



CITY COUNCIL
ANDY RYDER
Mayor

CYNTHIA PRATT
Deputy Mayor

LENNY GREENSTEIN
MICHAEL STEADMAN
CAROLYN COX
ED KUNKEL
MALCOLM MILLER

CITY MANAGER
SCOTT SPENCE

LACEY CITY COUNCIL AGENDA

OCTOBER 8, 2020

4:00 P.M.

REMOTE ATTENDANCE

To comply with Governor Inslee's [Proclamation 20-28](#), the City Council meeting will be conducted remotely, not in-person. You may view the Council meeting by watching live through video streaming on [Live Meetings](#), [YouTube](#), [Facebook](#), or Thurston Community Media, Channel 3 with your local cable provider.

The public may also listen to the meeting via telephone by dialing toll-free:

(888) 788-0099 or (877) 853-5247 - when prompted enter Webinar ID **828 6953 7163**
press # (participant ID not required)

CALL TO ORDER:

1. **PLEDGE OF ALLEGIANCE**
2. **APPROVAL OF AGENDA & CONSENT AGENDA ITEMS***
 - A. [Council Worksession minutes of September 17, 2020.](#)
 - B. [Council Meeting minutes of September 24, 2020.](#)
 - C. [A motion to approve payment of claims, wages, and transfers for September 17, 2020 through September 29, 2020.](#)

**Items listed under the consent agenda are considered to be routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

3. **PUBLIC RECOGNITIONS AND PRESENTATIONS:**
4. **PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA****

VERBAL PUBLIC COMMENT

Persons wishing to provide verbal public comment on items NOT on the agenda must preregister to speak at https://us02web.zoom.us/webinar/register/WN_eqrTP7SQQxiYCWXAryE6OQ. Instructions and access details will be provided once registration is complete. Registration for verbal public comment closes at 3:00 p.m. on October 8, 2020.

WRITTEN PUBLIC COMMENT

Public comments may also be submitted by email to publiccomment@ci.lacey.wa.us. 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. The commenting period will close at 12:00 p.m. on October 8, 2020.

5. **PUBLIC HEARING:**
6. **PROCLAMATIONS:**
 - A. [Arbor Month \(Steve Kirkman\)](#)

7. REFERRAL FROM PLANNING COMMISSION:
8. REFERRAL FROM HEARINGS EXAMINER:
9. RESOLUTIONS:
10. ORDINANCES:
11. MAYOR'S REPORT:
 - A. Recommend Reappointment of Aram Wheeler to Board of Parks Commissioners (*Andy Ryder*)
12. CITY MANAGER'S REPORT:
 - A. [Contract Award for Lacey SPSCC Building 2 Lower Level TI \(Steve Kirkman\)](#)
13. STANDING GENERAL COMMITTEE:
 - A. [Finance and Economic Development Committee \(09.22.2020\)](#)
 - B. [General Government and Public Safety Committee \(09.22.2020\)](#)
 - C. [Land Use Committee \(09.22.2020\)](#)
14. OTHER BUSINESS:
15. BOARDS, COMMISSIONS AND COMMITTEE REPORTS:
 - A. Mayor Andy Ryder:
 1. Mayors' Forum
 2. Thurston Chamber Shared Legislative Committee
 3. Transportation Policy Board (TPB)
 - B. Deputy Mayor Cynthia Pratt:
 1. Joint Animal Services Commission (JASCOM)
 2. LOTT Clean Water Alliance
 3. Olympic Region Clean Air Agency (ORCAA)
 - C. Councilmember Carolyn Cox:
 1. Regional Housing Council
 2. Health & Human Services Council (HHSC)
 3. Intercity Transit (IT)
 - D. Councilmember Lenny Greenstein:
 1. Emergency Medical Services (EMS)
 2. TCOMM911
 3. Thurston County Law & Justice
 - E. Councilmember Malcolm Miller:
 1. Thurston Regional Planning Council (TRPC)
 2. Thurston Thrives
 3. Lodging Tax Advisory Committee (LTAC)
 4. Thurston County Coalition Against Trafficking (TCCAT)
 - F. Councilmember Michael Steadman:
 1. Community Action Council
 2. Solid Waste Advisory Committee (SWAC)
 - G. Councilmember Ed Kunkel:
 1. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)
 2. Lacey South Sound Chamber

3. Economic Development Council (EDC)

16. EXECUTIVE SESSION

A. Potential Litigation per RCW 42.30.110(1)(i)

17. ADJOURN

MINUTES OF THE LACEY CITY COUNCIL WORKSESSION

SEPTEMBER 17, 2020

7:00 P.M. – 8:26 P.M.

REMOTE ONLY

COUNCIL PRESENT: MAYOR RYDER, DEPUTY MAYOR PRATT, COUNCILMEMBERS
GREENSTEIN, STEADMAN, COX, KUNKEL, MILLER

STAFF PRESENT: S. SPENCE, J. BURBIDGE S. EGGER, M. HARDIE, D. SCHNEIDER,
R. WALK, T. WOO, P. EDMONDS

ACTION: APPROVE WORKSESSION AGENDA

MOTION: MOTION MADE, SECONDED AND CARRIED BY COUNCILMEMBER
GREENSTEIN AND DEPUTY MAYOR PRATT

SECOND ROUND CARES ACT FUNDING DISCUSSION

STAFF: RICK WALK, DIRECTOR OF COMMUNITY & ECONOMIC DEVELOPMENT

ACTION: INFORMATION ONLY

Staff updated Council on the first round of CARES Act funding in the amount of \$1,538,100, which was used for economic recovery and social service support:

Economic Recovery

- Emergency grants to local Lacey businesses - \$1 million
- Thurston Economic Development Council - \$70,000
- Thurston Strong - \$194,050 (PPE - \$10,000; Childcare Support \$184,050)
- Unassigned - \$10,000

Social Services

- Homeless Backpacks - \$10,000
- United Way of Thurston County - \$50,000
- United Way of Thurston County - \$204,050
 - o Senior Services
 - o Thurston County Food Bank
 - o Homeless Backpacks

The City of Lacey was authorized to receive a second round of CARES Act Funding in the amount of \$769,050. Staff recommends including the unexpended \$10,000 from the initial funding, bringing the total for the second round to \$779,050. The funding recommendation would focus on social services, such as rental assistance, mortgage assistance, basic utilities assistance (sewer, water, power, electricity, and WIFI/internet), and childcare assistance.

Staff will report to Council at the October 1, 2020, Worksession with a detailed report on the first round of funding to include what they saw as the greatest need, gap in rental need, and access to WiFi/internet. Staff will also review and report to Council whether the utility assistance funding program (City utilities only) can be performed by City staff, or if it is more feasible to contract with Community Action Council.

A final decision by Council on the second round of funding is due by the end of October.

CITY MANAGER PERFORMANCE REVIEW

STAFF: SCOTT SPENCE, CITY MANAGER

ACTION: INFORMATION ONLY

Key 2019 accomplishments and 2020 key challenges and opportunities were presented to Council:

2019 Key Accomplishments:

- Fiscal Stewardship – Standard & Poor’s Upgraded Rating to AAA
- Mayor’s Gala – Raised \$32,000 for Lacey Veterans Services Hub
- Affordable Housing Initiatives – Pre-approved ADU Plans
- Legislative Advocacy
 - o \$2M – Lacey Veterans Services Hub
 - o \$2.25M I-5 Corridor Study
 - o \$979K Heritage Capital Project Grant
- Environmental Leadership – \$7.7M Septic-to-Sewer Conversion Project
- Community Partnerships – Lacey MakerSpace Grand Opening
- Federal Grants
 - o \$4,300,000 – College St./22nd Roundabout
 - o \$905,000 – College St./16th Roundabout
 - o \$282,000 – Electric Vehicle Charging Stations
- Quality Infrastructure – Super T College St/Yelm Hwy

- RAC Fields #3 and #4 Turf Replacement
- Employer of Choice
- Ranked #75 in Money's Best Places to Live in America

2020 Key Challenges & Opportunities

- Budget Uncertainty
- Homelessness
- Future Public Safety Facility
- An Inclusive Community
- Doing More with Less – 2019 Sales Tax Ranked #74 per Capita
- COVID-19 Health Pandemic

Mayor Ryder convened to an Executive Session at 7:50 for 20 minutes to discuss the City Manager's performance review pursuant to RCW 42.30.110(1)(g).

Mayor Ryder reconvened the Worksession at 8:10 p.m. and announced the Executive Session will be extended for an additional 15 minutes (8:25).

Mayor Ryder concluded the Executive Session at 8:25 p.m. and reconvened the Worksession. No action was taken.

Mayor Ryder adjourned the Worksession at 8:26 p.m.

MINUTES OF A REGULAR MEETING OF THE
LACEY CITY COUNCIL HELD THURSDAY,
SEPTEMBER 24, 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

STAFF PRESENT:

S. Spence, S. Egger, D. Schneider, R. Andrews, S.
Carlson, E. Fontaine

APPROVAL OF AGENDA
AND CONSENT AGENDA:

Consent Agenda Items:

- A. Council Worksession Minutes of September 3,
2020
- B. Council Meeting Minutes of September 10,
2020
- C. A motion to approve payment of claims, wages
and transfers for September 4, 2020, through
September 16, 2020.

DEPUTY MAYOR PRATT MOVED TO APPROVE
THE CONSENT AGENDA. COUNCILMEMBER
STEADMAN 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.

Wayne Olson, Lacey resident, registered to speak during public comment period relating to the Thurston Climate Mitigation Plan.

Sam Merrill registered to speak during public comment period relating to the Thurston Climate Mitigation Plan.

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 public comment was received and made part of the record.

PROCLAMATION:

Mayor Ryder and Council proclaimed September 2020 as Emergency Preparedness Month. Sarah Carlson, City of Lacey Emergency Management & Safety Coordinator accepted the proclamation.

Mayor Ryder and Council proclaimed September 22, 2020, as National Voter Registration Day. Emmett O'Connell, Education & Outreach Specialist, accepted the proclamation on behalf of the Thurston County Auditor's Office

MAYOR'S REPORT:

Mayor Ryder provided an update on how the COVID-19 pandemic is impacting military families on Joint Base Lewis-McChord.

CITY MANAGER'S REPORT:

Ryan Andrews, Planning Manager, presented the Serenity Carpenter Road Annexation Project #20-183.

The City received a notice of intent to commence annexation proceedings filed by Serenity Apartment Homes, LLC. The filing of the notice is the first step in

the annexation process under the petition method RCW 35A.14.120, which requires a petition filed by property owners representing a minimum of 10% of the valuation of the area proposed for annexation. The City has verified the ownership does comprise a minimum of more than 10% of the assessed valuation for general taxation purposes of the properties for which annexation is requested.

The area proposed for annexation is located in the Tanglewilde/Thompson Plan Planning Area and with the Lacey Urban Growth Area east of Carpenter Road SE, west of Kinwood Road SE between Martin Way East and 5th Way SE.

As a result of the petition, the Utilities Committee reviewed the annexation request under the 60% petition method and has recommended that the Council pass a motion indicating the following:

1. Authorize the applicants to circulate a petition and gather signatures of property owners representing at least 60% of the assessed value of the annexation property demonstrating their consent to annex;
2. Require the parcel to the south of the parcel submitted for the notice of intent to commence annexation (assessor's parcel no. 11815310200) also be included within the boundary of the area to be considered for annexation;
3. Require the assumption of all or of any portion of existing City indebtedness by the area to be annexed; and
4. Waive the requirement for completion of an annexation study in accordance with the City's annexation policies prior to adoption of an ordinance to formally annex the area or make application to the Boundary Review Board.

COUNCILMEMBER STEADMAN MOVED TO APPROVE THE PROPOSED SERENITY CARPENTER ROAD ANNEXATION WITH THE FOLLOWING PROVISIONS:

1) AUTHORIZE THE APPLICANTS TO CIRCULATE A PETITION AND GATHER SIGNATURES OF PROPERTY OWNERS REPRESENTING AT LEAST 60% OF THE ASSESSED VALUE OF THE ANNEXATION PROPERTY DEMONSTRATING THEIR CONSENT TO ANNEX;

2) REQUIRE THE PARCEL TO THE SOUTH OF THE PARCEL SUBMITTED FOR THE NOTICE OF INTENT TO COMMENCE ANNEXATION (ASSESSOR'S PARCEL NO. 11815310200) ALSO BE INCLUDED WITHIN THE BOUNDARY OF THE AREA TO BE CONSIDERED FOR ANNEXATION;

3) REQUIRE THE ASSUMPTION OF ALL OR OF ANY PORTION OF EXISTING CITY INDEBTEDNESS BY THE AREA TO BE ANNEXED; AND

4) WAIVE THE REQUIREMENT FOR COMPLETION OF AN ANNEXATION STUDY IN ACCORDANCE WITH THE CITY'S ANNEXATION POLICIES PRIOR TO ADOPTION OF AN ORDINANCE TO FORMALLY ANNEX THE AREA OR MAKE APPLICATION TO THE BOUNDARY REVIEW BOARD.

COUNCILMEMBER MILLER SECONDED. MOTION CARRIED.

Mayor Ryder advised staff the annexation policy should be reviewed in order to streamline the process.

Scott Egger, Public Works Director, requested Council award Lacey Contract Number PW 2017-16 to low bidder Barcott Construction, LLC from Chehalis, Washington in the amount of \$1,124,333.75.

This project will improve the west side of Ruddell Road from approximately 27th Avenue to Brentwood Drive to include a new retaining wall, widened sidewalk, street lighting, and landscaping.

The project was advertised for three weeks and bids were opened September 10, 2020. Sufficient funds are available in the Arterial Street Fund.

Start date of the project is anticipated to be begin in November, and there are 100 working days allotted.

COUNCILMEMBER STEADMAN MOVED TO APPROVE AWARDED LACEY CONTRACT NUMBER PW 2017-16 TO LOW BIDDER BARCOTT CONSTRUCTION, LLC. FROM CHEHALIS, WASHINGTON IN THE AMOUNT OF \$1,124,333.75. MAYOR RYDER SECONDED. MOTION CARRIED.

Scott Spence, City Manager, advised the Diverging Diamond Interchange closures have been extended to reflect October 2, 2020, at 8:00 am to October 5, 2020, at 5:00 pm. due to weather constraints.

STANDING GENERAL
COMMITTEE:

Utilities Committee

Councilmember Steadman reported the Committee met on September 8, 2020, and discussed the Serenity Carpenter Road Annexation.

BOARDS & COMMISSIONS:

Intercity Transit

Councilmember Cox reported on several items:

- Held a Public Hearing on the 2020-2025 Draft Transit Development Plan
- Federal Advocacy Report review
- Reviewed the draft 2021 Budget

Regional Housing Council

Councilmember Cox reported on the following:

- Elected Jim Cooper as Chair
- Elected John Hutchings as Vice Chair
- Established working groups and appointed liaisons

Emergency Medical Services

Councilmember Greenstein reported the EMT training is moving forward using Cares Act Funding due to social distancing requirements.

LTAC

Councilmember Miller announced full funding was approved for the following five programs:

- Experience Olympia
- Lacey South Sound Chamber
- Washington Center for the Performing arts
- Regional Athletic Complex
- Lacey Museum

Community Action Council

Councilmember Steadman reported the following:

- Review of the budget accounted for additional funds
- Approved to have executive members remain in current positions.

Lacey South Sound Chamber

Councilmember Kunkel announced Blake Knoblauch was named as the new Executive Director.

Economic Development Council

Councilmember Kunkel reported on several items:

- Thurston County has lowest COVID-19 death count for Washington.
- Thurston County has highest consumer spending for 2020.
- Provided over \$700,000 in grants to local businesses, including 31 Lacey businesses.

Councilmember Kunkel also provided an update on the Goldstar Memorial Foundation Board regarding awareness and funding opportunities.

Mayor Ryder convened Council to Executive Session at 5:12 p.m. for 30 minutes to discuss the following:

- Pending Litigation per RCW 42.30.110(1)(g)
- Potential Litigation per RCW 42.30.110(1)(g)
- City Manager Performance Review per RCW 42.30.110(1)(g)

The Executive Session will conclude at 5:42 p.m.

Mayor Ryder came out of Executive Session at 5:40 p.m. to extend the session by 15 minutes to 5:55 p.m.

Mayor Ryder came out of Executive Session at 5:55 p.m. to extend the session by 15 minutes to 6:10 p.m.

Mayor Ryder came out of Executive Session at 6:10 p.m. to extend the session by 5 minutes to 6:15 p.m.

Mayor Ryder concluded the Executive Session at 6:16 p.m. and reconvened the Council meeting. Mayor Ryder adjourned the Council meeting at 6:16 p.m.

MAYOR: _____

ATTESTED BY CITY CLERK: _____

DATE APPROVED: _____



LACEY CITY COUNCIL MEETING

October 8,2020

SUBJECT: Disbursement Approval

RECOMMENDATION: By motion, approve payment of claims, wages, and transfers.

STAFF CONTACT: Troy Woo, Finance Director 

ORIGINATED BY: Troy Woo, Finance Department

BACKGROUND:

The action requested of the City Council is by motion to approve payment of claims, wages and transfers for 9/17/2020 through 9/29/2020. The disbursements consist of the following:

Checks:	<u>Week of</u>	<u>Beg. Check No.</u>	<u>End. Check No.</u>	<u>Amount</u>
	9/18/2020	253165	253270	464,558.77
	9/25/2020	253271	253367	335,177.90

Electronic Transfers:	<u>Week of</u>	<u>Amount</u>
	9/11/2020	16,754.88
	9/16/2020	4,044.92
	9/17/2020	216.00
	9/18/2020	429,284.53
	9/25/2020	78,769.99
	9/25/2020	136,949.12
	9/29/2020	288.00

Significant Disbursements:

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
Puget Sound Energy, Inc.	\$ 85,333.05	Utilities
Softwareone, Inc.	\$ 98,756.61	Microsoft Enterprise Agreement
Thurston Economic Dev.	\$ 194,050.00	Thurston Strong CARES Act
United Way	\$ 204,050.00	United Way CARES Act
Columbia Ford	\$ 151,421.80	Equipment Replacements

CITY OF LACEY

Official Proclamation

WHEREAS, in 1872, Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than one million trees in Nebraska; and

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

WHEREAS, trees in our City increase property values, enhance the economic vitality of business areas and beautify our community;

NOW, THEREFORE, I, Andy Ryder, Mayor of the City of Lacey, on behalf of the City Council, do hereby proclaim the month of October, 2020, as

Arbor Month

in the City of Lacey, and I encourage all citizens to support efforts to care for our trees and woodlands, and to plant trees to provide beautification for future generations to enjoy.



Mayor Andy Ryder
October 8, 2020



CITY COUNCIL MEETING October 8, 2020

SUBJECT: Lacey Veterans Services Hub Renovation Project: SPSCC Building 2 Lower Level Tenant Improvements

RECOMMENDATIONS: 1. Award Lacey Contract Number PW 2020-19 to low bidder JA Morris Construction from Olympia, Washington in the amount of \$329,294.00.

STAFF CONTACT: Scott Spence, City Manager *SS*
Scott Egger, Public Works Director *SE*
Stephen Kirkman, Public Affairs Manager *SK*
Ashley Smith, Capital Projects Manager *AS*

ORIGINATED BY: Public Works Department

ATTACHMENTS: 1. [Bid Summary Sheet](#)

FISCAL NOTE: The proposed contract will not impact city fiscal operating levels. Funding for the identified improvements will be provided via Lacey's 2020 Community Development Block Grant (CDBG) allotment.

PRIOR REVIEW: This is the first review of the project bid results.

The City Council reviewed and approved the Veterans Services Hub Renovation Project for CDBG funding during the Thurston Urban County Partnership Community Development Block Grant (CDBG) 2020 Request for Proposals and Public Hearing on April 23, 2020.

BACKGROUND:

This project is in partnership with the City of Lacey, the Department of Housing and Urban Development (HUD), and South Puget Sound Community College (SPSCC).

Construction work on the exterior envelope, common areas, and the Federal Department of Veterans Affairs (VA) suite at the Lacey Veterans Services Hub facility on SPSCC's Lacey Campus is currently underway through an interagency agreement with the Department of Enterprise Services (DES). Improvements include replacement of the building's roof, siding, windows, and insulation; replacement of HVAC systems; installation of energy

efficient lighting; installation of energy efficient plumbing fixtures; ADA accessibility improvements; and office layout and workspace improvements.

Contract PW 2020-19 provides for tenant improvements to city-leased offices on the lower level of the building and the multipurpose/meeting room, including rough and finish carpentry; installation of casework, doors, and interior windows; interior painting; and installation of interior floor coverings. Work under this contract falls outside of the scope of improvements and services being provided by DES, and therefore must be addressed under a separate construction bid.

The project was advertised for two weeks and bids were opened on October 1, 2020. Five (5) bids were received. J.A.M. Construction of Olympia, Washington, was the apparent low bidder at \$274,110.45; however, the bid was rejected due to an incomplete bid package. The second low bidder is JA Morris Construction of Olympia, Washington at \$329,294.00. Received bids ranged from \$274,110.45 to \$602,247.00; a Bid Summary Sheet is attached. The engineer's estimate was \$402,045.00.

JA Morris Construction is qualified and capable of performing the work. Start date of the project is anticipated to be begin in October, 2020, and there are 60 working days allotted. Careful coordination with the on-site Contractor will be required.

ADVANTAGES:

1. Tenant improvements completed under this contract will provide a professional and efficient facility for the Lacey Veterans Services Hub's seventy-plus partners and providers to deliver services to Thurston County's 32,000 Veterans.

DISADVANTAGES:

1. There are no significant disadvantages related to this proposal.

CITY OF LACEY
SPSCC Building #2 TI
PW 2020-19

[illegible]

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE MINUTES

SEPTEMBER 22, 2020

8:33 A.M. – 9:33 A.M.

REMOTE ONLY

COUNCIL PRESENT: MAYOR RYDER (CHAIR), DEPUTY MAYOR PRATT (8:37 A.M.),
COUNCILMEMBER GREENSTEIN

STAFF PRESENT: SCOTT SPENCE, TROY WOO, PERI EDMONDS

ACTION: APPROVE FINANCE & ECONOMIC DEVELOPMENT COMMITTEE AGENDA

MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBER GREENSTEIN
AND MAYOR RYDER

REVENUES AND EXPENDITURES ESTIMATE

STAFF: TROY WOO, FINANCE DIRECTOR

ACTION: INFORMATION ONLY

Staff presented the annual preliminary revenue and expenditure estimates for the 2021 Budget. The budget message delivered in June was not one of expansion and only essential requests necessary for continuity of operations would be considered. It was anticipated the COVID-19 public emergency would have a severe impact on the Lacey area.

Since the June message, additional data received indicates the budget has not been as impacted as originally anticipated. However, the tone of the budget message should still be one of caution since the financial impact due to the public emergency will be more of a long-term impact.

The 2020 sales tax is still above the 2019 sales tax collection rate, but there is a \$786,000 decrease compared to the adopted 2020 Budget. There continues to be strength within new construction and it is projected to continue through 2020 and 2021. It is estimated the utility tax will have a \$409,000 decrease.

The 2021 estimated expenditures will be impacted by increased labor costs. Reductions in the 2020 budget due to COVID-19 will be unrestored in 2021. These include the Neighborhood Grant Program, City Manager Intern Program, replacement reserves for equipment and facilities, and certain line item reductions will be brought to historical levels.

The Council Budget Workshop is scheduled for the October 1, 2020, Worksession. The City Manager will present the proposed 2021 Budget at the October 22 Council meeting, followed by a public hearing on November 5 and 19. The final 2021 Budget is scheduled for adoption at the December 3, 2020, Council meeting.

2021 UTILITY RATES DISCUSSION

STAFF: TROY WOO, FINANCE DIRECTOR

ACTION: INFORMATION ONLY

Staff provided the following three options for 2021 utility rates related to financial relief to those impacted by COVID-19:

1. No 2021 rate increases
 - Maximum financial relief for customers
 - Balance budget with reserves
 - Larger or catch-up rate increases in the future
2. 2021 Rate Increase
 - Move forward as if COVID-19 has not happened 3% water, 3% sewer, 4.5% stormwater
 - No financial relief for customers
 - Fully maintains utility financial condition
3. Delayed 2021 rate increases
 - July 1 implementation

Staff recommends Option 3, which would delay the 2021 utility rate increase until July 1, 2021. The 2021 utility rate proposed increases for residential accounts would be as follows:

- Water - \$1.04/month increase proposed
 - o Assumes 3.0% increase effective July 2021
 - o Six-month delay = \$186,966
- Sewer - \$0.66/month increase proposed
 - o Assumes 3.0% increase effective July 2021
 - o Six-month delay = \$91,503

- Stormwater - \$0.53/month increase proposed
 - o Assumes 4.5% increase effective July 2021
 - o Six-month delay = \$93,619
 - o Multi-year rate schedule is completed
- LOTT - \$1.23/month approved rate increase

Advantages for the mid-year 2021 rate increase would provide financial relief for accounts impacted by the COVID-19 public health emergency, minimal impact to the financial condition of the utilities, and maintains long-term financial policies of the utilities without the need for larger future rate increases.

Disadvantages include the use of reserves to balance the 2021 Budget, does not address water quality/septic to sewer program, and would coincide with the high irrigation usage.

This item will be discussed at the October 1, 2020, Budget Workshop.

ANIMAL SERVICES – JURISDICTIONAL ASSESSMENTS

STAFF: SCOTT SPENCE, CITY MANAGER

ACTION: INFORMATION ONLY

The projected 2021 Animal Services Budget is \$2.3 - \$2.4 million. A \$1.6 - \$1.7 million gap needs to be covered for expenses. The following are estimated jurisdictional assessments:

Thurston County:	\$800,000
City of Olympia:	\$355,000
City of Lacey:	\$353,000
City of Tumwater:	\$167,000

Reserves have been subsidizing the budget for approximately 10 years to offset the assessments. Council directed staff to bring this back for further discussion at a future Committee meeting.

GENERAL GOVERNMENT & PUBLIC SAFETY COMMITTEE
SEPTEMBER 22, 2020
9:30 A.M. – 10:04 A.M.
REMOTE ONLY

COUNCIL PRESENT: DEPUTY MAYOR PRATT (CHAIR), MAYOR RYDER, COUNCILMEMBER GREENSTEIN (PARTICIPATED MAJORITY OF MEETING BY AUDIO ONLY DUE TO TECHNICAL DIFFICULTY)

STAFF PRESENT: SCOTT SPENCE, RICK WALK, JESSICA BRANDT, ELISSA FONTAINE

ACTION: APPROVE THE GENERAL GOVERNMENT & PUBLIC SAFETY COMMITTEE AGENDA.

MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBER GREENSTEIN AND MAYOR RYDER

REGIONAL DISCUSSION ON TENANT PROTECTIONS

STAFF: RICK WALK, DIRECTOR OF COMMUNITY & ECONOMIC DEVELOPMENT
JESSICA BRANDT, ASSOCIATE PLANNER

ACTION: INFORMATION ONLY

Staff presented regional actions recently taken relating to tenant protections. Council directed staff to gather more data to determine eviction issues within Lacey and surrounding areas to assist with discussions on how CARES Act funding could be applied for rental assistance.

LAND USE COMMITTEE
SEPTEMBER 22, 2020
10:30 A.M. – 11:32 A.M.
REMOTE ONLY

COUNCIL PRESENT: COUNCILMEMBER COX (CHAIR), DEPUTY MAYOR PRATT,
COUNCILMEMBER GREENSTEIN (PARTICIPATED MAJORITY OF MEETING BY AUDIO
DUE TO TECHNICAL DIFFICULTY)

STAFF PRESENT: SCOTT SPENCE, RICK WALK, RYAN ANDREWS, JESSICA BRANDT, ELISSA
FONTAINE

ACTION: APPROVE LAND USE COMMITTEE AGENDA
MOTION: MOTION MADE, SECONDED, AND CARRIED BY DEPUTY MAYOR PRATT AND
COUNCILMEMBER GREENSTEIN

2020 LIGHT INDUSTRIAL – COMMERCIAL ZONING TEXT AMENDMENT #19-367

STAFF: RICK WALK, COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR
RYAN ANDREWS, PLANNING MANAGER
ACTION: INFORMATION ONLY

Staff received a private application request related to LMC 16.39 in the Light Industrial-Commercial zoning chapter. The applicant requests to increase the maximum square footage requirement from 200,000 to 500,000 square feet. The Community and Economic Development Department and the Water Resources Division of the Public Works Department reviewed the request and asked the applicant to submit specific information and studies to complete the application packet.

Staff reviewed the application, comments received, location characteristics of the LIC-C zones, and the Comprehensive Plan. Several issues were identified that need further discussion and resolution before a recommendation is made:

1. Retention of existing local small businesses on the site.
2. Water quality related to existing on-site septic systems and stormwater.
3. Compatibility with surrounding land uses.
4. Transportation and circulation issues.

Staff will continue to review and analyze the application proposal and develop an official recommendation to the Planning Commission prior to a public hearing. The Planning Commission will make a recommendation on the application prior to consideration by the full Council.

URBAN FORESTRY MANAGEMENT PLAN

STAFF: RICK WALK, COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR
 JESSICA BRANDT, ASSOCIATE PLANNER
ACTION: INFORMATION ONLY

Staff presented an overview of the Urban Forestry Management Plan (UFMP). The UFMP is the overarching policy document that guides the City's urban forestry vision and efforts. The Plan was developed in 2006 and updated in 2013. Due to the implementation regulations within LMC 14.32, the goal to update the document every five years, and community concerns, further supports the need to conduct an assessment of forestry plan and regulations.

The review process will examine challenges, issues, and experiences related to the implementation of the plan since last updated. The Planning Commission will review recommended updates at a future meeting, and the LMC 14.32 will also be updated to address issues brought forth by homeowners associations and commercial property owners who wish to remove and replace existing trees but are constrained under current regulations.

A task force was developed to assist the Planning Commission in developing recommendations for changes to the plan and tree regulations. A staff group was also developed to support the task force. The following high-level issues were identified:

- Enforcement of Tree Regulations
- Street Tree Program
- Private Property Trees and Consistent Application of Regulations
- Retention of Existing Trees through Development Process
- Tree Education and Outreach
- Potential Establishment of Tree Board

The task force and staff recommend the City focus on outreach and education as their first priority, then enforcement of tree regulations.

Staff will draft amendments to the plan and regulations for review by the task force. The task force will present their final recommendations to the Planning Commission for consideration.

Requests from the public regarding more tree protection and increased tree planting emerged through a parallel planning process, the Thurston Regional Climate Mitigation Plan. This could be addressed in the Urban Forestry Management Plan and tree regulations.

HOUSING ACTION PLAN UPDATE

STAFF: RICK WALK, COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR
ACTION: INFORMATION ONLY

Rick Walk, Director of Community & Economic Development, provided an update on the Housing Action Plan stating that jurisdictions are beginning base line demographic work. The City will send a survey to landlords within the region to obtain current data on tenant/landlord dynamics.