

MINUTES OF A REGULAR MEETING OF THE
LACEY CITY COUNCIL HELD THURSDAY,
MARCH 18, 2021, REMOTE ATTENDANCE

- CALL TO ORDER: Mayor Ryder called the meeting to order at 7:00 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
- STAFF PRESENT: S. Spence, R. Almada, J. Burbidge, S. Egger, M. Hardie, S. Hock, S. Kelley-Fong, D. Schneider, R. Walk, T. Woo, J. Brandt, S. Kirkman, J. Rector, S. Seymour, P. Edmonds
- APPROVAL OF AGENDA
AND CONSENT AGENDA: Consent Agenda Items:
A. Council Worksession minutes of February 11, 2021.
B. Council Meeting minutes of February 18, 2021.
C. Council Worksession minutes of February 25, 2021,
D. A motion to approve payment of claims, wages and transfers for February 9, 2021, through March 11, 2021.
- COUNCILMEMBER STEADMAN MOVED TO APPROVE THE AGENDA AND CONSENT AGENDA. COUNCILMEMBER COX SECONDED. MOTION CARRIED.

PUBLIC COMMENT:

Persons wishing to provide public comment on items not on the agenda must pre-register to speak. Registration closed at 3:00 p.m. today.

Augustine Dalton, spoke in favor of grocery employees receiving hazard pay.

Kayla Kirkendall spoke in favor of grocery employees receiving hazard pay, asking Council to pass a Hazard Pay Ordinance.

Patrick Mapp, Lacey Fred Meyer employee, spoke in favor of hazard pay and asked Council to mandate hazard pay for the last five years.

Deana Cunningham, spoke against an implementation of hazard pay.

Public comments may also be submitted by email by 12:00 p.m. today. Comments will be provided to the City Council electronically prior to the meeting. Comments will not be addressed during the meeting; however, comments received will be added to the official record.

Three written public comments were received and will be made part of the meeting record.

REFERRAL FROM PLANNING COMMISSION:

Jessica Brandt, Associate Planner, presented Ordinance 1585 approving the Shoreline Master Program (SMP).

Lacey adopted its first SMP in 1972, with a first major update in 2011 with other background documents including a Shoreline Restoration Plan and the Cumulative Impacts Analysis for Lacey's Shorelines. The City completed a minor update in 2015 to comply with state changes to wetlands regulations.

The SMA requires that Cities and Counties review and revise their SMP, if needed, on an eight-year schedule established by the State Legislature. This review ensures that the City's SMP stays current with changes in State laws and rules, remains consistent with Lacey's Plan and regulations, and is responsive to changed circumstances, new information, and improved data.

Staff reviewed the amendments provided by the consulting team. The recommended updates will provide:

1. Consistency with state laws
2. Integration of current critical areas regulations
3. Consistency with the Comprehensive Plan and other development regulations
4. Clarification on: exemptions, definitions, nonconformance standards, enforcement, and vegetation management.

Upon local adoption, the Department of Ecology conducts a final review and adoption. Changes to the SMP will become effective upon state adoption.

DEPUTY MAYOR PRATT MOVED TO APPROVE
ORDINANCE 1585, APPROVING THE SHORELINE
MASTER PROGRAM PERIODIC REVIEW.
COUNCILMEMBER GREENSTEIN SECONDED.
MOTION CARRIED.

REFERRAL FROM
HEARINGS EXAMINER:

Samra Seymour, Associate Planner, presented the Planned Residential Development and Site Plan Review, Griffin Multifamily Project #19-553.

The proposal requests approval to develop a 183-unit multi-family complex consisting of twelve (12) apartment buildings, an office building, and associated parking and utilities on a 9.54-acre site zoned Moderate density Residential.

The Hearing Examiner conducted a public hearing on Monday, February 8, 2021. The hearing was held as a zoom webinar that allowed for public testimony. Staff and the applicant provided testimony about the project. No members of the community attended the public hearing, several neighbors submitted comments regarding tree removal, traffic and school impacts, stormwater design, and housing affordability. Topics of discussion at the hearing included: open space, stormwater management, traffic mitigation, and tree protection.

The Hearings Examiner has recommended approval of the planned residential development and site plan review applications. The conditions of approval recommended to the City Council for the project are substantially as recommended by City staff. Staff is requesting the Council approve the proposal including adoption of findings, conclusions and conditions outlined in the written recommendation of the Hearings Examiner dated February 23, 2021.

COUNCILMEMBER STEADMAN MOVED TO APPROVE THE PROPOSAL INCLUDING ADOPTION OF FINDINGS, CONCLUSIONS AND CONDITIONS OUTLINED IN THE HEARING EXAMINER'S RECOMMENDATION FOR THE PLANNED RESIDENTIAL DEVELOPMENT AND SITE PLAN REVIEW FOR GRIFFIN MULTIFAMILY, PROJECT #19-353. COUNCILMEMBER KUNKEL SECONDED.

MAYOR RYDER, AND COUNCILMEMBERS GREENSTEIN, COX, STEADMAN, MILLER, KUNKEL VOTED IN FAVOR. DEPUTY MAYOR PRATT ABSTAINED. MOTION CARRIED.

RESOLUTIONS:

Julie Rector, Water Quality Analyst, presented Resolution 1103 to accept the invitation to join Nisqually River Council (NRC)

The NRC is a voluntary coordination organization created in 1987 by the State Legislature. Its mission is to create sustainability in the Nisqually River watershed by developing a common culture of environmental, social, and economic balance.

The NRC currently has 24 member agencies representing state, federal, tribal and local governments, as well as an active citizen's advisory committee. The NRC is a forum for planning and collaboration among the governments and community members of the Nisqually Watershed. The actions of the NRC are guided by the Nisqually Watershed Stewardship Plan, which promotes efforts for engaging the public, promoting sustainable businesses, restoring and enhancing fish habitat, and in general promoting a healthy, vibrant watershed for people who live and recreate in the watershed.

The City of Lacey has long been both a formal and informal stakeholder in planning and stewardship processes for the Nisqually Watershed. In particular, Lacey has been actively participating on the WRIA 11 Planning Unit, which developed the 2004 Nisqually River Watershed Plan as well as its 2019 addendum which plans for offsetting instream impacts from new permit exempt wells.

While the WRIA 11 Planning Unit and the NRC have many mutual and overlapping interests, they have been operating separately, under different mandates and funding sources. It was proposed that efficiencies in operation, and better coordination, can be gained by consolidating the Planning Unit under the umbrella of the NRC. In August 2020, the NRC approved moving forward with a proposal to incorporate the WRIA 11 Planning Unit as a permanent standing committee of the NRC. This will further facilitate planning and coordination within the watershed.

Further, it was recognized that not all entities represented on the WRIA 11 Planning Unit were represented on the NRC. To address this, the Chair of the NRC extended invitations to the Cities of Lacey, Olympia, and DuPont, to become members of the NRC.

By joining the NRC, the City's designated representative(s) will be the city's liaison with the NRC, and consequently will be expected to attend monthly meetings. The representative will also vote as needed on issues put before the NRC, such as public comment letters, or letters of support for grants and other initiatives that further its goals for a healthy watershed.

DEPUTY MAYOR PRATT MOVED TO APPROVE RESOLUTION 1103 ACCEPTING THE INVITATION TO JOIN THE NISQUALLY RIVER COUNCIL. COUNCILMEMBER COX SECONDED. MOTION CARRIED.

ORDINANCES:

Troy Woo, Finance director, presented Council with Ordinance 1586, relating to 2020 Budget Encumbrance Carryover.

Despite the extensive budget planning and efforts to complete projects and purchases prior to the year-end closing, staff are not always able to complete all of the projects and purchases. The projects and purchases are expected to be completed during 2021, so it becomes necessary to carryover previously approved budget appropriations into the next year. These proposed amendments are limited to carryover encumbrances and capital projects.

This carryover process relieves concerns that authorized budgets will be exceeded when large carryover projects do not have the authorized appropriations until late into the year. It is the City's practice to amend the budget once per year during September. If the City Council approves these appropriations earlier in the year, the

risk of exceeding authorized expenditure levels is minimized.

The encumbrance and capital carryover requests are limited to purchase orders that were initiated in the previous year and capital projects that were authorized in the previous year's budget. The outstanding purchase order carryover requests are limited to significant (over \$2,500) unfilled material, equipment, and supply orders. Capital project carryover requests do not have a dollar threshold. The funds requesting the carryovers must have adequate fund balance before the requests can be granted.

COUNCILMEMBER STEADMAN MOVED TO APPROVE ORDINANCE 1586 APPROVING THE 2020 BUDGET ENCUMBRANCE CARRYOVER. DEPUTY MAYOR PRATT SECONDED. MOTION CARRIED.

Dave Schneider, City Attorney, presented on Ordinance 1587, amending LMC 7.04.040 Animal Service License Fees

The City of Lacey has joined in an Interlocal Agreement with other nearby jurisdictions for the purpose of providing animal services to each member of the agreement. By cooperating in this effort, member jurisdictions enjoy increased efficiency and uniform enforcement of animal regulations.

Currently, all member jurisdictions require licensing fees, which are administered by the Joint Animal Services Commission (JASCOM). Licensing fees are established by formal legislative action in each member jurisdiction independently.

To adjust licensing fees, each jurisdiction must go through its own formal legislative process. A high level of coordination between staff in each jurisdiction is required to ensure that the fees are uniform across all member jurisdictions.

By delegating the setting of license fees to the JASCOM board, the Council can streamline the fee-adjustment process.

Staff recommends amending section 7.04.040 of the Lacey Municipal Code to provide for delegation of animal license fees to the JASCOM board.

DEPUTY MAYOR PRATT MOVED TO APPROVE ORDINANCE 1587, AMENDING LMC 7.04.040 TO PROVIDE DELEGATION OF ANIMAL SERVICE LICENSE FEES TO THE JASCOM BOARD. COUNCILMEMBER GREENSTEIN SECONDED. MOTION CARRIED.

CITY MANAGER'S REPORT: Julie Rector, Water Quality Analyst, presented the WRIA 13 Watershed Restoration and Enhancement Plan to Council.

The Streamflow Restoration Act enacted in 2018 requires the development of watershed-scale plans that, when, implemented, will offset instream flow impacts from new permit-exempt wells constructed from 2018 through 2038. As required in the Act, the Washington Department of Ecology convened the WRIA 13 Watershed Restoration and Enhancement Committee (WREC) to develop a plan using a consensus-based process for the area that covers the Deschutes River watershed and several sub-basins, including the Woodland Creek basin.

As required in the law, the Plan accomplishes the following:

- Identifies the projected number of new permit-exempt domestic groundwater wells within the boundaries of WRIA 13 for the 20-year period of 2018 – 2038;
- Estimates instream flow impacts from the consumptive use of these wells, within the entire basin as well as within defined sub-basins;

- Identifies projects for offsetting the instream flow impacts from these wells;
- Quantifies the water offsets to be provided by these projects and provides assurances that implementation will also provide a net ecological benefit to the watershed.

It is anticipated that the City will have a role in implementing the following recommendations:

- Participation on a long-term implementation group that will oversee and track implementation of this Plan. The WREC is referring to this group as the Deschutes River Council.
- A lead role in implementing the Hicks Lake Stormwater Retrofit. This project will upgrade Lacey's existing stormwater facility to provide additional water quality treatment and incorporate groundwater infiltration, which will provide water offsets. This is the only viable water offset project proposed in the Woodland Creek sub-basin.
- Thurston County will look at their policies for opportunities to promote connections to Group A water systems.

Other policies of interest to the City include:

- Thurston County policy to revisit the current restrictions on the use of reclaimed water within the county.
- Improvements to Ecology's well log database, to clarify details on well construction and improve publicly accessible well log data.
- Creating a position at Department of Ecology for a South Sound water steward.
- Investigate whether changes are needed to the instream flow rules in WRIA 13.

MAYOR RYDER MOVED TO APPROVE THE WRIA 13 WATERSHED RESTORATION AND ENHANCEMENT PLAN. COUNCILMEMBER COX SECONDED. MOTION CARRIED.

Scott Egger, Public Works Director, presented an Interlocal Agreement with Intercity Transit for Transit Signal Priority.

The Thurston Regional Planning Council Smart Corridor grant, which replaced many of the signal cabinets and controllers in the City, included a transit signal priority (TSP) component. All of the traffic signals in the City were purchased with the hardware and software to accommodate TSP implementation.

The Interlocal Agreement between the City and Intercity Transit provides clarification on responsibilities of each jurisdiction regarding the management of the equipment, changes, and monitoring of system performance, and coordination of the field implementation of equipment including operations to support TSP implementation.

COUNCILMEMBER STEADMAN MOVED TO AUTHORIZE THE CITY MANAGER TO SIGN THE INTERLOCAL AGREEMENT WITH INTERCITY TRANSIT FOR TRANSIT SIGNAL PRIORITY. DEPUTY MAYOR PRATT SECONDED. MOTION CARRIED.

Sarah Hock, Executive Director, for the Joint Animal Services Commission (JASCOM) recommends the adoption of the amendments to the Intergovernmental Agreement, the document that regulates the operation of Joint Animal Services.

The last time the document was updated was in 2014. In November 2020, JASCOM reviewed and recommended changes to the Intergovernmental Agreement. It is important to note that the basic document is unchanged except for updates to language

and revisions necessary to reflect the changes recommended to ensure Animal Services operations are optimal.

There are four changes of note in this agreement:

1. **Section 3 (a) (5)** - In reference to the members of the governing body known as JASCOM.

One optional member selected by a nonprofit organization based in Thurston County with shared animal welfare priorities. Such nonprofit shall be selected by members of the commission.

2. **Section 3. (f) (6)** – In reference to powers and duties of the commission.

License fees shall be established by JASCOM.

3. **Section 7 (c) and Section 11** – In reference to the jurisdictions responsibility to pay off the loan obtained for the current shelter facility.

This section was removed. The loan for the building and renovation has been repaid.

4. **Section 8** – In reference to the commission's ability to contract with other parties to provide services.

Animal Services can provide services to nonmembers through a contract. Revenue received for such services cannot be less than the cost to provide such services. JASCOM shall approve all nonmember contracts related to additional services.

The Intergovernmental Agreement has been approved by the cities of Olympia and Tumwater and is in review with Thurston County.

MAYOR RYDER MOVED TO AUTHORIZE THE CITY
MANAGER TO SIGN THE AMENDED
INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITIES OF LACEY, OLYMPIA, AND TUMWATER,
AND THURSTON COUNTY FOR JOINT ANIMAL

SERVICES OPERATIONS. COUNCILMEMBER KUNKEL SECONDED. MOTION CARRIED.

Steve Kirkman, Public Affairs Manager, provided an overview of the Lacey Cares Community Outreach Initiative.

Lacey Cares is an initiative to engage community members about how they want Lacey to look, feel, and be in the future. The goal is to learn what matters most to our residents, businesses, students, and visitors – and how they think Lacey can become an even better place to live, work, learn, and play.

The Initiative will have a phased approach using the following targets:

Phase 1: Open-ended public survey at LaceyCares.org, beginning March 23 through the end of May 2021.

Phase 2: Major areas of interest identified within survey results, followed by community conversations to shape goals and opportunities around the areas of interest.

Phase 3: Community helps prioritize potential actions through a variety of engagement methods, including town hall meetings and telephone surveys.

Scott Egger, Public Works Director, requested to award Lacey Contract Number PW2020-30, Capitol City Golf Course – West, Water & Wastewater Improvements, to low bidder Active Construction, Inc. from Puyallup, Washington in the amount of \$7,724,291.57.

Capitol City Golf Club Estates is a community located in the City of Lacey UGA that began development in the late 1960's. It is zoned low density and has approximately 4 single family homes per acre with individual septic systems. The City has a well located

within the neighborhood of Capitol City Golf Club Estates. Due to the density of the surrounding septic systems, there is a concern of contaminants being transmitted from the drain fields into the aquifer which the existing well is drawing from.

The project was advertised for three weeks and bids were opened March 4, 2021. Seven (7) bids were received. The bids ranged from a low of \$7,724,291.57 to a high of \$12,387,090.73. Active Construction, Inc. from Maple Valley, Washington, is the low bidder at \$7,724,291.57. The Engineer's Estimate is \$8,304,456.61.

The apparent low bidder, PAMF Excavating's bid varied from the requirements of the bid invitation. The City rejected their bid because the specifications require the bid bond be signed and the title of the person must accompany the signature. The bid bond provided by PAMF Excavating was unsigned and therefore varied from the specifications. Cities have the authority to waive an immaterial variance if the variance does not give the bidder an advantage over other bidders. However, in this instance the failure to furnish a signed bid bond makes the bid bond unenforceable, which would allow the apparent low bidder to elect not to enter into a contract without the risk of forfeiting the bid bond.

City staff consulted with the City Attorney and came to the conclusion that the failure to sign the bid bond was a material variance. This leaves the city with the choice of rejecting all bids, or to reject PAMF Excavating's bid as nonresponsive and award the bid to the second bidder, Active Construction Inc., who is both responsive and responsible.

Active Construction, Inc. is qualified and capable of performing the work. Project start date is anticipated in May 2021 with 260 working days allotted to complete the work. The project is expected to be completed by the end of summer 2022.

Mayor Ryder convened to an Executive Session at 8:32 p.m. for 10 minutes to discuss potential litigation pursuant to RCW 42.30.110(1)(i).

Mayor Ryder re-convened the regular Council meeting at 8:42 p.m. No decisions were made in the Executive Session.

MAYOR RYDER MOVED TO AWARD LACEY CONTRACT NUMBER PW 2020-30 TO LOW BIDDER ACTIVE CONSTRUCTION, INC. FROM PUYALLUP, WASHINGTON IN THE AMOUNT OF \$7,724,291.57. COUNCILMEMBER GREENSTEIN SECONDED. MOTION CARRIED.

STANDING COMMITTEES:

Finance & Economic Development Committee

Mayor Ryder reported the Committee met on February 23, 2021, to discuss the following items:

- 2021 Budget Amendments
- 2020 Budget Carryovers
- Food Truck Court Proposal

General Government & Public Safety Committee

Deputy Mayor Pratt reported the Committee met on February 23 2021, to receive the Police Department's 2020 in review, and Hicks Lake 2020 Annual Report.

Land Use Committee

Councilmember Cox reported the Committee met on February 23, 2021, to receive an update on the Shoreline Master Program.

Community Relations & Public Affairs Committee

Councilmember Steadman reported the Committee met on March 1, and received an update on the following items:

- Parks, Culture and Recreation Department Programs
- Long Lake Beach Lifeguard

Transportation Committee

Councilmember Cox reported the Committee met on March 2, 2021, to discuss the following items:

- Martin Way Traffic Signal Modifications
- Intercity Transit Interlocal Agreement for Transit Signal Authority
- Adopt-a-Highway Cleanup Program
- 2020 City Paving Plan
- Councilmember Miller appointed Committee Chair
- Meeting Schedule Update: Committee will now meet at 11:00 a.m. on the first Tuesday of the month.

BOARDS, COMMISSIONS

AND COMMITTEE REPORTS: Mayor's Forum

Mayor Ryder reported they met to discuss the following:

- Invitation to a formal conversation on racial justice
- Grocery employee hazard pay requests

Transportation Policy Board

Mayor Ryder reported the Board met on March 10, 2021, to discuss the following:

- 2022 Unified Planning Work Program
- Policy Board Bylaws
- New and existing Board positions
- Integrating equity into the Board

LOTT

Deputy Mayor Pratt reported on several items from the March 10, 2021, meeting:

- Surplus Equipment
- Interlocal Agreement for Mutual Aid Services
- Update on the Pretreatment Program
- Biological Process Improvements Project Update
- Certificate of Achievement awarded by the Government Finance Officers Association

Olympic Area Clean Air Agency

Deputy Mayor Pratt reported the Board met on March 10, 2021, to receive an update on the following items:

- Air Quality Statistics
- Educational and Outreach Program
- Outdoor Burning Permits
- Budget and Expenditures

Regional Housing Council

Councilmember Cox reported the Board met on March 18, 2021, and discussed the following items:

- Housing Needs Assessment/Action Plan
- Update on the Safe Parking/Scattered Site
- Meeting Schedule Update, noting the meetings will now be held on the 4th Wednesday of the month at 4:00 p.m.

Intercity Transit Authority

Councilmember Cox reported that Intercity Transit will begin bringing back some of the service levels that were reduced due to COVID-19 beginning on Sunday, March 21, 2021.

TCOMM911

Councilmember Greenstein reported on the following items discussed at the March 3, 2021 meeting:

- Work is ongoing on radio system
- Site work began on tower sites
- Passed resolution on subscriber equipment purchase
- Lenny Greenstein re-elected Chair
- Leatta Dahlhoff re-elected Vice Chair

EMS

Councilmember Greenstein reporting on the following items:

- Officer Elections:
 - o Margaret McPhee stepped down as chair
 - o Stan Moon elected Chair
 - o Lenny Greenstein elected Vice Chair
- Levy Lid Lift Update

TRPC

Councilmember Miller reported on the March 5, 2021, meeting and discussed the shortage of sidewalks in Thurston County.

Thurston Thrives

Councilmember Miller reported they met on March 15, 2021 and discussed equity gaps and community statistics.

Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)

Councilmember Kunkel reported during the March 16, 2021, meeting they discussed interviews for the new CEO and also advised that Jeff Bowe is no longer being considered for the position.

Lacey South Sound Chamber

Councilmember Kunkel reported Scott Spence, City of Lacey City Manager, attended the forum as the guest speaker.

Economic Development Council (EDC) –

Councilmember Kunkel reported the following items were discussed at the February 24, 2021 meeting:

- Overview of policy and legislative issues impacting Economic Development
- Shared Legislative Agenda

Councilmember Cox spoke on the recent requests for hazard pay from grocery employees and requested a discussion at a future Worksession.

Councilmember Kunkel voiced that he did not feel it is Council's place to intervene.

Mayor Ryder and Deputy Mayor Pratt expressed the need to have a conversation surrounding legal obligations and hazard pay.

Councilmember Steadman expressed the desire to have more applicants with military experience for the VCB CEO position.

Mayor Ryder adjourned the Council Meeting at 9:19 p.m.

MAYOR: _____

ATTESTED BY CITY CLERK: _____

DATE APPROVED: _____