Appendix 1-3

Minutes from November 18, 2008 City Council Public Hearing
OLYMPIA CITY COUNCIL MINUTES
November 18, 2008 7:00 p.m.

ROLL CALL
PRESENT: Mayor Doug Mah, Mayor Pro Tem Jeff Kingsbury, Councilmembers Craig Ottavelli, Rhenda Iris Strub, Karen Messmer, Joan Machlis, and Joe Hyer.

AGENDA APPROVAL
Councilmember Hyer moved, seconded by Mayor Pro Tem Kingsbury, to approve the agenda. Motion passed unanimously.

SPECIAL RECOGNITION
2008 Capital Construction Projects

Staff Report (26 kb)

Public Works Assistant City Engineer Mark Russell highlighted several 2008 capital construction projects in relation to Council goals and benefits to the community.

PUBLIC COMMUNICATIONS
Mr. Jim Reeves, 119 7th Ave, discussed public safety in relation to future earthquakes and volcanic eruptions.

Mr. Jim Zahn, 3323 Yelm Hwy SE, distributed an engineering drawing recently submitted to the City for the Poets Cove development and discussed concern with increased water volume that will run into the Chambers Ditch when that area is developed.

Mr. Dave Lindeblom, Lacey, noted tonight’s recognition of capital construction projects and asked the City to complete a repair on Percival Street north of Harrison near the first driveway on the left where the road has dropped three inches and created a bump.

COUNCIL RESPONSE TO PUBLIC COMMUNICATIONS
Jim Zahn - Councilmember Machlis asked Mr. Zahn about what new information he was referring to in his comments. Councilmember Strub asked staff to provide her with more information about the storm pipe drain in the engineering plans from the preliminary plat application recently submitted.
Dave Lindeblom - Councilmember Strub asked staff to follow up with Mr. Lindeblom and report back to the Council about the location on Percival Street and whether repair is needed.

CONSENT CALENDAR
A. Minutes of November 12, 2008 Council Meeting
B. Approval of Police Sergeants Association Labor Agreement (Cathy Raymond, Human Resources)

C. Approval of Settlement Agreement - Former Olympia Brewery Condemnation (Tom Morrill, Legal)

D. Approval of Southeast Olympia and French Road Area Urban Growth Area Rezones (Land Use and Environment Committee/Todd Stamm, CP&D)

E. Approval of Interlocal Agreement with LOTT Alliance for the Percival Creek Pump Station - Reclaimed Water Main (Tim Richardson, Public Works)

F. Appropriations Ordinance in the Amount of $45,474 for Reimbursement of Medic I Funds (Greg Wright, Fire)

G. Appropriations Ordinance in the Amount of $1,300 for the Parks, Arts & Recreation Department’s Scholarship Fund (Scott River, Parks)
H. Ad Valorem (Property) Tax Ordinance for 2009 Tax Collections (Dean Walz, Admin. Svcs.)

I. Public Defense Ordinance (Bonnie Woodrow, Court Svcs.)

J. Appropriations Ordinance in the Amount of $75,000 for Stormwater National Point Discharge Elimination System (NPDES) Grant (Andy Haub, Public Works)

K. Ordinance Amending Temporary Use Sections of the Unified Development Code (Kraig Chalem, CP&D)

Councilmember Hyer moved, seconded by Mayor Pro Tem Kingsbury, to adopt the Consent Calendar. Motion passed unanimously.

PUBLIC HEARINGS
2009 - 2014 Water System Plan & Ordinance Amendment to include New Wellhead Protection Maps

Council Action Requested: Hold a public hearing and keep the record open for one
week. Action items will be placed on the Consent Calendar on the November 25, 2008 Council agenda.

Public Works Drinking Water Planning Supervisor Donna Freier gave a brief overview of the proposed 2009 - 2014 Water System Plan. City Attorney Tom Morrill suggested keeping the written record open until close of business Friday, November 20. Following Council discussion, staff was directed to keep the written record open through Monday, November 24 at 5:00 p.m.

Mayor Mah opened the public hearing.

Mr. Dale Gabriel, 3737 Wiggins Rd, asked if the water plan would force him to hook up to City water or if he would be able to stay on his well. He asked similar questions about existing septic systems. Staff responded that the water plan does not mandate well users to connect to City water; and Mayor Pro Tem Kingsbury noted citizens with existing septic systems would only be required to connect to City sewer if their septic fails.

The following people testified about confusion with the notification letter just received, not understanding the intent of the water plan, and impacts of the plan to property owners. Concerns raised included how boundaries for the wellhead protection area were arrived at; whether animals will still be allowed; fertilizer use restrictions; how various levels of government may use this plan to increase regulations and eliminate farming in the future; future metering of well water; lack of a collaborative process; potential groundwater contamination; short notice to the public about tonight’s meeting; difficulty in accessing and understanding the plan; and not enough time to provide meaningful comment on the plan.

- Mr. Pete Levine, 8038 Normandy St SE (00:37:24)
- Mr. David Saavedra, 4144 79th Ave SE (00:39:50)
- Ms. Marcella Thornton, 4019 Thornton Rd SE (00:42:31)
- Mr. Vic Lanza, 4415 Thornton Rd SE (00:44:04)
- Mr. Erik Johansen, 2843 60th Lane SE (00:46:01)
- Mr. James Johnson, 2930 Wiggins Rd (00:48:39)
- Mr. James Zahn, 3323 Yelm Hwy SE (00:50:48)
- Mr. Chris Stearns, 4045 36th Ave NW (01:00:28)
- Mr. William Thornton, 4019 Thornton Rd SE (01:03:50)
- Mr. Justin Cover, 6508 Little Rock Rd SW (01:05:23)
- Mr. Michael Snyder, 3720 Yorkshire Dr (01:08:37)
- Mr. Lane Huber, 8326 Rich Rd SE (01:10:41)
- Mr. Dave Lindelom, 9711 65th Lane SE, Lacey (01:13:41)
- Mr. Shaungling Shaung, 5423 Boulevard Ext. Rd SE (01:16:47)
- Ms. Joan Lyon, 7434 Rich Rd SE (01:19:03)
- Mr. Nathan Ettinger, 8329 Rich Rd SE (01:20:12)

Assistant City Manager Subir Mukerjee said the Council can delay action on the Water System Plan until staff has conducted additional public outreach to explain and answer
questions about it.

Mayor Pro Tem Kingsbury noted it is not the intention of this Council to impact agricultural operations in the City or Urban Growth Area (UGA). He discussed concern with the limited notification and said the public needs an opportunity to digest and comment on the Water System Plan.

Mayor Mah assured citizens the City has a commitment to work with property owners and noted this item will not be on the Council’s November 25 agenda for action.

**Council Discussion**
- Council noted not seeing the notification letter sent to the public on this matter and asked staff questions. Staff will respond to everyone who received a letter and more public outreach will be done.
- The City and citizens are vigorously involved in water conservation.
- In addition to addressing concerns about possible contaminants, staff was asked to address future zoning and impacts on agriculture with regard to critical areas ordinance changes.
- There needs to be more advance notice for any future public outreach meetings.

Mayor Mah indicated adoption of the 2009-2014 Water System Plan is on hold pending addressing citizen questions and conducting additional public outreach.

2009 Operating and Capital Budgets Including School Impact Fees

![Staff Report and Attachments (3,132 kb)]

**Council Action Requested:** Hold the public hearing on the 2009 capital and operating budget, including lodging tax and the 2009-2014 Capital Facilities Plan (which includes supplemental information on the Olympia School District’s 2009 – 2014 CFP), to allow comment from the public.

Administrative Services Director Jane Kirkemo gave a brief overview of the City Manager’s proposed 2009 budget.

Mayor Pro Tem Kingsbury briefly reviewed the Lodging Tax Advisory Committee (LTAC) funding recommendations for 2009. He noted the lodging tax has been collected for 10 years now and one of the Committee’s work plan items for 2009 will be a review and possible revision of the application process.

Mayor Mah opened the public hearing.

**Lodging Tax**

The following people testified about their organization’s efforts to promote tourism in Olympia, thanked Council for past support, and asked for funding in 2009.
- Visitor & Convention Bureau (VCB) Executive Director Mike Dexter, 8709 28th Way NE
- Hands On Children’s Museum (HOCM) Executive Director Patty Belmonte

General Fund and Human Services Review Council (HSRC) Funding
The following people thanked the Council for past funding support, spoke about social service agency efforts that benefit Olympia citizens, and asked for funding in 2009. Several speakers noted the importance of Olympia’s funding in leveraging other funding resources.
- Olympia Early Learning Center Volunteer Board Member Dean Carlson, 201 Capitol Way N
- TOGETHER! Youth Development Director Jill Kawulok, 2300 Woodfield Loop SE
- TOGETHER! Executive Director Mary Segawa, 2524 Kempton St SE
- Dispute Resolution Center Executive Director Evan Ferber, 514 Quince St NE
- Dispute Resolution Center Mediator Joel Green, 114 Sherman St NW
- Community Youth Services client Rebecca Vogt, 711 State Ave NE
- Community Youth Services Executive Director Charles Shelan, 711 State Ave NE
- Community Youth Services Volunteer Board Member Cindy Berger, 711 State Ave NE
- Senior Services for South Sound Executive Director Eileen McKenzie Sullivan, 222 Columbia St NW
- United Way of Thurston County Executive Director Pam Toal, 1211 4th Ave E
- Community Youth Services Board Member Jon Halvorson, 711 State Ave NE
- Mr. Chris Bauermanister, 315 Steele St NE, in support of various non-profit social service agencies
- Ms. Lisa Steele, in support of Olympia Early Learning Center funding

Ms. Karen Veldheer, 2315 Cooper Crest Pl NW, discussed Community Planning & Development (CP&D) inefficiencies and suggested that City departments be reviewed from the outside. She recommended growing more sustainably in the future and said she does not support moving the 1 percent utility tax from the CFP.

Utility Advisory Committee (UAC) Member Kip Summers, 909 Glass Ave NE, discussed concern with the budget proposal to transfer funds from the stormwater utility to transportation for projects such as the San Francisco sidewalk project. He asked that the funds not be transferred and said this seems to be a policy shift for the City.

Ms. Rozanne Rants, 1622 Tullis St NE, wondered why no cuts are proposed for police or fire services and said society is becoming fear-based.

Mr. Chris Stearns, 4045 36th Ave NW, discussed smart growth and suggested a way to increase the property tax base is to annex properties where the City provides water and sewer service.

Mayor Mah closed the public hearing.

Olympia School District representative Jim Crawford briefly noted information regarding
school impact fees and the School District’s CFP. Councilmember Messmer asked staff to align the City and School District process on school impact fees for the City’s 2010 budget.

**Council Discussion**
- Social service agencies provide worthwhile services and benefit the community; however, there just isn’t enough money to continue to fund them.
- The proposed 1 percent transfer from the CFP is not the voter-approved utility tax measure.
- Regarding Ms. Veldheer’s comments about the CP&D Department, the City follows due process.
- Public safety is an essential service that cities are required to provide.
- Development contributes to a sustainable community.
- Without increasing taxes or finding another revenue stream, internal and external programs have to be cut due to lack of funding.
- The 1 percent proposed transfer from the CFP may be indirectly related to the voter-approved utility tax because there was an assumption that existing parks would be maintained at current levels.
- If the Council considers human services to be in a state of emergency, consider using reserves for funding.
- The City does not have a dedicated funding mechanism for social service agencies and, even though the City has repeatedly stated that funding in a given year should not be relied upon as a continuing or future funding source, agencies have come to rely upon it.
- The current revenue stream for social service agencies is not sustainable.

**REPORTS**

*Intergovernmental Assignments / Council Committee Chairs*
Councilmember Ottavelli reported highlights from Visitor and Convention Bureau (VCB) meetings he attended.

Councilmember Messmer reported highlights from the Land Use and Environment Committee meeting she attended.

Mayor Pro Tem Kingsbury reported highlights from the HOME Consortium meeting he attended.

Councilmember Machlis reported highlights from the Parking and Business Improvement Area (PBIA) meeting she attended.

**City Manager’s Report**
Mr. Mukerjee reminded the Council and public that next week’s Council meeting will begin at 5:30 p.m.

The meeting adjourned at 10:35 p.m.