assistance for police reform legislation
SRO Reimbursements	Assumed full school year, addition of 3 new middle school SROs in 2021	Partial 2020-2021 school year 3 new schools SRO's in 2022
Recreation Programs	80% of 2018-2019 ave. for 2021 100% of 2018-2019 ave. for 2022	2% growth per year
Facility Rentals	80% of 2018-2019 ave. for 2021 100% of 2018-2019 ave. for 2022	No Change
Fines & Forfeitures	80% of 2018-2019 ave. for 2021 100% of 2018-2019 ave. for 2022	70% of 2018-2019 ave. for 2021 2% incr. in 2022
Other Revenues	2% incr. per year (on lower base for 2021)	No Change
Mass Vaccination Site Reimbursement	Not included in adopted budget	\$398,000 for personnel, contract services, and equipment

2021/2022 REVISED BUDGET PROJECTIONS

Revenue Category	Adjusted Budget 2021/2022	Revised Projection 2021/2022	Variance
Taxes	\$81,443,444	\$84,683,833	\$3,240,389
Licenses & Permits	\$2,326,300	\$2,118,975	(\$207,325)
Intergovernmental Revenues	\$8,705,579	\$9,628,369	\$922,790
Charges for Services	\$10,036,615	\$8,955,364	(\$1,081,251)
Fines & Forfeitures	\$1,960,200	\$1,547,900	(\$412,300)
Miscellaneous Revenue	\$945,000	\$723,800	(\$221,200)
Transfers In	<u>\$4,514,542</u>	<u>\$4,573,000</u>	<u>\$58,458</u>
Total Revenues	<u>\$109,931,680</u>	<u>\$112,231,241</u>	<u>\$2,299,561</u>

2021/2022 EXPENDITURE ASSUMPTIONS

Item	Adopted Budget	Revised Assumptions
Salaries & Wages	Per contract terms or anticipated contract terms where applicable	Updated to reflect new contracts and/or updates to anticipated contract terms
Retirement Contributions	Per DRS projections (minor decreases)	No change
Medical Insurance	5% incr. in 2021 and 2022	4% incr. in 2021 and 5.8% incr. in 2022
Vacancy Savings	Projected at \$3M	Projected at \$3.3M
Jail Services	14.59% allocation of net billable costs (Contract expired 12/31/20)	14.59% allocation of net billable costs for 2021 & 11.81% for 2022 (New contract through 2022)
SeComm/BCES	2021 preliminary assessment & 5% incr. for 2022	2021 and 2022 final assessments (overall savings)

2021/2022 EXPENDITURE ASSUMPTIONS

Item	Adopted Budget	Revised Assumptions
District Court/OPD	21.52% & 36% allocation, respectively	21.52% & 36% allocation for 2021 18.19% and 33.42% for 2022
Transfers	Toyota Center & Arena - \$400K Capital Imp. Fund – No Transfers Columbia Park Tri-Plex - \$247K Risk Management - \$1.65M Ambulance Utility - \$10.12M	Toyota Center & Arena - \$400K Capital Imp. Fund – \$1M Columbia Park Tri-Plex - \$247K Risk Management - \$1.65M Ambulance Utility - \$10.12M Cash Reserve Fund - \$180K
Other Expenditures	No inflationary increase for the biennium	No change

GENERAL FUND MID-BIENNIUM RECOMMENDATIONS

- Utilization of one-time funding (fund balance) from 2019/2020 biennium:
 - Maintenance of most hazardous trees in City parks - \$45K
 - Electronic voting program - \$120K
 - ERP project costs (Payroll/HR Modules) - \$174K
 - Demo of abandoned buildings in Columbia Park - \$160K
 - Additional Police Support Specialist through 2022 - \$78K
- Reinstitute the \$1M annual transfer to the Capital Improvement Fund in 2022
- Utilize one-time fund balance to increase Cash Reserve Fund balance by CPI - \$180K
- Public Safety:
 - Utilize state assistance for body/dash cams - \$339K (remainder ARPA)
- Staffing:
 - Addition of 1 FTE IT Analyst as identified in the IT Strategic Plan
 - Addition of 0.5 FTE Senior Accounting Specialist

2021/2022 REVISED BUDGET PROJECTIONS

Expenditure Category	Adjusted Budget 2021/2022	Revised Projection 2021/2022	Variance
Salaries & Wages	\$ 51,933,790	\$ 52,081,409	\$ 147,619
Personnel Benefits	20,331,042	20,446,865	115,823
Supplies	2,854,505	2,882,689	28,184
Other Services & Charges	22,361,923	22,629,181	267,258
Transfers Out	12,417,400	13,771,400	1,354,000
Capital Outlay	<u>135,024</u>	<u>255,024</u>	<u>120,000</u>
Total Expenditures	<u>\$ 110,033,684</u>	<u>\$ 112,066,568</u>	<u>\$ 2,032,884</u>

2021/2022 REVISED BUDGET PROJECTIONS

	Adjusted Budget 2021/2022	Revised Projection 2021/2022	Variance
Total Revenues	\$109,931,680	\$ 112,231,241	\$ 2,299,561
Total Expenditures	<u>110,033,684</u>	<u>112,066,568</u>	<u>\$ 2,032,884</u>
Revs above (below) Expenditures	\$ (102,004)	\$ 164,673	\$ 266,677
Beginning Fund Balance	\$ 5,966,211	\$ 5,966,211	-
Ending Fund Balance	<u>\$ 5,864,207</u>	<u>\$ 6,130,884</u>	<u>\$ 266,677</u>
Estimated Required 5% Reserve	\$ 2,750,842	\$ 2,801,664	
Amt. above (below) Req. Reserve*	<u>\$ 3,113,365</u>	<u>\$ 3,329,220</u>	

*The City also maintains a cash reserve for revenue stabilization and contingencies with a current balance of \$2.97M.

OTHER MID-BIENNIUM RECOMMENDATIONS

- Capital Improvement Funds:
 - Completion of Duffy's Pond Trail - \$150K
 - Complete highest priority Parks & Public Works fleet replacements - \$336K
 - Pool improvements (chlorine feeders/replace boiler) - \$101K
 - Supplemental funding for tree removal program - \$150K
 - Toyota Center improvements - \$500K (existing funding)

KMC 2.04.075 CITY COUNCIL SALARIES

- Most recent City Council salary schedule covers 4 years (2020-2023)
 - Council salary of \$1,300/mo. in 2022 and \$1,325/mo. in 2023
 - Additional \$100 for Mayor Pro-Tem and \$200 for Mayor
- Schedule updated by adding 2 years in every odd year to avoid constitutional prohibition against elected officials approving a change to their compensation that would go into effect during their term
- Council salary has historically met Department of Retirement Services (DRS) service credit requirements for PERS retirement system
 - Must = 90 hours x minimum wage to receive a full service credit each month
 - 2022 minimum wage = \$14.49 (Increase of 5.83% from 2021 based on CPI)
 - Monthly salary of $\$14.49 \times 90 = \$1,304$ required for full service credit
 - Due to increase in minimum wage, 2022 Council salary only qualifies for $\frac{1}{2}$ service credit each month

KMC 2.04.075 CITY COUNCIL SALARIES

- Proposed modification:
 - Council salary of \$1,400/mo. in 2024 and \$1,425/mo. in 2025
 - Retain additional \$100 for Mayor Pro-Tem and \$200 for Mayor
 - Allows Council to receive full PERS service credit beginning in 2024
 - Assumes up to a 3% incr. in minimum wage in 2023-2025
- Ordinance modifying KMC 2.04.075 to add 2024 & 2025 to salary schedule will be proposed at November 16th City Council meeting

AMERICAN RESCUE PLAN ACT

- \$1.9 Trillion Total
- \$350 Billion to states and local governments
 - \$195.3B to states
 - \$1.25B minimum to 50 states & District of Columbia
 - Remainder using formula based on unemployed individuals
 - \$10B for Coronavirus Capital Projects Fund & \$20B Tribal Governments
 - \$130.2B to local governments split equally between cities and counties
 - County share based on greater of population share or CDBG formula
 - For cities, \$45.5B to metro cities (pop > 50K) using CDBG formula
 - **Kennewick's allocation is \$16,062,000**
 - \$19.6B to “small” cities based on population
 - Payments in 2 tranches – first ½ within 60 days, second ½ one year later

AMERICAN RESCUE PLAN ACT

- Eligible uses include:
 - (A) to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
 - (B) to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal / local government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;
 - (C) for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal / local government due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency; or
 - ***Kennewick’s revenue loss estimated at \$12.4M for 2020 alone***
 - (D) to make necessary investments in water, sewer, or broadband infrastructure.

AMERICAN RESCUE PLAN ACT

- Other guidance on eligible uses:
 - Covered period is 3/3/21 - 12/31/24
 - Costs can be *incurred* by 12/31/24 but must be expended by 12/31/26
 - Cannot spend funds on pension deposits
 - States and territories cannot spend the funds to reduce taxes or delay a tax increase
 - May not be used as non-Federal Match for other Federal Programs

AMERICAN RESCUE PLAN ACT GUIDING PRINCIPLES

- Avoid creating new programs or add-ons to existing programs that require an ongoing financial commitment
- Use of ARPA funds to cover operating deficits caused by COVID-19 should be considered temporary; other actions may be necessary to achieve/maintain structural balance in future budgets
- Investment in critical infrastructure is particularly well suited use of ARPA funds because it is a non-recurring expenditure that can be targeted to strategically important long-term assets that provide benefits over many years
- Take a methodical approach:
 - Leverage other dedicated grants and programs first and save ARPA funds for priorities not eligible for other federal and state assistance programs
 - Ensure regional initiatives are complimentary
 - Spread use of funds over the qualifying period (through December 31, 2024) to enhance budgetary and financial stability
 - Allow time for further federal guidance on eligible uses

AMERICAN RESCUE PLAN ACT RECOMMENDATIONS

- Aid to Tourism, Travel and Hospitality Industries:
 - Travel Bloggers Exchange (TBEX) Event Sponsorship - \$25K
 - Visit Tri-Cities ARPA Hospitality Business Recovery Proposal - TBD
- Public Safety:
 - KPD body worn/vehicle cameras - \$1.2M (net of GF portion)
 - KPD 2023 fleet replacement - \$1.8M
 - Mental Health Professional/Crisis Response Program – TBD (regional partnership)
 - KFD Smalls Tools & Equipment
 - Portable radios - \$160K
 - Mechanical CPR Device - \$60K
 - Extrication Equipment - \$70K
 - (4) Gas Detectors, PPE Gear Bags - \$24K

AMERICAN RESCUE PLAN ACT RECOMMENDATIONS

- Maintain & Expand Critical Infrastructure:
 - Extend utilities to the urban growth area (UGA) south of Interstate 82 - \$4M
 - Supplement 2021/2022 pavement preservation - \$1M (\$6M total 2021/2022)
 - Cyber Security and other IT Storage Enhancements - \$374K
- Community Parks & Facilities Improvements:
 - Public/Private Partnership at Lawrence Scott Park for new pickleball courts, restroom replacement, new shelter and other infrastructure - \$800K (ARPA portion only)
 - Laser leveling/field restoration at Lawrence Scott, Civic Center, and SR ballfields - \$246K
 - HVAC replacements at Union Library, KFD Station #4, Police Dept. - \$344K
 - Council Chambers & CM Conference Room AV Project - \$255K
 - Repurpose KFD Station #3 generator for Station #2 - \$14K
 - KFD Bunk Room and Security Improvements at Station #2 and #4 - \$46K
 - Toyota Center improvements (retractable seating/handrails/flooring) - \$2.84M

AMERICAN RESCUE PLAN ACT RECOMMENDATIONS - SUMMARY

Category	2021/2022	2023/2024	2025/2026	Total*
Tourism, Travel & Hospitality Aid	\$ 25,000	\$ -	\$ -	\$ 25,000
Public Safety	590,500	2,391,000	295,500	3,277,000
Critical Infrastructure	1,220,200	4,113,300	-	5,333,500
Community Parks & Facilities	<u>4,544,860</u>	<u>-</u>	<u>-</u>	<u>4,544,860</u>
Totals:	<u>\$ 6,380,560</u>	<u>\$ 6,504,300</u>	<u>\$ 295,500</u>	<u>\$13,180,360</u>

*Leaves approximately \$2.9M unallocated from the City's ARPA Coronavirus State & Local Fiscal Recovery Funding award.

MID-BIENNIUM BUDGET ADJUSTMENT

Fund Type	2021/2022 Adjusted Budget	Mid-Biennium Budget Adjustment	Revised Budget
General/Street Funds	\$ 115,898	\$ 4,218	\$ 120,116
Special Revenue Funds	32,156	17,242	49,398
Debt Service Funds	8,660	-	8,660
Capital Projects Funds	64,969	4,370	69,339
Enterprise/Internal Svc Funds	167,547	8,786	176,333
Trust Funds	6,955	-	6,955
Totals:	\$ 396,185	\$ 34,616	\$ 430,801

Major items included:

8.7% Incr. (2% w/out ARPA)

- To appropriate for the City's American Rescue Plan Act (ARPA) Coronavirus State & Local Fiscal Recovery Funds award and uses.
- To appropriate for revised projections of sales tax revenue for the 2021/2022 biennium.
- To reinstate the annual \$1M transfer from the General Fund to the Capital Improvement Fund for priority capital projects in 2022.
- To appropriate for an increase to the City's strategic cash reserve based on the annual change to the consumer price index (CPI). To appropriate for additional costs for scheduled general governmental fleet replacements due to supply chain issues.
- To appropriate for the City's costs and federal reimbursement associated with the COVID-19 mass vaccination site.
- To appropriate for citywide photometric study and pedestrian crossings funded with federal Highway Safety Improvement Program (HSIP) grants.



Council Workshop Coversheet



Agenda Item Number	4.	Meeting Date	11/09/2021
Agenda Item Type	Presentation		
Subject	2022 Property Tax Levy		
Ordinance/Reso #		Contract #	
Project #		Permit #	
Department	Finance		

Info Only	<input type="checkbox"/>
Policy Review	<input checked="" type="checkbox"/>
Policy DevMnt	<input type="checkbox"/>
Other	<input type="checkbox"/>

Summary

The City is required to hold a public hearing each year by November 30th to adopt the property tax levy for the following year. The public hearing for the 2022 property tax levy is scheduled to occur on November 16th. At the November 9th workshop, staff will provide a presentation outlining the proposed 2022 property tax levy.

Through

Attachments: PowerPoint

Dept Head Approval

Dan Legard
 Nov 03, 14:58:06 GMT-0700 2021

City Mgr Approval

Marie Mosley
 Nov 05, 11:17:24 GMT-0700 2021



2022 Property Tax Levy

Kennewick City Council Workshop

November 9, 2022

Property Tax Distribution

School District - 37¢

State School - 27¢

City - 18¢

County - 11¢

Other - 7¢



2021 Total Property Tax Levy – \$9.95 per \$1,000 AV

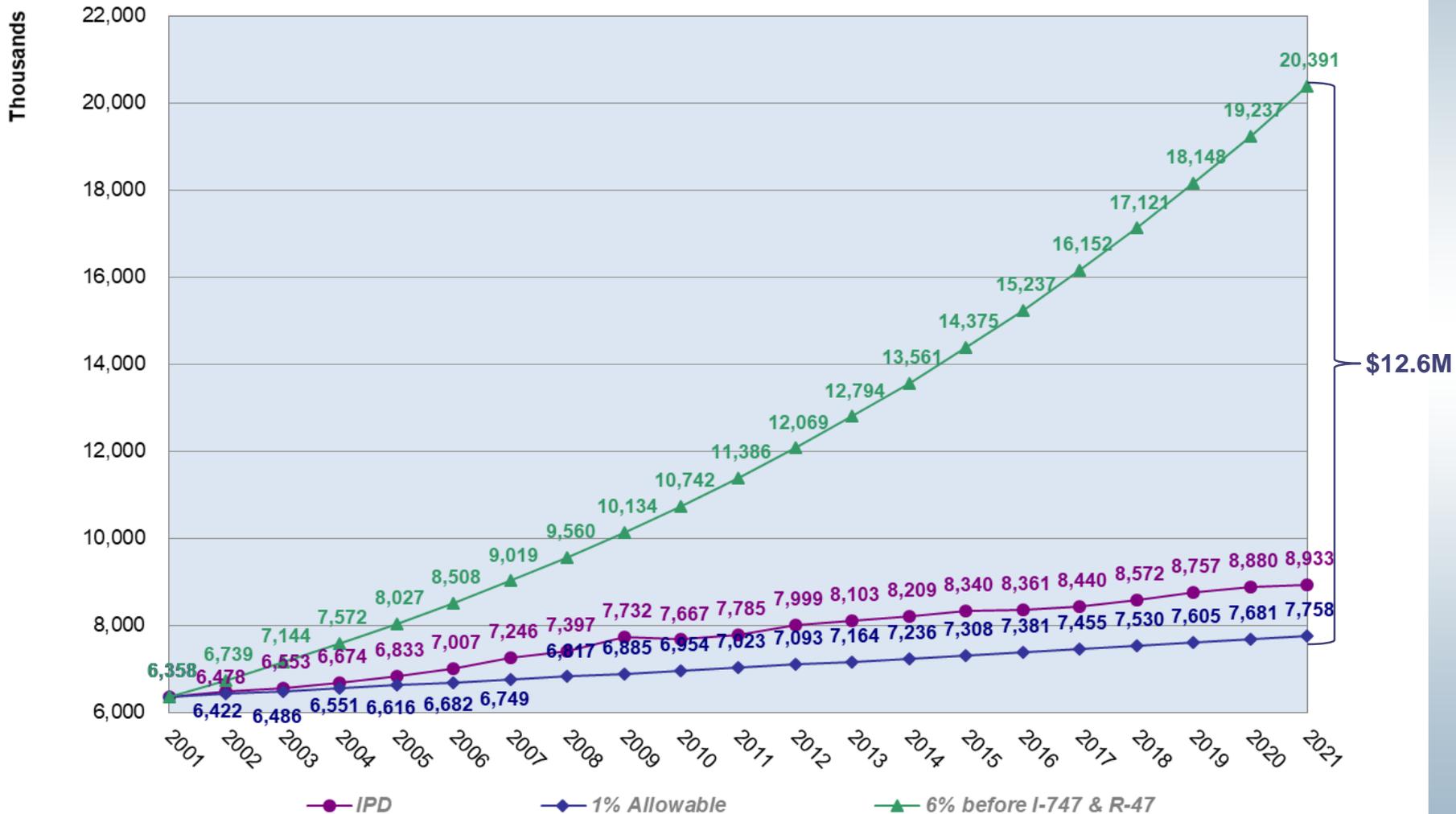
Tri-City 2021 Levy Rate Comparison

	<u>Kennewick</u>	<u>Pasco</u>	<u>Richland</u>
Regular Levy	\$ 1.8169	\$ 1.6842	\$ 2.2532
Voted G.O. Bonds	0.0000	0.0000	0.1845
Library District	<u>0.3154</u>	<u>0.0000</u>	<u>0.0000</u>
Total Rate Per \$1,000	<u><u>\$ 2.1323</u></u>	<u><u>\$ 1.6842</u></u>	<u><u>\$ 2.4377</u></u>

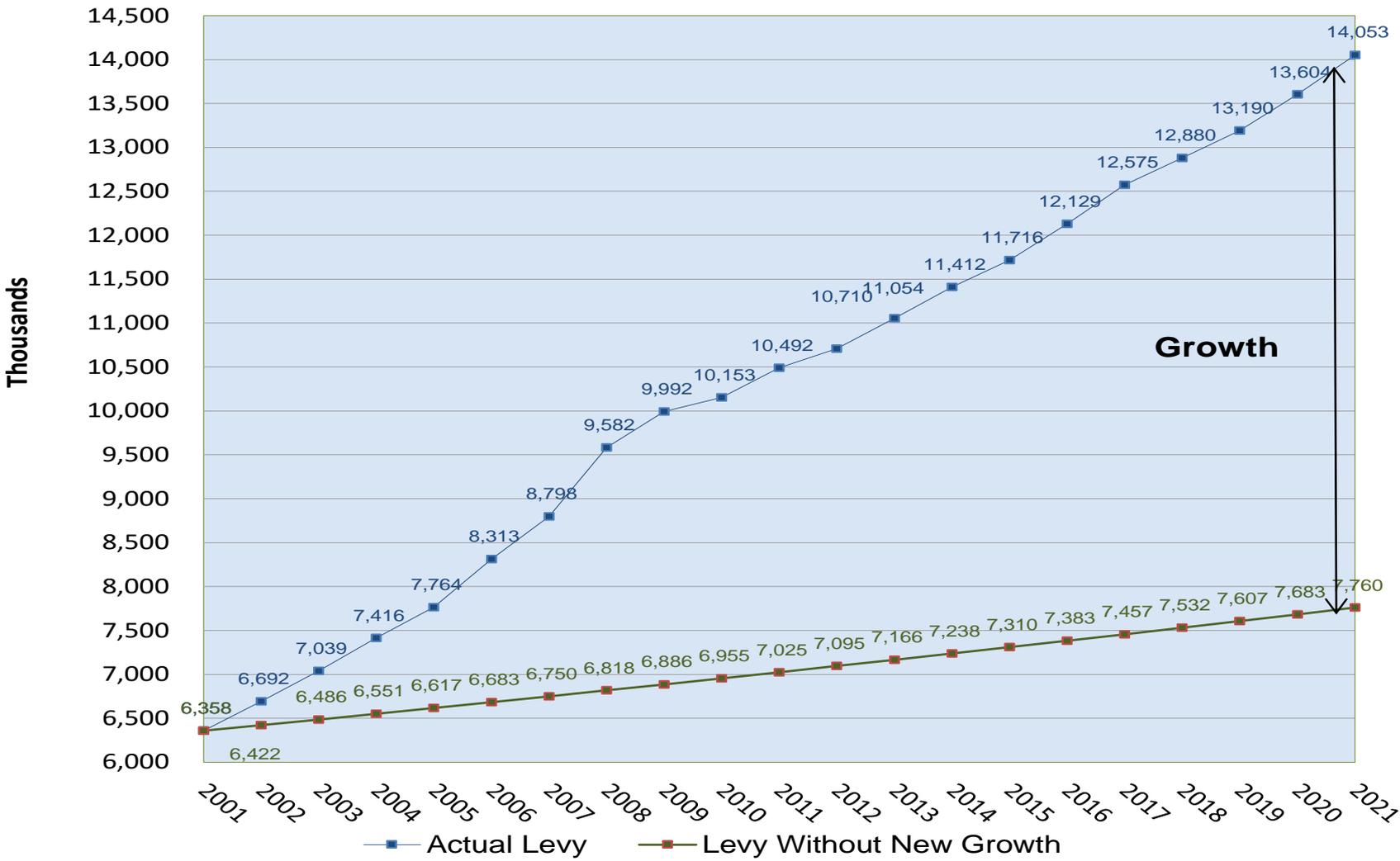
Property Tax Overview

- Statutory Maximum Levy Rate is \$3.325 for Kennewick (\$3.825 less \$.50 library district) without voter approval
- Prior to November, 1997 the base limit factor was 106%
- Referendum 47 (1997) reduced limit to Implicit Price Deflator (IPD) but allowed for up to a 6% increase if approved by a super-majority vote of the Council
- I-747 (2001) reduced the amount the base property tax levy can be increased annually to the lesser of IPD or 1%
 - Revenue derived from New Construction & Annexations are above limit
 - I-747 declared unconstitutional in 2007, but was then added to state law

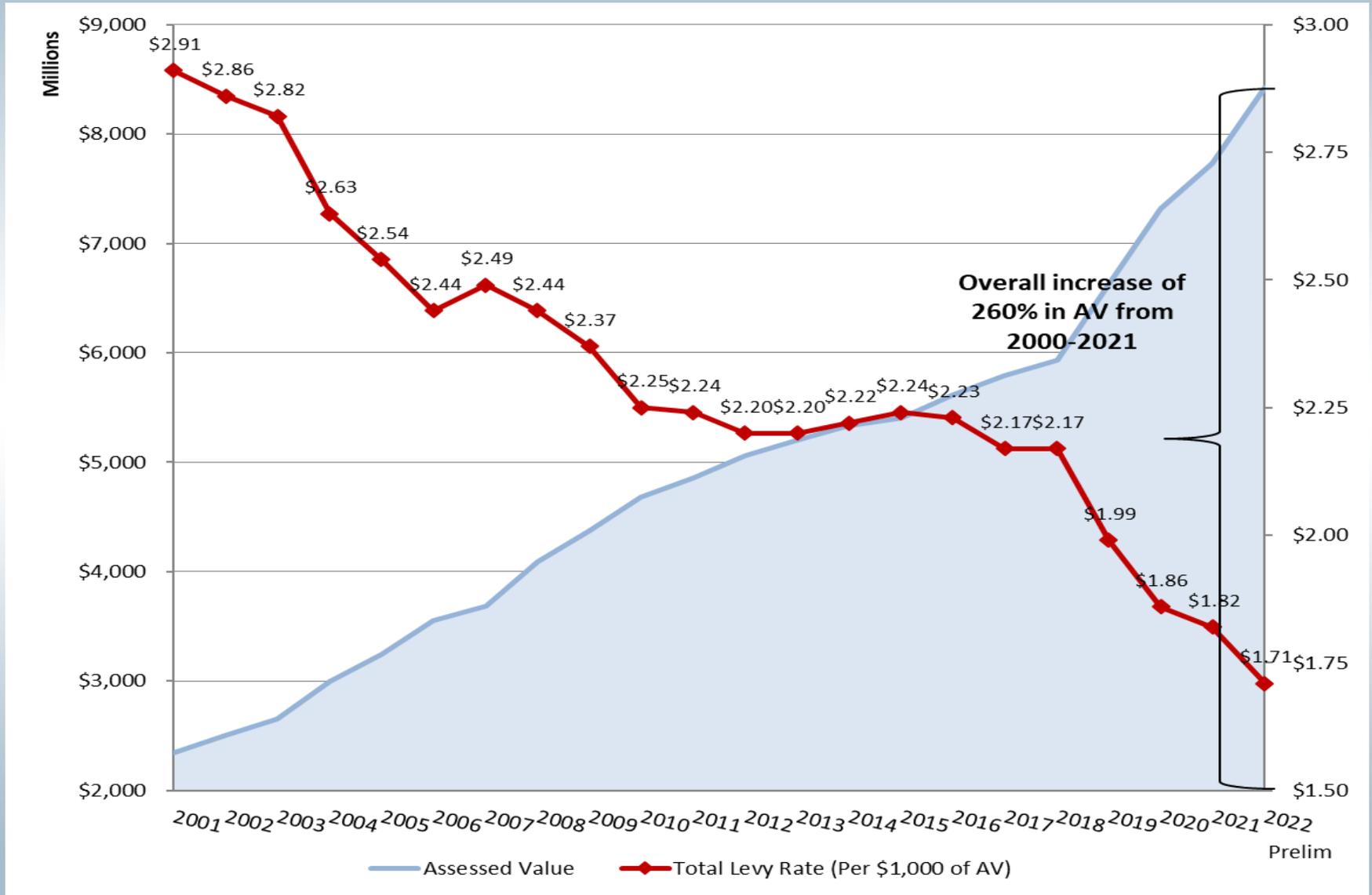
Reduced Levy Capacity



Property Tax Levy History 2001-2021



AV & Levy Rate 2001-2022



2022 Property Tax Levy Proposal

- **Property Tax Levy** – Overall increase of \$364k to \$14,416,944
 - New Construction/Annexation (\$122.1M in AV) - \$222k
 - Change to Base Levy Under State Law - \$142k (1%)
 - July 2021 IPD = 3.860%
- **Assessed Valuation**– Increased by \$691.5M (Total of \$8.4B)
 - \$122M from new construction.
 - Includes 7.6M in Southridge LRA (75% dedicated to LRF program)
 - \$569.5M from revaluation of existing property – 7.4% incr.
- **Property Tax Levy Rate** – Reduction of 11¢ to \$1.71 (per \$1,000 AV)
 - Increase of \$3.56 (30¢/mo) for a median value home (\$215,500)
 - Assumes AV of home increases by average change in AV for 2021 (7.4%)
 - Assumes levy rate reduction from \$1.82 to \$1.71 per \$1,000 of AV

Questions?



City Council Meeting Schedule December 2021

City Council temporarily designated the location for regular, special and study session meetings to a virtual location until termination of the state of emergency or until rescinded. The City broadcasts City Council meetings on the City's website <https://www.go2kennewick.com/CouncilMeetingBroadcasts>.

December 7, 2021

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

December 14 2021

Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website

<https://www.go2kennewick.com/CouncilMeetingBroadcasts>)

1. Facilities Master Plan Update
2. KMC Amendments - Park Rules & Public Camping
3. KMC Amendment - Public Records Policy

December 21, 2021

Tuesday, 6:30 p.m.

REGULAR COUNCIL MEETING

December 28, 2021

Tuesday, 6:30 p.m.

WORKSHOP MEETING (the workshop meeting will be done via Zoom and broadcast on the City's website

<https://www.go2kennewick.com/CouncilMeetingBroadcasts>)

To assure disabled persons the opportunity to participate in or benefit from City services, please provide twenty-four (24) hour advance notice for additional arrangements to reasonably accommodate special needs.

Please be advised that all Kennewick City Council Meetings are Audio and Video Taped