

**CITY OF UNIVERSITY PLACE
MINUTES
Regular Meeting of the City Council
Monday, November 7, 2022**

1. CALL REGULAR MEETING TO ORDER

Mayor Worthington called the Regular Meeting to order at 6:40 p.m.

2. ROLL CALL

Roll call was taken by the City Clerk as follows:

Councilmember Keel	Present
Councilmember Wood	Present
Councilmember McCluskey	Present
Councilmember Flemming	Present
Councilmember Belleci	Present
Mayor Pro Tem Figueroa	Present
Mayor Worthington	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 Deputy Director Swindale, Community and Economic Development Director Briske and City Clerk Genetia.

3. PLEDGE OF ALLEGIANCE

Mayor Worthington led Council in the Pledge of Allegiance.

4. APPROVAL OF AGENDA

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

The motion carried.

5. PUBLIC COMMENTS – The following individual provided comments: Steve Zelt, 6631 60th Street West.

6. CONSENT AGENDA

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

- A.** Approve the minutes of the October 17, 2022 Council meeting as submitted.
- B.** Receive and File: Payroll for period ending 10/15/22; and Claims dated 10/14/22 and 10/31/22.
- C.** Authorize the City Manager to approve payment to Pierce County for 2022 Chipseal/Sealcoat project in the amount of \$509,082.07.
- D.** Adopt a Resolution establishing the City's legislative priorities for 2023. **(RESOLUTION NO. 991)**
- E.** Adopt a Resolution declaring certain vehicles and equipment surplus and authorizing its disposal. **(RESOLUTION NO. 992)**
- F.** Adopt a Resolution approving the Exclusive Brokerage Agreement with Jeff Kraft of Kidder Matthews for a term through December 2024. **(RESOLUTION NO. 993)**
- G.** Pass an Ordinance granting a non-exclusive franchise to construct, install, operate, maintain, repair or remove cable television facilities within the public rights of way in the City of University Place to Comcast Cable Communications Management, LLC. **(ORDINANCE NO. 762)**
- H.** Adopt a Resolution designating an applicant agent for the purposes of obtaining and administering certain state and federal financial assistance under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Act of 1988, P.L. 93-288, as amended. **(RESOLUTION NO. 994)**

The motion carried.

PUBLIC HEARING

7. 2023-2024 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's 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 service level using local dollars to leverage grants, and debt payments budgeted according to the City's debt schedule. The forecast has been updated with all proposed budget amounts, including a 2022 budget amendment that will transfer approximately \$1.2M from the REET to the Street Funds. Expenditure budget is a status quo with inflation assumed for supplies and services, a 6.5% COLA for staff in 2023-2024, and estimated increases to benefits. 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 2023-2024 proposed budget also includes \$290,840 in new items requested by departments, \$10,000/per year for community grants, and new item requests related to the 2023-2024 Council goals.

Public Comment – None.

The public hearing for the 2023-2024 Biennial Budget will continue to the November 21, 2022 meeting and will then be considered for adoption thereafter.

8. CITY MANAGER & COUNCIL COMMENTS/REPORTS

City Manager Sugg reported that the demolition on the old Red Apple Market building has begun today. This sets the stage for the redevelopment of the 8-acre parcel. More information about the project that will be going forward on that site to follow.

Councilmember Wood reminded the public that tomorrow is election day. He expressed his support for Proposition 1 on the ballot and hopes that the community will support it as well.

Councilmember McCluskey echoed Councilmember Wood's comments and encouraged the community to vote. She also expressed her elation about the 27th and Grandview demolition and commented on the efforts made by staff to take care of the nuisance issues that have evolved over the years.

Councilmember Flemming reminded Council of the Veterans' Plaza dedication this Friday. He extended his appreciation to staff and others who have put a lot of efforts in making this come to fruition. He also encouraged the public to vote.

Mayor Pro Tem Figueroa informed Councilmembers that his report on his work with Pierce County Regional Council and Puget Sound Regional Council (PSRC) Executive Board was sent by email. He noted of interest PSRC's report on the amount of dollars that will be invested in the Puget Sound region over the next several years and how those funds get distributed through a process. He encouraged his peers to take an active role in PSRC positions/appointments. Lastly, he commented on ideas for things that the City can do to acknowledge and recognize the efforts of those community/volunteer groups who spearhead projects like the Veterans' Plaza, the Inclusive Playground and others.

Mayor Worthington, too, is excited about the Veterans' Plaza dedication and commented on the great partnership between the City and the University Place Veterans' Plaza group. He shared that the City has been awarded \$500,000 in ARPA Infrastructure grant funding for the 57th sewer project. Lastly, he conveyed the following information: Tacoma Convention Center Public Facilities District Board position expiring at the end of the year; and the Council interview committee will start the interview process for the eight openings for commissions in the coming weeks.

STUDY SESSION

9. 2023-2024 PROPOSED BIENNIAL BUDGET

Pursuant to the City's budget policies, Finance Director Blaisdell reviewed and highlighted the CIP projects included in the proposed 2023-2024 biennial budget. The budget includes eight projects in the Parks CIP totaling \$515,000 with \$257,500 coming from Park Impact Fees and the remaining coming from REET funds; four projects in the Public Works CIP (all of which are consistent with the goals and policies of the comprehensive plan and are included in the City's Six-Year TIP); and three projects in the Municipal Facilities CIP. She indicated that a new project was added in the Municipal Facilities CIP, the costs of which were not included in the initial proposed budget number but will be included in the final budget approval.

Questions were addressed relating to staff credit for REET fund savings; thoughts on the funding and implementation of the overall park master plan; additional park components that need to be completed; parking meters; and opportunities for EV charging stations. Comments were made with regard to upcoming park/recreation trends; and budget process.

10. 2021-2022 BIENNIAL BUDGET ADJUSTMENT

Finance Director Blaisdell conveyed that the Legislature provided temporary financial flexibility in 2021 which included a provision that provided cities with flexibility through 2023 to use a portion of a city's REET revenue for maintenance and operations of parks and capital facilities. With that, the City is proposing to transfer \$792,519 from the REET Fund to the Street Fund for maintenance and operations of streets in 2022. This proposal does not affect the City's ability to make debt payments and continues to have a balance in the fund.

A public hearing on the 2022 budget adjustment is scheduled for November 21.

11. COMPOST PROCUREMENT ORDINANCE

Administrative Services Director Petorak informed Council that earlier this year, the State Legislature passed House Bill 1799 relating to organic management. She indicated that the purpose of the newly enacted law is to reduce landfill waste by 75% by 2030. As part of that goal, the bill added several new chapters and amendments to existing law, one of which requires cities with populations greater than 25,000 and which provide curbside organic matter collection to do the following four things: (1) to adopt a compost procurement ordinance, by January 1, 2023, for City projects or City-funded projects related to landscaping, construction, or erosion control; (2) to provide an educational strategy on the benefits of using compost and how the City uses such organic materials; (3) to encourage cities to give priority to compost producers that meet requirements of the Department of Ecology; and (4) to begin reporting to the Department of Ecology in 2024 the number of tons of organic material diverted, the volume and cost of compost purchased, and the source of the compost used for City projects. Director Petorak indicated that a secondary RCW (RCW 43.19A.120) specifically outlines where the City may exclude the procurement of composting materials if using compost materials would be cost prohibitive. One of the other requirements of the RCW is that priority should be given to locally sourced producers that derive their compost from municipal solid waste compost programs. The new law also requires the City to educate the public on the benefits of using compost in addition to how the City uses the material. She noted that staff are in the early development stages of combining this educational component with the NPDES program.

Comments were made regarding the impact and additional costs that state mandates have on the City's budget; legality of non-compliance; and the consideration of adding this mandate in the City's future legislative agenda asking legislators to remove it.

12. FATBEAM FRANCHISE

Engineering and Capital Projects Director Ecklund reported that Fatbeam, LLC has applied for a non-exclusive franchise for the purposes of providing telecommunications services through, over and under the City's rights-of-way. As indicated in their application, Fatbeam, LLC is proposing to construct fiber lines to seven school district locations through a combination of aerial and underground installations. Maps of these routings were provided in the Council packet. The services provided by this installation will be primarily for

the school district with some commercial in the future. Director Ecklund noted that no facilities for personal wireless services, towers or poles are expected to be placed in the right-of-way.

There were questions with regard to the City's position in aerial connections/installation; timeframe for Grandview installation prior to the City's planned street overlay; installation routings/hub to schools; and future expansion plan.

13. OPEN SPACE CLASSIFICATION

Community and Economic Development Deputy Director Swindale presented an application for a current use assessment/classification submitted by Nadine Lewtas. The Applicant proposes to place 3.86 acres of a 4.96-acre parcel into Current Use Open Space. He indicated that the Revised Code of Washington (RCW) Title 84, Property Taxes, provides for reduction of property taxes to promote the preservation of open space, agricultural and timber lands (RCW 84.34), and that a property owner may apply for designation of all or a portion of their property under this statute by submitting an application to the County. The RCW provides two methods for that designation: (1) a granting authority composed of three members of the county legislative body and three members of the city legislative body in which the land is located in a meeting where members may be physically absent but participating through telephonic connection; or (2) separate affirmative acts by both the county and city legislative bodies where both bodies affirm the entirety of an application without modification or both bodies affirm an application with identical modifications. Deputy Director Swindale explained the steps the County took to process, review and approve this application. As the granting authority, he provided Council with information under the RCW 84.34 provisions to guide them in determining whether to approve or deny an application for classification or reclassification. He noted that the City has two provisions within its Code relating to current use assessment, however, they only apply in development situations.

The County requests that any affirmation documents be received no later than December 1, 2022, to allow the applicants to apply for tax credit to next year's property taxes. He related that while the City received that County's staff report in a timely manner, the matter did not come to the attention of the Department until the County Council had already acted on the proposal. City staff contacted Pierce County Parks and Recreation to inquire about future use of the parcel for public access and extension of the Chambers Creek Canyon Trail who then contacted the Pierce County Planning and Public Works staff to discuss the proposal. It appears that comment for opportunity for public access from the Pierce County Parks and Recreation staff was overlooked during the initial review process. Deputy Director Swindale relayed that while previous County plans included a trail through the property, a recent amendment to the Chambers Creek Master Site Plan (2017) omitted that trail segment. Pierce County Parks and Recreation staff indicated they are still interested in future trail access across the property and suggested that purchasing the property for future public access may be a possibility. He said that Pierce County Planning and Public Works staff expressed concerns regarding a condition under RCW 84.38 that public access is not advisable/not allowed if the land is classified as wetlands. There is a portion of wetlands on said property. According to Pierce County Planning and Public Works staff, the property owner opposed the public access to the property.

Staff is recommending that Council consider the proposal and direct staff to proceed with an affirmation, denial, or modification for action at a future Council meeting; and to consider amending the Zoning Code to make UPMC 19.70.080 applicable in non-development situations.

Discussion followed with regard to having no direct public gain/public benefit in exchange for the tax relief; tax loss for the City; impact on setting precedence for others with the same situation and its extent; and loss of revenue involved in taxes.

14. ADJOURNMENT – The meeting adjourned at 9:04 p.m. No other action was taken.

Submitted by,

Emy Genetia
City Clerk