



City Council Regular Meeting **Amended*** Agenda

Refer to the bottom of the agenda for meeting information.

Tuesday, January 20, 2026

6:00 PM

Council Chambers and Online

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Land Acknowledgement

We, the City of Lacey, are on the ancestral land of the Tribal People of the Treaty of Medicine Creek, including the Nisqually Indian Tribe and Squaxin Island Tribe. We acknowledge and remember those Tribal People not recognized today who were absorbed or relocated into other tribes for survival. We recognize the ancestors and their descendants who are still here. We recognize and respect the Tribal People of the Treaty of Medicine Creek as the traditional stewards of this land since time immemorial and their role today in taking care of these lands in perpetuity. We recognize and have the responsibility to call attention to the histories of dispossession, forced removal, and abridged treaty rights that allowed our nation, state, and city to develop as they have today. We recommend that community members read the Medicine Creek Treaty of 1854.

5. Approval of Amended* Agenda and Consent Agenda Items

- A. Approval of the Minutes of the Council Informational Dinner Meeting of January 6, 2026
- B. Approval of the Minutes of the Council Regular Meeting of January 6, 2026
- C. Approval of claims, wages, and transfers for December 30, 2025, through January 9, 2026

6. Public Recognitions and Presentations

A. **Lacey Youth Council Report**

* Item added January 20, 2026

B. **Lacey Loves to Read Bookmark Winners**

Jeanette Sieler, Recreation Supervisor, City of Lacey

Jami Roberts, Director of ELA, North Thurston Public Schools

Raina Sedore, Youth Services Coordinator, Timberland Regional Libraries

Erika Scott-Small, Recreation Coordinator, City of Lacey

7. Proclamations

- A. Lacey Loves to Read

8. Public Comment

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

9. Resolutions

A. Resolution 1179: Police Department Fee Schedule Update

Anna McBee, Police Records Supervisor

10. Mayor's Report

A. Appointments to City Council Intergovernmental Boards and Commissions

*Item moved to Worksession (Item 13A)

B. Reappointment to CAR-PFD: Chris Leicht, District-Wide Representative

Mayor Ryder

11. City Manager's Report

A. Authorization of Intercity Transit Smart Corridors Interlocal Agreement

Martin Hoppe, Transportation Manager

Peter Stackpole, Development Director, Intercity Transit

12. Council 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 (EDC)
2. Lodging Tax Advisory Committee (LTAC)
3. Thurston County Coalition Against Trafficking (TCCAT)
4. Joint Animal Services Commission (JASCOM)

C. Councilmember Lenny Greenstein:

1. Emergency Medical Services (EMS)
2. TCOMM911
3. Opioid Abatement Council Independent Subcommittee

D. Councilmember Carolyn Cox:

1. LOTT Clean Water Alliance
2. Regional Housing Council
3. Intercity Transit Authority

E. Councilmember Nicolas Dunning:

1. Thurston Thrives
2. Solid Waste Advisory Committee (SWAC)
3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)

4. Olympic Region Clean Air Agency (ORCAA)
5. Law Enforcement Officers and Fire Fighters Plan 1 Disability Board (LEOFF-1)

13. *Worksession

A. Appointments to City Council Intergovernmental Boards and Commissions

*Item moved from Mayor's Report (Item 10A) on January 20, 2026

14. Adjourn

Attendance and Public Comment

Attend 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_zULHVdKyT0OFXMFCEeV2sw
Website:	https://cityoflacey.org/government/public-meetings/
Facebook:	https://www.facebook.com/cityoflacey
YouTube:	https://www.youtube.com/watch?v=4IL_j5W3CXA
Cable:	Channel 77 with your local cable provider
Phone:	(888) 788-0099 or (877) 853-5247 (Webinar ID 869 6256 4213)

Verbal Public Comment

Each speaker is limited to three minutes. Comments are welcome on matters connected to City business or specific agenda items.

Prior to starting your comments, please provide your:

- a. Name
- b. City of residence or connection to the City
- c. Topic or subject matter of your comments

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_zULHVdKyT0OFXMFCEeV2sw

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

Written Public Comment

Public comments may also be submitted by email to PublicComment@cityoflacey.org. 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.



Lacey City Council Informational Dinner Meeting Minutes

Tuesday, January 6, 2026

Lacey City Hall Community Room

1. Call to Order

Councilmember Ryder called the meeting to order at 4:34 p.m.

2. Roll Call

Council Present

Councilmember Andy Ryder
Councilmember Malcolm Miller
Councilmember Lenny Greenstein
Councilmember Carolyn Cox
Councilmember Nicolas Dunning
Councilmember Maren Turner
Councilmember Ryan Siu

Staff Present

Rick Walk, City Manager
Elissa Fontaine, City Clerk

3. Land Acknowledgement

Councilmember Ryder presented the abbreviated Land Acknowledgement.

4. Approval of the Agenda

Councilmember Greenstein moved to approve the agenda. Councilmember Miller seconded. The motion carried.

5. Discussion on Local and Regional Matters

Discussion ensued on the following topics:

1. Official Councilmember Social Media Pages
2. Council 2026 Retreat Preparation
3. Informational Dinner Meeting expectations
4. Council Salary Commission
5. Council Travel
6. Police Station and Training Facility Update

7. Water Meter Replacement Project Update
8. FIFA Update
9. 2026 Canoe Journey Event
10. HB 2015 Discussion
11. Transportation Benefit District

No final action was taken per Lacey City Council Policies and Procedures, Chapter 7.01.

6. Adjourn

Councilmember Ryder adjourned the meeting at 5:40 p.m.



City Council Regular Meeting Minutes

Tuesday, January 6, 2026

Council Chambers and Online

1. Call to Order

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

2. Roll Call

Council Present

Councilmember Andy Ryder
Councilmember Malcolm Miller
Councilmember Lenny Greenstein
Councilmember Carolyn Cox
Councilmember Nicolas Dunning
Councilmember Maren Turner
Councilmember Ryan Siu

Staff Present

Rick Walk, City Manager
Dave Schneider, City Attorney
Elissa Fontaine, City Clerk

3. Pledge of Allegiance

Councilmember Ryder led the flag salute.

4. Land Acknowledgement

Councilmember Ryder presented the abbreviated Land Acknowledgement.

5. Oath of Office

A. Maren Turner, Position 4

Councilmember Turner completed the ceremonial oath of office for Position 4.

B. Andy Ryder, Position 5

Councilmember Ryder completed the ceremonial oath of office for Position 5.

C. Ryan Siu, Position 6

Councilmember Siu completed the ceremonial oath of office for Position 6.

D. Carolyn Cox, Position 7

Councilmember Cox completed the ceremonial oath of office for Position 7.

6. Nominations and Elections

A. Mayor

Nominations for the position of Mayor were opened.

Councilmember Miller nominated Andy Ryder to serve as Mayor. Ryder accepted the nomination. No other nominations were presented.

Nominations for the position of Mayor were closed.

Without objection, Councilmember Ryder was elected Mayor by unanimous consent.

B. Deputy Mayor

Nominations for the position of Deputy Mayor were opened.

Councilmember Cox nominated Malcolm Miller to serve as Deputy Mayor. Miller accepted the nomination. No other nominations were presented.

Nominations for the position of Deputy Mayor were closed.

Without objection, Councilmember Miller was elected Deputy Mayor by unanimous consent.

Recessed and Reconvened

The meeting recessed at 6:07 p.m. and reconvened at 6:19 p.m.

7. Approval of Agenda and Consent Agenda Items

- A. Approval of the December 9, 2025, Worksession minutes
- B. Approval of the December 16, 2025, Council minutes
- C. Approval of claims, wages, and transfers for December 3 through 26, 2025
- D. Approval of the 2026 Federal Legislative Priorities
- E. Approval of the 2025 Police Department Retained Property Report

Councilmember Greenstein moved to approve the agenda and the consent agenda. Councilmember Dunning seconded. The motion carried.

8. Proclamations

A. **Korean-American Day**

Chami Joe Ro, Washington State Korean American Day Celebration Foundation

Mayor Ryder and Council proclaimed January 13, 2026, as Korean-American Day. Ro was present to accept the proclamation.

B. Dr. Martin Luther King, Jr., Day

Dr. Thelma Jackson, New Life Baptist Church

Reverend David L. Reaves, New Life Baptist Church

Mayor Ryder and Council proclaimed January 19, 2026, as Martin Luther King, Jr. Day. Reverend Reaves and Dr. Jackson were present to accept the proclamation.

9. Public Comment

Verbal Public Comment

Six (6) people signed up to speak at the meeting.

Sandra Englund, signed up to speak but was not present during public comment.

Sujecng Yun, signed up to speak but was not present during public comment.

Shaley Marzolf, Lacey resident, commented on tree permitting and safety concerns.

Mickey Pearson, Lacey resident, commented on tree permitting and safety concerns.

Tracey Dunsmoor, Lacey resident, commented on tree permitting and safety concerns.

Jennifer Bayne, Lacey resident, commented on tree permitting and safety concerns.

No one registered to speak remotely, and no written public comments were received.

10. Mayor's Report

Mayor Ryder welcomed Councilmembers Turner and Siu.

11. City Manager's Report

No reports were provided.

12. Council Reports

A. Councilmember Andy Ryder:

1. Mayors' Forum
2. Thurston Chamber Shared Legislative Committee
3. Transportation Policy Board (TPB)

Mayor Ryder did not provide any reports.

B. Councilmember Malcolm Miller:

1. Economic Development Council (EDC)
2. Lodging Tax Advisory Committee (LTAC)
3. Thurston County Coalition Against Trafficking (TCCAT)
4. Joint Animal Services Commission (JASCOM)

Deputy Mayor Miller did not provide any reports.

C. Councilmember Lenny Greenstein:

1. Emergency Medical Services (EMS)
2. TCOMM911
3. Opioid Abatement Council Independent Subcommittee

Councilmember Greenstein did not provide any reports.

D. Councilmember Carolyn Cox:

1. Lacey-Olympia-Tumwater-Thurston Clean Water Alliance (LOTT)
2. Regional Housing Council
3. Intercity Transit Authority

Councilmember Cox provided a report from the Intercity Transit Authority.

E. Councilmember Nicolas Dunning:

1. Thurston Thrives
2. Solid Waste Advisory Committee (SWAC)
3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)
4. Olympic Region Clean Air Agency (ORCAA)
5. Law Enforcement Officers and Fire Fighters Plan 1 Disability Board (LEOFF-1)

Councilmember Dunning did not provide any reports.

13. Adjourn

Mayor Ryder adjourned the meeting at 6:53 p.m.



STAFF REPORT

Council Regular Meeting
January 20, 2026

Subject: Disbursement Approval
To: Lacey City Council
Prepared by: Carrie Bode, Accounting Technician
Department Director: Troy Woo, Finance Director
Reviewed By: Troy Woo, Finance Director
Final Review: Same as Department Director

Purpose: Action Item

Recommendation: Motion to Approve

Brief: The action requested of the City Council is by motion to approve payment of claims, wages and transfers for 12/30/2025 through 1/9/2026. The disbursements consist of the items below.

Alternatives:

Not Applicable

Prior Review:

Not Applicable

Advisory Board Recommendation(s):

Not Applicable

Fiscal Impact:

Budgeted Item: No

Disbursements consist of the following:

Checks:

<u>Week of</u>	<u>Beg. Check No.</u>	<u>End. Check No.</u>	<u>Amount</u>
12/31/2025*	282685	282689	9,909.02
1/2/2026	282690	282748	269,854.23
1/9/2026	282749	282847	3,648,496.40

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

Electronic Transfers:

<u>Week of</u>	<u>Amount</u>
12/30/2025	63,037.51
12/31/2025*	21,590.99
12/31/2025*	1,984,137.94
12/31/2025	45.82
1/2/2026	3,822,865.35
1/5/2026	5,743.28
1/7/2026	87,626.71
1/8/2026	41.23
1/8/2026	1,519.57
1/8/2026	112.30
1/9/2026	495,147.00

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

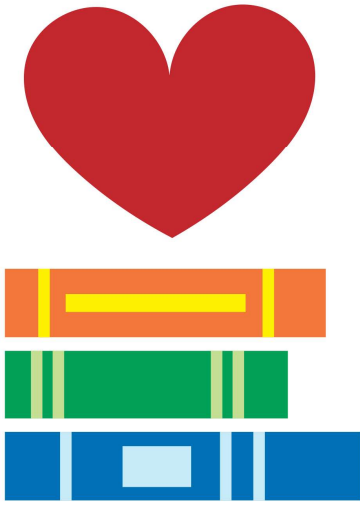
<u>Payroll:</u>	<u>Month End</u>	<u>Wages</u>
	*12/31/2025	2,290,938.27

Significant Disbursements:

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
Olympia-CARPF	63,037.51	December 2025 CARPF
Forma Construction Co.	3,607,066.82	New Police Station
Heritage Bank	172,257.25	Forma Construction Retainage
Department of Revenue	87,626.71	December 2025 Excise Taxes
LOTT Wastewater Alliance	293,682.11	December 2025 Reserve Capacity
LOTT Wastewater Alliance	1,433,140.20	December 2025 ERU's
Pacific Fitness Products, LLC	77,353.15	New PD Facility Fitness Equipment
R.W. Scott Construction	166,556.79	2025 Sidewalk Repair
Rodarte Construction, Inc.	83,391.00	ULID 25-Tolmie Swr & Wtr Improvement
Southwest Solutions Group	94,034.65	New PD Facility Shelving & Bike Racks
WA Cities Insurance Authority	1,509,351.00	2026 Member Assessment



Lacey Loves to Read



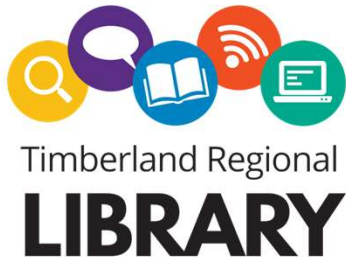
Lacey City Council | January 20, 2026



LACEY PARKS
CULTURE & RECREATION

Lacey Loves to Read

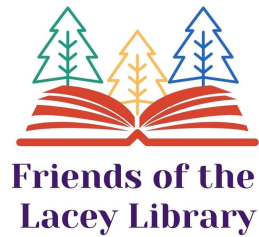
A community partnership



2026 Author Renee Watson
2025 Author Varian Johnson
2024 Author Donna Barba Higuera
2023 Author Dan Gemeinhart
2022 Author Brandon Mull
2021 Author Jason Reynolds
2020 Author Sharon M. Draper
2019 Author Kazu Kibuishi
2018 Author Kate DiCamillo
2017 Author Matt de la Peña
2016 Author Kwame Alexander
2015 Author Kashmira Sheth
2014 Author Patrick Carman
2013 Author Jennifer L. Holm
2012 Author Richard Jesse Watson
2011 Author Kirby Larson
2010 Author Joseph Bruchac
2009 Author Sy Montgomery
2008 Author Pat Mora
2007 Author Naomi Shihab Nye
2006 Author Walter Dean Myers
2005 Author Jane Yolen
2004 Author Gary Soto



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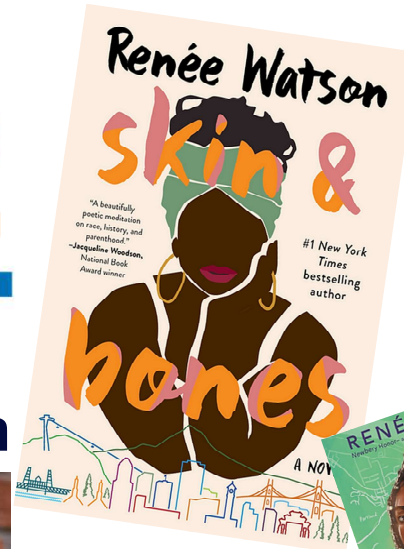
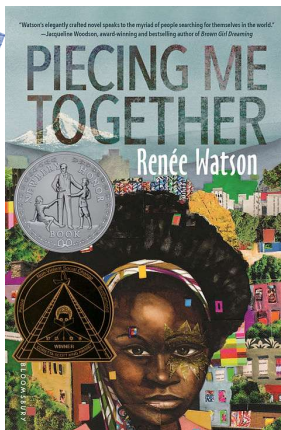
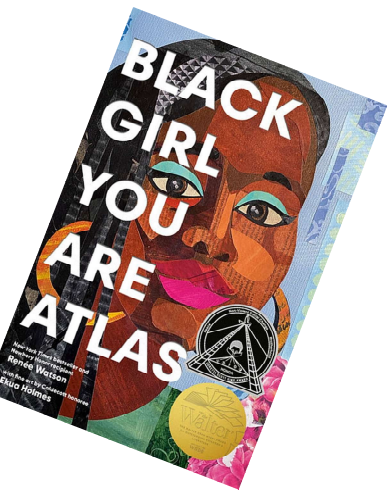
**We couldn't do it without the
support of our great community
partners!**



LACEY PARKS
CULTURE & RECREATION



2026
Lacey Loves to
Read
Author
Renée Watson



LACEY PARKS
CULTURE & RECREATION

Teen Writing and Cover Art Contest



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Lacey Loves to 
Read 

Jan. 26-Feb. 6, 2026



LACEY PARKS
CULTURE & RECREATION



Lacey Loves to Read Community Event
Thursday, February 12, 2026
6:00-8:00pm
Koval Center at North Thurston HS



LACEY PARKS
CULTURE & RECREATION

**Lacey Loves to Read
allows the community
to meet Authors in person**



LACEY PARKS
CULTURE & RECREATION

Lacey Loves to Read Committee members



LACEY PARKS
CULTURE & RECREATION

Lacey Loves to  **Read** 
Presents 2026 Author



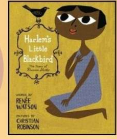
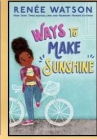
New York Times Bestselling Author
Renée Watson

 Learn more about our author at www.reneewatson.net

FREE COMMUNITY EVENT
Author presentation, photo op & book signing
Thursday, February 12th, 6 - 8 pm
Koval Center for the Performing Arts
4155 6th Ave NE, Lacey

DOOR PRIZES!
KINDLES
& GIFT CARDS!

Book Sales
on Site!
BROWERS




 **Teen Writing and Art Contest: Now - Jan. 10**
Read Around Lacey: Jan. 26 - Feb. 6
For more Lacey Loves to Read information scan the QR code

THANK YOU TO OUR PARTNERS



THANK YOU TO OUR SPONSOR




LACEY PARKS
CULTURE & RECREATION



2026 Lacey Loves to Read Artist

Olivia

Grand Prize
Horizons Elementary
Grade: K



Bookmark Contest Winner

Olivia

Horizons Elementary

Grand Prize Grades K-1



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Jaden

Grand Prize
Olympic View Elementary
Grade: 3rd



Bookmark Contest Winner

Jaden

Olympic View Elementary

Grand Prize Grades 2-3



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2026 Lacey Loves to Read Artist

Natalie

Grand Prize
Pleasant Glade Elementary
Grade: 5th



Bookmark Contest Winner

Natalie

Pleasant Glade Elementary

Grand Prize Grades 4-5



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Eliza
 Grand Prize
 Komachin Middle School
 Grade: 7th

Bookmark Contest Winner
Eliza
 Komachin Middle School
 Grand Prize Grades 6-8



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Ayane

Grand Prize
River Ridge High School
Grade: 12th



Bookmark Contest Winner

Ayane

River Ridge High School

Grand Prize Grades 9-12



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2026 Lacey Loves to Read Artist

Bookmark Contest Winner
Norah
Homeschool
Grand Prize - Community

Norah

Grand Prize
Homeschool
Grade: 4th



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Lily

Superintendent's Choice
Komachin Middle School
Grade: 8th



Bookmark Contest Winner
Lily
Komachin Middle School
Superintendent's Choice



LACEY PARKS
CULTURE & RECREATION

FREE Lacey Loves to Read Community Event

Meet the Author: Thursday, February 12, 6:00pm

Koval Center: North Thurston High School book sales & signings



Lacey Loves to **Read**
Presents 2026 Author

New York Times Bestselling Author
Renée Watson

Learn more about our author at www.reneewatson.net

FREE COMMUNITY EVENT
Author presentation, photo op & book signing
Thursday, February 12th, 6 - 8 pm
Koval Center for the Performing Arts
4155 6th Ave NE, Lacey

DOOR PRIZES!
KINDLES & GIFT CARDS!

Book Sales on Site! Browsers

Teen Writing and Art Contest: Now - Jan. 10
Read Around Lacey: Jan. 26 - Feb. 6
For more Lacey Loves to Read information scan the QR code

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THANK YOU TO OUR SPONSOR



LACEY PARKS
CULTURE & RECREATION

CITY OF LACEY

Official Proclamation

WHEREAS, literacy remains a top school and community priority and is integral to success in school, business, and daily living; and

WHEREAS, providing opportunities for community members of all ages to discuss the cultural and literary merits of reading will help create a culture of "20 minutes a day" family practice and civic pride in Lacey; and

WHEREAS, a community-wide reading program such as "Lacey Loves to Read" month will support both students and community members in understanding the power of writing and literacy in their lives; and

WHEREAS, the partnership between North Thurston Public Schools, the City of Lacey, and the Lacey Timberland Regional Library has made this program possible; and

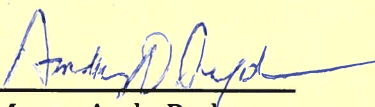
WHEREAS, reading informs, empowers, and teaches us the lessons of history, and reading literature that explores diversity, global, and social issues can help increase tolerance and unity within a community; and

WHEREAS, Lacey community members can read and discuss a variety of works by award-winning author Renée Watson, who will visit our community on February 11 - 13, 2026.

NOW, THEREFORE, I, Andy Ryder, Mayor of the City of Lacey, on behalf of the Lacey City Council, do hereby proclaim February 2026 as

Lacey Loves to Read Month

in the City of Lacey and encourage community members of all ages to acknowledge and celebrate the importance of reading and to discuss works by author Varian Johnson.



Mayor Andy Ryder
January 20, 2026





STAFF REPORT

Council Regular Meeting
January 20, 2026

Subject: Background and Fingerprint Fees
To: Lacey City Council
Prepared by: Anna McBee
Department Director: Robert Almada, Police Chief
Reviewed By: Not Applicable
Final Review: Rick Walk, City Manager



RW

Purpose: Action Item

Recommendation: Motion to Approve Resolution 1179

Brief: Approve a fingerprint fee increase and background fee for firearm dealer employees. Both changes would be implemented upon approval of Resolution 1179.

Alternatives:

1. No change: Continue as is.
2. Approve the background fee only.
3. Approve the fingerprint fee increase only.

Advisory Board Recommendation(s):

Not Applicable - [More information](#)

Fiscal Impact:

Budgeted Item: No

Amount: \$ N/A

Project Code: N/A

Funding Source: N/A

Attachments:

1. Resolution 1179

Policy or Legal Alignment:

1. [RCW 9.41.110](#)

Background: Effective July 1, 2025, RCW 9.41.110(5)(b) requires all employees of firearm dealers to complete a fingerprint-based background check before participating in the sale or transfer of firearms, with annual rechecks thereafter. Previously, only the licensed dealer was required to undergo this fingerprint-based background check each year.

The Department of Licensing firearm dealer license fee is \$125, and includes the \$21 Washington State Patrol (WSP) electronic submission background processing fee. Dealer applicants are required to pay the \$125 application fee, all of which is remitted to the state treasurer. Although the Lacey Police Department (LPD) processes, reviews, and approves or denies these applications, the City does not have the ability to retain any portion of those fees. The Lacey Police Department currently does not charge the requestor the \$21 WSP background check fee the City of Lacey pays WSP to process each firearm employee, because in the past, there were only a few people who needed to get this background/fingerprint combination. Our analysis shows this model is not sustainable and also realize there is no dedicated funding source to sustain this practice.

Within the Lacey Police Department's jurisdiction, there are eight firearm dealers currently licensed. The department has no reliable way to track the number of employees working at each business or how frequently new staff are hired. Since July of 2025, the department has fingerprinted six firearms-dealer employees and we anticipate more employees will have to come to the Lacey Police Department for Firearms dealer licenses to be in compliance with the new state law.

On a separate, but related issue, the Lacey Police Department currently charges a \$12 administrative fee (plus tax) for fingerprinting services, which is not included in the \$125 firearms dealer applicant fee. This fingerprinting fee applies to any individual fingerprinted by the department and is deposited into the City's general fund. For comparison, the Thurston County Sheriff's Office charges \$15 for fingerprinting, and the WSP charges \$16.

The state-set dealer license fee (\$125) and the WSP background processing fee (\$21) are distinct from the Lacey Police Department's administrative fingerprinting fee. The WSP currently invoices the Lacey Police Department \$21 for processing electronically submitted fingerprint background checks.

We recommend the City Council approve a \$21 background service fee for firearm-dealer employee checks, matching the amount invoiced to the City of Lacey by WSP.

We recommend increasing the administrative fingerprinting fee to \$15. This adjustment will make the City's administrative costs for fingerprinting comparable to those of our neighboring agencies.

Additionally, to maintain cost recovery, staff also recommends including an annual escalation clause in the event there are documented market fluctuations. An escalator



clause would be similar to the CPI adjustment outlined in the labor contracts of the employees that provide the service.



RESOLUTION 1179
CITY OF LACEY

A RESOLUTION RELATED TO FEES FOR SERVICES PROVIDED
BY THE LACEY POLICE DEPARTMENT, ADOPTING FEES FOR
PERFORMING BACKGROUND CHECKS AND AMENDING FEES
FOR FINGERPRINTING SERVICES.

WHEREAS, Section 1.20.010 of the Lacey Municipal Code requires that certain fees, charges, and bonding requirements and penalties for failure to pay said fees and charges in a timely manner be established by resolution of the City Council; and

WHEREAS, Lacey Police Department staff has reviewed its fees for fingerprinting services and recommends increasing said fees to bring them in line with actual costs incurred; and

WHEREAS, Lacey Police Department staff recommends authorizing a \$21 fee for firearm-dealer employee background checks to reimburse the Department for the performance of said background checks; and

WHEREAS, The City Council finds that the increase of the fingerprinting fee and the adoption of a fee for background checks are necessary and in the public interest.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, that:

1. Fingerprinting. The Lacey Police Department shall charge a \$15.00 fee to any individual fingerprinted by the Department.
2. Background services. The Lacey Police Department shall charge a \$21.00 fee for performing background checks for employees of firearm-dealers.
3. Fees for fingerprinting services shall be increased on July 1, 2027, and annually thereafter in an amount equal to the cost-of-living increase of Lacey Police Department employees as documented in the most current contract between the City and AFSCME. If the City and AFSCME have not entered into a contract by June 1, the fee increase shall be based on the first half of the previous year Seattle/Tacoma/Bellevue CPI-W.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, this
January 20, 2026.

CITY COUNCIL

By _____
Andy Ryder, Mayor

Attest:

Approved as to form:

Paul J. White, Deputy City Clerk

Dave Schneider, City Attorney



STAFF REPORT

Council Regular Meeting
January 20, 2026

Subject: SMART Corridors Grant Interlocal Agreement
To: Lacey City Council
Prepared by: Martin Hoppe, Transportation Manager *MH*
Department Director: Scott Egger, Public Works Director *SE*
Reviewed By: Dave Schneider, City Attorney
Final Review: Rick Walk, City Manager *RW*

Purpose: Action Item

Recommendation: Authorize

Brief: Authorize the City Manager to enter into an interlocal agreement with Intercity Transit for the Smart Corridor project, which will install A.I-Powered Smart Sensors on Lacey owned traffic facilities.

Alternatives:

1. Do not authorize this agreement, and do not install Smart Sensors on Lacey owned facilities.
2. Provide direction to City Staff on other elements to consider in regards to this issue. After further diligence on these elements, City Staff would then return to the Lacey City Council to review.
3. Some other option not contemplated in the above options.

Prior Review:

N/A

Advisory Board Recommendation(s):

Not Applicable - [More information](#)

Fiscal Impact:

Budgeted Item: Amendment required

Amount: \$40,000

Project Code: ST25IN

Funding Source: Arterial Streets with 100%
Grant reimbursement

Attachments:

1. Interlocal Agreement
2. Project Map/Concept

Policy or Legal Alignment:

1. N/A

Background:

Intercity Transit was awarded a Strengthening Mobility and Revolutionizing Transportation (SMART) Grant to install A.I.-Powered Smart Sensors on Lacey and WSDOT owned facilities. The A.I. platform will use smart sensors to evaluate performance metrics and create an integrated data management dashboard. It is anticipated the dashboard will provide useful information to both the City and Intercity Transit. Metrics that we are evaluating are intersection performance and safety issues, such as traffic counts, mode splits, signal timing, queue lengths, near misses, and traffic violations.

It is important to note, that AI sensor cameras do not capture personally identifiable information and do not track individuals, license plates, or faces. This is a pilot program that ends in November 2026.

Pilot Sites include: Martin Way & College St, Martin Way & Regal, Martin Way & Desmond Dr, 6th Ave SE & Sleater Kinney Rd, 6th Ave & College St, 7th Ave & Sleater Kinney Rd, Pacific Ave & Sleater Kinney Rd, Pacific Ave & College St, and both Martin Way & I-5 Ramps.

Lacey will provide support services, installation coordination, and permitting. Intercity Transit will reimburse Lacey for these costs. The terms of the ILA state that the work Lacey performs under this agreement shall not exceed \$40,000 per calendar year. The A.I. Traffic Sensors and other associated hardware & software purchased and installed as part of this grant will be owned by Intercity Transit. Intercity Transit will also respond to all Public Information Requests.

**INTERLOCAL AGREEMENT BETWEEN
THE CITY OF LACEY AND INTERCITY TRANSIT FOR
SMART CORRIDORS**

Whereas, RCW 39.34.010 permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities; and

Whereas, pursuant to RCW 39.34.080, each party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform: provided, that such contract shall be authorized by the governing body of each party to the contract and shall set forth its purposes, powers, rights, objectives and responsibilities of the contracting parties; and

Whereas, Intercity Transit's system of bus service includes routes on the City of Lacey's roadway system and the City of Lacey's Comprehensive Plan encourages public transportation use within the City, and

Whereas, the equipment provided by Intercity Transit under this agreement in support of the Smart Corridors project has been purchased with federal funds and is subject to US Department of Transportation (USDOT) requirements; and

Whereas, Intercity Transit and the City of Lacey agree to adhere to all applicable federal grant funding requirements including continuing control during the lifecycle of equipment purchased with federal funds coordinated through this Interlocal Agreement; and

Whereas, any future work at signalized intersections owned by Thurston County or WSDOT are subject to approval and processes established under a separate agreement between that jurisdiction and Intercity Transit;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the City of Lacey (CITY) and Intercity Transit (TRANSIT) agree as follows:

I. Purpose/Objectives

This Interlocal Agreement (“Agreement”) is entered into by and between the City of Lacey (“City”) and Intercity Transit (“Intercity Transit”), collectively referred to as “Parties,” for the purpose of installing and maintaining a cloud-based AI technology using detection cameras at selected intersections within the City of Lacey.

II. Background

Intercity Transit and the City of Lacey previously partnered on the Transit Signal Priority (TSP) initiative to improve transit operations and reliability. Building on that collaboration, the Parties now seek to implement an AI Platform to detect, classify, and predict road users' behavior in real time.

Funding for this project is provided through the U.S. Department of Transportation (USDOT) Strengthening Mobility and Revolutionizing Transportation (SMART) Grant.

III. Scope of Agreement/Work

The project consists of the installation of the AI platform at a maximum of 10 intersections within the City of Lacey. The AI platform will collect multimodal traffic and performance data to support corridor management, safety analytics, and operational improvements.

The Parties may, by mutual written agreement, authorize the installation of additional cameras or intersections to expand project implementation as funding and priorities allow.

Specific locations, roles, and installation responsibilities are detailed in Exhibit A – Scope of Work and Responsibilities.

IV. Payment

Project funding will be provided under the SMART Grant awarded to Intercity Transit. Costs incurred by the City for support services, installation coordination, or permitting will be reimbursed consistent with the grant’s terms and conditions, as set forth in Exhibit A. No local match is required from the City unless otherwise specified in writing. All procurement and financial activities shall comply with federal and local regulations governing the use of SMART Grant funds.

Amount payable for work to be performed under this Agreement **shall not exceed \$40,000 per calendar year**. Should the estimated cost to provide any proposed support service exceed \$40,000, said service is subject to separate review and approvals by TRANSIT and CITY in accordance with agency policies and procedures

V. Federal Grant Requirements and Ownership

TRANSIT will retain ownership of the Components that they purchased. with federal grant funds. Future amendments to this agreement that include transfer of ownership of Components purchased by TRANSIT are subject to all federal requirements, which would

include ownership, access to, continuing use, control, and disposal of Components in compliance with all federal regulations during the lifecycle of the equipment as defined by the USDOT.

VI. Method of Payment

- A. Lacey will invoice TRANSIT on an as needed basis.
- B. Upon completion of the work set forth in the invoice, payment will be made by TRANSIT within thirty (30) calendar days of receipt of an invoice from the CITY.

VII. Indemnification & Insurance

- A. TRANSIT agrees to defend, indemnify and hold the CITY, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or in connection with TRANSIT's performance of the Agreement, except to the extent such injuries and damages are caused by the negligence of the CITY.
- B. The CITY agrees to defend, indemnify and hold TRANSIT, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including reasonable attorney fees, arising out of or in connection with the CITY's performance of this Agreement, except to the extent such injuries and damages are caused by the negligence of TRANSIT.

VIII. Joint Board

This Agreement creates no Joint Board and no separate legal entity.

IX. Duration of Agreement

This Agreement shall be effective until it is terminated in the manner described under the termination section of this Agreement.

X. Termination of Agreement

This Agreement may be terminated upon one hundred eighty (180) days' notice to the other party using the method of notice provided for in this Agreement.

XI. Entire Agreement

This Agreement, including the exhibits and any additions as provided for in Section III herein, sets forth all terms and conditions agreed upon by the CITY and TRANSIT, and supersedes any and all prior agreements oral or otherwise with respect to the subject matter addressed herein.

XII. Recording

Prior to its entry into force, this Agreement shall be filed with the Thurston County Auditor's Office or posted upon the websites or other electronically retrievable public source as required by RCW 39.34.040.

XIII. Employment relationship

Employees of each agency shall remain at all times under the direction and control of their employing agency and the performance of work for any other agency pursuant to this Interlocal Agreement shall not change that relationship for any purpose. Neither agency shall be deemed to have agreed to pay the other agency's employees any wages or benefits afforded to its own employees. Further, each agency's responsibilities to its own employees for work place injuries shall remain unchanged by this Interlocal Agreement.

XIV. Notice and Delegated Authority

Any notice required under this Agreement shall be to the party at the address listed below and shall become effective three days following the date of deposit in the United States Postal Service.

Mailing Address	CITY OF LACEY Attn: Martin Hoppe, Transportation Manger Re: Smart Corridors Agreement with INTERCITY TRANSIT 420 College St SE Lacey, WA 98503-1238	INTERCITY TRANSIT Attn: Peter Stackpole, Development Director Re: Smart Corridors Agreement with CITY OF LACEY P.O. Box 659 Olympia, WA 98507-0659
Telephone Number	(360) 491-5600	(360) 357-1795

XV. Records

Each party shall independently maintain, retain, and manage its own public records, including all data collected, produced, or stored by equipment, systems, or platforms it owns, operates, or controls.

For the avoidance of doubt, any data generated through the AI platform that is collected, transmitted, stored, or otherwise maintained on Intercity Transit–owned equipment or systems shall constitute Intercity Transit’s public record. Intercity Transit shall bear sole

responsibility for responding to any public records requests seeking such data, including determining the applicability of exemptions and ensuring compliance with all disclosure requirements under applicable law.

Relating to the subject matter of this Interlocal Agreement, each party is solely responsible for responding to public records requests for records in accordance with RCW 42.56.

XVI. Interpretation and Venue

This Agreement shall be governed by the laws of the State of Washington as to interpretation and performance. The parties hereby agree that venue for enforcement of this agreement shall be the Superior Court of Thurston County.

XVII. Effective Date

This Agreement shall take effect as of the date of filing or posting as required by RCW 39.34.040.

CITY OF LACEY

City Manager

Date: _____

Approved as to form:

City of Lacey Attorney

INTERCITY TRANSIT

General Manager

Date: _____

Approved as to form:

Intercity Transit Attorney

Exhibit A

DETAILED SCOPE OF WORK & RESPONSIBILITIES

1. Project Overview

This project will install an AI platform at a maximum of 10 intersections within the City of Lacey as a pilot project.

The intent of this effort is to support the broader Smart Corridors Program and pilot data-driven strategies that may be expanded in future phases. The Parties may, by mutual written agreement, authorize installation of additional cameras or intersections beyond the initial 10 sites to expand implementation or address new corridor needs.

Sites identified for the pilot project include:

- Martin Way & College St
- Martin Way & Desmond Dr
- Martin Way & Martin Village West Entrance
- 6th Ave SE & Sleater Kinney Rd
- 6th Ave/Abbey Way & College St
- 7th Ave & Sleater Kinney Rd
- Pacific Ave & Sleater Kinney Rd
- Pacific Ave & College St

At the end of the project, if the City of Lacey decides not to pursue the Smart Corridors Program, Intercity Transit will restore these signals back to a condition equal to, or better than the original condition.

2. Roles and Responsibilities

A. Intercity Transit shall:

1. Serve as the lead agency and primary point of contact for the USDOT SMART Grant.
2. Manage all grant-funded procurement, contracting, and reimbursement in accordance with federal, state, and local requirements.
3. Coordinate with the City of Lacey on site selection, design review, and permitting for installation.
4. Provide contractor oversight for camera installation, integration, and testing.
5. Ensure that system configuration aligns with the overall Smart Corridors architecture and performance objectives.
6. Lead project reporting, documentation, and performance evaluation required by USDOT.
7. Facilitate data access for City of Lacey staff.

B. City of Lacey shall:

1. Review and approve proposed installation locations on City rights-of-way and traffic signal infrastructure.
2. Provide necessary permits and coordinate with City staff for scheduling and access.
3. Verify compliance of installation with City standards,
4. Participate in evaluation and review of operational data and performance outcomes.
6. Attend bi-weekly project coordination meetings.
7. Provide any relevant as-built data where available.
8. Review and approve concept design and installation drawings/sketches.
9. Review and provide comment/input on Final Implementation Report

C. Joint Responsibilities:

1. Participate in regular coordination meetings to monitor progress, address technical issues, and review deliverables.
2. Collaboratively identify opportunities for future expansion or technology upgrades.
3. Share project results and lessons learned with regional partners and the Transportation Policy Board (TPB).

3. Deliverables

- Installation and activation of approximately 10 intersections.
- System documentation and as-built records.
- Data-sharing framework and security protocols.
- Final performance summary report to USDOT.

4. Schedule

Project Initiation: Upon USDOT authorization and release of funds.

Installation Period: Anticipated within the official SMART Grant performance window (May 15, 2025 – November 14, 2026).

Closeout: Following completion of all installation, testing, and reporting activities, or as amended by mutual agreement.

6. Funding Source

All work under this Agreement is funded by the U.S. Department of Transportation SMART Grant awarded to Intercity Transit.

7. Cost Responsibilities

A. Intercity Transit shall:

1. Serve as the grant recipient and fiscal agent.

2. Cover all eligible project costs—including equipment procurement, installation, integration, and consultant services—through SMART Grant funds.
3. Manage all reimbursements, invoicing, and financial reporting to USDOT.
4. Provide periodic budget and expenditure summaries to the City of Lacey upon request.

B. City of Lacey shall:

1. Provide staff time for coordination, permitting, and inspection to be reimbursed by Intercity Transit, unless otherwise agreed.
2. Bear the cost of any City-initiated work outside the approved project scope, unless specifically approved as a reimbursable expense under the SMART Grant.

For the purposes of this Agreement, an eligible expense is any cost incurred by the City of Lacey that is necessary and reasonable for performing work described in this Agreement, directly supports implementation of the SMART Grant project, and is allowable under the terms of the U.S. Department of Transportation SMART Grant and 2 CFR Part 200. Eligible expenses must be properly documented with itemized invoices and supporting records that demonstrate the nature, purpose, and timing of the cost, and must be consistent with the approved project scope and budget. Examples include City staff time related to permitting, inspection, and coordination, as well as other costs expressly authorized under the SMART Grant.

8. Reimbursement Procedures

Intercity Transit shall reimburse the City for any eligible costs incurred in support of this project upon receipt of itemized invoices and supporting documentation.

Reimbursement requests shall be submitted no later than sixty (60) days after completion of the work or expenditure.

Payment shall be made within thirty (30) days of receipt and approval of documentation.

9. Accounting and Audit

Both Parties shall maintain detailed financial and programmatic records consistent with 2 CFR Part 200 (Uniform Guidance) and applicable state law. Records shall be retained for a minimum of six (6) years following project closeout and made available for audit or inspection upon request by USDOT or either Party.

10. Amendments

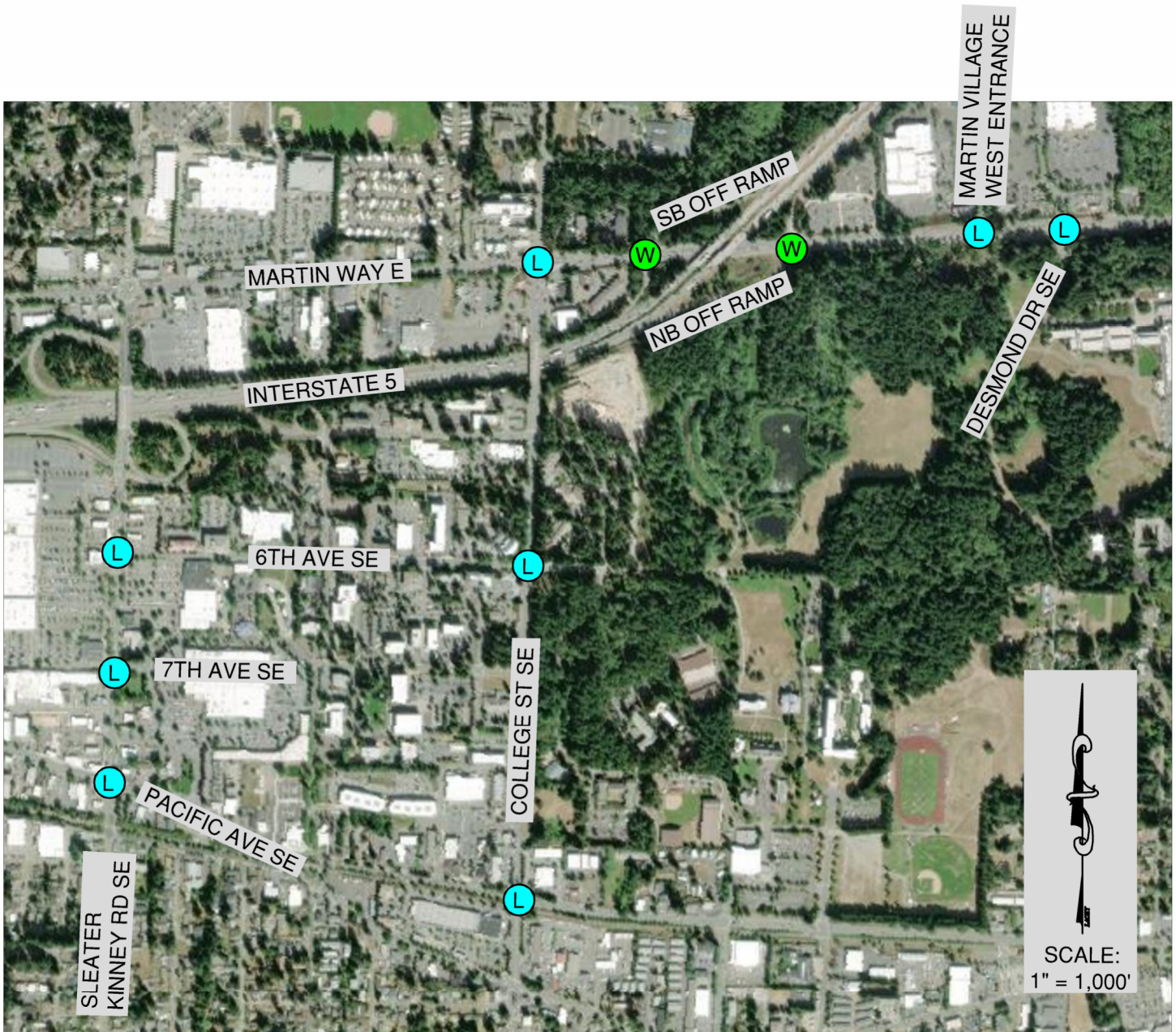
Adjustments to funding allocations, scope, or cost responsibilities shall be made by mutual written amendment to this Exhibit and approved by both Parties' authorized representatives.



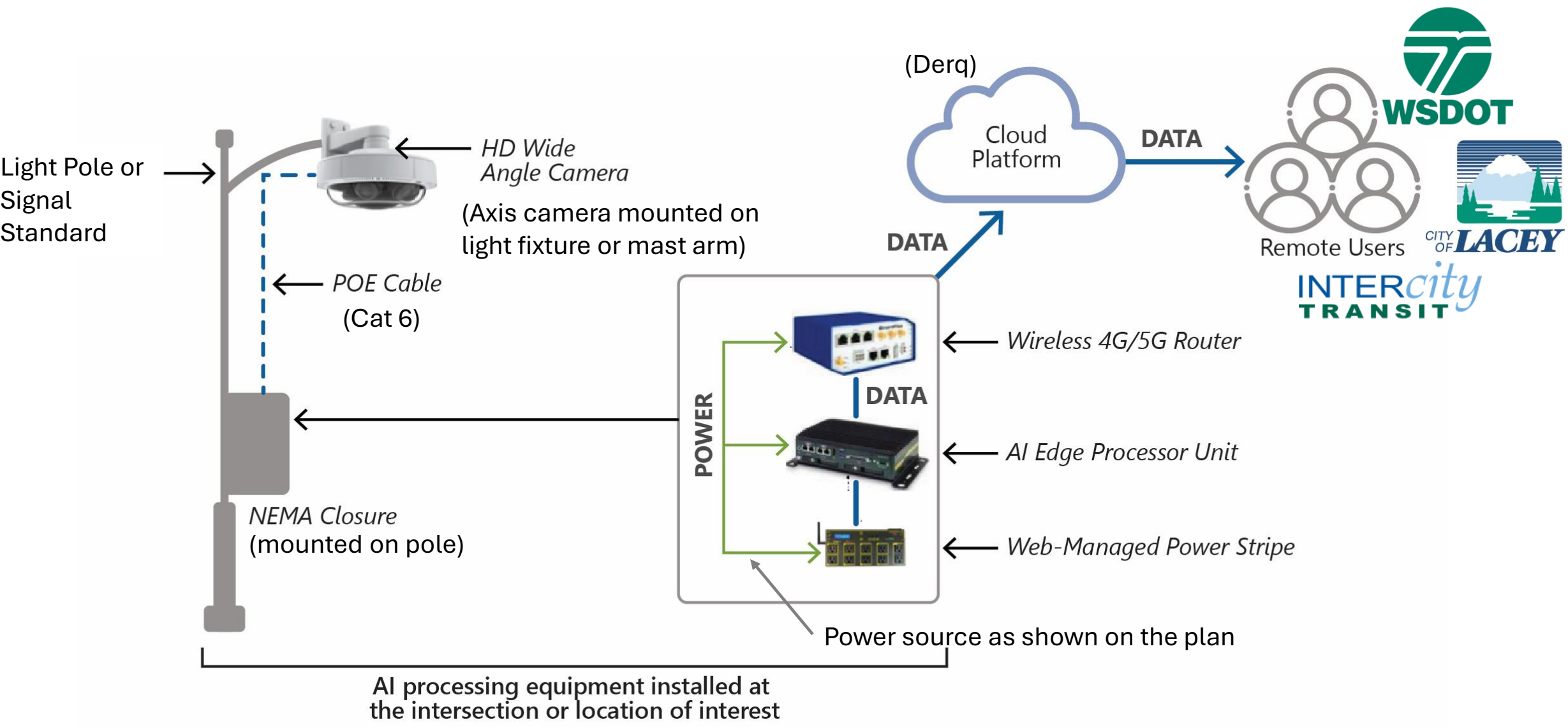
INTERCITY TRANSIT SMART GRANT INTERSECTION ANALYSIS LOCATIONS

CITY OF LACEY

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION



Intercity Transit/City of Lacey SMART Grant – Concept Design for SMART Sensor Camera





USDOT SMART AI Sensors Grant Update – Stage 1

Lacey City Council Meeting
January 20, 2026

Peter Stackpole, Development Director



ParametriX



**INTERcity
TRANSIT**



Outline:

- Grant Overview
- Project Goals
- Interlocal agency agreement
- Proposed technology
- Data Analytics
- Project Timeline

What is a USDOT SMART Grant?



- Purpose: Fund technology innovation to solve real world problems
- Funded by the Bipartisan Infrastructure Law
- \$100M annually for FY 2022-2026
- Public entities such as state DOT's, cities, counties, tribes, ports, MPO, transit agencies are eligible
- Two Stage Grant
- Stage 1 (Demonstration): Up to \$2,000,000
- Stage 2 (Implementation): Up to \$15,000,00
- Eligible Technologies: Connected and autonomous vehicles, smart sensors, smart signals, system integration



INTERcity
TRANSIT

Intercity Transit/Lacey SMART Grant

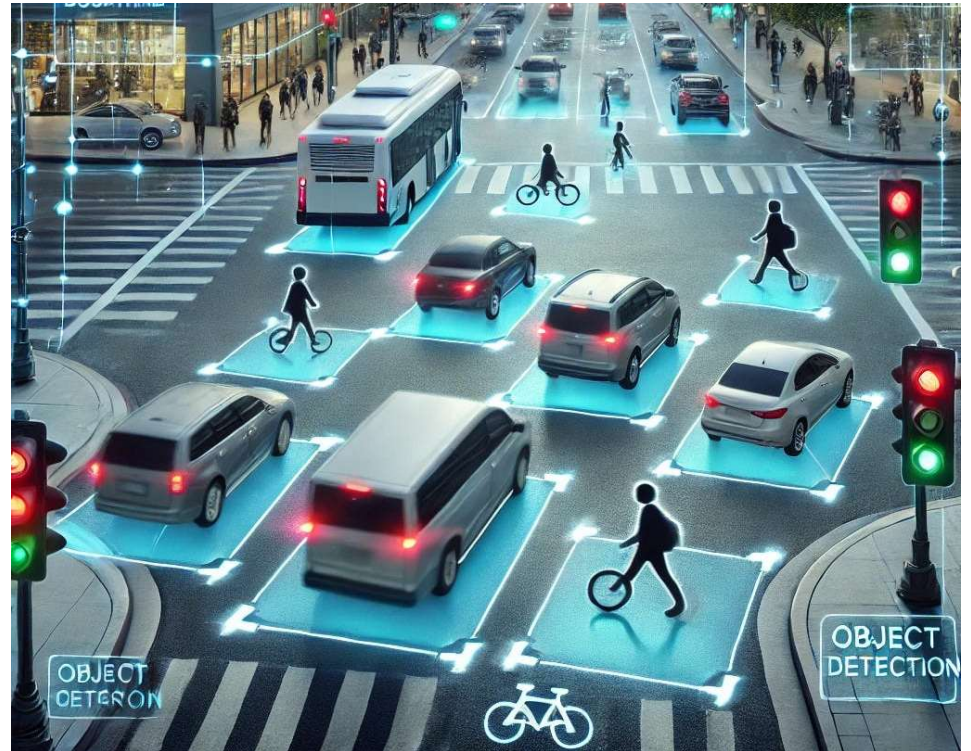
Install smart sensors at 10 intersections around the Lacey Transit Center and on Martin Way

Use AI analytics to track and identify bike, ped, transit and vehicle conflicts

Develop an integrated data warehouse and dashboard to manage systems, identify conflicts and report benefits

Goals

- Reduce conflicts and improve safety
- Optimize operations for all modes
- Scale technology for other corridors



Purpose of the Interlocal Agreement (ILA)

- Supports deployment of SMART Grant A.I. traffic sensors on Lacey owned facilities
- Enables installation, permitting, and support services provided by the City of Lacey
- Allows Intercity Transit to reimburse Lacey for eligible costs (up to \$40K/year)
- Establishes ownership and responsibilities:
 - Intercity Transit owns all sensors, hardware, and software
 - Intercity Transit responds to Public Information Requests
- Facilitates a pilot to evaluate multimodal performance and safety metrics (through Nov. 2026)

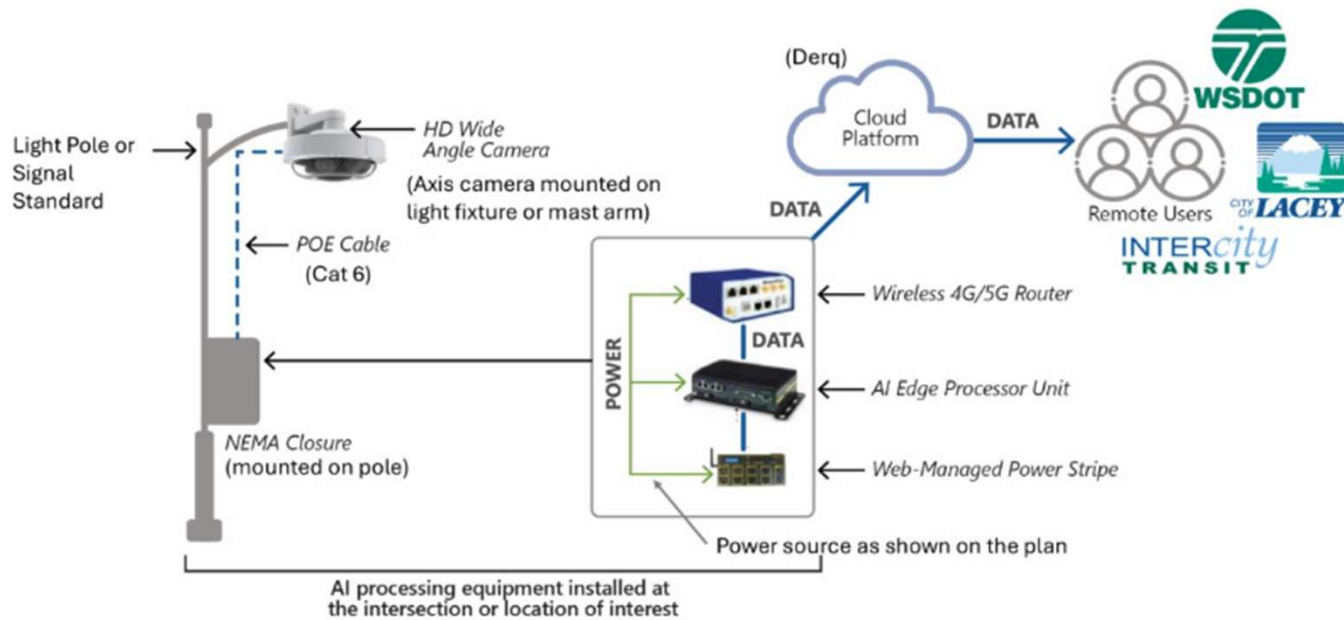
SMART Grant Demonstration Goals

- Is the technology accurate, efficient and reliable?
- What are the benefits of the technology?
- Is the technology scalable?
- Integrated Data Management and Analytics
 - Data warehouse provides a common repository for all data
 - Dashboard provides useful and meaningful data analytics
 - All agencies have access to the data



Smart Camera Design

Intercity Transit/City of Lacey SMART Grant – Concept Design for SMART Sensor Camera



Smart Sensor Cameras

- **What the AI Sensors *Do***

- Analyze real-time traffic activity using computer vision
- Support multimodal corridor evaluation and operational decision-making
- Feed summarized results into a centralized performance dashboard
- Provide data to improve safety, efficiency, and planning outcomes

- **What the AI Sensors *Do Not Do***

- Do not function as traditional surveillance cameras
- Do not capture personally identifiable information
- Do not track individuals, license plates, or faces



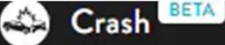
Sample image from the 360 fisheye cameras for the SMART

Example: Vehicle-Ped Near Miss Event



City of Seattle

INTERcity
TRANSIT



Event ID : 68ebd97d9e758b001265601a

Location
MLK & S Columbian Way

Detected on
10-12-2025 09:38:17 AM

Detection Area
Intersection Center



Road User A

Class: Passenger Vehicle

Speed: 23 mph

Movement: LT

Direction: NWB

Road User B

Class: Passenger Vehicle

Speed: 10 mph

Movement: TH

Direction: WB

Example:
Vehicle –
Vehicle
Collision Event

City of Seattle

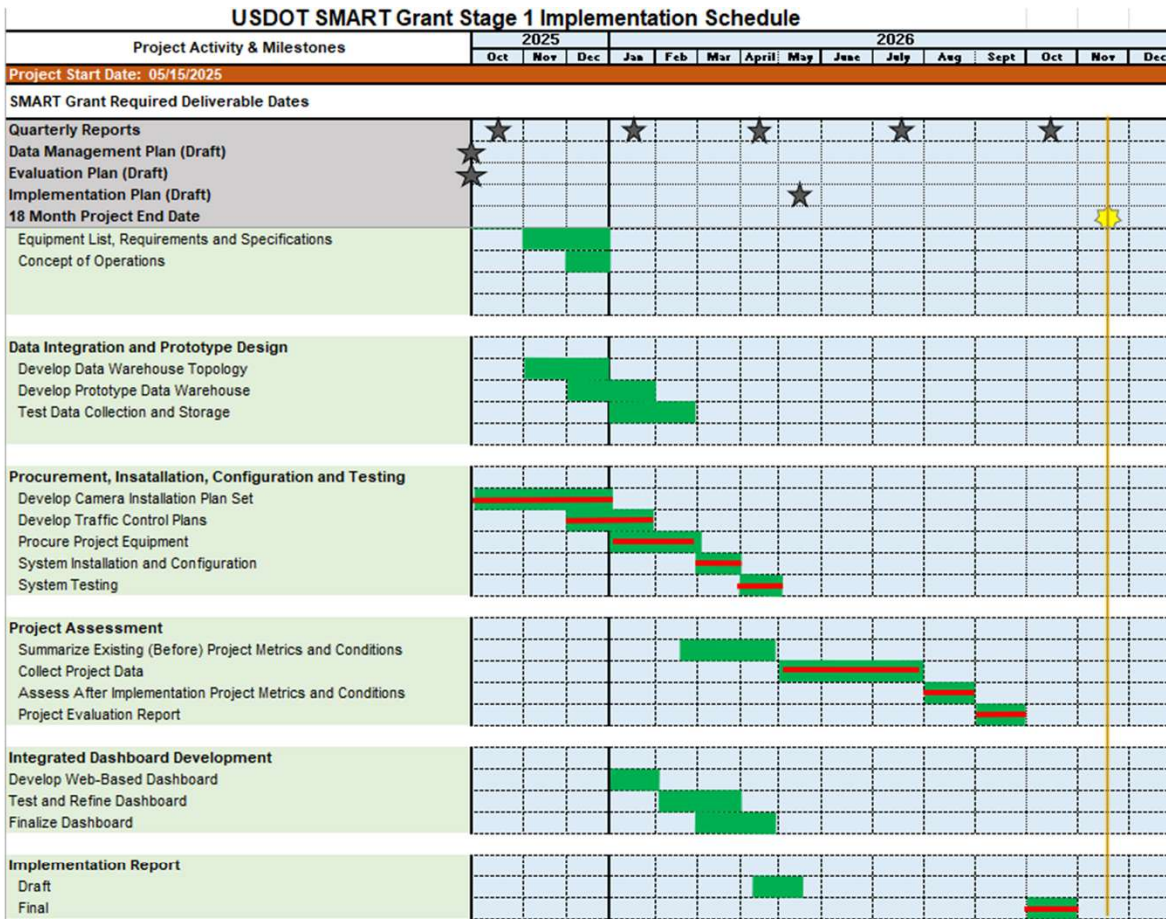
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TRANSIT

Data Evaluation and Analytics – Dashboard Analytics



How the Dashboard Supports Decision-Making

- Highlights on-time performance and where reliability breaks down
- Shows intersection delay by location and direction
- Tracks TSP requests vs. grants to evaluate priority effectiveness
- Allows before/after comparisons to measure improvements
- Helps identify hot spots for operational or safety interventions
- Supports data-driven planning and grant reporting
- Provides a pathway toward corridor- and system-level metrics over time



SMART Grant Stage 1 – Implementation Timeline Overview

- **Project Start Date:** May 15, 2025
- **Project Duration:** 18 months
(Target Completion: November 14, 2026)

All AI smart sensors and related equipment will be purchased via the State Contract and are 100% funded by the SMART Grant.



Any Questions

Peter Stackpole (he/him)

INTERcity TRANSIT

Development Director

pstackpole@intercitytransit.com

P: 360-357-1795 | **C:** 564-233-8984

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