

MINUTES OF A REGULAR COUNCIL MEETING
OF THE LACEY CITY COUNCIL HELD
THURSDAY, MAY 14, 2020
REMOTE ATTENDANCE

CALL TO ORDER: Mayor Ryder called the meeting to order at 4:00 p.m.

PLEDGE OF ALLEGIANCE: Mayor Ryder led the Pledge of Allegiance.

COUNCIL PRESENT: A. Ryder, C. Pratt, L. Greenstein, C. Cox, S. Steadman E. Kunkel, M. Miller (remote attendance)

STAFF PRESENT: S. Spence, R. Almada, J. Burbidge, S. Egger, M. Hardie, D. Schneider, R. Walk, T. Woo, P. Edmonds (remote attendance)

APPROVAL OF AGENDA
AND CONSENT AGENDA:

Consent Agenda Items:

- A. Council meeting minutes of April 23, 2020
- B. A motion to approve payment of claims, wages and transfers for April 16, 2020, through May 6, 2020

COUNCILMEMBER GREENSTEIN MOVED TO APPROVE THE AGENDA AND CONSENT AGENDA. COUNCILMEMBER STEADMAN SECONDED. MOTION CARRIED.

RESOLUTIONS: Scott Spence, City Manager, presented Council with Resolution No. 1089 to amend the Investment Policy of the City of Lacey.

On January 18, 2018, the City Council adopted Resolution No. 1055, which updated the City's Investment Policy. The current Investment Policy was developed using the Revised Code of Washington (RCW), Washington State Investment Board, Washington Public Treasurers Association, Washington Municipal Treasurers' Association model investment policy, and the Washington State Auditor's Office Budgeting, Accounting, and Reporting System (BARS) manual as guidance.

The proposed amendments to the Investment Policy are related to updates to policy and best practices of the Washington State Investment Board and Washington Public Treasurers Association. The proposed changes relate to Corporate Notes, Commercial paper, Banker's Acceptance, Investment Parameters, and Prohibited Investments.

COUNCILMEMBER STEADMAN MOVED TO APPROVE RESOLUTION NO. 1089 AMENDING THE OFFICIAL INVESTMENT POLICY OF THE CITY. DEPUTY MAYOR PRATT SECONDED. MOTION CARRIED. MOTION APPROVED

ORDINANCES:

Troy Woo, Finance Director, presented Council with Ordinance No. 1567 to amend the 2020 Budget.

The proposed budget amendment is necessary due to the economic impacts of the COVID-19 public health emergency. Governor Inslee declared a statewide state of emergency on February 29, 2020, and issued a "Stay Home, Stay Healthy" order on March 23, 2020. On March 19, 2020, the City Council adopted Resolution No. 1085 declaring a state of emergency due to the COVID-19 public health emergency (affirmed the Mayoral declaration of emergency on March 13, 2020). On April 23, 2020, the City Council extended the provisions of the state of emergency with the adoption of

Resolution No. 1088. Governor Inslee's "Stay Home, Stay Healthy" order bans all non-essential activity and social gatherings and orders all businesses to close unless they are designated as an essential business.

The proposed budget adjustments represent a three-month financial plan to address the negative impacts of the COVID-19 public health emergency, and includes strategic reductions that preserve operational capabilities and maintain service levels.

COUNCILMEMBER STEADMAN MOVED TO APPROVE ORDINANCE NO. 1567 AMENDING THE 2020 BUDGET DUE TO COVID-19 PUBLIC HEALTH EMERGENCY. COUNCILMEMBER MILLER SECONDED. MOTION CARRIED.

MAYOR'S REPORT:

The City was notified that it will receive \$1.5 million in direct funding from the CARES Act. Additional CDBG funds will also be allocated to Thurston County. Discussions are underway with Thurston County and other local jurisdictions on how to regionally allocate the funds.

Council will discuss the distribution of the CARES Act funding at a future Council meeting.

CITY MANAGER'S REPORT:

Steve Kirkman, Public Affairs Manager, provided Council with two funding options for the 2020 Community Development Block Grant (CDBG) project.

A public hearing was held on April 23, 2020, to consider proposals from local housing, community development, and social service agencies who applied for funding from the Thurston Urban County Community Development Block Grant program. Council agreed to continue discussion at the May 14, 2020, Council meeting.

The total amount available in the 2020 CDBG funding cycle is \$1,063,647. Seven applications were received totaling \$1,235,572.59. This is \$171,925.59 over the amount available.

Staff presented two funding options. Option 1 reduces all funding requests by 14%, and option 2 reduces the top three largest funding requests by 16%. Both options reduce the total allocation to the funds available.

Staff presented a request by Community Youth Services (CYS). During the 2017 CDBG funding cycle, CYS was awarded \$69,567 for rehabilitation of transitional housing units owned by the organization. The 2017 funds were not utilized for this purpose, and CYS has requested redirecting the funds toward COVID-related shelter activities.

COUNCILMEMBER GREENSTEIN MOVED TO APPROVE OPTION 2 FOR THE DISTRIBUTION OF 2020 CDBG FUNDS. DEPUTY MAYOR PRATT SECONDED. MOTION CARRIED.

COUNCILMEMBER GREENSTEIN MOVED TO GRANT REALLOCATION OF COMMUNITY YOUTH SERVICES' 2017 CDBG FUNDS FOR TRANSITIONAL HOUSING REHABILITATION IN THE AMOUNT OF \$69,567 TOWARD COVID-RELATED SHELTER ACTIVITIES. DEPUTY MAYOR PRATT SECONDED. MOTION CARRIED.

OTHER BUSINESS:

Dave Schneider, City Attorney, provided an update on Local Improvement District (LID) foreclosures. Staff recommends suspending sections of the Lacey Municipal Code that would require enforcement action of delinquent assessments in 2020. This recommendation is a result of the economic impacts of the COVID-19 public health emergency. A resolution will be forwarded to Council for consideration at the May 28, 2020, Council meeting.

Mayor Ryder adjourned the meeting at 5:22 p.m.

MAYOR: _____

ATTESTED BY CITY CLERK: _____

DATE APPROVED: _____