

MINUTES OF A REGULAR MEETING OF THE
LACEY CITY COUNCIL HELD THURSDAY,
NOVEMBER 4, 2021, REMOTE ATTENDANCE

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

PLEDGE OF ALLEGIANCE: Deputy Mayor Pratt led the Pledge of Allegiance.

COUNCIL PRESENT: C. Pratt, C. Cox, L. Greenstein, E. Kunkel, M. Miller, M. Steadman

COUNCIL EXCUSED: A. Ryder

STAFF PRESENT: S. Spence, R. Almada, J. Burbidge, S. Egger, M. Hardie, S. Kelley-Fong, D. Schneider, R. Walk, T. Woo, E. Fontaine

Deputy Mayor Pratt requested to amend the agenda to move agenda item *6.A Veteran's Day and Veteran's Appreciation Month Proclamation* before agenda item *5. Public Hearings*.

APPROVAL OF AGENDA
AND CONSENT AGENDA:

Consent Agenda Items:

- A. Council Worksession minutes of October 14, 2021.
- B. Council Meeting minutes of October 21, 2021
- C. A motion to approve payment of claims, wages and transfers for October 14, 2021, through October 29, 2021
- D. 2021 Property Retained by Police Department

COUNCILMEMBER GREENSTEIN MOVED TO APPROVE THE AMENDED AGENDA AND CONSENT AGENDA. COUNCILMEMBER KUNKEL 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.

No members of the public registered to speak.

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.

One written public comment was received and made part of the official record.

PROCLAMATIONS:

Deputy Mayor Pratt and Council proclaimed November as Veteran's Appreciation Month. Col. Jared Bordwell, accepted the proclamation.

PUBLIC HEARING:

Troy Wood, Finance Director, presented the 2022 Revenue Sources. RCW 84.55.120 requires a public hearing be conducted on revenue sources for the coming year's budget, including the consideration of possible increases in property tax revenues. The hearing must be conducted before setting next year's property tax levy. Council is scheduled to set the 2022 property tax levies on November 18, 2021.

The total 2022 General Fund revenues decreased \$300,560, or 0.50 percent, compared to the 2021 General Fund budget. This is a slight change compared to the proposed budget that was presented on October 21, 2021, which highlighted a \$355,274 difference. Staff advised that the change is related to an updated property tax projection. The property tax projection now includes the addition of the 2021 refund levy and additional new construction.

Staff highlighted significant General Fund revenue changes, and provided an overview of the Arterial Street Fund, Transportation Improvement Fund, and Utility Fund revenues:

Deputy Mayor Pratt opened the 2022 Revenue Sources Public Hearing at 5:10 p.m. to accept public comment and provide staff with any guidance or direction on revenue sources.

No one from the public provided public testimony.

Deputy Mayor Pratt closed the 2022 Revenue Sources Public Hearing at 5:11 p.m.

Troy Woo, Finance Director, presented the 2022 Budget and highlighted the following:

The total proposed 2022 Budget is \$173,650,467, which is a decrease of \$16,494,867 compared to the amended 2021 Budget. Increasing labor costs and additional workforce considerations are offset by reductions to capital expenditures and one-time transfers.

Staff highlighted that revenue growth, attributed to past new construction, is positively impacting property tax with the increase to assessed valuation. This is helping fund the growing costs required to maintain service levels. Sales taxes have been an unexpected source of strength in the local economy during the COVID-19 public health emergency, which is also a major contributor to maintaining service levels and in certain areas enhancing service levels and delivery.

The total proposed General Fund Budget is \$60,091,615. This is a decrease of \$300,560 or 0.6 percent compared to the amended 2021 General Fund Budget.

The decrease to the General Fund Budget expenditures is mostly attributed to lower capital equipment purchases, the 2021 Veterans Services Hub tenant improvements, and fewer one-time transfers out to other funds for one-time capital purchases and projects.

The proposed 2022 Budget maintains all services and provides funding for a number of capital:

Subsequent to the City Manager's October 21 budget presentation, the proposed 2022 Budget has been adjusted to include property tax adjustments for the 2021 refund levy and slight increases due to new construction. These adjustments increased the property tax projection and total budget by \$54,714.

The City Council is scheduled to conduct a second and final budget hearing on November 18, 2021. Budget adoption is scheduled for December 2, 2021.

Deputy Mayor Pratt opened the 2022 Budget Public Hearing at 5:41 p.m. to accept public comment and provide staff with any guidance or direction on revenue sources.

Aaron Dumas, provided public testimony in support of the Climate Action Plan budget initiatives.

Wayne Olsen, Lacey resident, provided public testimony in support of the Climate Action Plan budget initiatives.

Nova Berkshires, Panorama resident, provided public testimony in support of the Climate Action Plan budget initiatives.

Deputy Mayor Pratt closed the 2022 Budget Public Hearing at 5:51 p.m.

ORDINANCES:

Mary Ann Hardie, Human Resources Director, presented Ordinance 1602 to amend Lacey Municipal Code (LMC) 2.52 relating to Civil Service Eligibility.

On May 16, 2019, a special Civil Service meeting was held, where language was presented and approved by the Commission to exclude the Deputy Police Chief from Classified Service and the provisions of the Civil Service Rules. Based on this change, staff is recommending that LMC 2.52.060 be updated to reflect the change that the Deputy Police Chief (as of May 16, 2019) is also not covered under Civil Service.

The General Government & Public Safety Committee reviewed the proposed code changes at the October 26, 2021, meeting and recommended adoption.

COUNCILMEMBER STEADMAN MOVED TO APPROVE ORDINANCE 1602 TO AMEND LMC 2.52.010 AND 2.52.060 RELATING TO CIVIL SERVICE ELIGIBILITY. COUNCILMEMBER GREENSTEIN SECONDED. MOTION CARRIED.

STANDING COMMITTEES:

Finance & Economic Development Committee

Councilmember Greenstein reported the Committee met on September 28, 2021, and discussed the 2022 Budget and Investment Strategy.

Land Use & Environment Committee

Councilmember Cox reported the Committee met on September 28, 2021, and October 26, 2021, and discussed the following:

- Electric Vehicle Charging Stations
- Electric Vehicle Parking Standards
- Multi-Family Parking Standards
- Land Use Development Update

Community Relations & Public Affairs Committee

Councilmember Steadman reported the Committee met on October 4, 2021, and discussed the 6-year art plan.

Utilities Committee

Councilmember Kunkel reported the Committee met on October 4, 2021, and discussed PSE Green Direct Program and received an update on the Utility Rates Open House.

General Government & Public Safety Committee

Deputy Mayor Pratt reported the Committee met on October 26, 2021, and discussed the following:

- 2021 Property Reclaimed by the Police Department
- LMC 2.52.060 – Civil Service Eligibility Update

BOARDS & COMMISSIONS:

JASCOM

Deputy Mayor Pratt reported the board met on November 1, 2021, and discussed the following:

- Proposed Budget Assessments
- Budget Hearing
- 5-year Strategic Plan

LOTT

Deputy Mayor Pratt reported on several items:

- Interlocal Agreement with City of Tumwater for Property Transfer
- Succession Planning for Critical Positions
- Master Planning Update Presentation
- Resolution regarding the Biological Process Improvements Loan Agreement
- North Outfall Repair

Olympic Region Clean Air Agency

Deputy Mayor Pratt reported on several items:

- County Treasurers Presentation
- Draft ORCAA Regulation Updates
- Air Quality Program Update
- Education and Outreach Update

Intercity Transit

Councilmember Cox reported meetings were held on October 20, 2021, and November 3, 2021, and discussed the following topics:

- Task Order 1 Iteris Thurston Smart Corridors Implementation
- Amend Zero-Fare Demonstration Project Resolution
- Roadmap to Zero Emission Fleet Presentation
- Selection of CAC Candidates for Interviews
- Service Levels Update
- Staff Vaccination Rates
- Public Hearings on the 2022 Draft Budget and 2022-2027 Draft Strategic Plan

Regional Housing Council

Councilmember Cox reported a meeting was held on October 27, 2021, and discussed the following:

- Hotel and Rapid Rehousing RFP
- Thurston County and City of Olympia MOU regarding the Martin Way and Carpenter Road Project
- Permanent Supportive Housing Plan
- Home Fund Updates

TCOMM911

Councilmember Greenstein reported on the following:

- Proposed Budget scheduled for review at an upcoming joint meeting with the Operations Board
- Recruitment of a new Deputy Director
- Staffing shortages and recruitment efforts

Thurston County Coalition Against Trafficking

Councilmember Miller reported on the Community Conversations Annual Event, currently scheduled for January 26, 2022, from 6:00 – 8:00 p.m.

Community Action Council

Councilmember Steadman reported on the Budget and Entry audit.

Olympia-Lacey-Tumwater Visitor & Convention Bureau

Councilmember Kunkel reported a Board Retreat was held on October 19, 2021, and discussed the following:

- Tourism
- Organizational outreach
- Increasing uses for modern technology

Economic Development Council

Councilmember Kunkel reported a Board Retreat was held on October 27, 2021.

Lacey South Sound Chamber

Councilmember Kunkel reported a meeting was held November 3, 2021, and discussed the upcoming Winterfest Event, Sip Savor and Shop.

Solid Waste Advisory Committee:

Councilmember Kunkel reported on the recent Budget presentation.

Deputy Mayor Pratt convened to an Executive Session at 6:25 p.m. for 20 minutes for the City Manager's performance review pursuant to RCW 42.30.110(1)(g). The regular Council meeting will reconvene at 6:45 p.m.

Deputy Mayor Pratt reconvened the regular Council Meeting at 6:45 p.m. and announced the Executive Session will reconvene for an additional 5 minutes until 6:50 p.m.

Deputy Mayor Pratt reconvened the regular Council meeting at 6:50 p.m. No action was taken.

Deputy Mayor Pratt adjourned the meeting at 6:51 p.m.

MAYOR: _____

ATTESTED BY CITY CLERK: _____

DATE APPROVED: _____