

TUMWATER CITY COUNCIL WORKSESSION
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CONVENE: 5:30 p.m.

PRESENT: Mayor Pete Kmet and Councilmembers Joan Cathey, Leatta Dahlhoff, Eileen Swarthout, Angela Jefferson, Debbie Sullivan, and Charlie Schneider.

Excused: Councilmember Michael Althausen.

Staff: City Administrator John Doan, Parks and Recreation Director Chuck Denney, Recreation Manager Todd Anderson, Communications Manager Ann Cook, and City Clerk Melody Valiant.

**SEQUOIA'S
TREEHOUSE
CHILDREN'S
CENTER:**

Manager Anderson reported the previous childcare provider (Cradle to Crayons) at Old Town Center closed because of staffing issues in September. A new childcare provider is interested in offering childcare services at Old Town Center. He visited Sequoia Treehouse Childcare Center and the farm school offered by the center. He was impressed with the operations of the facility and the inclusion of nature within the program. Staff is excited to partner with Sequoia Hartman, owner of Sequoia Treehouse Childcare Center, to provide childcare services.

Sequoia Hartman reported she opened Sequoia Treehouse Children's Center, LLC in October 2015. She has worked with children for over 20 years in different capacities. She served as a childcare director with the North Seattle Boys and Girls Club and with a non-profit for over eight years. In addition to teaching children, she is concerned about the planet and the environment incorporates programs to teach children about the source of food. Two years ago, she opened a half-day program and purchased a small farm located minutes from the childcare center to offer a half-day outdoor school for children ages 4 to 7. The farm program is a nature-based program using child-centered emergent curriculum and Reggio Emilia (Italy) as a basis for learning through play. The curriculum is offered in an outdoor environment regardless of weather. Her intent was to expand the half-day program to a full day program in September 2020. However, with the advent of the pandemic, attendance at the farm ballooned to 40 children because it was an outdoor program.

Councilmember Sullivan reported Ms. Hartman provided information about her childcare background and programs during a recent General Government Committee meeting. She also visited with her at Old Town Center. The opportunity to site the program at the Old Town Center will be unique for the community.

Councilmember Cathey asked whether children served at the Old Town Center would have an opportunity to participate in the farm program. Ms. Hartman said she plans to tie both programs together so children can

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participate at the farm.

Councilmember Dahlhoff referred to the discussion on intergenerational care for both seniors and youth. She would support pursuing the development of interconnecting those programs in the near term.

Councilmember Schneider thanked Ms. Hartman for filling a need in the community. He asked how the farm program would introduce nature to children in the Tumwater community. Ms. Hartman explained that the Tumwater program includes regular field trips to the farm as part of the Tumwater curriculum. The farm, Sequoia's Early Learning Center, is a separate facility and business.

Councilmember Jefferson thanked Ms. Hartman for her vision and mission. She asked about the income levels of parents and whether the community's lower income families would be able to afford participating in the program. Ms. Hartman advised that the program is licensed through the Department of Social and Health Services (DSHS) and she accepts children subsidized by the state. Other childcare businesses often do not and opt out of the option. During her career, she worked with many at-risk youth and it has always been important to offer opportunities to children and youth who may lack the resources other families have. It is important that her programs participate in Early Achievers as part of the DSHS program, the subsidy program for the state. She enrolls children on a first-come, first-serve basis. DSHS has been provided with more funding by the current Administration. The childcare program offers service to children aged 2-1/2 years to seven years with no infants or one-year old children served.

Councilmember Jefferson asked whether the business has encountered any difficulty in attracting employees. Ms. Hartman said she encountered some difficulty in hiring employees during a short period several months ago. Other businesses were experiencing the same problem. Since then, she has not encountered any problems with recruitment of employees. She offers a higher rate of pay than other childcare centers. Many of the other programs are corporate-based and offer lower wages.

Councilmember Jefferson expressed interest in visiting the farm operation. Ms. Hartman offered to follow-up on a time for a tour.

The Council supported moving forward with a contract for services with Sequoia's Treehouse Children's Center at Tumwater Town Center.

**LEGISLATIVE
AGENDA:**

City Administrator Doan presented the City's proposed legislative agenda in anticipation of the 2022 short legislative session. The state has

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a fairly significant budget surplus but the state capital budget reflects funding of only \$85 million for capital projects for the entire state.

City Administrator Doan reviewed the top funding requests:

- **E Street Extension Engineering and Permitting - \$6.6 million**
Continued legislative budget request from last year to construct a connection from Capitol Boulevard to Cleveland Avenue (Yelm Highway) at E Street. The City is seeking Transportation Budget funding for design, engineering, initial permitting and right-of-way acquisition.
- **Tumwater Boulevard/I-5 Interchange - \$5 million**
The Tumwater Boulevard/I-5 Interchange serves the Port of Olympia's Airport, New Market Industrial Campus (NMIC), numerous state agencies, and retail and residential uses. The improvements are needed to reduce congestion, facilitate movement of freight, and avoid back-ups onto I-5 at peak hours. The entire project is \$15 million with other funds from development and the City.
- **Operations & Maintenance Facility Public Meeting Room - \$150,000**
The City acquired land and developed a funding-source for a new \$28 million City Operations & Maintenance facility at the former Trails End Arena property. Significant demand exists for public meeting space to accommodate the needs of youth groups, clubs, and small non-profit organizations on evenings and weekends. The building design requires changes to support use by the community including accessibility, security, and technology improvements. The City is requesting funds to help pay for future public meeting space.
- **Gopher Mitigation - \$2.5 million**
The request is a carryover from the last legislative session. The Habitat Conservation Plan (HCP) identifies the type and amount of mitigation land to set aside for gopher mitigation banking. The City is requesting \$2.5 million in initial funding to acquire property to develop a mitigation land bank.
- **Climate Change Response - \$1 million**
Tumwater is working with Thurston Regional Planning Council on a regional climate change response package to the Legislature. The City of Lacey plans to complete a major electric car charging station project (state or federally funded). The project represents a good opportunity for the City to collaborate with the City of Lacey. Conversion of the City's fleet to electric vehicles presents some challenges as the City has two charging stations serving over 100+ electric vehicles. Some vehicles

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require charging daily. Additionally, the City's fleet include 30+ police take home vehicles creating an issue as to how those vehicles would be charged while parked at an employee's residence.

Councilmember Cathey commented that the inclusion of "prairie and forest preservation" within the description of the legislative request is somewhat hypocritical given the recent level of development proposals within in the City. Mayor Kmet responded and explained that the descriptive is part of a package he presented to the Climate Mitigation Plan Steering Committee as part of carbon sequestration goals to secure funds to acquire and preserve forest and prairie land.

- **Craft Brewing and Distilling Start-Up Center - \$1 million**

The project is an incubator focused on the craft beverage industry to create opportunities for the graduates of the South Puget Sound Community College (SPSCC) Brewing and Distilling Program to launch craft beverage businesses. Based on a CERB-funded feasibility study, the Start-Up space would be approximately 5,000 square feet divided into five 850 square-foot spaces for lease to startup brewers, distillers, and cider-makers. The space would focus on small producers who have developed their products and are working to expand marketing and reach. It is an important piece of expanding the reach of the state's investment in the SPSCC Craft Brewing and Distilling Center and growing craft beverage producers in Washington State. The college would manage the program in partnership with the property owner, City, and local economic development organizations. The budget is a \$1 million state investment, a planned \$1.2 million CERB loan, and a \$300,000 loan from the City of Tumwater.

The list of legislative priorities includes a statement on the City's support of the Department of Fish and Wildlife (WDFW) proposal for the Deschutes Hatchery. The hatchery would not be located in Pioneer Park as originally proposed and would likely be located south of Tumwater outside the City limits on property owned by LOTT along the river. A statement is also included conveying the City's support of the State Library and Archives project for the Secretary of State.

Some of the legislative priorities are also supported by the Thurston County Shared Legislative Agenda. The consortium include the cities, Thurston County, Thurston County Chamber of Commerce, Port of Olympia, Thurston Economic Development Council (EDC), and SPSCC. The entity jointly advances legislative issues of mutual interest for the region. Of the City's legislative priorities, Gopher Mitigation and

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Distilling Start-Up Center and Climate Change Response are included on the shared legislative agenda. The shared agenda also includes a funding request of \$106 million for engineering for I-5 improvements in the Nisqually Valley in addition to some right-of-way acquisitions in the area, a Tenino SW Agricultural and Innovation Park funding request of \$870,000 to offset the escalation in construction costs for the project that was previously funded, and a request for support for Homeless and Mental Health Services as an active partner and funder to address homelessness and the mental health crisis.

Other items include ongoing funding for Capitol Boulevard improvements from M Street to Israel Road and fixes to police reform laws. Mayor Kmet and Police Chief Weiks have been meeting with legislators and other elected officials and police chiefs throughout the state about police reform. The message conveyed to legislators is some problems with police reform laws. Jurisdictions and law enforcement agencies are seeking a range of potential solutions.

The 1% property tax cap continues to be problematic for municipalities. The City consistently falls behind in revenue each year resulting in the need to fill the gap with increases in sales tax, construction, and other funding sources. Filling the gap with one-time revenue is not a permanent solution.

Another ongoing request is continued work and funding for mental health reform specific to funding for the state's response to homelessness, such as the solution for homeless individuals parked along Deschutes Parkway and homeless individuals housed on the Department of Ecology property in the City of Lacey, in state rights-of-way, state parks, and Department of Natural Resources land.

The Association of Washington Cities Legislative Priorities include:

- **Pass a Transportation Package** - Adopt a new transportation revenue package that emphasizes maintenance/preservation funding and provides an equitable level of local funding and additional long-term, sustainable revenue options for cities.
- **Ensure Basic Infrastructure Funding** - Provide flexible state and federal dollars through programs like the Public Works Assistance Account (formerly the Public Works Trust Fund) to help cities finance basic infrastructure such as drinking water and wastewater. The City anticipates using this funding source to finance a \$12 million water reservoir.
- **Protect Transportation Benefit District Funding Authority** - Support expanded local authority for Transportation Benefit

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Districts (TBDs) so cities can continue using the sales tax funding tool beyond the current time limitations.

Staff proposes to present a finalized Legislative Agenda for consideration at the December 6, 2021 Council meeting. City Administrator Doan invited questions and comments.

Mayor Kmet inquired as to whether the Shared Agenda has been finalized and if an opportunity exists to suggest changes. City Administrator Doan advised that it is unlikely the list could be revised to add a request; however, descriptive changes could be possible. Mayor Kmet said his concern surrounds the I-5 project because it is only focused on the Nisqually Bridges. He would prefer continuing the momentum on the remaining I-5 corridor project through Tumwater.

Councilmember Sullivan reported the Thurston Council Planning Council's (TRPC) discussion focused on flood mitigation because of the increase in erosion near the bridges that could result in the failure of the bridges, which is why that specific segment of the corridor was elevated in priority. Mayor Kmet replied that his concern centers on that specific segment of the corridor project because if it should receive funding separately, the remaining segment may be downgraded in priority. City Administrator Doan added that another priority project is focused on capacity management by adding a collector distributor westbound lane from Mounts Road to Highway 101, which already has received funding. The total cost of improvements from Mounts Road to Tumwater (93rd Avenue) is \$4.6 billion. No transportation package could contain that amount to fund the entire corridor project. At some point, some difficult funding decisions will be necessary.

Mayor Kmet supported including a legislative request for climate change support as part of the shared agenda as it would strengthen the request if supported by the region. He participated in a call with officials from the four local jurisdictions. All representatives agreed a request should be included as part of the shared agenda. City Administrator Doan advised that the coalition is waiting for input from TRPC on the language for climate change response.

Councilmember Schneider suggested adding electric vehicle charging stations at City parks. He asked how the new hatchery affects the new hatchery at the Brewery Park at Tumwater Falls. Mayor Kmet explained that WDFW's plan is to capture salmon at the park facility and transport them by truck to the new hatchery. WDFW wants to ensure the hatchery is within the same watershed. Salmon would be released from the new hatchery within the watershed.

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The Council supported finalizing the Legislative Agenda for the Council's consideration on December 6, 2021.

**MAYOR/CITY
ADMINISTRATOR'S
REPORT:**

Mayor Kmet reported on his testimony at Thurston County's Home Fund public hearing earlier in the day on behalf of the City. He testified in support of the proposal. It appears the Board of County Commissioners supports the proposal.

City Administrator Doan advised the Council of an email he is forwarding on the proposed Economic Development Manager position. The Council indicated a desire for the City to utilize some ARP funds to fill a position supporting economic development. To ensure the position fulfills expectations and priorities, he prepared a survey for the Council to complete focusing on the desired outcomes should the City hire an individual focusing on economic development in the City. He asked for the Council to complete and return the survey within the next 10 days.

Councilmember Cathey asked about the status of scheduling a discussion on the budget for the new maintenance facility. Mayor Kmet advised that it likely would not be scheduled until January 2022. Councilmember Cathey asked whether the memorandum provided to the members of the Budget and Finance Committee would be copied to the entire Council. City Administrator Doan said the document was forwarded to the entire Council prior to the committee meeting. He offered to resend the document.

Councilmember Schneider inquired about the timing for receipt of the updated development agreement with the Port of Olympia as the Council has scheduled a public hearing on the proposed agreement on November 30, 2021 and it is likely the Council may be rendering a decision on the agreement. City Administrator Doan advised that staff is preparing the meeting agenda and the Council would receive the information for the November 30, 2021 meeting within the next several days.

ADJOURNMENT:

With there being no further business, Mayor Kmet adjourned the meeting at 6:26 p.m.