



Lacey City Council Approved Worksession Minutes

Tuesday, December 9, 2025

Council Chambers and Online

1. Call to Order

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

2. Roll Call

Council Present

Mayor Andy Ryder

Deputy Mayor Malcolm Miller

Councilmember Carolyn Cox

Councilmember Robin Vazquez

Councilmember Nicolas Dunning

Council Excused

Councilmember Lenny Greenstein

Councilmember Michael Steadman

Staff Present

Rick Walk, City Manager

Vanessa Dolbee, Community and Economic Development Director

Scott Egger, Public Works Director

Dave Schneider, City Attorney

Troy Woo, Finance Director

Vince McGowan, Water Resources Manager

Sarah Schelling, Current Planning and Economic Development Manager

Chelsea Knight, Acting Financial Services Manager

Doug Christenson, Senior Utility Engineer

Wesley Nguyen, Economic Development Coordinator

Teri O'Neal, Senior Utility Engineer

Brandy Legomina, Deputy City Clerk

3. Land Acknowledgement

Mayor Ryder presented the abbreviated Land Acknowledgement.

4. Approval of the Agenda

Deputy Mayor Miller moved to approve the agenda. Councilmember Dunning seconded. The motion carried.

5. Public Comment

No verbal public comment was received and one (1) written public comment was received.

6. Agenda Items

A. Five-Year Economic Development Strategy Proposal

Vanessa Dolbee, Community and Economic Development Director
Sarah Schelling, Current Planning and Economic Development Manager
Wesley Nguyen, Economic Development Coordinator
Brittany Bagent, Project Director, EConorthwest
James Kim, Project Manager, EConorthwest

Schelling introduced Michael Cade, Thurston Economic Development Council. Bagent and Kim presented the final draft of the Five-Year Economic Development Strategy for Council feedback.

The presentation included demographic and economic data, stakeholder engagement efforts, comparative strengths and challenges, and a development vision statement. Goals were identified to define and promote an economic identity, expand the local economy, and enhance quality of life and attract visitors and talent. The Economic Development Strategy will be implemented in three phases over five years—launching foundational actions in Year 1, deepening partnerships and scale programs in Years 2–3, and evaluating and adapting in Years 4–5.

Dolbee, Nguyen, and Schelling reviewed 2025 Council priorities and provided updates on Huntamer Park/Midtown, the Depot feasibility study, and the economic strategy. Council completed a prioritization exercise to identify actions to build on existing policies, start new initiatives, and consider capital investments. Discussion on 2026 Council priorities ensued.

B. Water Resources Presentation

Vince McGowan, Water Resources Manager
Doug Christenson, Senior Utility Engineer
Teri O'Neal, Senior Utility Engineer

McGowan, Christenson, and O'Neal discussed ways the Water Resources Department manages water efficiency, protects water from pollution, reduces flooding, provides safe drinking water, and ensures a reliable water supply. Natural systems, including the natural water cycle, explain how water from rainfall, surface water sources, and groundwater sources is used. Engineered

systems explain how water is delivered to the community and taken away for treatment. An overview of the Utility Capital Program for long-range planning was provided, and stormwater and capital projects expected to come to Council in 2026 were discussed.

C. 2026 Business & Occupation Tax Model Ordinance Change

Troy Woo, Finance Director

Chelsea Knight, Acting Financial Services Manager

Woo and Knight presented changes made to the Business and Occupation (B&O) Tax model ordinance (RCW 35.102). At the 2025 legislative session, SB 5814 changed the state's definition of retail sales to include additional services requiring the model to be updated, taking effect on January 1, 2026. The classifications affected and financial impacts were discussed in detail. A proposed ordinance to update LMC 3.02.040 is expected to go before the Council on December 16, 2025.

D. Designated Reserve Discussion

Troy Woo, Finance Director

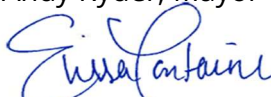
Chelsea Knight, Acting Financial Services Manager

Woo and Knight presented the City's fund balance categories as required by Governmental Accounting Standards Board (GASB) Statement No. 54. The current fund balances and proposed reserve amounts were reviewed. An ordinance designating committed fund balances and specifying their intended use is expected to go to go before the Council on December 16, 2025.

7. Adjourn

Mayor Ryder adjourned the meeting at 9:14 p.m.

MAYOR: 
Andy Ryder, Mayor

ATTEST: 
Elissa Fontaine, City Clerk

APPROVED: January 6, 2026