

UTILITIES COMMITTEE MINUTES

JANUARY 6, 2020

12:00 P.M. – 12:47 P.M.

COUNCIL PRESENT: CHAIR MICHAEL STEADMAN, COUNCILMEMBERS ED KUNKEL AND MALCOLM MILLER

STAFF PRESENT: SCOTT SPENCE, SCOTT EGGER, RICK WALK, TROY WOO, ED ANDREWS, RYAN ANDREWS, PETER BROOKS, TERRY CARGIL, PUNA CLARKE, STEVE KIRKMAN, TERI O'NEAL, JULIE RECTOR, KRISTY WOLF, PERI EDMONDS

ACTION: APPROVE UTILITIES COMMITTEE AGENDA

MOTION: MOTION MADE, SECONDED AND CARRIED BY COUNCILMEMBERS KUNKEL AND MILLER

COUNCILMEMBERS KUNKEL AND MILLER APPOINTED COUNCILMEMBER STEADMAN TO SERVE AS CHAIR FOR THE JANUARY 6 MEETING.

INTRODUCTION TO THE TERRY CARGIL RESERVOIR

STAFF: PUNA CLARKE, UTILITY ENGINEER

ACTION: INFORMATION ONLY

The Terry Cargil Reservoir (also known as 337 Reservoir) will be the first elevated reservoir in the City. The reservoir will be located near the Jacob Smith House. The composite elevated tank will hold 3.2 million gallons of water, and will be used for storage and to moderate water pressure.

Other reservoirs in the City have been named for the area they are located in, but this reservoir will be named after a Public Works employee who has served at the City for 40 years.

Design of the reservoir will begin in 2020, and construction scheduled for 2021-2022.

NISQUALLY WATERSHED PLAN FUNDING REQUEST

STAFF: JULIE RECTOR, WATER QUALITY ANALYST
ACTION: FORWARD THE MEMORANDUM OF UNDERSTANDING BETWEEN THE
NISQUALLY INDIAN TRIBE, AND THE CITIES OF LACEY AND OLYMPIA TO THE
FULL COUNCIL FOR APPROVAL
MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBERS
STEADMAN AND KUNKEL. MOTION CARRIED

The Nisqually Indian Tribe and the cities of Lacey and Olympia participated as active members of the WRIA 11 Planning Unit that oversaw the development of the Nisqually Watershed Management Plan (2003), the Phase IV Nisqually Implementation Plan for Watershed Management in WRIA 11 (2007), and the Addendum to the Nisqually Watershed Management Plan (2019). To date, activities of the Nisqually Planning Unit have been supported by grants from the Washington Department of Ecology, but the last of the available grants for planning in WRIA 11 will expire at the end of 2019. The Planning Unit desires to continue implementation of the Plan and its Addendum, and in 2020 will be working towards an agreement with major stakeholders in the watershed to provide a sustainable source of funding for continuing the transition from planning to implementation and oversight. Until this agreement is in place, an interim source of funds are needed to support the efforts of the group through 2020, which will include finalizing the agreement.

The Nisqually Tribe has submitted a request to the cities of Lacey and Olympia to join in cost sharing the functions of the WRIA 11 Planning Unit through 2020. The estimated budget for 2020 is \$41,000. The Tribe requested \$10,000 each from the two cities, and the Tribe will provide \$21,000.

Funding this presents an opportunity to further the intent of the Nisqually Indian Tribe and City of Lacey Accord, signed in 2014, which recognizes our shared interests relating to environmental and resource stewardship, and agrees to explore opportunities for strengthening ties between the City and the Tribe for mutual benefit.

ASTOUND BROADBAND LLC FRANCHISE RENEWAL AGREEMENT

STAFF: STEVE KIRKMAN, PUBLIC AFFAIRS MANAGER
ACTION: FORWARD THE PROPOSED TELECOMMUNICATIONS FRANCHISE RENEWAL AGREEMENT TO THE FULL CITY COUNCIL FOR CONSIDERATION
MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBERS STEADMAN AND MILLER. MOTION CARRIED

In January 2015, the City of Lacey granted a 5-year franchise to Astound Broadband, LLC, to install fiber optic facilities carrying internet, phone, and point-to-point services within the city. The existing franchise agreement expires on February 2, 2020; Astound has requested renewal of Lacey's franchise for an additional 5-year period.

Astound's use of the public rights-of-way is regulated by Lacey Municipal Code (LMC) Chapter 5.60: Telecommunications. LMC 5.60 permits reasonable and fair access to rights-of-way within the city for telecommunications purposes, including voice, data, and video services.

Renewal of Astound's telecommunications franchise requires that the company comply with all conditions and regulations established by Chapter 5.60, including carrying a minimum of \$2 million in liability insurance during the term of the franchise; undergrounding overhead facilities if required by a public improvement project; and restoring the public rights-of-way if disturbed by the franchise holder.

In addition to the applicable \$1,500 franchise renewal fee, Astound will be required to pay all fees generally applicable to firms doing business within the City. Astound will also be required to pay applicable public utility business taxes levied by Chapter 3.01 of the Lacey Municipal Code.

LFD 3 MULLEN ROAD ANNEXATION

STAFF: RYAN ANDREWS, PLANNING MANAGER
ACTION: FORWARD THE RECOMMENDATION TO PROCEED WITH THE PROPOSED LACEY FIRE DISTRICT 3 MULLEN ROAD ANNEXATION PROPOSAL WITH THE PROVISIONS IDENTIFIED TO THE FULL COUNCIL FOR CONSIDERATION
MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBERS STEADMAN AND KUNKEL. MOTION CARRIED.

The City has received a notice of intent to commence annexation proceedings filed by Lacey Fire District 3. 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 that 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.

Staff provided information on the proposed annexation area, Mullen Road construction, utilities, and taxes, fees and services.

Using the petition method, property owners representing a minimum of 10 percent of the assessed valuation of the property proposed for annexation are required to submit the notice. After filing the petition, the City Council must pass a motion notifying the petitioners of its approval, rejection, or modification of the annexation area's geographical boundaries. Prior to full City Council review of the annexation, the City Council Utility Committee reviews the application for the provision of utilities. If the Council votes to approve the petition, then the applicant moves forward on obtaining a petition from a total of 60% of the assessed valuation of the area. Once the City receives the 60% petition, the City can move forward on annexation proceedings.

The Utilities Committee will review the annexation request under the 60% petition method and has requested to make a recommendation 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 four parcels surrounding the parcel submitted for the notice of intent to commence annexation (assessor's parcel no.'s 11834220000, 11834240100, 11834220102, 11834210000) 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.