

May 28, 2020

**MEETING HELD TELEPHONICALLY DUE TO THE COVID-19 PANDEMIC**

**CALL TO ORDER:**

**Mayor Steve Sexton** called the meeting to order at 7:00 p.m. with the Pledge of Allegiance. Council members present: Bill Aslett, Keith Chaplin, J. DeGloria, R. DeGloria, Scott Green, Chris Loving, and James Stavig. Staff present: Leif Johnson, Mike Luvera, Kristen Morrison, Joe Stewart, Greg Young, and Sarah Ward.

**MINUTES:**

A motion was made to approve the minutes of the May 14, 2020 Council meeting by **Councilors Loving/Aslett**. All in favor; motion carried.

**AUDIT OF BILLS:**

**Councilor Aslett** noted the decrease in the dollar amount of Accounts Payable invoices and thanked staff for keeping expenses down as much as possible.

A motion was made by **Councilors Aslett/Green** to approve Accounts Payable invoices to be paid as of May 28, 2020 in the amount of \$156,578.30, and Payroll Expenses for Pay Period Ending May 15, 2020 in the amount of \$695,292.00. All in favor; motion carried.

**PUBLIC COMMENTS:**

**City Attorney Leif Johnson** explained that there are no public comments submitted that he is aware of. **L. Johnson** stated that members of the public may submit comments or questions by mail to City Hall at 833 S. Spruce Street, ATTN: Greg Young or by email to [administration@burlingtonwa.gov](mailto:administration@burlingtonwa.gov), as the City still cannot hold in-person meetings.

**COUNCIL COMMENTS:**

**Councilor Loving** discussed a desire and reasons for City parks to reopen. **Mayor Sexton** discussed his leaving a message with the Skagit County Department of Health wherein he requested guidance on the opening of parks and other City buildings. **Mayor Sexton** stated that he would send an email to Council once an update is received from the County Department of Health.

**Councilor Stavig** discussed information given by the US Census Bureau during a previous Council meeting, and urged all to fill out and submit their Census forms.

**Councilor Chaplin** inquired as to whether the City would be able to hold meetings in-person in the month of June. **City Attorney Leif Johnson** discussed the State's guidance

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with the Open Public Meeting Act in relation to the reopening phases, and that for right now, it is not possible, and the City will have to wait for further guidance.

**MAYOR'S UPDATE:**

**Mayor Sexton** discussed the County's application for Phase 2 of the Governor's reopening plan, and that the drive through COVID testing in the County is down to 2.4%, which is significantly lower than previous numbers.

**Mayor Sexton** thanked **Councilor Stavig** for his volunteering at the potato giveaway which was held last week at Cascade Mall, and remarked at the volume of people who attended in order to receive donations of potatoes. **Mayor Sexton** discussed the impacts on local foodbanks, which are currently serving a greatly increased number of the population.

**SPECIAL PRESENTATION:**

No Special Presentation.

**PROCLAMATION:**

No Proclamation.

**COMMITTEE & BOARD REPORTS:**

No Committee & Board Reports.

**OFFICERS REPORTS:**

No Officers Reports.

**UNFINISHED BUSINESS:**

**Approval of Greg Young as City Administrator**

**City Attorney Leif Johnson** reviewed the positions for which the Council's approval of the Mayor's recommendation of an individual is required; the position of City Administrator is one of such positions. **L. Johnson** stated that at least three Councilmembers requested that this agenda item be added to the Council agenda, and discussed reasons for the Mayor's recommendation of Greg Young for the position of City Administrator, which include favorable performance as Interim City Administrator. **Councilor J. DeGloria** inquired as to why this agenda item was added to the agenda as an Unfinished Business item when Council has previously voted on the subject.

**L. Johnson** explained that it was added as an Unfinished Business item as it has been presented to Council previously, and that there is not a specific rule which would

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disallow the item from being considered for the Unfinished Business portion of the agenda. **L. Johnson** reviewed that when the item was previously presented to Council, it failed to reach the required number of votes in either opposition or in favor. **Mayor Sexton** stated that when the item was presented, the vote was 3-3, as full Council was not present to vote. **Mayor Sexton** discussed the position being opened to the public for application, as was previously requested by Council.

A motion was made by **Councilors Chaplin/Alsett** to approve Greg Young as City Administrator for the City of Burlington. **Councilor Stavig** discussed his having requested a copy of Greg Young's resume for review, but did not receive one, and did not receive a response. **Councilor J. DeGloria** spoke in opposition of the procedure of the hiring process, to include a desire for additional Council involvement, and stated he feels the same way as Councilor Stavig. **Councilor R. DeGloria** inquired about the Prothman recruiting agency fees that might be associated with hiring Greg Young; **Mayor Sexton** discussed his having negotiated a complete waiver of the fees from Prothman. **Mayor Sexton** discussed staff discussions on Council's role, wherein he does not believe resume review is part of Council's role. **Councilor Chaplin** stated that Council has seen Greg Young's resume as having been witness to his performance in the last year. **Councilor J. DeGloria** stated that the issue for debate is not with the individual, but with the hiring process and aspects of Council's involvement thereof. **Councilors Aslett/Chaplin/Green/R. DeGloria/Loving** in favor; **Councilors J. DeGloria/Stavig** opposed. Motion carried.

**City Administrator Greg Young** thanked Council for their votes, and expressed his enjoyment in working for the City. **Young** explained that during the last two times this agenda item was presented to Council, there was also a services agreement between the ICMA (International City Managers Association) Retirement Corporation and the City, which would not affect the amount of his retirement contributions, but would allow his retirement contributions to be administered through the ICMA versus the State retirement system. **City Attorney Leif Johnson** stated that Council would be required to make a motion to add the agreement to the agenda as New Business item number three.

A motion was made by **Councilors Stavig/Green** to add to the agenda Greg Young's retirement agreement as item number three. All in favor; motion carried.

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**NEW BUSINESS:**

**Furlough Ordinance**

**City Attorney Leif Johnson** discussed the proposed ordinance which essentially puts in writing the discussion held at the last Council meeting, wherein budgetary adapting must take place due to COVID-19, which will include a 10% reduction in hours for the non-represented hourly staff, a 10% reduction in pay for the non-represented FLSA Exempt staff, and will memorialize that the Mayor's office has the authority to begin the bargaining process with unions to start the process of negotiating similar reductions.

**L. Johnson** stated that the Mayor's office will present to Council a review of the affects of these reductions on or prior to the expiration of this plan on July 31, 2020. **Councilor Stavig** asked whether the Council's approval is required in this matter; **L. Johnson** stated that both the Executive and Legislative branches share responsibility in matters of reduction of staff and rages, but that if Council were to not approve this matter, then other steps would be necessary. **Councilor Aslett** discussed this being a necessary approval as with the FLSA Exempt staff wage reduction; it involves a change to the salary schedule, which is the Council's responsibility in terms of authorization of changes. **Mayor Sexton** discussed the currently vacant City staff positions, which will not be filled, and that the idea of the ordinance is for there to be a unified voice from the two branches of government for taking the steps in approving cost reductions. **Councilor Chaplin** discussed the Council stipend and that Council should take the same reduction to their stipends; **Councilor Aslett** discussed this having been an issue previously, but that legally, a Councilor's stipend cannot be changed within a current term, but that Council could volunteer individually to have their stipends reduced.

**L. Johnson** reviewed the rules regarding a change in Council or Mayor's stipend and reviewed BMC 2.56.050 which shows the steps required for those requesting to reduce their stipend. **Councilor J. DeGloria** inquired on the total cost savings reflected in the ordinance; **City Administrator Greg Young** discussed the furlough, which applies to the non-represented employees, and discussed the difficulty in determining the exact amount of cost savings due to the City being responsible for paying a portion of employees' unemployment benefits, but that he estimates a three month cost savings to be roughly \$45,000 at the most. Discussion was held on the use of furloughs. **Mayor Sexton** stated that there will be a collection of methods, including the furloughs, to solve the current budget crisis. Discussion was held on the timeline of the furloughs. **Young** discussed the "shared sacrifice" wherein pay cuts are taken. **J. DeGloria** discussed the details of furloughed employees' income, and those who may be making more money on unemployment, which would not require sacrifice. Further discussion was held on the details of furlough and potential cost savings.

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A motion was made by **Councilors Stavig/Chaplin** authorizing the Mayor, the City Administrator or designee to implement unpaid furloughs and temporary salary reductions and other cost saving measures to address the budgetary shortfalls due to the COVID-19 Pandemic. **Councilors Aslett/Chaplin/R. DeGloria/Green/Loving/Stavig** in favor; **Councilor J. DeGloria** opposed. Motion carried.

**COVID-19 Furlough Memorandum of Understanding with Teamsters and Guild**

**City Administrator Greg Young** discussed the proposed MOU's wherein the Teamsters groups, and Police Guild Support Employees, have essentially agreed to the same furlough as is contained in the ordinance proposed in the previous agenda item. **Councilor Stavig** discussed his opposition of staff leave accruals while furloughs take place, and the 1:1 match of sick and vacation time offered to employees by the City during the month of April. Discussion was held on percentages of furlough in order for staff to stay on the job or not, as well as layoffs versus furloughs and logistics of unemployment benefits.

A motion was made by **Councilors Stavig/Green** to approve the Memorandums of Understanding with the Teamsters and the Police Guild and authorize the Mayor to sign them. **Councilors Aslett/Chaplin/R. DeGloria/Green/Loving/Stavig** in favor; **Councilor J. DeGloria** opposed. Motion carried.

**Retirement Contribution to the ICMA Retirement System in Favor of Greg Young**

**Mayor Sexton** stated that this agreement would not change the dollar amount the City contributes to City Administrator Greg Young's retirement account.

A motion was made by **Councilors Stavig/Aslett** to approve the administrative service agreement between the ICMA Retirement system and the City of Burlington and authorize the Mayor to sign. All in favor; motion carried.

**DISCUSSION(S):**

**Presentation of the 2020 Budget Amendments**

**COVID-19 Impacts**

**City Administrator Greg Young** discussed the two budget amendments (Pre and Post-COVID) which were distributed to Council. **Young** discussed the ending and beginning fund balances, which are contained in Budget Amendment one, and which also reflects the reconciliation of "placeholder" amounts for union bargaining and other payroll issues. **Young** described Budget Amendment two, which reduces expenditures as a

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result of the COVID-19 Pandemic, and described the dramatic changes in authorized expenditures, with the net effect being around \$680,000.00.

**Councilor Green** discussed his having just reviewed the materials, sales tax, and sales tax on RV's and Automotive, and his optimism in sales tax revenue.

**Councilor Stavig** discussed his representation of the taxpayer, and his desire for the City government to trim back, and encouraged the administration to cut spending. **Stavig** spoke in potential opposition of a B&O tax, but more so in opposition of raising taxes for citizens.

**Councilor Loving** expressed his appreciation for the work done by administration so far and reminded all of the financial issues that were present even prior to the pandemic.

**Councilor Aslett** expressed his appreciation of the work done by administration so far, reminded all of the work that needs to be done on the budget that existed before the pandemic, and stated there would be a lot of time and effort required for the coming decisions and spoke of finding the right balance between the budget and City services.

**Councilor J. DeGloria** discussed the budget amendments and his opinion regarding overly optimistic revenue estimations, which he feels are not addressed in the pre-COVID amendment. **J. DeGloria** discussed a lack of detail provided in the details of the budget reductions thus far. **J. DeGloria** asked Council to carefully review the Post-COVID Budget amendment, wherein the option of closing the Library and Recreation departments is an option; **J. DeGloria** spoke in extreme opposition of either as an option. **J. DeGloria** discussed the difficulty in making these decisions over the phone without an open dialogue, and that in six months or less, decisions will be made by Council regarding the 2021 Budget. **J. DeGloria** discussed budgetary shortfalls, potential dollar figures thereof, applauded the steps made thus far, but described a wish for the need for a discussion of millions of dollars in deficit. **J. DeGloria** discussed the need to keep library services available, and that he is looking forward to further discussions.

**Mayor Sexton** discussed Council determining comfortability with the year's ending fund balance in aiding administration in going forward to address budget issues, and that closing the library is an example of what may need to occur to retain the current ending fund balance. **Mayor Sexton** discussed the need for a targeted plan and which actions will need to be taken on what levels. **City Administrator Greg Young** discussed Budget Amendment number two, which does not contemplate closing the Recreation or Library departments, but rather illustrates cutbacks in every City department, and does not include layoffs. **Young** discussed the major decisions Council will need to make: deciding what the minimum ending fund balance will be, and which of the COVID

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scenario revenue loss scenarios administration should plan for, and how to make up the difference in either revenues or expenditures. Further discussion was held on revenues, expenditure cuts, the possibility of finding a balance between the two, and the ending fund balance for 2020. Discussion was held on how Council might give administration the information for addressing the situation at hand. **J. DeGloria** asked that revenue proposals be brought to Council in order for decisions to be made, and then decide what will need to be reduced in terms of expenditures. **Councilor Aslett** discussed a combination of revenue and expenditure changes needed in order to find a solution for the City, the need to address cash flow, and how to best balance everything for the City. Discussion was held on a timeline for a budget amendment for presentation. **Young** requested Council be prepared to give administration feedback on what kind of information they might need in order to make decisions. Discussion was held on funds, and combining them or separating them for review by Council. **Councilor Green** discussed opposition of having multiple apparatus, and staff, including the Quint being present at EMS calls, and discussed ways to implement cost savings. **Mayor Sexton** discussed contractual obligations, wherein what resources are sent to which EMS or fire call is currently dictated by the Medical Program Director, but that system is currently being worked on through Skagit 911 to gain efficiencies. **Councilor Green** further discussed limiting the use of the Quint apparatus as a mean to cut costs. **Councilor Chaplin** discussed the need for Council to look at the budget issues that will require attention. **Councilor Stavig** discussed the importance of the issues faced by Council, and that the requests made by Councilors be addressed by administration. **Mayor Sexton** discussed understanding the difficulty in making the tough decisions for the City in the near future. **Councilor Chaplin** inquired as to whether a list of businesses that generate over \$1 million in revenue could be available; **Mayor Sexton** stated that that information is not available to be distributed, by law. Discussion was held on B&O taxes and the types businesses which would be included in the tax.

**EXECUTIVE SESSION:**

No Executive Session.

**ADJOURNMENT:**

**Mayor Sexton** adjourned the meeting at 9:17 p.m.

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Joe Stewart  
Finance Director

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Steve Sexton  
Mayor