



SOUND CITIES ASSOCIATION

38 Cities. A Million People. One Voice.

SCA Board of Directors Draft Minutes

March 20, 2019 10:00 AM - Noon
Tukwila City Hall – Hazelnut Room
6200 Southcenter Blvd, Tukwila

1) Call to Order

Vice President Dana Ralph called the meeting to order at 10:03 AM. Present were members Dana Ralph, Ed Prince, Bruce Bassett, Jeff Wagner, Bob Larson, David Baker, Hank Margeson, Davina Duerr, Jim Ferrell, Catherine Stanford, and Amy Ockerlander and staff Deanna Dawson. Members absent were Leanne Guier and Nancy Backus.

2) Public Comment

Vice President Ralph asked if any members of the public had comment. Hearing none this portion of the agenda was closed.

3) Consent Agenda

David Baker moved, seconded by Hank Margeson, to approve the consent agenda consisting of Minutes of the February 15, 2019 meeting, January 2019 Profit and Loss Statement, January 2019 Balance Sheet, February 2019 Profit and Loss Statement, and February 2019 Balance Sheet. (Attachments 1-5.) The motion passed unanimously.

4) President's Report

Vice President Dana Ralph reported that Mayor Guier had another commitment, so she would be chairing the meeting in her absence.

5) Executive Director's Report

Director Dawson reported that SCA had been named "Organization of the Year" by the Municipal League. She encouraged members to join at the awards ceremony on May 9, 2019. Dawson updated members that SCA would be hiring for a new Administrative Services Manager. The recent hire had turned out to not be a good fit. Dawson reported on upcoming networking events.

6) Treasurer's Report

Treasurer Hank Margeson gave a report on the March 11, 2019 SCA Finance Committee meeting.

Margeson moved, seconded by Catherine Stanford to approve the proposed reserve policies and 2019 reserve levels as follows:

201.7 Reserve policies

- a) The association should maintain an Operations Reserve equal to half the annual budget. . (3/15/95, 4-15-09, 3-20-2019)
- b) The association should maintain an Equipment Replacement reserve of \$15,000. (Board 9/27/2006, 3/21/2012, 3-20-2019)
- c) The association should maintain a Contract Liability Reserve to fund the liabilities of all SCA contracts. (Board 9/27/2006, 3-20-2019)
- d) The association should maintain a Legal Reserve of \$25,000.(3-20-2019)
- e) The association should maintain sufficient funds to pay all liabilities, including accrued vacation and other employment liabilities. (3-20-2019)
- f) The association may apply unallocated operating reserves to the budget for the following year. (4-15-09, Board 10/20/10)

Proposed 2019 Reserve Levels:

- Operations Reserve of half of 2019 budgeted expenses (\$393,014)
- Equipment Reserve of \$15,000
- Legal Reserve of \$25,000
- Contractual Reserve for all contractual obligations (which include for 2019: remainder of office lease, remainder of copier lease, and ED contract for six months severance pay for total of \$124,913)
 - Total = \$557,927

The motion passed unanimously.

Margeson and Dawson explained the 2017 SCA audit conducted by Paulsen Megaard to the Board. (Attachments 8-10.)

Margeson moved, seconded by Ed Prince to accept the 2017 SCA Audit, and direct Treasurer Hank Margeson to sign the Management Representation Letter. The motion passed unanimously.

Margeson explained to members that SCA's accounting firm had made an error in timing of federal tax deposits for 3rd and 4th quarters of 2018. When the matter was brought to the attention of ED Dawson, she communicated with the IRS. They have agreed to waive penalties for 3rd quarter due to history of past compliance. There may be a future penalty for 4th quarter, which will be addressed at that time. The error has been corrected, and accountants are now making deposits on a semi-weekly basis.

Dawson updated members on fiscal impacts of Administrative Services Manager position.

Margeson gave members an update on city members and dues payment. All cities except Milton have paid 2019 dues. ED Dawson and President Guier met with Milton Mayor to discuss.

Margeson gave the board an update on 2019 Regional Associate Memberships and sponsorship, which are coming in higher than budgeted.

7) PIC Chair's Report

PIC Chair Ed Prince gave a report on the March 13, 2019 Public Issues Committee (PIC) meeting.

Prince told the Board that members of the public attended to express concerns about the Solid Waste Comp plan, and impact of the Cedar Hills Landfill on residents. Members expressed interest in a tour to learn more about the landfill. Dawson will work with SCA staff to help arrange.

Prince moved, seconded by Jim Ferrell appoint Federal Way Councilmember Lydia Assefa-Dawson to the Children and Youth Advisory Board. There was no discussion. The motion passed unanimously.

Updates were given on the 2019 legislative session. Members expressed concerns about impact to cities from a proposed "homeless bill of rights," which members noted could make it challenging to provide services to those in need of assistance.

Members discussed the potential impacts to their communities from Initiative 976. They discussed whether SCA should take a position on an initiative. Some including Federal Way Mayor Ferrell opined that the impacts on cities could warrant SCA coming together to address. Others including Mercer Island Councilmember Bassett opined that SCA should only be involved in sharing information and education. The matter will be discussed again at PIC in April.

Other topics at PIC included the Challenge Seattle middle income housing initiative, the King County Parks Levy, VISION 2050, homelessness, the Charter Review Commission, the Solid Waste Comp Plan, and Responsible Recycling Task Force recommendations.

8) Committee Appointments

Director Dawson reported that a call for nominations was sent for a Regional Complete Count Committee, to address the 2020 census.

Amy Ockerlander moved, seconded by David Baker, to appoint Debra Srebnik of Kenmore to the committee representing the north. The motion passed unanimously. Jeff Wagner moved seconded by Catherine Stanford to appoint De'Sean Quinn to the committee representing the south. The motion passed unanimously.

A call for nominations was also sent for the Continuum of Care Application Committee.

Hank Margeson moved seconded by Jeff Wagner to appoint Merina Hanson of Kent as the member, and Brooke Buckingham of Redmond and Alex O'Reilly of Bellevue as alternates. The motion passed unanimously.

9) City Manager Report

Bob Larson, Snoqualmie City Manager, reported on the March 6, 2019 City Managers & Administrators meeting.

10) Discussion Items

a. Sexual Assault Awareness Month

All board members present noted that their cities would be recognizing April as Sexual Assault Awareness Month. Dawson noted that 35 cities and towns participated last year.

b. KCD Workshop

Dawson reported on the workshop held prior to the March PIC meeting on the King Conservation District. Board members had questions about the need for additional revenue, and discussed resident concerns over taxes and fees. They noted the need to become more familiar with the KCD programs. This matter will be discussed again at PIC in April to give members an opportunity to give feedback.

c. Chamber Study Mission

Dawson encouraged board members to join on this study mission, noting that SCA board members would be given a discount.

d. 2019 SCA Retreat

The board touched base on the 2019 retreat, and will discuss further next month. They noted that additional members had announced retirements.

e. 2019 Accomplishments

The Board noted the 2019 Municipal League award as an example of a 2019 accomplishment. They also noted that on many items, the County wanted to know SCA's views. The additional revenue and flexibility for cities in the Parks Levy was seen as an accomplishment. The fact that Challenge Seattle and Microsoft had approached SCA as a partner was listed as an accomplishment. New sponsorships were also listed as an accomplishment.

11) Upcoming Events/Meetings

- a. SCA Networking Dinner (with guest Attorney General Bob Ferguson, sponsor Inslee Best) – Wednesday, April 3, 2019 – 5:30 PM – 8:00 PM – Renton Pavilion Event Center
- b. SCA Public Issues Committee – Wednesday, April 10, 2019 – 7:00 PM – 9:00 PM (with workshop on King County Metro Mobility Initiative immediately preceding meeting at 6:00 PM) – Renton City Hall
- c. SCA Board of Directors Meeting – Wednesday, April 17, 2019 – 10:00 AM – noon – Tukwila City Hall
- d. SCA Networking Dinner (with guest Greater Seattle Partners CEO Brian McGowan, sponsor Boeing) – Wednesday, July 31, 2019 – 5:30 PM – 8:00 PM – Renton Pavilion Event Center.

12) For the good of the order

Vice President Ralph asked if anyone had anything for the good of the order. There was none.

13) Adjourn

The meeting adjourned at 12:05 PM.