



City of Lacey, Washington City Council Regular Meeting Agenda

Refer to the bottom of the agenda for meeting information.

Thursday, September 7, 2023

6:00 PM

Council Chambers and Online

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Approval of Agenda and Consent Agenda Items:

Items listed under the consent agenda are considered to be routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

A. Council Worksession minutes of August 10, 2023

B. Council minutes of August 17, 2023

C. A motion to approve payment of claims, wages, and transfers for August 1, 2023, through August 25, 2023.

5. Public Recognitions and Presentations:

6. Public Comment:

Refer to the bottom of the agenda for instructions on how to provide public comment.

7. Public Hearing:

8. Proclamations:

A. **National Voter Registration Day**

Mary Hall, Thurston County Auditor

9. Referral from Planning Commission:

10. Referral from Hearings Examiner:

11. Resolutions:

A. **Resolution No. 1136 - Local Parks Maintenance Grant**

Jen Burbidge, Parks, Culture and Recreation Director

12. Ordinances:

- A. **Ordinance 1643 - Final 2023 Budget Amendment**
Troy Woo, Finance Director

13. Mayor's Report:

- A. **Historical Commission Reappointments: Kevin Wyckoff, Jim Keogh, and Kimberly Goetz**
Mayor Ryder

14. City Manager's Report:

15. Standing General Committees:

- A. Finance and Economic Development Committee Meeting - August 22, 2023

16. Other Business:

17. Boards, Commissions and Committee Reports:

- A. Mayor Andy Ryder:
1. Mayors' Forum
 2. Thurston Chamber Shared Legislative Committee
 3. Transportation Policy Board (TPB)
- B. Deputy Mayor Malcolm Miller:
1. Economic Development Council (CDC)
 2. Lodging Tax Advisory Committee (LTAC)
 3. Thurston County Coalition Against Trafficking (TCCAT)
 4. Thurston Thrives
- C. Councilmember Carolyn Cox:
1. Climate Action Steering Committee
 2. LOTT Clean Water Alliance
 3. Regional Housing Council
- D. Councilmember Lenny Greenstein:
1. Emergency Medical Services (EMS)
 2. TCOMM911
- E. Councilmember Michael Steadman:
1. Community Action Council
 2. Nisqually River Council
 3. Thurston County Law & Justice Council
- F. Councilmember Ed Kunkel:
1. Joint Animal Services Commission (JASCOM)
 2. Lacey South Sound Chamber



3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)
 4. Solid Waste Advisory Committee (SWAC)
- G. Councilmember Robin Vazquez:
1. Intercity Transit Authority
 2. Olympic Region Clean Air Agency (ORCAA)
 3. Thurston Regional Planning Council (TRPC)
 4. Thurston County Board of Health

18. Adjourn

Meeting Information:

Attendance (Remote or In-Person)

The public may attend the meeting in-person, or you may view or listen to the meeting using one of the following platforms:

In-Person	Council Chambers at Lacey City Hall 420 College Street SE, Lacey, WA 98503
Zoom:	https://us02web.zoom.us/webinar/register/WN_OQmSzDz-SDexV5rDKpAoyA
Website:	https://cityoflacey.org/government/public-meetings/
Facebook:	https://www.facebook.com/cityoflacey
YouTube:	https://www.youtube.com/watch?v=oJuEJm82Qzk
Cable:	Channel 3 with your local cable provider
Phone:	(888) 788-0099 or (877) 853-5247 (Webinar ID 836 0540 9901)

Verbal Public Comment

Those wishing to provide verbal public comment may do so in-person or by Zoom:

In-Person:	Use the sign-up sheet located in the Council Chambers.
Zoom:	Preregister using the following Zoom link no later than two hours prior to the meeting: https://us02web.zoom.us/webinar/register/WN_OQmSzDz-SDexV5rDKpAoyA

Instructions and access details will be provided once registration is complete.



Written Public Comment

Public comments may also be submitted by email to PublicComment@ci.lacey.wa.us.

The commenting period will close two hours before the meeting time.

Written comments will be provided to the City Council electronically prior to the meeting.

Comments will not be addressed during the Council meeting; however, comments received will be added to the official record.



MINUTES OF THE LACEY CITY COUNCIL WORKSESSION

THURSDAY, AUGUST 10, 2023

6:00 P.M. – 8:30 P.M.

REMOTE AND IN PERSON

To hear Council's full discussion of a specific topic, or the complete meeting, watch the recorded meeting available on the City of Lacey's Public Meeting Portal:

<https://laceywa.portal.civiclerk.com>

COUNCIL PRESENT: MAYOR RYDER, COUNCILMEMBERS GREENSTEIN, COX, STEADMAN (REMOTE), KUNKEL, AND VAZQUEZ

COUNCIL EXCUSED: DEPUTY MAYOR MILLER

STAFF PRESENT: R. WALK, J. BURBIDGE, B. HOLLIS, S. KELLEY-FONG, D. SCHNEIDER, T. WOO, G. BECK, P. BROOKS, G. BRAR, AND E. FONTAINE

Mayor Ryder highlighted an amendment to the agenda, reflecting the addition of S06 Water Rights Exploratory Drilling Bid Award.

ACTION: APPROVE AMENDED WORKSESSION AGENDA

MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBERS GREENSTEIN AND KUNKEL.

S06 WATER RIGHTS EXPLORATORY DRILLING BID AWARD

STAFF: GAGAN BRAR, UTILITIES CIVIL ENGINEER

ACTION: AWARD CONTRACT PW 2022-33 TO LOW BIDDER MALCOLM DRILLING CO, INC. FROM KENT, WA IN THE AMOUNT OF \$407,969.62.

MOTION: MOVED, SECONDED AND CARRIED BY COUNCILMEMBERS VAZQUEZ AND COX

The City advertised the project on June 15, 2023, for three weeks. No bids were received. City and consultant staff revisited the contract specifications, reached out to drillers, and updated the contract specifications. The project was re-advertised on July 17, 2023, for three weeks. Three bids were received and opened on August 7, 2023.

Malcolm Drilling Co., Inc. from Kent, WA is the low bidder at \$407,969.62. The Engineer's Estimate is \$380,786.25.

LEGISLATIVE MEETING STRUCTURE AND SCHEDULE DISCUSSION

STAFF: SHANNON KELLEY-FONG, ASSISTANT CITY MANAGER
ACTION: INFORMATION ONLY

Staff provided a thorough review of the legislative meeting structure, and the data and analytics collected.

Areas for improvement were identified and the following alternatives to the current legislative meeting structure were provided:

1. No Committees - Expand Worksessions and Regular Meetings
2. No Committees - Hold one (1) Special Meeting every other month (information only)
3. No Committees - Hold one (1) Special Meeting monthly (information only)
4. Consolidate to three (3) Committees (information only)

Alternatives were outlined and discussed in detail. Staff recommended proceeding with Alternative 1 and asked Council to provide feedback and direction on a preferred approach.

Council expressed support in proceeding with Alternative 1, to include updating the Lacey City Council meeting day to Tuesdays.

Staff will return to a future City Council meeting with a proposal for action.

2023 LACEY PARKS, CULTURE AND RECREATION COMPREHENSIVE PLAN

STAFF: JEN BURBIDGE, PARKS, CULTURE, AND RECREATION DIRECTOR
JENNY WILSON, SENIOR PARKS PLANNER
ACTION: INFORMATION ONLY

Staff provided a briefing on the proposed amendments to the Lacey Parks, Culture, and Recreation (LPCR) Comprehensive Plan.

On July 18, 2023, the Planning Commission held a review and hearing, and has unanimously recommended the 2023 LPCR Comprehensive Plan to the Lacey City Council for final approval.

The plan is scheduled for final approval at the August 17, 2023, Council meeting.

2024 REGIONAL ATHLETIC COMPLEX FINANCIAL PLAN

STAFF: JEN BURBIDGE, PARKS, CULTURE, AND RECREATION DIRECTOR
TROY WOO, FINANCE DIRECTOR
ACTION: INFORMATION ONLY

Staff highlighted the Regional Athletic Complex 20-year Financial Plan. The City Council previously committed General Fund reserves and RAC Capital Fund reserves to help support RAC operations. Future financial plans will need to address funding strategies beyond 2030. The 2024 RAC Financial Plan will be presented to the full Council during the August 17, 2023, City Council meeting for action.

AMENDING THE LACEY MUNICIPAL CODE RELATING TO THE HEARINGS EXAMINER

STAFF: GRAN BECK, PLANNING AND DEVELOPMENT SERVICES MANAGER
ACTION: INFORMATION ONLY

Staff presented proposed amendments to Lacey Municipal Code 2.30, Land Use Hearings Examiner.

The proposed amendments to LMC 2.30 are summarized as follows:

- Revise broad code and ordinance citations to be specific to the Lacey Municipal Code.
- Update the Hearings Examiner appointment process outlined in LMC 2.30.020 by deleting reference to a joint hearing's examiner committee established by ILA with Olympia and Thurston County.
- Remove language related to the application submittal process and review procedures that are redundant and/or conflict with the City's procedural codes.
- Update language related to the notice of decision process.
- Remove outdated provisions related to coordinating with the Planning Commission, which is no longer the role of the Planning Commission.

Council directed staff to move forward with the proposed amendments. The item will be scheduled for a future Council Meeting.



**MINUTES OF A REGULAR MEETING OF THE
LACEY CITY COUNCIL
THURSDAY, AUGUST 17, 2023,
IN PERSON AND REMOTE ATTENDANCE**

To hear Council's full discussion of a specific topic, or the complete meeting, watch the recorded meeting available on the City of Lacey's Public Meeting Portal:

<https://laceywa.portal.civclerk.com>

CALL TO ORDER

Mayor Ryder called the meeting to order at 6:00 p.m.

1. PLEDGE OF ALLEGIANCE

Mayor Ryder led the Pledge of Allegiance.

Council Present:

Mayor Andy Ryder

Deputy Mayor Malcolm Miller

Councilmember Michael Steadman

Councilmember Lenny Greenstein (remote) (logged off at 7:00 p.m.)

Councilmember Carolyn Cox

Councilmember Ed Kunkel

Councilmember Robin Vazquez

Staff Present:

Robert Almada, Chief of Police

Dave Schneider, City Attorney

Troy Woo, Finance Director

Grant Beck, Planning and Development Services Manager

Aubrey Collier, City Engineer

Ryan Andrews, Planning Manager

Ashley Smith, Design and Construction Manager

Jennifer Adams, Housing Coordinator

Elissa Fontaine, City Clerk

2. APPROVAL OF AGENDA AND CONSENT AGENDA

Consent Agenda Items:

A. Council Worksession minutes of July 27, 2023.

B. Council meeting minutes of August 3, 2023.

- C. A motion to approve payment of claims, wages and transfers for July 12, 2023, through August 4, 2023.

**DEPUTY MAYOR MILLER MOVED TO APPROVE THE AGENDA AND
CONSENT AGENDA. COUNCILMEMBER KUNKEL SECONDED.
MOTION CARRIED.**

3. PUBLIC RECOGNITIONS AND PRESENTATIONS

4. PUBLIC COMMENT

Verbal Public Comments: The deadline to pre-register to speak via Zoom was 4:00 p.m. the day of the meeting.

Zero (0) people signed up to speak via Zoom.

Three (3) people signed up to speak at the meeting:

Todd Monohon, property manager, spoke on the upcoming DRC contract and recommended Council identify alternatives in assisting tenants and landlords within the community.

Spencer Zeman, Lacey resident, asked Council to address the confusion surrounding conditional land use permits.

Terry Ballard, Lacey resident, spoke on alleged misconduct occurring towards campaign signs within the city.

Written Public Comments: The deadline to submit written public comments was 4:00 p.m. the day of the meeting. Written comments are not addressed during the meeting; however, they are added to the official record.

Two (2) written public comments were received and made part of the record.

5. PUBLIC HEARING

- A. Vacation of Unopened Right of Way:** Dave Schneider, City Attorney, provided a brief presentation on the vacation of the unopened right of way abutting Rainer Road.

Mayor Ryder opened the Vacation of Unopened Right of Way Hearing at 6:10 p.m.

Verbal Public Testimony: The deadline to pre-register to speak and provide public testimony was 4:00 p.m. the day of the meeting.

0 – people signed up to provide public testimony via Zoom.

1 – person signed up to speak at the meeting.

Janice Kilgore, Lacey resident, provided comments regarding preserving a tree located within the right of way.

Written Public Comments: The deadline to submit written public testimony was 4:00 p.m. the day of the meeting. Written comments are not addressed during the meeting; however, they are added to the official record.

1 - written public testimony was received.

Mayor Ryder closed the Vacation of Unopened Right of Way Hearing at 6:18 p.m.

MAYOR RYDER MOVED TO ADOPT ORDINANCE 1641 RELATING TO THE VACATION OF AN UNOPENED RIGHT OF WAY ABUTTING RAINIER ROAD. COUNCILMEMBER KUNKEL SECONDED. MOTION CARRIED.

6. PROCLAMATIONS

A. Overdose Awareness Day: Mayor Ryder and Council proclaimed August 17, 2023, as Overdose Awareness Day. Katie Strozyk, Thurston County Opioid Response Coordinator, accepted the proclamation and provided additional information on upcoming Narcan training.

7. REFERRAL FROM PLANNING COMMISSION

A. Ordinance 1642: 2023 Comprehensive Plan Amendments: Ryan Andrews, Planning Manager, presented Ordinance 1642 relating to the 2023 Comprehensive Plan Amendments.

MAYOR RYDER MOVED TO ADOPT ORDINANCE 1642 RELATING TO 2023 COMPREHENSIVE PLAN AMENDMENTS. COUNCILMEMBER STEADMAN SECONDED. MOTION CARRIED.

8. REFERRAL FROM HEARINGS EXAMINER

9. RESOLUTIONS

10. ORDINANCES

A. Ordinance No. 1641: Vacation of Unopened Right of Way: Item was considered and adopted under agenda item 5.A.

B. Ordinance No. 1642: 2023 Comprehensive Plan Amendments: Item was considered and adopted under agenda item 7.A

11. MAYOR'S REPORT

12. CITY MANAGER'S REPORT

- A. Dispute Resolution Center Contract:** Jennifer Adams, Housing Coordinator, presented the draft contract between the City of Lacey and the Dispute Resolution Center.

COUNCILMEMBER VAZQUEZ MOVED TO AUTHORIZE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE THURSTON COUNTY DISPUTE RESOLUTION CENTER FOR AN AMOUNT NOT TO EXCEED \$50,000, FOR SERVICES THROUGH DECEMBER 31, 2023. DEPUTY MAYOR MILLER SECONDED.

MAYOR RYDER, DEPUTY MAYOR MILLER AND COUNCILMEMBERS STEADMAN, COX AND VAZQUEZ VOTED IN FAVOR. COUNCILMEMBER KUNKEL VOTED AGAINST. COUNCILMEMBER GREENSTEIN WAS NOT PRESENT TO VOTE. MOTION CARRIED.

- B. Regional Athletic Complex 20-Year Financial Plan:** Jen Burbidge, Parks, Culture and Recreation Director, presented the Regional Athletic Complex 20-Year Financial Plan for approval.

COUNCILMEMBER VAZQUEZ MOVED TO APPROVE THE REGIONAL ATHLETIC COMPLEX 20-YEAR FINANCIAL PLAN. COUNCILMEMBER KUNKEL SECONDED. MOTION CARRIED.

- C. Transportation Benefit District Annual Report for 2022:** Ashley Smith, Design and Construction Manager, presented the 2022 Annual Report for the Transportation Benefit District.

- D. Other Items:** Troy Woo, Finance Director, did not have any items to present.

13. STANDING COMMITTEES

14. OTHER BUSINESS

15. BOARDS, COMMISSIONS AND COMMITTEE REPORTS

A. Mayor Ryder

1. Mayor's Forum: Made Report
2. Thurston Chamber Shared Legislative Committee: No report
3. Transportation Policy Board: No report

B. Deputy Mayor Miller

1. Economic Development Council (EDC): No report
2. Lodging Tax Advisory Committee (LTAC): Made report
3. Thurston County Coalition Against Trafficking (TCCAT): No report
4. Thurston Thrives: No report

5. Urban Growth Management Subcommittee: No report

C. Councilmember Cox

1. Climate Mitigation Steering Committee: No report
2. LOTT Clean Water Alliance: Made report
3. Regional Housing Council: No report

D. Councilmember Greenstein

1. Emergency Medical Services (EMS): Excused
2. TCOMM911: Excused

E. Councilmember Steadman

1. Community Action Council: Made report
2. Nisqually River Council: No report
3. Thurston County Law & Justice: No report

F. Councilmember Kunkel

1. Joint Animal Services Commission (JASCOM): Made report
2. Lacey South Sound Chamber: No report
3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB): Made report
4. Solid Waste Advisory Committee (SWAC): Made report

G. Councilmember Vazquez

1. Intercity Transit: Made report
2. Olympic Region Clean Air Agency: No report
3. Thurston Regional Planning Council: No report
4. Thurston County Board of Health: Made report

16. Adjourn

Mayor Ryder adjourned the Council Meeting at 7:54 p.m.

MAYOR: _____

ATTESTED BY CITY CLERK: _____

DATE APPROVED: _____



LACEY CITY COUNCIL MEETING September 7, 2023

SUBJECT: Disbursement Approval

RECOMMENDATION: By motion, approve payment of claims, wages, and transfers.

STAFF CONTACT: Troy Woo, Finance Director

ORIGINATED BY: Troy Woo, Finance Director *tw*
Alix Turcotte, Senior Accountant *AT*
Carrie Bode, Accounting Technician *CB*

BACKGROUND:

The action requested of the City Council is by motion to approve payment of claims, wages and transfers for 8/01/2023 through 8/25/2023. The disbursements consist of the following:

Checks:	<u>Week of</u>	<u>Beg. Check No.</u>	<u>End. Check No.</u>	<u>Amount</u>
	8/11/2023	271120	271234	150,565.14
	8/18/2023	271235	271316	321,177.76
	8/25/2023	271317	271465	268,898.90

Electronic Transfers:	<u>Week of</u>	<u>Amount</u>
	8/1/2023	(165.00)
	*8/3/2023	278.93
	*8/3/2023	1,413.65
	*8/9/2023	697.73
8/11/2023		219,678.10
	8/14/2023	64.70
	8/14/2023	30.00
	8/14/2023	30.00
	8/15/2023	10,979.60
	8/18/2023	786,442.01
	8/18/2023	353.41
	8/22/2023	486.00
	8/25/2023	774,376.53
	8/25/2023	931.66
	8/25/2023	188.20
	8/25/2023	166,131.92

* Disbursements for employee out-of-pocket deductions and employee benefits.

Significant Disbursements:

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
Pacific Civil & Infrass	\$ 118,949.86	LS 19 Replacement
Puget Sound Energy	\$ 120,444.79	Utility Bills
Consort North America.	\$ 102,604.92	Lift Station Consulting
KMB Architects	\$ 300,087.80	New Police Department
Miles Resources, LLC	\$ 208,316.09	2022 Carpenter Road Improvements
Nisqually Indian Tribe	\$ 70,602.00	July 2023 Prisoner Support
City Electric Co.	\$ 105,020.01	Citywide Signal Detection Upgrade
McClure and Sons, Inc	\$ 169,253.97	Beachcrest Wellfield pH
Miles Resources, LLC	\$ 58,415.85	2023 Mullen Road Sewer
Phoenix Fabricators	\$ 194,030.34	Terry Cargil Reservoir
Dept of Revenue	\$ 166,131.92	July 2023 Excise Taxes

CITY OF LACEY *Official Proclamation*

WHEREAS, registering to vote empowers eligible community members to exercise their right to vote on Election Day; and

WHEREAS, the City of Lacey is committed to strengthening democracy by encouraging voter registration and increasing participation in all elections; and

WHEREAS, civic-minded people and organizations have collaborated to establish September 19, 2023, as **National Voter Registration Day**; and

WHEREAS, the goal for the 2023 National Voter Registration Day is to create awareness of elections and motivate eligible community members to vote in the coming months; and

WHEREAS, the strength of our democracy depends on the willingness of our community members to participate by choosing those who will lead us and by voicing their opinions on important matters that will come before the voters on Election Day.

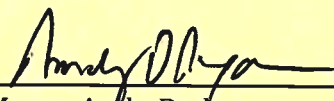
WHEREAS, fewer voters participate in local odd-year elections due to lower levels of media coverage and information about local issues and candidates;

WHEREAS, the "Thurston County Urge Your Neighbors To Vote Challenge" aims to encourage regular voters to reach out to their neighbors with the tools and information they need to feel informed and empowered to turn in their ballots;

NOW, THEREFORE, I, Andy Ryder, Mayor of the City of Lacey, on behalf of the Lacey City Council, do hereby recognize September 19, 2023, as

National Voter Registration Day

in Lacey and encourage all eligible community members to register to vote, to vote when they receive their ballot, and to encourage others to vote.


Mayor Andy Ryder
September 7, 2023





LACEY CITY COUNCIL MEETING September 7, 2023

SUBJECT: Local Parks Maintenance Grant Application Authorization

RECOMMENDATION: Pass resolution to authorize ability and flexibility to apply for Washington State Recreation and Conservation Office (RCO) Local Parks Maintenance Grant.

STAFF CONTACT: Rick Walk, City Manager *RW*
Jen Burbidge, Parks, Culture & Recreation Director *JB*
Scott Devlin, Public Works Operations Manager *SD*

ORIGINATED BY: Parks, Culture & Recreation Department
Public Works Department

ATTACHMENTS: 1. Resolution No. 1136

FISCAL NOTE: Grants under consideration for Local Parks Maintenance do not require a match. Organizations may submit only one application and may receive no more than \$100,000.

PRIOR REVIEW: None

BACKGROUND:

The Washington State Legislature provided one-time funding in the operating budget to help local parks departments maintain their working facilities to meet the needs of their residents. This program will focus on helping communities in need address maintenance backlogs for key local parks facilities and capital improvements. Accessed through a simple application process, grants can be used for general maintenance of trails, restrooms, picnic sites, playgrounds, signs, and kiosks.

In addition, to the upkeep and minor repair of park infrastructure, activities that are also eligible for funding include staff time to complete priority deferred maintenance projects, deferred purchases of maintenance equipment and supplies.

RCO released the new information and opened applications on August 15, 2023. Staff have been working together and with the RCO grants manager over the past week,

reviewing the requirements to determine what current project and/or equipment could be eligible and are close to deciding which item/s to apply for reimbursement for.

Identify Project if ready

Applications are due September 18, 2023, and grants will be awarded at the end of October 2023.

A resolution is required by the governing body in order to proceed with authorization to apply for funds.

RESOLUTION NO. 1136

CITY OF LACEY

A RESOLUTION OF THE CITY OF LACEY AUTHORIZING THE APPLICATION FOR FUNDING ASSISTANCE MANAGED BY THE WASHINGTON STATE RECREATION AND CONSERVATION OFFICE FOR LOCAL PARKS MAINTENANCE.

WHEREAS grant assistance is requested by the city to aid in financing the cost of up to three Local Parks Maintenance Projects;

NOW, THEREFORE, BE IT RESOLVED that:

1. The City of Lacey ("City") intends to apply for funding assistance managed by the Washington State Recreation and Conservation Office ("Office") for up to three local Parks Maintenance Projects, specifically: a) the Wonderwood trail and basketball court resurfacing project; b) the Regional Athletic Complex (RAC) lights re-lamping project; and c) the proposed RAC equipment replacement project.
2. The City Manager or designee is the authorized representative/agent of the City of Lacey and is authorized to execute any and all documents related to the grant and to legally bind the City with respect to the Park Maintenance Projects for which we seek grant funding assistance managed through the Office.
3. The City has reviewed the sample RCO Grant Agreement on the Recreation and Conservation Office's WEB SITE at: <https://rco.wa.gov/wp-content/uploads/2019/06/SampleProjAgreement.pdf>. The City understands and acknowledges that if offered an agreement to sign in the future, it will contain an indemnification and legal venue stipulation and other terms and conditions substantially in the form contained in the sample Agreement and that such terms and conditions of any signed Agreement shall be legally binding on the sponsor if our representative/agent enters into an Agreement on our behalf. The Office reserves the right to revise the Agreement prior to execution.
4. The City acknowledges and warrants, after conferring with its legal counsel, that its authorized representative/agent has full legal authority to act and sign on behalf of the organization.
5. Grant assistance is contingent on a signed Agreement. Entering into any Agreement with the Office is purely voluntary on our part.
6. The City understands that grant policies and requirements vary depending on the grant program applied to, the grant program and source of funding in the

Agreement, the characteristics of the project, and the characteristics of our organization.

7. The City further understands that prior to our authorized representative/agent executing any of the documents listed above, the RCO may make revisions to its sample Agreement and that such revisions could include the indemnification and the legal venue stipulation. Our organization accepts the legal obligation that we shall, prior to execution of the Agreement(s), confer with our authorized representative/agent as to any revisions to the project Agreement from that of the sample Agreement. We also acknowledge and accept that if our authorized representative/agent executes the Agreement(s) with any such revisions, all terms and conditions of the executed Agreement shall be conclusively deemed to be executed with our authorization.
8. Any grant assistance received will be used for only direct eligible and allowable costs that are reasonable and necessary to implement the project(s) referenced above.
9. If match is required for the grant, we understand our organization must certify the availability of match at least one month before funding approval. In addition, our organization understands it is responsible for supporting all non-cash matching share commitments to this project should they not materialize.
10. The City acknowledges that if it receives grant funds managed by the Office, the Office will pay us on only a reimbursement basis. We understand reimbursement basis means that we will only request payment from the Office after we incur grant eligible and allowable costs and pay them. The Office may also determine an amount of retainage and hold that amount until all project deliverables, grant reports, or other responsibilities are complete.
11. The City acknowledges that any property owned by our organization that is developed, renovated, enhanced, or restored with grant assistance must be dedicated for the purpose of the grant in perpetuity unless otherwise allowed by grant program policy, or Office in writing and per the Agreement or an amendment thereto.
12. This resolution is deemed to be part of the formal grant application to the Office.
13. The City warrants and certifies that this resolution was properly and lawfully adopted following the requirements of our organization and applicable laws and policies and that our organization has full legal authority to commit our organization to the warranties, certifications, promises and obligations set forth herein.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON,
this ____ day of _____, 2023.

CITY COUNCIL

By _____

Mayor

Attest:

Approved as to form:

City Clerk

City Attorney



LACEY CITY COUNCIL MEETING September 7, 2023

SUBJECT: 2023 Budget Amendments

RECOMMENDATION: Adopt ordinance amending the 2023 Budget.

STAFF CONTACT: Rick Walk, City Manager *RW*
Troy Woo, Finance Director *tw*

ORIGINATED BY: Troy Woo, Finance Department

ATTACHMENTS: 1. Ordinance No. 1643
2. Summary for Proposed Ordinance

FISCAL NOTE: See attached Ordinance Exhibit "A".

**WORK PLAN GOAL
AND STRATEGY:** None

PRIOR REVIEW: Finance and Economic Development Committee on August 22, 2023.

BACKGROUND:

Throughout the year, adjustments to the budget become necessary as a result of City Council actions, activity levels that were not anticipated during budget development, and grant awards (or other receipts of outside funding). Historically, the budget has been amended once per year immediately prior to the development of the next year's proposed budget document. In preparation for the budget amendment, the Finance and Economic Development Committee reviews significant amendments throughout the year as needed. Adoption of the final budget amendment ordinance is scheduled for September 7, 2023 to facilitate the 2024 Budget document development.

The following are significant budget amendments that have been identified since the adoption of the 2023 Budget. The full details of the proposed budget amendments are attached to the proposed ordinance as exhibit “A”.

Current Expense Fund (General Fund)

- The District Court services interlocal agreement was authorized by the City Council on December 15, 2022. The services are billed on a per file basis. The filing fees were increased by the interlocal agreement. An estimated \$50,000 is requested for the anticipated annual increase based on past levels of activity.
- The public defenders indigent defense contract was amended during June 2023 to increase the contracted public defense cases from 590 to 940. An estimated \$114,000 is requested for the anticipated annual increase.
- The City Council is expected to consider a \$50,000 contract with the Dispute Resolution Center to provide mediator services to resolve rental conflicts between landlords and tenants.
- Increases to Professional Services/Civil Service are requested for anticipated promotional assessment centers and newly outsourced police background checks. A total of \$40,000 is requested.
- \$450,000 is requested for the Veterans Services Hub Accessibility project. The project improvements include an elevator, ADA doors, and parking lot improvement design. The project is funded by the Housing and Urban Development (HUD) Economic Development Initiative (EDI) – Community Project Funding Grant.
- A limited-term Department Assistant III has been approved to implement the Public Works asset management software. The estimated annual cost of the position is \$89,194 and will be allocated to the Parks Maintenance, Streets, Water, Wastewater, Stormwater, and Equipment Rental divisions.
- To alleviate recruitment challenges, Parks Maintenance seasonal wages were increased during 2022. The 2023 Budget was not adjusted, so \$73,560 is requested for the wage increase.
- The 2022 Library LED lighting enhancement project was planned as an in-house project. Due to workload capacity challenges, the project will now be outsourced. The original appropriation (\$32,500) was included in the 2022 Carryover Budget Amendment, but an additional \$20,000 will be needed for the outsourcing costs.

Community Building Fund (General Fund)

- The 2022 Virgil Clarkson Senior Center and Community Center LED lighting enhancement project was planned as an in-house project. Due to workload capacity challenges, the project will now be outsourced. The original appropriation (\$69,000) was included in the 2022 Carryover Budget Amendment, but an additional \$32,000 will be needed for the outsourcing costs.
- A proposed scope change for the Jacob Smith House roof repair project is requested. \$30,000 is requested to change to composite roofing material.

Regional Athletic Complex Fund (General Fund)

- The lights for softball fields 1-4 and the soccer field at the RAC are at the end of their warranty period. Out of warranty repairs could cost tens of thousands of dollars. Staff is evaluating options to avoid costly repairs and replacements due to a gap of warranty coverage. The goal is to relamp to LED lighting, which will extend the warranty and create future energy cost savings. This is quite costly, will require grant applications, and will take time. The short-term solution is to relamp the expired field lights which will extend warranty coverage on these fields. The cost is \$60,000. At year-end 2022, an assigned reserve was established in the Current Expense Fund for this purpose.

Capital Equipment Fund (General Fund)

- Due to a traffic accident an unscheduled Police vehicle replacement is needed. The replacement will require an amendment of \$56,000.

Arterial Street Fund

- Budget amendments are needed for the completion of the following Arterial Street capital projects:
 - RAISE Grant - \$20,000
 - Electric Vehicle Chargers - \$120,000
 - College Street NE Extension - \$110,000
 - Citywide Signal ITS Detection Upgrade - \$90,000
 - 2023 Crack Sealing Program - \$50,000
 - Safe Streets 4 All Safety Action - \$10,000

Building Improvement Fund

- \$81,254 is requested for the addition of duress buttons and software licensing related to the City Buildings Access Controls project.
- The City Council authorized an amendment for design services of the new Police Station on December 1, 2022. Outside inspection services and City engineering

services also require a budget amendment. These services require an additional \$1,022,798.

- In anticipation of the execution of the memorandum of understanding (MOU) with St. Martin's University for land acquisition for the future Police Station, an additional \$2,040,000 is needed within the 2023 Budget. The MOU, which was executed April 13, 2022, assumed an appraised value of \$4,040,000. As final design is nearly completed, it is expected less property is needed, but the final amount is still pending.

Regional Athletic Complex Capital Fund

- According to early engineering estimates, the Regional Athletic Complex (RAC) parking lot project will require an additional \$500,000 for construction for a total of \$2.8 million. Street frontage improvements and electric vehicle chargers will be included in the project and are budgeted separately in the Arterial Street Capital Fund. At year-end 2022, a \$500,000 assigned reserve was established in the Current Expense Fund for this anticipated increase. The amendment will include an interfund transfer.

Water Operations Fund

- Water meters and meter reading transmitting units backordered from 2022 will be received during 2023. The current budget appropriation including the 2022 carryover budget amendment is estimated to be \$500,000 short.
- It is staff's professional recommendation to replace commercial sized water meters that are over 10 years or older. The scope of the recommendation is an estimated 850 meters at a cost of \$725,000. Large meters range in size from 1-1/2" to 4". The replacement will take multiple years. The estimated 2023 replacements will total \$375,000.
- \$78,535 is requested for the AclaraONE meter reading software upgrade. This was a critical upgrade to help solve the failing radio read meter equipment system.

Wastewater Operations Fund

- \$50,000 is requested for anticipated increased costs related to the STEP system maintenance program. This was a 2022 budget amendment, but it was not included in the 2023 Adopted Budget as an ongoing expense.

Water Capital Fund

- Budget amendments are needed for the completion of the following Water capital projects:
 - HP Sister Standpipe - \$25,000
 - Terry Cargil Reservoir - Intelco Loop & Corporate Center Dr - \$4,000,000

- Source 17 Well House&Treatment-48th Way NE & Delores Dr NE - \$2,630,000
- Capitol City West Water Improvements - \$25,000
- Arc Flash Hazard Assessment - \$7,000
- Carpenter Rd, 7th, 14th Ave, Franz (2022 Overlay Utilities) - \$3,700,000
- Hawks Prairie SCADA & Wetland Mitigation - Marvin Road NE & 41st Ave NE - \$25,000
- Phase 2 Well Program - \$25,000
- Capitol City Stormwater (Revised Paving) - \$12,000
- Madrona Connection to 337 Pressure Zone - \$103,000
- 400 Pressure Zone - Pacific, Chatham, Milbanke - \$37,000
- Source 7 Well Rehab - \$100,000

Wastewater Capital Fund

- Budget amendments are needed for the completion of the following Wastewater capital projects:
 - Liftstation 19 Replacement - Willamette Dr & Commerce Place Dr. \$450,000
 - Liftstation 12 Abandonment - Aldea Glen - \$7,000
 - Liftstation 49 Cross Connection Control - \$21,000
 - Mullen STEP Main Improvements - \$400,000
 - Arc Flash Hazard Assessment - \$7,000
 - Liftstation 34 Pump Replacement and 56 Capacity Rehab - \$119,000
 - Liftstation 37 Pump Replacement Rehab - \$290,000
 - Waldron Dr Grinder Extension - \$25,000

Stormwater Capital Fund

- Budget amendments are needed for the completion of the following Stormwater capital projects:
 - Woodland Creek Oil Water Separator - \$200,000
 - Westminster Pond Rehabilitation - \$230,000

Information Management Services Fund

- The current wireless internet equipment is about 10 years old and need of upgrade. In addition to its age, the recent growth to the use of mobile devices including laptops has strained the capacity of the system. The estimated cost of the upgrade is \$60,000. The current budget has capacity for \$20,000, so a \$40,000 amendment is requested.

At its August 22, 2023, meeting, the Finance and Economic Development Committee reviewed the proposed amendments and recommended full City Council consideration of the proposed amendments to the 2023 adopted budget.

ADVANTAGES:

1. The proposed adjustments to the 2023 Budget reflect more accurately the necessary requirements of each fund or adjustments made by City Council action.
2. The proposed adjustments maintain a balance between the anticipated revenues and expenditures of each of the funds amended.

DISADVANTAGES:

1. Generally, budget adjustments must use cash reserves to compensate for expenditures that may exceed budget estimates by the end of the budget year.

ORDINANCE NO. 1643

CITY OF LACEY

AN ORDINANCE AMENDING THE 2023 FISCAL YEAR BUDGET ADOPTED BY ORDINANCE NO. 1632 BY REVISING THE BUDGETED AMOUNTS FOR THE CURRENT EXPENSE, COMMUNITY BUILDINGS, REGIONAL ATHLETIC COMPLEX (M&O), CITY STREET, ARTERIAL STREETS, BUILDING IMPROVEMENT, CAPITAL EQUIPMENT, REGIONAL ATHLETIC COMPLEX CAPITAL, WATER M&O, WASTEWATER M&O, STORMWATER M&O, WATER CAPITAL, WASTEWATER CAPITAL, STORMWATER CAPITAL, EQUIPMENT RENTAL, INFORMATION MANAGEMENT SERVICES, AND JOINT ANIMALS SERVICES FUNDS AND APPROVING A SUMMARY FOR PUBLICATION.

WHEREAS, there is a need for additional expenditures to be budgeted within the Current Expense, Community Buildings, Regional Athletic Complex (M&O), City Street, Arterial Streets, Building Improvement, Capital Equipment, Regional Athletic Complex Capital, Water M&O, Wastewater M&O, Stormwater M&O, Water Capital, Wastewater Capital, Stormwater Capital, Equipment Rental, Information Management Services, and Joint Animal Services Funds for expenditures which could not be contemplated at the time of adopting the 2023 fiscal year budget; and

WHEREAS, revenues, as shown on Exhibit "A" attached hereto, are available from the sources indicated on said Exhibit for the making of said expenditures; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

Section 1. The 2023 fiscal year budget and Ordinance No. 1632 adopting said budget are hereby amended by making those certain changes to the 2023 fiscal year budget set forth on Exhibit "A", attached hereto and made a part hereof as though fully set forth herein and for all purposes considered to be a portion of this ordinance.

Section 2. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. The summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, on this 7th day of September, 2023.

Approved as to form:

Mayor

City Attorney

ATTEST:

City Clerk

SUMMARY FOR PUBLICATION

ORDINANCE NO. 1643

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on September 7, 2023, Ordinance No. 1643 entitled **“AN ORDINANCE AMENDING THE 2023 FISCAL YEAR BUDGET ADOPTED BY ORDINANCE NO. 1632 BY REVISING THE BUDGETED AMOUNTS FOR THE CURRENT EXPENSE, COMMUNITY BUILDINGS, REGIONAL ATHLETIC COMPLEX (M&O), CITY STREET, ARTERIAL STREETS, BUILDING IMPROVEMENT, CAPITAL EQUIPMENT, REGIONAL ATHLETIC COMPLEX CAPITAL, WATER M&O, WASTEWATER M&O, STORMWATER M&O, WATER CAPITAL, WASTEWATER CAPITAL, STORMWATER CAPITAL, EQUIPMENT RENTAL, INFORMATION MANAGEMENT SERVICES, AND JOINT ANIMALS SERVICES FUNDS AND APPROVING A SUMMARY FOR PUBLICATION.”**

A section by section summary of this ordinance is as follows:

Section 1 revises the amounts, which were budgeted for revenues and expenditures within the funds listed above by the 2023 fiscal year budget, which had been adopted by Ordinance No. 1632. The reason for revising the budgeted amounts is the fact that there exists a need for additional expenditures within those funds, which could not be contemplated at the time of adopting the 2023 fiscal year budget.

Section 2 provides provisions for corrections.

Section 3 approves this summary.

A copy of the full text of this ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

City Clerk

Published: September 11, 2023

2023 Budget Amendments - Ordinance No. 1643 Exhibit "A"

Account Numbers	Account Description	2023 Budget	Budget Amendment	2023 Budget as Amended	Comments
Current Expense Fund					
Revenues					
001-0000-308-0000	Beginning Cash	9,247,523	4,105,339	13,352,862	Cash reserves
001-0000-333-1422	Department of HUD / CDBG Dept of Commerce	-	500,000	500,000	EDI Community Project Funding Grant (B-22CP-WA-0952)
001-0000-369-4000		3,000	36,225	39,225	Vehicle insurance reimbursement
Total Current Expense Fund Revenues		58,382,714	4,641,564	63,024,278	
Expenditures					
001-0401-512-5812	Agreements / District Court	350,000	50,000	400,000	District Court contract renewal adjustment 12.15.2022
001-0401-512-5813	Agreements / Public Defender-Indigent	250,000	114,000	364,000	Public Defender-Indigent Defense cases contract increases
001-0401-552-5814	Agreements / Dispute Resolution Center	3,100	50,000	53,100	Dispute Resolution Center - landlord/tenant mediation services
001-0501-513-4101	Professional Services / Prof. Svc-Other	5,000	4,000	9,000	Increased use of DocuSign services for electronic signatures
001-0501-513-4205	Communications / Communications-Webhosting	-	4,400	4,400	Website maintenance and hosting
001-0701-516-4103	Professional Services / Prof. Svc-Consultant	195,100	26,650	221,750	Executive Director recruitment professional services
001-0701-516-4146	Professional Services / Prof Svc-Civil Service	-	20,000	20,000	Outsourced police background checks
001-0701-516-4146	Professional Services / Prof Svc-Civil Service	20,000	20,000	40,000	Police Department promotional assessment centers
001-0805-565-6501	Social Services / Veterans Services HUB	-	450,000	450,000	Lacey Veterans Services Hub Accessibility Project - elevator, ADA doors, parking lot design
001-3201-532-4930	Miscellaneous / Software Maintenance	50,000	10,500	60,500	Bluebeam online software subscription
001-3301-576-1001	Salaries & Wages / Salaries-Regular	323,175	6,861	330,036	Limited-term Department Assistant III for the implementation of asset management system
001-3301-576-2001	Personnel Benefits / Employer Paid Benefits	125,948	2,058	128,006	Limited-term Department Assistant III for the implementation of asset management system
001-3302-576-1006	Salaries & Wages / Salaries-Part-Time	93,140	12,480	105,620	Park Maintenance seasonal wages increase
001-3303-576-1006	Salaries & Wages / Salaries-Part-Time	90,310	24,960	115,270	Park Maintenance seasonal wages increase
001-3304-576-1006	Salaries & Wages / Salaries-Part-Time	53,071	14,280	67,351	Park Maintenance seasonal wages increase
001-3305-576-1006	Salaries & Wages / Salaries-Part-Time	-	21,840	21,840	Park Maintenance seasonal wages increase
001-3601-519-4131	Professional Services / Prof. Svc-Building Maint.	6,870	27,258	34,128	Police Station duct cleaning and sealing
001-3601-519-4810	Repairs & Maintenance / Rep & Maint-Equip-Grnds	2,200	36,225	38,425	Repair City Hall back parking lot gate
001-3601-572-3123	Supplies / Supplies-Building Maint.	37,885	20,000	57,885	Outsource LED lighting enhancements - Library
001-3701-558-1001	Salaries & Wages / Salaries-Regular	1,238,978	16,500	1,255,478	Reclassification of Land Management Specialist to Senior Project Planner
001-3701-558-2001	Personnel Benefits / Employer Paid Benefits	492,772	5,500	498,272	Reclassification of Land Management Specialist to Senior Project Planner
001-7501-597-0201	Transfer Out 301 Fund	234,164	1,022,798	1,256,962	Police Station design
001-7501-597-0201	Transfer Out 301 Fund	1,256,962	2,040,000	3,296,962	Police Station land acquisition
001-7501-597-0201	Transfer Out 301 Fund	3,296,962	81,254	3,378,216	Addition of duress buttons/software licensing to the City Buildings Access Controls project
001-7501-597-0210	Transfer Out 307 Fund	-	500,000	500,000	RAC parking lot construction
001-7501-597-1008	Transfer Out 007 Fund	200,000	60,000	260,000	Replacement lighting warranty for fields 1-4 and soccer field
Total Current Expense Fund Expenditures		58,382,714	4,641,564	63,024,278	
Community Buildings					
Revenues					
005-0000-308-0000	Beginning Cash	372,250	80,489	452,739	Cash Reserves
Total Community Buildings Fund Revenues		1,025,781	80,489	1,106,270	
Expenditures					
005-7603-555-4803	Repairs & Maintenance / Rep & Maint-Facilities	-	18,489	18,489	Senior Center roof repair
005-7612-575-3123	Repairs & Maintenance / Rep & Maint-Equipment	69,875	32,000	101,875	Outsource LED lighting enhancements - Senior Center and Community Center
005-7612-575-4803	Repairs & Maintenance / Rep & Maint-Facilities	65,250	30,000	95,250	Jacob Smith House roof repair
Total Community Buildings Fund Expenditures		1,025,781	80,489	1,106,270	

Account Numbers	Account Description	2023 Budget	Budget Amendment	2023 Budget as Amended	Comments
Regional Athletic Complex (M&O) Fund					
Revenues					
007-0000-308-0000	Beginning Cash	28,000	14,352	42,352	Cash reserves
007-0000-397-1101	Transfers In / Transfer In 001,003,005	200,000	60,000	260,000	From Fund 001 for replacement lighting warranty
Total Regional Athletic Complex (M&O) Fund Revenues		1,360,495	74,352	1,434,847	
Expenditures					
007-3305-576-4801	Repairs & Maintenance / Rep & Maint-Equipment	3,500	14,352	17,852	Play equipment structure repairs
007-3305-576-4906	Miscellaneous / Maintenance Contracts	-	60,000	60,000	Replacement lighting warranty for fields 1-4 and soccer field
Total Regional Athletic Complex (M&O) Fund Expenditures		1,360,495	74,352	1,434,847	
City Street Fund					
Revenues					
101-0000-308-0000	Beginning Cash	300,801	33,919	334,720	Cash reserves
Total City Street Fund Revenues		4,545,559	33,919	4,579,478	
Expenditures					
101-4201-543-1001	Salaries & Wages / Salaries-Regular	406,995	6,861	413,856	Limited-term Dept. Assistant III for the implementation of asset management system
101-4201-543-2001	Personnel Benefits / Employer Paid Benefits	166,812	2,058	168,870	Limited-term Dept. Assistant III for the implementation of asset management system
101-4206-542-3101	Supplies / Office & Operating Supply	10,000	25,000	35,000	Snow and ice removal supplies cost increases
Total City Street Fund Expenditures		4,545,559	33,919	4,579,478	
Arterial Streets Fund					
Revenues					
102-0000-308-0000	Beginning Cash	1,991,892	400,000	2,391,892	Cash reserves
Total Arterial Streets Fund Revenues		9,944,299	400,000	10,344,299	
Expenditures					
102-4101-595-9001	Capital Projects / Preliminary Engineering	2,141,300	143,750	2,285,050	RAISE Grant, College NE Ext., 2023 Crack Seal, Safe Streets 4 All Safety Action Plan
102-4101-595-9003	Capital Projects / Road Way	2,355,215	236,750	2,591,965	Electric vehicle chargers, Citywide Signal ITS, 2023 Crack Seal
102-4101-595-9005	Capital Projects / Construction Engineering	239,784	19,500	259,284	Electric vehicle chargers, Citywide Signal ITS, 2023 Crack Seal
Total Arterial Streets Fund Expenditures		9,944,299	400,000	10,344,299	
Building Improvement Fund					
Revenues					
301-0000-397-1101	Transfers In / Transfer In 001,003,005	1,834,164	1,022,798	2,856,962	From Fund 001 for Police Station design
301-0000-397-1101	Transfers In / Transfer In 001,003,005	2,856,962	2,040,000	4,896,962	From Fund 001 for Police Station land acquisition
301-0000-397-1101	Transfers In / Transfer In 001,003,005	4,896,962	81,254	4,978,216	From Fund 001 for City buildings access controls
Total Building Improvement Fund Revenues		4,709,316	3,144,052	7,853,368	
Expenditures					
301-0101-514-6003	Capital Outlay - Improvements	485,369	81,254	566,623	Addition of duress buttons/software licensing to the City Buildings Access Controls project
301-0101-514-6004	Capital Outlay - Buildings	2,101,581	1,022,798	3,124,379	Future Police Station design, inspection, and engineering
301-0101-514-6005	Capital Outlay - Land	2,000,000	2,040,000	4,040,000	Future Police Station land acquisition MOU
Total Building Improvement Fund Expenditures		4,709,316	3,144,052	7,853,368	

Account Numbers	Account Description	2023 Budget	Budget Amendment	2023 Budget as Amended	Comments
Capital Equipment Fund					
Revenues 302-0000-308-0000	Beginning Cash	2,267,199	56,000	2,323,199	Cash Reserves
Total Capital Equipment Fund Revenues		3,517,995	56,000	3,573,995	
Expenditures 302-0102-519-6410	Capital Outlays / Police	1,045,174	56,000	1,101,174	Unscheduled police vehicle replacement
Total Capital Equipment Fund Expenditures		3,517,995	56,000	3,573,995	

Regional Athletic Complex-Capital					
Revenues 307-0000-397-1012	Transfer In 001, 003, 005	805,000	500,000	1,305,000	From Fund 001 RAC parking lot construction
Total Regional Athletic Complex-Capital Revenue		4,221,634	500,000	4,721,634	
Expenditures 307-0106-576-6221	Capital Outlays / Sport Com-Contractor Prim	2,305,000	500,000	2,805,000	Increase to the RAC Park Lot design cost estimate
Total Regional Athletic Complex-Capital Expenditures		4,221,634	500,000	4,721,634	

Water Fund					
Revenues 401-0000-308-0000	Beginning Cash	1,105,402	1,017,881	2,123,283	Cash reserves
Total Water Fund Revenues		16,900,441	1,017,881	17,918,322	
Expenditures 401-3401-534-1001	Salaries & Wages / Salaries-Regular	989,879	24,014	1,013,893	Limited-term Dept. Assistant III for the implementation of asset management system
401-3401-534-2001	Personnel Benefits / Employer Paid Benefits	408,921	7,204	416,125	Limited-term Dept. Assistant III for the implementation of asset management system
401-3401-534-6001	Capital Outlays / Capital Outlays-Equipment	181,877	22,561	204,438	Utility Van #377 replacement shortfall (2022 replacement)
401-3402-514-3137	Supplies / Meters	1,005,773	500,000	1,505,773	2022 backordered water meters and meter transmitting units
401-3402-514-3137	Supplies / Meters	1,505,773	375,000	1,880,773	Large meter replacement program
401-3402-514-4930	Miscellaneous / Software Maintenance	1,000	78,535	79,535	AclaraONE meter reading software upgrade
401-3403-534-4801	Repairs & Maintenance / Rep & Maint-Equipment	2,500	10,567	13,067	Replace 500Kw generator
Total Water Fund Expenditures		16,900,441	1,017,881	17,918,322	

Wastewater Fund					
Revenues 402-0000-308-0000	Beginning Cash	257,468	81,218	338,686	Cash reserves
Total Wastewater Fund Revenues		23,524,369	81,218	23,605,587	
Expenditures 402-3501-535-1001	Salaries & Wages / Salaries-Regular	571,720	24,014	595,734	Limited-term Dept. Assistant III for the implementation of asset management system
402-3501-535-2001	Personnel Benefits / Employer Paid Benefits	235,109	7,204	242,313	Limited-term Dept. Assistant III for the implementation of asset management system
402-3505-535-3148	Supplies / Repairs & Maintenance	86,358	50,000	136,358	STEP system maintenance program
Total Wastewater Fund Expenditures		23,524,369	81,218	23,605,587	

Account Numbers	Account Description	2023 Budget	Budget Amendment	2023 Budget as Amended	Comments
Stormwater Fund					
Revenues					
403-0000-308-0000	Beginning Cash	7,350	4,460	11,810	Cash Reserves
Total Stormwater Fund Revenues		5,472,547	4,460	5,477,007	
Expenditures					
403-4201-538-1001	Salaries & Wages / Salaries-Regular	355,516	3,431	358,947	Limited-term Dept. Assistant III for the implementation of asset management system
403-4201-538-2001	Personnel Benefits / Employer Paid Benefits	145,671	1,029	146,700	Limited-term Dept. Assistant III for the implementation of asset management system
Total Stormwater Fund Expenditures		5,472,547	4,460	5,477,007	

Water Capital Fund					
Revenues					
410-0000-308-0100	Estimated Beginning Cash / Construction Cash	10,490,941	10,689,000	21,179,941	Cash reserves
410-0000-369-9000	Other Miscellaneous Revenue	-		-	
Total Water Capital Fund Revenues		19,983,069	10,689,000	30,672,069	
Expenditures					
410-3418-534-9001	Preliminary Engineering	2,900,486	372,525	3,273,011	Source 17 Well House, Ph 2 Well Program, Madrona Connection to 337 Zone, Source 7 Rehab
410-3418-534-9005	Construction Engineering	1,184,584	795,775	1,980,359	Cargil Reservoir, Source 17 Well House, Carpenter Road
410-3418-534-9013	Construction of Utilities	14,294,581	9,520,700	23,815,281	Cargil Reservoir, Source 17 Well House, Carpenter Road, Source 7 Well Rehab
Total Water Capital Fund Expenditures		19,983,069	10,689,000	30,672,069	

Wastewater Capital Fund					
Revenues					
411-0000-308-0100	Estimated Beginning Cash / Construction Cash	8,696,049	1,319,000	10,015,049	Cash reserves
Total Wastewater Capital Fund Revenues		12,838,423	1,319,000	14,157,423	
Expenditures					
411-3518-535-9001	Preliminary Engineering	1,855,054	1,875	1,856,929	Waldron Dr. Grinder
411-3518-535-9005	Construction Engineering	831,765	105,400	937,165	LS 19 Replacement, Mullen Road STEP Improvements, LS 37 Pump Replacement
411-3518-535-9013	Construction of Utilities	10,001,604	1,211,725	11,213,329	LS 19 Replacement, Mullen Road STEP Improvements, LS 34& 37 Pump Replacement
Total Wastewater Capital Fund Expenditures		12,838,423	1,319,000	14,157,423	

Stormwater Capital Fund					
Revenues					
412-0000-308-0000	Beginning Cash	95,000	430,000	525,000	Cash reserves
Total Stormwater Capital Fund Revenues		2,431,636	430,000	2,861,636	
Expenditures					
412-4218-542-9004	Capital Projects / Storm Drainage	683,625	397,750	1,081,375	Woodland Creek Oil Water Separator, Westminster Pond Rehab
412-4218-542-9005	Construction Engineering	57,375	32,250	89,625	Woodland Creek Oil Water Separator, Westminster Pond Rehab
Total Stormwater Capital Fund Expenditures		2,431,636	430,000	2,861,636	

Account Numbers	Account Description	2023 Budget	Budget Amendment	2023 Budget as Amended	Comments
Equipment Rental Fund					
Revenue					
501-0000-308-0000	Beginning Cash	933,271	9,661	942,932	Cash reserves
501-0000-369-4000	Other Misc Revenue / Court Fees /Judgments	-	43,040	43,040	Vehicle insurance reimbursement
Total Equipment Rental Fund Revenues		4,376,581	52,701	4,429,282	
Expenditures					
501-4801-548-1001	Salaries & Wages / Salaries-Regular	133,124	3,431	136,555	Limited-term Dept. Assistant III for the implementation of asset management system
501-4801-548-2001	Personnel Benefits / Employer Paid Benefits	57,818	1,029	58,847	Limited-term Dept. Assistant III for the implementation of asset management system
501-4801-548-6002	Capital Outlays - Replacements	1,728,965	43,040	1,772,005	Replace totaled inspection pickup truck
501-4802-548-3102	Supplies / Small Tools & Equipment	5,600	5,201	10,801	Swamp cooler for equipment maintenance shop
501-4802-548-6001	Capital Outlays - Equipment	-		-	
Total Equipment Rental Fund Expenditures		4,376,581	52,701	4,429,282	
Information Services Fund					
Revenue					
502-0000-308-0000	Beginning Cash	162,136	40,000	202,136	Cash reserves
Total Information Services Fund Revenues		2,967,111	40,000	3,007,111	
Expenditures					
502-1801-518-6001	Capital Outlays-Equipment	-	40,000	40,000	Upgrade wireless internet system
Total Information Services Fund Expenditures		2,967,111	40,000	3,007,111	
Animal Services					
Revenue					
503-0000-308-0000	Beginning Cash	1,140,188	115,000	1,255,188	Cash reserves
Total Animal Services Revenue		2,818,961	115,000	2,933,961	
Expenditures					
503-3902-539-6004	Capital - Buildings	-	115,000	115,000	Repair Sewer Line
Total Animal Services Expenditures		2,818,961	115,000	2,933,961	

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE MINUTES
AUGUST 22, 2023
8:30 A.M. – 9:32 A.M.
REMOTE & IN PERSON

To hear the complete meeting or to listen to a specific topic, please watch the recorded meeting available on the City of Lacey's Public Meeting Portal: <https://laceywa.portal.civicclerk.com>

COUNCIL PRESENT: MAYOR RYDER (CHAIR) (REMOTE), AND DEPUTY MAYOR MILLER

COUNCIL EXCUSED: COUNCILMEMBER GREENSTEIN

STAFF PRESENT: RICK WALK, TROY WOO, AND ELISSA FONTAINE

ACTION: APPROVE THE FINANCE & ECONOMIC DEVELOPMENT COMMITTEE AGENDA

MOTION: MOTION MADE, SECONDED, AND CARRIED BY MAYOR RYDER AND DEPUTY MAYOR MILLER

2023 MID-YEAR FINANCIAL REPORT

STAFF: TROY WOO, FINANCE DIRECTOR

ACTION: INFORMATION ONLY

Staff presented the mid-year financial report for 2023. The report focused on the General Fund and included the following highlights:

- General Fund Expenditures
- General Fund Revenues
- Utility Funds
- Conclusion and Forecast

SECOND QUARTER INVESTMENT REPORT

STAFF: TROY WOO, FINANCE DIRECTOR

ACTION: INFORMATION ONLY

The City's adopted investment policy requires quarterly reporting to the City Manager and annual reporting to the City Council. By request, the Finance and Economic Development Committee receives a semi-annual and quarterly reports. The main components of the quarterly report included:

- Market commentary, market outlook, current investment policy compliance report, updates to strategic outlook and portfolio positioning
- Quarterly asset allocation comparison
- Summary of the City's total invested funds

Staff requested Committee support in investing in more approved corporates. The request is intended to provide more flexibility and increased yields in investments. The Committee expressed support for the request.

FINAL 2023 BUDGET AMENDMENT ORDINANCE

STAFF: TROY WOO, FINANCE DIRECTOR
ACTION: RECOMMEND ADOPTION OF THE PROPOSED BUDGET AMENDMENT
ORDINANCE AT A FUTURE COUNCIL MEETING
MOTION: MADE, SECONDED AND CARRIED BY MAYOR RYDER AND DEPUTY MAYOR
MILLER

Staff presented a review of the significant budget amendments that have been identified since the adoption of the 2023 Budget. The proposed adjustments maintain a balance between the anticipated revenues and expenditures of each of the funds amended.