

**CITY OF UNIVERSITY PLACE  
MINUTES  
Regular Meeting of the City Council  
Monday, October 17, 2022**

**1. CALL REGULAR MEETING TO ORDER**

Mayor Worthington called the Regular Meeting to order at 6:30 p.m.

**2. ROLL CALL**

Roll call was taken by the City Clerk as follows:

Councilmember Wood	Present
Councilmember Flemming	Present
Mayor Pro Tem Figueroa	Present
Councilmember McCluskey	Present (left at 8:54 p.m.)
Mayor Worthington	Present
Councilmember Belleci	Excused
Councilmember Keel	Present

Staff Present: City Manager Sugg, City Attorney Kaser, Administrative Services Director Petorak, Finance Director Blaisdell, Engineering and Capital Projects Director Ecklund, Police Chief Premo, Community and Economic Development Director Briske, Public Safety Administrator Hales, Information Technology Manager Vallantyne, Communications Manager Seesz, Parks Maintenance Supervisor West, and City Clerk Genetia.

**3. PLEDGE OF ALLEGIANCE**

Councilmember Keel led Council in the Pledge of Allegiance.

**4. APPROVAL OF AGENDA**

**MOTION:** By Mayor Pro Tem Figueroa, seconded by Councilmember Keel, to approve the agenda.

**The motion carried.**

**5. PUBLIC COMMENTS** – The following individuals provided comments: Steve Zelt, 6631 60<sup>th</sup> Street West; Candace Strubhar, 6639 60<sup>th</sup> Street West; Diane Bradley, 6609 60<sup>th</sup> Street West; Bruce Robison, 6101 62<sup>nd</sup> Avenue West; Mark Baespflug, 6503 60<sup>th</sup> Street West; Martin Doyle, 6234 66<sup>th</sup> Avenue West; Mark Bates, 6310 61<sup>st</sup> Street West; Keith Brown, Harvest Ridge; and Theodore Wallace, 6317 63<sup>rd</sup> Street West.

**6. CONSENT AGENDA**

**MOTION:** By Mayor Pro Tem Figueroa, seconded by Councilmember Keel to approve the Consent Agenda as follows:

- A.** Approve the minutes of the October 3, 2022 Council meeting as submitted.
- B.** Receive and File: Payroll for periods ending 8/31/2022, 9/15/2022, and 9/31/2022.
- C.** Authorize the City Manager to enter into a Professional Services Agreement with LDC, Inc. to assist with the 2024 Comprehensive Plan periodic update.
- D.** Adopt a Resolution ending the state of emergency due to the coronavirus. **(RESOLUTION NO. 990)**
- E.** Authorize the City Manager to execute Change Order 2 of the Harvest Ridge Storm Pond Repair project in the amount of \$45,000.00.

**The motion carried.**

## **PUBLIC HEARING**

### **7. 2023-2024 PROPOSED BIENNIAL BUDGET**

Staff Report – Finance Director Blaisdell presented an overview of the 2023-2024 proposed Biennial Budget. The 2023-2024 proposed biennial budget is balanced and fits the conservative financial assumptions for the City Operating, Capital, and Debt Management. The Operating budget is at core service levels, staffing at 2022 levels with no new positions added, CIP at core level using local dollars to leverage grants, and debt payments budgeted according to the City's debt schedule. Taxes in this budget are expected to decrease from the 2022 year-end estimates. The City continues to be conservative with revenue projections for the biennium. The proposed budget includes the statutorily allowed increase to the City's ad valorem property tax in each year of the biennium. Expenditure budget is a status quo with inflation assumed for expenditures. It includes a 6.5% COLA for all staff in 2023-2024, an estimated increases to benefits, and a list of new items.

Public Comment – None.

The public hearing for the 2023-2024 Biennial Budget will continue to the November 21, 2022 Council Meeting.

### **8. CITY MANAGER & COUNCIL COMMENTS/REPORTS**

City Manager Sugg provided an update on three major City road improvement projects that are underway: Grandview Drive West Overlay, Lakewood Drive Overlay, and Chambers Creek Road/Chambers Lane Road Improvement Phase I.

Councilmember Wood thanked the Harvest Ridge residents who expressed their concerns about the detention pond. He requested staff to provide information on the number of detention ponds maintained by the City and held privately, as well as any other information that could help him better understand this situation.

Councilmember McCluskey echoed and concurred with Councilmember Wood's comments and request.

Councilmember Flemming requested background information on the Harvest Ridge detention pond. He reported that he attended a successful Oktoberfest event and relayed his kudos to City staff, vendors, and the community.

Mayor Pro Tem Figueroa offered to sponsor a legislative proposal on Harvest Ridge detention pond for Council study. Councilmember Wood supported the proposal. He also shared information on various committee meetings he attended as the City's representative.

Mayor Worthington informed Council of the outcome on the proposal to name/dedicate the Chambers Creek bridge as a Gold Star bridge. He shared that he attended the SSHA<sup>3</sup>P meeting; that he, along with Councilmember Wood, Mayor Pro Tem Figueroa, and their spouses, hosted a dinner at his home for the 16<sup>th</sup> Combat Aviation Brigade leadership team and their spouses as part of the Community Connection Program; and he attended the Oktoberfest event. Additionally, he informed his colleagues to save the January 28, 2023 date for Council's retreat.

## **STUDY SESSION**

### **9. 2023-2024 BIENNIAL BUDGET**

Finance Director Blaisdell reiterated that the proposed 2023-2024 biennial budget is balanced and fits the conservative financial assumptions for City budgets and debt management, and that the financial forecast has been updated to reflect the proposed budget amounts and the projected ending balances of the various funds. She pointed out that the Street Fund projects has a negative balance in 2031-2032. She indicated that a 2022 budget amendment will be brought to Council in November to transfer approximately \$1.2 million from REET to the Street Fund and explained that through E2SHB 1069, the legislature provided cities with temporary financial flexibility to use a portion of its REET revenue for maintenance and operations

of parks and capital facilities. The use of REET funds in 2022 and 2023 shifts the projected negative balance in the Street Fund from 2028 to 2031. The 2023-2024 expenditure is a status quo budget with a modest level of inflation assumed for supplies and services, a 6.5% COLA for staff in 2023-2024, and estimated increases to benefits (between 5 to 10 percent). Director Blaisdell stated that the proposed 2023 total operating expenditures by department is up from the revised 2022 budget due mainly to the contingency fund amount which includes the \$1.1 million in one-time monies. The City Manager's proposed budget includes \$290,840 in new items requested by departments.

In line with the City's budget policies, the proposed budget includes a budgeted amount of \$10,000 each year for community grants that need reauthorization from Council. Director Blaisdell indicated that TACID and the Crystal Judson Family Justice Center are budgeted to receive \$3,000 each, with the remaining \$4,000 for new requests.

Earlier this year, staff reported that the General Fund had \$1,101,360 in one-time monies at year end 2021. This amount is included in the 2023-2024 proposed budget in the contingency line item awaiting Council's decision on how to appropriate it. After developing and approving the 2023-2024 Council Goals, staff was asked to identify budgetary impacts of strategies to achieve Council goals. Director Blaisdell indicated that staff has identified a number of strategies that could be funded with the available one-time revenues; strategies with unfunded ongoing costs will require new revenues. The new one-time items with no ongoing costs that could be funded with the one-time monies total \$707,000; and the related one-time items that have ongoing costs total \$1,666,189/year. City Manager Sugg indicated that Council can choose to allocate the \$1.1 million one-time monies tonight or leave it in contingency as proposed and decide on how it will be disbursed through a series of Council discussions in 2023.

A request was made for staff to revisit the Council travel budget for appropriate adjustment if needed; questions were raised with regards to the City's debt service; new item requests; community events expenditures; and franchise fees/utility taxes pass throughs. Council commented on the prioritization of the one-time expenditures vs. ongoing costs items.

## **10. ONE PERCENT PROPERTY TAX LEVY**

Finance Director Blaisdell presented the Preliminary Certification of Assessed Values/Levy Limit Factor from Pierce County for the property tax levy (final values are expected in late December). She indicated that if Proposition 1 (Public Safety Levy Lid Lift) is approved by voters in November, property tax shall be levied at the rate of \$1.285032913 per \$1,000 assessed value. Should it fail, the statutory limit results in an increase in the levy of \$41,205.73 which is a percentage increase of 0.89384% exclusive of revenue from new construction, improvements to property, any increase in the value of state-assessed property, any annexations that have occurred and refunds made. Approving the increased property tax levy rate would result in an additional \$5.75 property tax/year paid to the City for a home valued at \$632,000. She noted that the proposed 2023-2024 biennial budget includes the statutorily allowed increase in the City's ad valorem property tax in each year of the biennial, pending the result of the vote on Proposition 1.

Public Hearing and Council consideration on this matter is scheduled for November 21, 2022.

## **11. INCLUSIVE PLAYGROUND**

Interim Public Works & Parks Director Ecklund, together with Chris Saunders of the University Place Parks and Recreation Foundation, presented the layout, design and play elements for the proposed inclusive playground project at Cirque Park. The Foundation has worked with Great Western Recreation and City staff to get feedback, ideas, and a wish list to incorporate in the design concept. Ms. Saunders explained the difference between a conventional playground and an inclusive playground and stated that the University Place School District has fourteen designations of disability and that the Foundation has tried to address them in the process of designing this playground. She noted the open space layout, equipment design and features for those with mobility issues as an example of what differentiates an inclusive playground. Director Ecklund indicated that the playground originally designed by the City for an RCO grant will be incorporated into this project. The Foundation is also looking into adding an archway to signify the entrance of the playground/park area. The project is anticipated to begin in summer next year. Park Advisory Commission has been apprised of this project layout and design concept and has given its full support.

## 12. 2023 LEGISLATIVE AGENDA

City Manager Sugg presented a resolution listing the City's legislative priorities for 2023. As reflected in the resolution, the top three on the list are supportive of the Association of Washington Cities' (AWC) priorities: (1) to maintain local control over local planning; (2) address impacts of the Blake Decision regarding the legality of possessing a controlled substance; (3) enhance public safety regarding the ability of police to conduct vehicular pursuits using a reasonable suspicion standard; it also includes the City's request for additional funding and/or funding options for the provision of local police services. Additionally, the City requests that the legislature: (4) make permanent the financial flexibility provided in 2021 by E2SHB 1069 to use a portion of a city's REET revenue for maintenance and operations of parks and capital facilities; and (5) a funding request for capital and long-term sustainable investments for the following projects: Day Island bridge design, sewer infrastructure, and Chambers Creek Road roundabout.

A suggestion was made to remove the word "substantially" in paragraph two of the first priority. Comments were made about REET funding, its use and flexibility; and thoughts on a regional program to help address issue of public encampments. Council consented to move the proposal forward with the minor noted change.

## 13. COMCAST FRANCHISE

City Attorney Kaser provided background information of Comcast's franchise agreement with the City, indicating that the ten-year franchise permit issued in July 2003 has expired in its own terms in July 2013. There has been approximately a nine-year period in which the City has had a franchise agreement with Comcast during an expired period of time. However, University Place is not unique in this regard. He explained that during the period since the expiration of the original franchise, both parties have been proceeding as if the agreement remained active. The City, working with Pierce County and other municipalities composing of the Rainier Communications Commission (RCC), have worked with Comcast to negotiate a common franchise agreement. Through RCC, the various municipalities who participated have reached a standardized franchise agreement with Comcast, leaving room for individual members to address/negotiate needs specific to their municipalities. Attorney Kaser highlighted a number of key attributes of the City's franchise agreement: (1) Franchise term – 10 year agreement to begin upon mutual acceptance and terminate on December 31, 2032. In the absence of a new agreement, at the end of the term, it proceeds on a month-to-month basis; (2) Franchise Fee – University Place currently charges a franchise fee of 5% of Comcast's gross revenues and will remain at this amount; (3) Indemnification and Insurance – both sections are revised and were vetted with the City's insurance carrier; (4) Programming and Access – RCC took the lead in negotiating the provision to ensure that the RCC programming, which included PCTV and UPTV, are preserved and can accommodate future technological changes. Public, Educational and Government (PEG) programming capital contribution was changed from the current model of collecting \$.50 per customer to a percentage of gross revenue model; (5) Right-of-Way Construction – this section was vetted with the City Engineer to ensure it was protective of the City with regard to permits, undergrounding; and relocation for projects.

Concerns were brought up with regard to road cuts for cable installation and road cut limitations; project relocation cost; non-PEG public channel and fees; and franchise term.

**14. EXECUTIVE SESSION** – At 9:18 p.m., the City Council recessed to Executive Session/closed session for approximately 30 minutes, per RCW 42.30.140(4)(b) to review proposals and adopt strategy to be taken by the City during collective bargaining; per RCW 42.30.110(1)(i) to discuss potential litigation with legal counsel; and per RCW 42.30.110(1)(g), to review the performance of a public employee.

At 9:47 p.m. and 10:06 p.m., motions were made and were carried to extend the Executive Session for 20 minutes and 5 minutes, respectively.

**15. ADJOURNMENT** – The meeting adjourned at 10:11 p.m. No other action was taken.

Submitted by,

Emy Genetia  
City Clerk