City Council American Rescue Plan Act Committee
Meeting Minutes of June 8, 2022

The city is conducting public meetings using a hybrid model. The public was welcome to attend this meeting in-person at City Hall or virtually.

Members Present: Cindi Hochstatter, Charla Neuman, Barbara Bitetto (Alternate) *Chair Reed had notified the committee that he was unable to attend.*

Staff Present: City Administrator Jason Wilson (CA), Administrative Services Director (ASD) Jeff Steffens, Community Development Director Ryan Windish (CDD), and Chief Financial Officer Kassandra Raymond (CFO).

The meeting convened at 5:30 p.m. by Deputy Mayor Hochstatter.

Committee Business

Business Grants: CCD Windish provided the committee with a verbal summary of the number of grant applications received. In total the city received 13 applications which included 3 commissary kitchen applicants, 6 general business applicants and 4 restaurant applicants. CCD Windish was impressed with the number and quality of applications and felt that we had enough applicants to meet the committees intent. A scoring committee comprised of representatives from the Pierce County Economic Development Board, Chamber of Commerce, Sumner Main Street Association, the City of Puyallup's Economic Development Manager and CCD Windish will be meeting next week to review and score the applications. At the July meeting the results will be presented to the ARPA committee for a final award decision.

CM Neuman inquired about scoring criteria and conflict of interests. CM Bitetto inquired about payment and reporting requirements.

Employee Retention Incentives: CA Wilson and ASD Steffens discussed the increasing cost of living. The June 2021 CPI-U was 5.5%, however the City provided most of its employees a 4% cost of living adjustment for 2022. Since late 2021 the cost of living has continued to increase and was at 9.1% for the month of April. The June CPI will be released in July and is anticipated to be at least 9%. In recognition for the 2022 cost of living adjustment being 1.5% below CPI, staff is recommending council consider a one-time flat rate retention incentive to be paid later this summer. The amount recommended is $1500 for non-police guild personnel, and $3000-3500 for police guild personnel. In exchange for the retention incentive, the employee would need to agree to remain employed through the end of the calendar year. This is beneficial due to the extremely competitive labor market we are experiencing. Additionally, one-time payments are beneficial to the City because they do not compound with future salary increases.

Staff is continuing to evaluate cost of living increases for 2023. All but one labor contract is settled for 2023, meaning we will have to address the unusually high CPI at the bargaining table this year.

Other cities are providing retention incentives, with the majority providing them to law enforcement personnel. Some of the retention incentives are over $10,000.

ARPA funds could be used for this purpose, particularly related to the incentives paid to police personnel. Estimates for ARPA fund use would be less than $50,000. Finance believes that the $1500 per employee incentive could likely be absorbed within most existing fund allocations.

This item was also presented to the Finance and Personnel Committee who was supportive.

The ARPA committee members discussed the proposal and were supportive of ARPA funds being used to offset a portion of the police personnel retention incentives (~$50,000).

CA Wilson stated that this item would require full council action and would be scheduled for a study session.

With no further items, the meeting adjourned at 5:53 p.m.

Prepared by City Administrator Jason Wilson