



**GENERAL GOVERNMENT & PUBLIC SAFETY COMMITTEE**  
**FEBRUARY 8, 2016**  
**5:30 P.M.**  
**COUNCIL CHAMBERS**

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1. **LOTT 1999 ILA AMENDMENT**  
*JUSTIN LONG, LOTT FINANCE DIRECTOR*  
(STAFF REPORT ATTACHED)
  
2. **COUNCIL POLICIES – PROCEDURES UPDATE**  
*SCOTT SPENCE, CITY MANAGER*  
(STAFF REPORT ATTACHED)

# Staff Report

December 9, 2015



## 6. Biennial Budget Interlocal Agreement Amendment Proposal

**Action Requested:** Authorize staff to release the proposed amendment to the Interlocal Cooperation Act Agreement for Wastewater Management, in substantially the same form, to the partner jurisdictions for comment and approval.

**Previous Review:** The Board discussed transitioning to a biennial budget at the March, April, and November 2015 Board meetings. At the April 2015 meeting, the Board passed Resolution 15-001 instructing the Executive Director to take all necessary steps to explore the feasibility of a biennial Budget and Capital Improvements Plan for fiscal years 2017 and 2018.

### Additional Information

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**Background:** Since March 2015, staff have been exploring possible mechanisms under which LOTT could implement a biennial budget. The Interlocal Cooperation Act Agreement for Wastewater Management (ILA) states that LOTT will pass an annual budget each year. Staff initially considered using a Memorandum of Understanding (MOU) that would allow LOTT to utilize a biennial budget, while maintaining the same annual notifications required by the ILA. A draft MOU was prepared and provided to the partner jurisdictions. While staff from the partner jurisdictions were amenable to LOTT implementing a biennial budget, they suggested LOTT draft an amendment to the ILA, rather than an MOU.

**Analysis:** LOTT's General Counsel and staff drafted the attached proposed amendment based on the draft MOU. The amendment allows LOTT the option of a biennial budget, and also incorporates the changes to the budget schedule, as authorized by Section 3.7(a)(iv), enacted by the LOTT Board in 2011.

Should the Board approve, staff will forward the attached proposed amendment to the partner jurisdictions for approval. Each partner must approve the amendment by a simple majority in order for LOTT to proceed. If approved by the jurisdictions, the LOTT Board would then be required to approve the amendment by a simple majority by June 2016, in order to implement a biennial Budget and Capital Improvements Plan for the 2017-2018 biennium.



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**SO APPROVED** by the Board of Directors this 8th day of April, 2015.

**Attest:**

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**Stephen M. Langer, Board President**

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**Farah Derosier, Corporate Secretary**



**Approved as to form:**

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**Rick Hughes, General Counsel**

When recorded return to:  
LOTT Clean Water Alliance  
500 Adams Street NE  
Olympia, WA 98501-6911

**AMENDMENT OF 1999 INTERLOCAL AGREEMENT  
BETWEEN AND AMONG  
THE LOTT CLEAN WATER ALLIANCE, THE CITIES OF LACEY, OLYMPIA,  
TUMWATER  
AND  
THURSTON COUNTY  
REGARDING ADOPTION OF A BIENNIAL BUDGET PROCESS**

This agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2016, between and among the LOTT Clean Water Alliance, herein referred to as the “LOTT,” and the Cities of Lacey, Olympia, Tumwater, and Thurston County, herein referred to as the “Members.”

**Whereas**, RCW 39.34.030(1) states that any power or powers, privileges or authority exercised or capable of exercise by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state having the power or powers, privilege or authority, and jointly with any public agency of any other state or of the United States to the extent that laws of such other state or of the United States permit such joint exercise or enjoyment.

**Whereas**, RCW 39.34.030 (2) permits any two or more public agencies to enter into agreements with one another for joint or cooperative action; and

**Whereas**, LOTT was formed under the Interlocal Cooperation Act pursuant to RCW 39.34, on or about November 5, 1999, by the Cities of Lacey, Olympia, and Tumwater, as well as the County of Thurston; and

**Whereas**, under such Interlocal Agreement, LOTT is a separate public purpose, non-profit corporation subject to the general legal requirements of public entities in the State of Washington, as well as those requirements stated in said Interlocal Agreement, and

**Whereas**, Section 3.7(a) of said Interlocal Agreement provides that LOTT is required to notify each of its jurisdictional members, to wit, Lacey, Olympia, Tumwater, and Thurston County of its proposed budget annually, more particularly described in said Section 3.7; and

**Whereas**, the LOTT Board of Directors, consisting of elected officials from each member jurisdiction, has followed the process of approving its annual budget in accordance with Section 3.7(a)(ii) of this proposed amendment to provide a more efficient and effective annual budgeting process; and

**Whereas**, the LOTT Board, for the purpose of further efficiency and effectiveness, wish to adopt a biennial budget process beginning with the biennial budget period from January 1, 2017 through December 31, 2018; and

**Whereas**, Section 1.1 of the 1999 Interlocal Agreement contemplates said Agreement will be amended or supplemented from time to time; and

**Whereas**, each of the members has the authority to adopt a biennial budget process; and

**Whereas**, the members choose to utilize the process authorized under RCW 35A.34 for a biennial budget for LOTT; and

**Whereas**, RCW 35A.34.130 requires a mid-biennial review and modification process similar to the current annual budget process; and

**Whereas**, the LOTT Board of Directors intends to adopt a resolution no later than June 30, 2016 allowing for such a biennial budget process; and

**Whereas**, adoption of said resolution requires amendment to Section 3.7 of the aforementioned 1999 Interlocal Agreement, more particularly described herein;

NOW, THEREFORE, in consideration of the mutual promises contained herein and the documents incorporated herein, the parties agree as follows:

**I. Purpose/Objective**

The purpose of this Agreement is to amend Section 3.7 of the 1999 Interlocal Agreement to allow LOTT to budget on a biennial basis.

**II. Amendment to 1999 Interlocal Agreement**

Section 3.7 of the 1999 Interlocal Agreement is hereby replaced in its entirety and replaced to read as follows:

**Section 3.7 LOTT BUDGETING**

**a) LOTT budget.**

- i) The LOTT Board shall have the authority to implement either an annual budget or a biennial budget process as described in RCW 35A.34. If the LOTT Board chooses to implement a biennial budgeting process, the mid-

biennial review and modification process required under RCW 35A.34.130 will include reporting to each Partner as provided in this Section 3.7 (a)(ii).

ii) The schedule of budget events is summarized as follows. **Each item listed shall occur on or before the date shown.**

**Annual Budget**

August 31	LOTT Board advises Partners of preliminary estimate of rates to take effect January 1.
September 30	LOTT provides proposed budget and capital improvement plan for the following year to Partners for comment.
October 31	LOTT Board advises Partners of rates to take effect January 1.
December 31	LOTT Board adopts budget and capital improvement plan for the following year.

**Biennial Budget**

August 31 (even numbered year)	LOTT Board advises Partners of preliminary estimate of rates to take effect the following January 1.
September 30 (even numbered year)	LOTT provides proposed budget and capital improvement plan for the following biennium to Partners for comment.
October 31 (even numbered year)	LOTT Board advises Partners of rates to take effect the following January 1.
December 31 (even numbered year)	LOTT Board adopts budget and capital improvement plan for the following biennium.
August 31 (odd numbered year)	LOTT Board advises Partners of preliminary estimate of rates to take effect the following January 1.
October 31 (odd numbered year)	LOTT Board advises Partners of rates to take effect the following January 1.
December 31 (odd numbered year)	LOTT Board adopts budget amendment, if needed.

iii) To respond to special circumstances, the LOTT Board shall have the authority to alter the budget schedule.

b) LOTT Joint Facilities budget adjustments. The LOTT Wastewater Alliance shall operate within its approved budget. Should debt service and reserve requirements for the

LOTT Debt, or Joint Facilities Maintenance and Operation Expenses, or coverage requirements increase above budget estimates, or should the money in the Operations Account of the LOTT Joint Facilities Fund or the LOTT Wastewater Alliance Joint Facilities Fund be insufficient to meet and pay those requirements and expenses, the LOTT Wastewater Alliance may amend its budget and increase the Wastewater Service Charge after first submitting the proposed budget amendment and Wastewater Service Charge increase to the Partners for comments.

**V. Joint Board**

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

**VI. Effective Date of Amendment**

This Amendment shall be effective upon filing of the approved Amendment with the Washington Secretary of State and recordation described in Paragraph IX herein.

**VII. Termination**

This Amendment may be terminated only upon a subsequent Interlocal Agreement by the Parties hereto either terminating or superseding the instant Amendment.

**VIII. Entire Agreement**

This Agreement sets forth all terms and conditions agreed upon by each member and LOTT and supersedes any and all prior agreements oral or otherwise with respect to the subject matter addressed herein.

**IX. 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.

**XII. Equal Opportunity to Draft**

The parties have participated and had an equal opportunity to participate in the drafting of this Agreement, and the Exhibits, if any, attached. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.

**XIII. 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.

**CITY OF OLYMPIA**

**CITY OF TUMWATER**

\_\_\_\_\_  
Cheryl Selby, Mayor

\_\_\_\_\_  
Pete Kmet, Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Jane Ragland Kirkemo, City Clerk

ATTEST: \_\_\_\_\_  
Melody Valiant, City Clerk

Approved as to form:

Approved as to form:

\_\_\_\_\_  
Mark Barber, City Attorney

\_\_\_\_\_  
Karen Kirkpatrick, City Attorney

**CITY OF LACEY**

**THURSTON COUNTY**

\_\_\_\_\_  
Andy Ryder, Mayor

\_\_\_\_\_  
<<name>>, Chair

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Carol Litten, City Clerk

ATTEST: \_\_\_\_\_  
<<name>>, <<title>>

Approved as to form:

Approved as to form:

\_\_\_\_\_  
Dave Schneider, City Attorney

\_\_\_\_\_  
Elizabeth Petrich, Chief Civil Deputy  
Prosecuting Attorney

**LOTT CLEAN WATER ALLIANCE**

\_\_\_\_\_  
<<name>>, Board President

Date: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Farah Derosier, Corporate Secretary

Approved as to form:

\_\_\_\_\_  
Richard L. Hughes, General Counsel



**GENERAL GOVERNMENT & PUBLIC  
SAFETY COMMITTEE MEETING**  
February 8, 2016

**SUBJECT:** Council Policies-Procedures Manual

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**RECOMMENDATION:** Review Council Policies-Procedures Manual

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**STAFF CONTACT:** Scott Spence, City Manager 

**ORIGINATED BY:** City Manager Department

**ATTACHMENTS:**

1. [Section 2.12 Intergovernmental Boards & Commissions](#)
2. [Section 10.02 Allocation of Annual City Council Travel Budget](#)
3. [Section 10.12 Spirit of Lacey Award](#)

**FISCAL NOTE:** None

**PRIOR REVIEW:** See Background

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**BACKGROUND:**

On June 9, 2011, the Lacey City Council adopted the Council Policies-Procedures Manual to standardize the process for implementing current and new Council practices, procedures and policies. A review of the policies is performed by the General Government Committee as needed.

Since the last review and approval of revisions to the Council Policies-Procedures Manual on June 25, 2015, staff identified the following proposed amendments for the Committee's review:

**Section 2.12 Intergovernmental Boards & Commissions:**

- *Language added requesting agencies provide an update to Council on key topics.*

### **Section 10.02 Allocation of Annual City Council Travel and Training Budget**

- *Language revised relating to the transfer of unused funds.*
- *Should Council review policy at a Worksession?*

### **Section 10.12 Spirit of Lacey Award**

- *Revised to include language indicating a Certificate of Recognition could be presented to a nominee who does not meet the criteria to receive the Spirit of Lacey Award.*
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#### **ADVANTAGES:**

1. A review of the Council Policies-Procedures Manual provides an opportunity for Council to review and approve any revisions to the manual to ensure policies remain appropriate and relevant.

#### **DISADVANTAGES:**

1. None.

## 2.12 Council Committees and Intergovernmental Boards & Commissions

### Council Committees

Committee meetings are held on a monthly basis to discuss issues related to community affairs, transportation, finance/economic development, land use, utilities and general government/public safety. Meeting times and dates are determined by Committee members' meeting schedules, posted on the City's website, and available on the Committee Schedule, which is distributed weekly to Council and staff. Three Councilmembers serve on each committee to discuss emerging issues, review City programs and policies; and provide recommendations to the full Council. Committee issues can be forwarded to regular council meetings for action or to a worksession or committee meeting for further review. Generally, audience participation is not allowed during committee meetings, unless permitted by the Chair. (Refer to Chapter 10, Paragraph 10.03, and Attachment 10.03A.)

### Intergovernmental Boards and Commissions

Councilmembers represent the City on regional intergovernmental boards and commissions to facilitate communication relating to a variety of matters including planning, transportation, utilities, housing, the environment, and social services.

Councilmembers participating in policy discussions at regional meetings will represent the consensus of the Council. Personal positions, when given, will be identified and not represented as the position of the City. Reports on intergovernmental boards/commissions activities are presented during regular Council meetings. When a significant issue or key topic are brought forward to the intergovernmental board or commission (i.e., costs or service impacts to Lacey residents, Lacey Businesses, Lacey taxpayers, and Lacey Utility customers that are not routine but substantial), the Councilmember assigned to the Board/Commission will inform the full Council, and/or may invite the agency to a Council Worksession to provide an update on the issue.

Assignment and direction of staff in relation to regional meetings are directed by the City Manager. A ~~primary main~~ delegate and alternate will be appointed to intergovernmental boards/commissions. Alternates are appointed to attend intergovernmental boards and commission meetings when the primary delegate is unable to attend to ensure Lacey is represented at the meeting.

If the ~~primary main~~ delegate cannot attend a meeting, they will contact their alternate as a replacement. The primary delegate should notify the alternate as soon as possible when they are not able to attend an upcoming meeting. If no representative will attend, the main delegate will contact City Clerk's office as notification.

~~Membership appointment to these organizations is made by the Mayor with the consent of the City Council at the first Council meeting of the New Year, following consultation with Councilmembers. A good-faith effort is made to accommodate Councilmembers' preferred choices. Preferences and discussion of appointments will occur at a worksession prior to final appointment. Alternates are appointed to attend intergovernmental boards and commission meetings when the primary delegated is unable to attend.~~

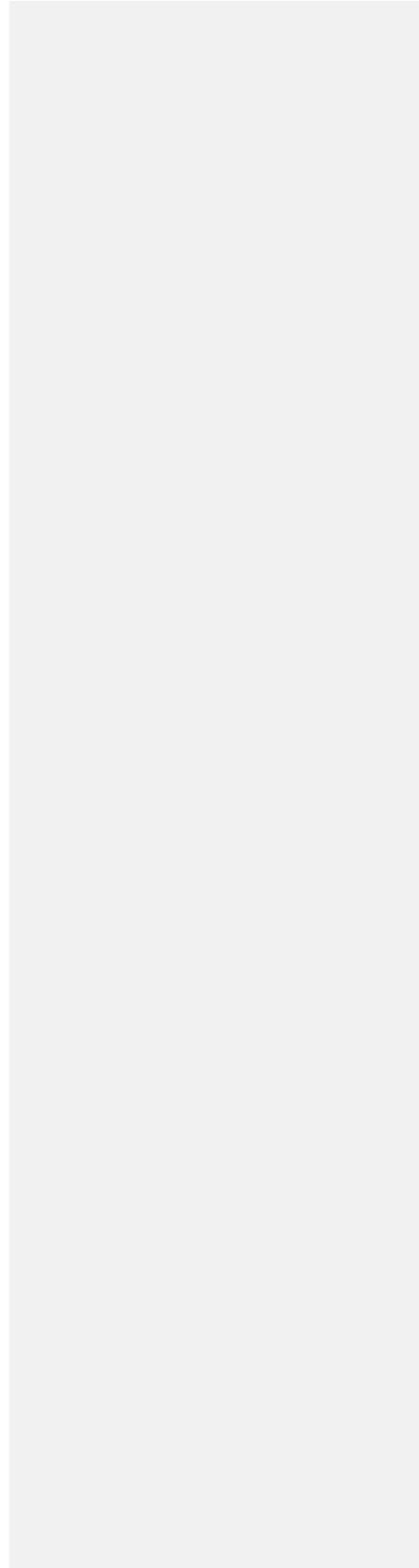
Appointments to these organizations is made by the Mayor with the consent of the City Council at the beginning of a Mayor's new term. Confirmation of these appointments will be made in a Council meeting in January, following consultation with the full Council. A good-faith effort is made to accommodate Councilmembers' preferred choices.

Intergovernmental Boards & Commissions are as follows:

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- Community Action Council
- Economic Development Council
- Emergency Medical Services
- Health & Human Services Council
- Home Consortium
- Intercity Transit
- Joint Animal Services Commission
- LOTT Clean Water Alliance
- Mayor's Forum
- Olympia Lacey Tumwater Visitor & Convention Bureau
- Olympic Region Clean Air Agency
- Solid Waste Advisory Committee
- TCOMM 911
- Thurston County Law & Justice
- Thurston Regional Planning Council
- Transportation Policy Board

DRAFT



**MINUTES OF THE LACEY CITY COUNCIL WORKSESSION**  
**SEPTEMBER 17, 2015**  
**7:00 – 9:00 PM**

COUNCIL PRESENT: A. RYDER, C. PRATT, J. GADMAN, M. STEADMAN, J. HEARN

COUNCIL EXCUSED: V. CLARKSON, L. GREENSTEIN

STAFF PRESENT: S. SPENCE, S., EGGER, J. MACK, D. SCHNEIDER, P. EDMONDS,  
M. COPPIN

MAYOR RYDER REQUESTED AN AMENDMENT TO THE AGENDA TO ADD A CONSTRUCTION UPDATE ON WILLAMETTE DRIVE AND 31<sup>ST</sup> AVENUE.

ACTION: MOTION TO APPROVE AMENDED AGENDA.

MOTION: MOTION MADE, SECONDED, AND CARRIED BY DEPUTY MAYOR PRATT AND COUNCILMEMBERS GADMAN

50<sup>TH</sup> ANNIVERSARY COMMITTEE BRIEFING

PRESENTER: HOWARD BURTON, COMMITTEE CHAIR

ACTION: INFORMATION ONLY

The Council was briefed on the 50<sup>th</sup> Anniversary Committee's recommendations. Committee members include representatives from Lacey Fire District 3, North Thurston Public Schools, Lacey South Sound Chamber, Panorama, Saint Martin's University, Planning Commission, Parks Board, Library Board, Historical Commission, Historical Society, and the Lacey Museum.

The objectives are to create community spirit and pride, reach every citizen, and strengthen relationships with community partners. The proposed calendar of events will run from Lacey Days 2016 to Lacey Days 2017:

- July 3, 2016: Kickoff-Enhanced Fireworks Event
- December 5, 2016: Public Open House/Reception
- Spring 2017: Mayor's Gala
- July 15, 2017: BBQ Festival as the closing event

Community Partners, such as service clubs, faith organizations, non-profits, and businesses will be asked to brand their annual events or create special projects to promote Lacey's 50<sup>th</sup> anniversary.

The budget impact is estimated to be \$50,000, and spread over two years.

The presentation will also be given to the Leadership Council at their first meeting in October.

### THURSTON CLIMATE ACTION TEAM (TCAT) SURVEY RESULT

STAFF: TOM CRAWFORD, VICE-CHAIR, TCAT BOARD  
LARRY GERI, EVERGREEN STATE COLLEGE

ACTION: INFORMATION ONLY

The Committee was briefed on the community survey conducted in June 2015. The survey, funded by Thurston County and LOTT Clean Water Alliance, was an opportunity to collaborate with local governments and business leaders to reduce Thurston County's carbon footprint. Results of the survey include:

- Top Community Concerns
  - Traffic
  - Population Growth
  - Homelessness
  - Growth Management
- Top Environmental Issue
  - Water Quality
- Climate
  - 85% responded that people affect the climate
  - 79% responded that climate action is important
  - 77% responded that inaction will lead to serious local problems
- Financing
  - 69% responded they would be willing to pay \$10/year or more
  - 63% would agree to a small increase in sales, utility, or property tax

TCAT's next step is to form a task force to develop a county-wide clean energy program. Council was asked to consider appointing a representative to serve on the task force.

Council will discuss the request at a future Worksession.

INTERGOVERNMENTAL BOARDS & COMMISSIONS, CONSENT AGENDA AND STANDING COMMITTEES DISCUSSION

STAFF: SCOTT SPENCE, CITY MANAGER  
ACTION: APPROVE REVISING COUNCIL CONSENT AGENDA TO STREAMLINE COMMITTEE REPORTING.

***Intergovernmental Boards and Commissions:***

Councilmembers represent the City on regional intergovernmental boards and commissions, and then report out at a regular Council meeting the issues that arise during meetings of those boards and commissions. Council discussed creating a policy requesting agencies provide an update to Council on key topics, such as fee increases and change in fee schedules.

Staff will draft a policy and bring forward at a future General Government & Public Safety Committee meeting.

Council will continue to report out at Council meetings, but will limit the report to those items that affect Lacey citizens.

Council also discussed the value of receiving meeting minutes from the board and commission meetings, and directed staff to email to the full Council.

***Consent Agenda and Standing Committees:***

Council discussed moving the committee minutes to the consent agenda, unless there is an action item from the committee meeting. Those that require an action by the full Council could be placed under the committee reports of the agenda.

Council agreed to keep the standing committee minutes under the committee reports, then identify in the minutes if an item had action already taken, and identify on the agenda if there's an item that requires action by the full Council.

SPSCC LEASE EXTENSION-VETERANS SERVICES OFFICE

STAFF: SCOTT SPENCE, CITY MANAGER  
ACTION: AUTHORIZE THE CITY MANAGER TO SIGN A LEASE AMENDMENT WITH SOUTH PUGET SOUND COMMUNITY COLLEGE TO EXTEND THE TERM OF AN EXISTING ONE-YEAR LEASE BY ONE ADDITIONAL YEAR. THE CURRENT LEASE EXPIRES ON SEPTEMBER 30, 2015.

MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBERS GADMAN AND HEARN. COUNCILMEMBER HEARN WITHDREW THE MOTION.

The City opened the Lacey Veterans Services Office at the South Puget Sound Community College (SPSCC) campus in the Woodland District in October 2014. This was a partnership with the Tacoma and Federal Way Vet Centers.

The City of Lacey leases the 1,200-square-foot office suite from SPSCC, and provides its use to veteran service providers free of charge.

The proposed lease agreement amendment will allow continuation of the City's partnership with the Tacoma and Federal Way Vet Centers, as well as the Thurston County Veterans Services Office, to provide veterans services within Lacey's central business district.

Lacey is communicating with the Department of Veterans Affairs officials in Washington D.C. regarding additional funding support that will allow expansion of the Lacey operation into a permanent, five-days-per-week Veterans Center. In addition, discussions will begin with Thurston County regarding a full vet center.

Council requested this item be placed on the September 24, 2015, Council agenda for further discussion.

#### WILLAMETTE DRIVE & 31<sup>ST</sup>

STAFF: SCOTT EGGER, PUBLIC WORKS DIRECTOR

ACTION: INFORMATION ONLY

Beginning 6:00 a.m. on Wednesday, September 23, crews will be installing base asphalt at the intersection of Willamette Drive NE and 31st Avenue NE, as part of the roundabout construction project. Installation is expected to be completed by 6:00 p.m. the same day; however, the project is weather-dependent.

Due to the significant change in traffic, staff contacted North Thurston Public Schools and Fire District 3. Traffic will be diverted using a detour route, and patrol will be available so traffic can maintain a more residential speed. Substantial completion of the project is expected before the end of 2015.

## 10.02 Allocation of Annual City Council Travel and Training Budget

It is the intent of the City Council that each member takes advantage of training and professional development opportunities to broaden his/her understanding of municipal government and enhance his/her role as an elected city official. To that end, funds are annually budgeted to accommodate reasonable travel for conferences, seminars, workshops, and other training opportunities for each Councilmember. Councilmembers are encouraged to attend events sponsored by Association of Washington Cities, National League of Cities, or similar local government associations, including conferences, seminars, legislative meetings, and training programs. (Refer to Chapter 4, Paragraph 4.04.)

Funds allocated to Council travel and training shall be distributed equally by Council position to provide for attendance at regional or national conferences. In addition, adequate funds will be budgeted annually to accommodate travel by the Mayor or other selected Councilmember to meet with the city's congressional delegation to discuss community needs. ~~Unspent funds are non-transferrable and will be returned to the General Fund.~~

Councilmembers may submit for reimbursement of unspent funds, if available, no later than December 1 each year. Each Councilmember requesting reimbursement will receive equal portions of the unspent funds. If a Councilmember's request is lower than the portion of unspent funds received, the difference will be equally divided amongst the other Councilmembers who requested reimbursement.

Registration and travel arrangements for the Mayor and Councilmembers are to be coordinated through the City Clerk's office.

Travel authorization and expenditures for Councilmembers requires approval of the Mayor. Travel authorization for the Mayor requires approval by the Deputy Mayor.

All travel and training are subject to City policy.

(Refer to Attachment 10.02A - Reimbursement for Expenses Incurred in the Conduct of City Business; also refer to Chapter 4, Paragraph 4.04.)

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**MINUTES OF A REGULAR MEETING OF THE  
LACEY CITY COUNCIL HELD THURSDAY,  
OCTOBER 8, 2015, IN LACEY COUNCIL CHAMBERS.**

CALL TO ORDER: Deputy Mayor Pratt called the meeting to order at 7:00 p.m.

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

COUNCIL PRESENT: C. Pratt, V. Clarkson, J. Gadman, M. Steadman, L. Greenstein Councilmember Steadman will join the meeting at 7:20 p.m.

COUNCIL EXCUSED: A. Ryder, J. Hearn

STAFF PRESENT: S. Spence, D. Schneider, R. Schoessel, D. Pierpoint, L. Flemm, R. Walk, T. Palmateer, C. Litten

APPROVAL OF AGENDA  
AND CONSENT AGENDA:

Consent Agenda Items:

- A. Worksession Minutes of September 17, 2015.
- B. Council Minutes of September 24, 2015.
- C. A motion to approve payment of claims, wages, and transfers for September 16-30, 2015.

**COUNCILMEMBER GADMAN MOVED TO APPROVE  
THE CONSENT AGENDA AND AGENDA.  
COUNCILMEMBER GREENSTEIN SECONDED.  
MOTION CARRIED.**

PUBLIC COMMENTS:

Shauna Stewart introduced herself as the new Executive Director of the Olympia, Lacey, Tumwater Visitor & Convention Bureau. She previously worked for the VCB from 2006-2008.

Ron Nesbitt spoke about the sovereignty of the black nation and his efforts to achieve this goal.

**PROCLAMATIONS:**

On behalf of Mayor Ryder, Deputy Mayor Pratt and Council proclaimed October 15, 2015, as White Cane Safety Day.

On behalf of Mayor Ryder, Deputy Mayor Pratt and Council proclaimed October 2015, as Walk to School Month.

**ORDINANCES:**

Ordinance No. 1479 creates the Hicks Lake Management District.

Resolution No. 1026 was passed on August 27, 2015, and amended with Resolution 1027 on September 10, 2015. These resolutions submitted the question to a vote of the landowners in the proposed district of whether a Lake Management District should be formed. Ballots were sent to all property owners in the proposed district on September 11, 2015.

A majority of the ballots returned by the October 1, 2015, deadline favor the formation of Hicks Lake Management District No. 1. Since the proposal received a simple majority vote in favor of creating the lake management district, the city governing body shall adopt an ordinance creating the lake management district and may proceed with establishing and collecting the assessment charges and performing the improvement or maintenance activities.

**COUNCILMEMBER GREENSTEIN MOVED TO ADOPT ORDINANCE NO. 1479 TO CREATE THE HICKS LAKE MANAGEMENT DISTRICT NO. 1. COUNCILMEMBER CLARKSON SECONDED. MOTION CARRIED.**

**CITY MANAGER'S REPORT:**

Scott Spence, City Manager, reported that the Washington Supreme Court has reversed a decision by

the Department of Ecology to grant new water rights to the City of Yelm with broad implications across the state for cities receiving water rights.

GENERAL COMMITTEES:

General Government & Public Safety Committee

Deputy Mayor Pratt reported the Committee met on September 14, 2015, to discuss Housekeeping Amendments relating to Lacey Municipal Code Chapter 9.48 – Unfair Housing Practices. Action was taken at the September 24, 2015 Council meeting to adopt the amendments.

Transportation Committee

Councilmember Gadman reported the Committee met on September 23, 2015, to discuss reduced speed limits in northeast Lacey.

Deputy Mayor Pratt noted that Councilmember Steadman joined the Council meeting at 7:20 p.m.

BOARDS &  
COMMISSIONS:

Intercity Transit

Councilmember Clarkson reported that Intercity Transit is training 16 new drivers to meet the demands of the public.

Councilmember Gadman reported he attended the annual meeting of the American Public Transit Association. The Transportation Secretary was optimistic about distributing federal funds to assist local jurisdictions with public transit.

JASCOM

Councilmember Gadman reported the Board received a budget presentation, and will hold a public hearing on November 5, 2015.

Thurston Regional Planning Council

Councilmember Clarkson reported the Board reviewed comments from the Transportation Policy Board, and continues discussion of 2016 legislative priorities. Staff reported on a sustainability activity related to water and land use planning. A grant request has been submitted, but not funded yet.

It was announced that TRPC received the GMA Lifetime Achievement Award for Thurston Regional's Sustainability Project.

HOME Consortium

Councilmember Clarkson reported the Board has planned a retreat for next week.

Community Action Council

Councilmember Clarkson reported the Board has scheduled its first retreat for next month.

TCOMM

Councilmember Greenstein reported the Board approved its 2016 preliminary budget. Reserves have been increased and funding allocated for needed equipment.

ADJOURNMENT:

Deputy Mayor Pratt adjourned the meeting to a worksession at 7:30 p.m. to discuss the 2016 proposed budget and related items.

WORKSESSION:

2016 Proposed Budget Discussion

STAFF: SCOTT SPENCE, CITY MANAGER; TROY WOO, FINANCE DIRECTOR

ACTION: INFORMATION ONLY

2016 Proposed Budget

Troy announced the 2016 proposed budget has been balanced. The projected deficit of \$800,000 has been reduced to \$439,685. Gambling and pension reserve funds will be used to balance the budget.

Increase in Cable Tax

A Council request was made to consider an increase to the cable tax in 2016 instead of delaying until 2017. An increase could help reduce the deficit without using reserve funding. Following discussion, the majority of Council agreed that specific reserves have been designated for this deficit, and taxes should not be raised without a specific purpose.

Applying B & O Tax

A Council request was made to consider applying a business and occupation tax to Providence Medical Center as a non-profit organization. The City of Olympia has levied this tax on Providence to generate revenue. Following discussion, there was Council consensus that Providence should not be charged B&O taxes. However, Council requested that they be informed if new information becomes available.

Street Tree Ordinance

Scott recapped previous Council discussions regarding the Planning Commission's recommendation that the city maintain all street trees on arterial and collectors at an estimated cost of \$150,000 annually. As an alternative, Council had discussed creating view corridors that would be maintained by the city, and would add an additional 550 trees to the streetscape.

Scott noted that if Council decides to move forward with this alternative as its policy, this action would be identified in the street tree ordinance. It would then be the responsibility of the city to implement the policy using the existing workforce. It is not recommended that labor be increased at this time.

Council discussed the importance of maintaining its Tree City designation, the safety and aesthetics of modifying the city street tree standards, and the potential for labor and cost increases.

After further discussion, Council reached consensus to move forward with amending the Street Tree Ordinance to create view corridors.

**Reimbursement for Council Travel**

A Council request was made to consider increasing travel funds to reimburse airfare and lodging for Councilmembers who participate on subcommittees of the National League of Cities. It was noted that topics of national interest are discussed at these meetings with potential impacts to local government.

The current travel policy allocates \$3,000 to each Councilmember annually. Unused funds cannot be transferred to other Councilmembers.

There was discussion regarding whether costs should be reimbursed to those who serve on national subcommittees when it is not a requirement as a Lacey City Councilmember. There was general consensus that the Council travel fund should not be increased to reimburse these costs. However, it was suggested that Council revisit its current travel policy to consider allowing the transfer of unused funds to those who have incurred additional costs beyond their travel allocation.

In other business, Councilmember Gadman requested that a written agenda be provided to Council for all future meetings.

Deputy Mayor Pratt adjourned the meeting at 8:43 p.m.

MAYOR: \_\_\_\_\_

ATTESTED BY CITY CLERK: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_

### 10.12 Spirit of Lacey Award

To establish a program that provides the City Council a formalized means of recognizing individuals, organizations, and businesses who make significant contributions to the betterment of the greater community, or, whose acts of heroism, courage, selflessness, or exceptional volunteerism are worthy of special recognition.

#### Eligibility:

1. Individuals
2. Organizations – private, public, and not-for-profit
3. Businesses

#### Criteria:

1. Exceptional contributions that promote the betterment of the community (e.g. long-term extraordinary individual or group volunteerism that meets a special need in the community or provides a service not otherwise provided).
2. Actions that provide long-term value and benefit for future generations (e.g. initiating a major new program with broad community-wide benefit and that fills a critical need).
3. Acts of heroism and selflessness (e.g. saving a life, by risking one's own life).
4. Exceptional environmental stewardship (e.g. a major land donation that protects and preserves sensitive environmental property).
5. Extraordinary generosity or investment in the community (e.g. a major cash or land donation valued that helps address an important community need and enhances the overall community).

#### Frequency:

1. As merited.

Note: The *Spirit of Lacey Award* is established to recognize 'exceptional' and 'out-of-the-ordinary' contributions to the community. It is intended to be awarded sparingly and on a limited basis so as not to diminish its significance and the extraordinary contributions of recipients.

#### Nomination Process:

1. Nominations can be made by submitting a nomination form in writing at any time to the City Council Community Relations Committee, 420 College Street, Lacey, WA, 98509, or via e-mail to [council@ci.lacey.wa.us](mailto:council@ci.lacey.wa.us). Individuals, businesses, and organizations are welcome to submit nominations. Nomination forms should document in detail the significant and extraordinary contributions of the proposed recipient.
2. Information about the *Spirit of Lacey Award*, including this program outline, will be maintained on the City's website for general public access and to encourage submittal of nominations.

Selection Process:

1. The Lacey City Council Community Relations Committee will schedule time at a regularly scheduled meeting to determine if there are any businesses, individuals, or organizations that qualify for the *Spirit of Lacey Award*.
2. Nominations received during the course of the year will be considered along with other recommendations, if any.
3. The Community Relations Committee will review and deliberate on the merits of each nomination utilizing the criteria and principles established herein.

A. If the Committee determines the nomination does meet the criteria, their recommendation will be forwarded to the City Council with documentation supporting the exceptional actions or extraordinary contributions of the individual, business, or organization.

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B. If the Committee determines the nomination does not meet the criteria, the nomination will not be forwarded to the City Council. For those that are not forwarded to the City Council, the Committee may give the applicant an opportunity to be recognized with a certificate of recognition.

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- ~~4. Recommendations from the Community Relations Committee will be forwarded to the City Council with documentation supporting the exceptional actions or extraordinary contributions of the individual, business, or organization.~~

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Award and Presentation:

1. *Spirit of Lacey Awards* will be presented to recipients by the Mayor at regularly scheduled and televised City Council meetings.



2. Recipients of the Award will be acknowledged on the City's official website provided permission is granted.

Historical Record:

1. A record of all *Spirit of Lacey Award* recipients will be maintained by the City Clerk and will be made available to the Community Relations Committee as a means of ensuring nominations meet the high standard of exceptional and extra-ordinary contribution to the community.

(Refer to Attachment 10.12A – Spirit of Lacey Award Nomination Form)