

**TUMWATER CITY COUNCIL MEETING
MINUTES OF HYBRID MEETING
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CONVENE: 7:00 p.m.

PRESENT: Mayor Debbie Sullivan and Councilmembers Peter Agabi, Michael Althaus, Joan Cathey, Leatta Dahlhoff, Angela Jefferson, Eileen Swarthout, and Kelly Von Holtz

Staff: City Administrator Lisa Parks, City Attorney Karen Kirkpatrick, Finance Department Director Troy Niemeyer, Administrative Services Director Michelle Sutherland, Police Chief Jon Weiks, Fire Chief Brian Hurley, Parks and Recreation Department Director Chuck Denney, Communications Manager Jason Wettstein, Planning Manager Brad Medrud, Housing and Land Use Planner Erika Smith-Erickson, Sustainability Coordinator Alyssa Jones Wood, City Clerk Melody Valiant, and Deputy City Clerk Tracie Core.

CHANGES TO THE AGENDA: Mayor Sullivan moved Resolution R2024-015, *Affirming the Council's commitment to equality, dignity and the protection of civil rights, and standing against hate, bigotry, and discrimination* as the first item of consideration under *Council Considerations*.

SPECIAL ITEMS:

FIREFIGHTER OF THE YEAR: Fire Chief Hurley announced the selection of the 2024 City of Tumwater Firefighter of the Year as Firefighter Scott Piper. Firefighter Piper joined the Tumwater Fire Department in 2008 as a volunteer firefighter. He was hired as a fulltime Firefighter in 2012 following the successful passage of the City's Public Safety Levy Lid Lift enabling the department to hire three firefighters.

Firefighter Piper considers the craft of a firefighter as a serious position and serves as an instructor at the Fire Academy on pump operations and hose handling techniques. Firefighter Piper standardized hose loads on engines to increase efficiency and safety.

Fire Chief Hurley congratulated Firefighter Scott Piper for being selected as the 2024 Firefighter of the Year and presented him with a plaque and a U.S. Flag flown over the Washington D.C. Capitol and the Washington State Capitol.

Firefighter Piper thanked the department for the recognition and cited Tumwater Fire Department as one of the best fire departments in the region. Medic Five is continually regarded as the one of the best medic units in the region.

PUBLIC COMMENT: **Pamela Hansen, P.O. Box 14521, Tumwater**, commented on the proposed interlocal agreement for the Franz Anderson project in Olympia. She

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noticed that within the agreement, language speaks to the use of the facility primarily for right-of-way housing, which may be too limiting because of the state budget and recent hiring freeze. She requested adding language that is less constrained because of the possibility of unemployment increasing in the region and the need to assist all individuals facing health risks because of homelessness. She referred to the state as a sanctuary state and the controversy surrounding illegal immigrants and their respective rights. She is concerned immigrants jailed for committing a crime will be released into the community. It is possible for U.S. Customs and Immigration Enforcement (ICE) to review the jail roster and possibly determine whether someone is an illegal immigrant. She commented on a lawsuit against Motel 6 for providing information while not considering the danger to the public. If the Legislature determines that the state is a sanctuary state, the list is open to the public. If for some reason, access is limited, ICE would have no way to help ensure the safety of the community.

Larry Jefferson, 2221 Cypress Place SE, Olympia, spoke as the President of the NAACP of Thurston County and the importance of the Council's action on the adoption of a resolution against hate and racism within the community. It warms his heart to know that he and his family are welcome in the City. With the resolution, the community is saying no to the rise of hatred occurring at the federal level and no to signs of hatred that is occurring locally. The action gives hope to young people who may be struggling with hate surrounding them. The meeting is historic because of other instances in history where city councils and other government agencies have failed to protect all members of the community. Tumwater is saying no and that it is a place regardless of a person's race, ethnicity, religion, sex, gender identity, national origin, disability, income level, or English proficiency that welcomes everyone. The resolution reinforces the efforts by Martin Luther King Jr. who worked so hard for communities.

**CONSENT
CALENDAR:**

- a. Approval of Minutes: City Council Work Session November 12, 2024
- b. Payment of Vouchers
- c. Resolution No. R2024-018, Surplus Property
- d. Interlocal Agreement with the Regional Housing Council for the Franz Anderson Project Amendment No. 1
- e. Interlocal Agreement with Thurston County Prosecuting Attorney's Office for Prosecution Services
- f. Service Provider Agreement with Pacific Testing & Inspection for On-Call Material Testing Amendment No. 3
- g. Service Provider Agreement with Materials Testing & Consulting for On-Call Material Testing Amendment No. 3
- h. Supplemental Agreement No. 1 with Tierra ROW for X Street Roundabout Project
- i. Service Provider Agreement with HDR Engineering for Old Highway 99 and 79th Avenue Roundabout Project Amendment No. 1

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- j. Service Provider Agreement with Cardinal Architecture for the Historic Brewery Tower Project Amendment No. 6
- k. Authorization for Settlement
- l. Reappointment of Blake Chard to the Civil Service Commission
- m. Cancellation of the December 17th Regular Council Meeting

MOTION:

Councilmember Jefferson moved, seconded by Councilmember Swarthout, to approve the consent calendar as published. A voice vote approved the motion unanimously.

Mayor Sullivan reviewed the items approved on the Consent Calendar.

**COUNCIL
CONSIDERATIONS:**

RESOLUTION R2024-015, AFFIRMING THE COUNCIL'S COMMITMENT TO EQUALITY, DIGNITY AND THE PROTECTION OF CIVIL RIGHTS, AND STANDING AGAINST HATE, BIGOTRY AND DISCRIMINATION:

Communications Manager Wettstein presented the proposed resolution for consideration of a policy statement affirming the City's commitment to equity, dignity, protection of civil rights, and the City's stand against hate, bigotry, and discrimination.

The proposed resolution was drafted by members of the Public Health and Safety Committee in September 2024. The resolution was reviewed by City staff and modified to ensure conformance with legal requirements.

One of the City's Strategic Priorities speaks to building a community recognized for quality, compassion, and humanity. It would be difficult to imagine a community recognized for quality, compassion, and humanity that does not stand for equity, dignity, protection of civil rights, and standing against hate, bigotry, and discrimination. Similar to the Strategic Priority, the resolution is a statement of values that recognizes past actions and the work by the City and encourages more action. The resolution provides a foundation for more action and a context to the work completed to date.

The Public Health and Safety Committee recommends approval of the proposed resolution.

Councilmember Dahlhoff indicated that one of her priorities during the development of the resolution was to ensure it did not represent just words and that the resolution sets the baseline and foundation for future work. The focus on collaboration, partnership, and active participation in the community are important.

Councilmember Jefferson referred to an article on *George Bush of Tumwater, Founder of the First American Colony on Puget Sound* in *Columbia Magazine* published 30 years ago. Tumwater, Washington has always been an inclusive and welcoming City and the resolution reflects those values. George Bush was one of the founding members of Tumwater.

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The resolution reflects his legacy and that of the five families and 31 Americans who moved with him from the Midwest to Tumwater on November 6, 1845. One of the settler's was George Washington Bush whose family included his wife, Isabella Bush, a white woman and five sons. Bush purchased and developed a farm that was considered by his contemporaries to be one of the most valuable and productive in early Washington. His personal qualities of humanity, generosity, hospitality, warmth, and charity led him to aid many later arrivals in ways that made their successful settlement possible and winning him tremendous respect and admiration from other pioneers. The Bush homestead was a welcoming place for everyone and became famous for its hospitality and generosity by virtual of the family's treatment of travelers, strangers, visitors, and others in need of a hot meal or warm bed. If success can be measured by the possession of material comfort, economic security, and the love and respect of one family, neighbors and contemporaries, then George Bush was a most successful pioneer in overcoming the physical, emotional, and environmental challenges presented by the Oregon Trail and the western farming frontier. Bush was able to defeat the additional societal impediments created by racism. Two of his most effective aspects were the nature of his personality and the great humanity of his character. In the memorial to Congress seeking to legitimize Bush's land in 1854, it is a testament to Bush who contributed much towards the settlement of the territory and to the suffering and the needy through his help and assistance. It is important to appreciate the legacy of a man with the abilities, character, and humanity that George Bush bestowed as the City continues in his legacy to continue the work to make Tumwater a city where everyone is welcome and belongs.

Councilmember Jefferson thanked members of the Public Health and Safety Committee lead by Councilmember Agabi and members Councilmember Dahlhoff and Councilmember Von Holtz, and Mayor Sullivan and City staff for their work on developing the resolution. She plans to support the historic resolution.

Councilmember Althaus expressed his support as well for many of the reasons articulated by Councilmember Jefferson. He looks forward to provisions that speak to commitments to actions and next steps to develop an Equity Commission.

Councilmember Von Holtz expressed support of the resolution especially as it speaks to one of the reasons she sought to represent the City because the sense of belonging is strong. It is important for the Council to use its voice to ensure community members feel a sense of belonging.

Councilmember Agabi said that as the Chair of the Public Health and Safety Committee and as a Black male who has lived in the community for 19 years and is a parent of children attending Tumwater schools, he wants to ensure

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recognition that the community experiences both good and bad days. Today, he is heartened by the committee's work. He thanked Councilmembers Dahlhoff and Von Holtz, as well as to City Administrator Parks and staff for their efforts to prepare the resolution. He looks forward to the future as the resolution serves as a stepping-stone that reflects how the community values everyone and that the community welcomes everyone regardless of where a person was born or the language they speak. He urged the Council to support passage of the resolution.

Councilmember Swarthout conveyed appreciation for the committee bringing the resolution forward as it represents an important resolution. As resident of Tumwater of 34 years, she has watched the City grow from a small town to a larger City. She wants all people to feel safe and to belong in the community.

Councilmember Cathey said that during her many years serving on the Council, the City has taken some small steps; however, the resolution represents one of the most important actions by the Council in many years. Adoption of the resolution follows in the footsteps made by George Bush and it speaks to the City's pride and celebration of George and Isabella Bush.

MOTION:

Councilmember Agabi moved, seconded by Councilmember Jefferson, to adopt Resolution R2024-015, affirming the Council's commitment to equality, dignity, and the protection of civil rights and standing against hate, bigotry, and discrimination as recommended by the Public Health and Safety Committee. A voice vote approved the motion unanimously.

Mayor Sullivan thanked everyone for attending the meeting as the action represents a major foundation the Council plans to move forward in 2025. She expressed appreciation for the assistance by Dr. Jackson and several other community members.

ORDINANCE O2024-005, DEVELOPMENT CODE ADMINISTRATION:

Manager Medrud reported in May 2023, Governor Inslee signed Senate Bill 5290 modifying state requirements for permit review and approval throughout the state for development proposals. As part of the process, City staff reviewed the permitting process to ensure permits are processed timely and that the predictability of the local permitting process is clear to all users. The proposal is driven by tight timeline as state law becomes effective on December 31, 2024. If the changes, as proposed, are not approved, the City's current process would be preempted by state law until the amendments are implemented to address particular actions.

The Planning Commission conducted a public hearing on the proposed ordinance on November 12, 2024 following two work sessions and a briefing on the proposed changes. The Commission recommends approval of the ordinance with some consideration of several provisions. The General Government Committee was briefed on the proposed ordinance and offered

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some amendments to the ordinance. The proposal reflects the proposed changes offered by the General Government Committee and the Planning Commission.

The ordinance would modify Title 14 Development Code Administration, which is the title of the Tumwater Municipal Code governing how development projects are reviewed, noticed to the public, steps involved in decisions, and the appeal process.

A number of new provisions are included in the proposal. The proposal essentially replaces the current title with a new title. The first change clarifies the different levels of permits required:

- Type I – Land use permits that are approved administratively by the Director of Community Development and do not require SEPA review
- Type II – Land use permits that are approved administratively by the Director of Community Development and require SEPA review
- Type III – Land use permits that require a hearing before the Hearing Examiner

The intent of the new structure is to improve TMC Title 14 by beginning with key general provisions in the first chapter and then moving through the land use permit application, review, approval, and appeal processes.

New and simplified project review process follows a series of steps:

1. Preapplication Process:
 - A. Feasibility Review (optional)
 - B. Preapplication Conference (required) formally included two meetings (preliminary and final). The proposed change is one meeting prior to the application submittal process.
2. Application Submittal:
 - A. Determine Application Type (I - III)
 - A. Determine the Procedural Application Submittal Materials Required
 - B. Application Submittal
 - C. Determination of Completeness (Types II - III)
3. Application Review
 - A. Notice of Application (Types II - III)
 - B. Distribution of Application for Review
 - C. SEPA Review (Types II - III) Review and Approval Times:
Type I - 90 Days, Type II - 120 Days, and Type III - 170 Day
 - D. Recommendation for Decision
4. Permit Decision
 - A. Administrative Decision (Types I - II)
 - B. Hearing (Type III)

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- C. Decision Notice (Type I)
- D. Notice of Decision (Types II - III)
- 5. Permit Decision

An important change to TMC Title 14 is the change in the definition of “project permit.” SB 5290 removed “building permits” from the state’s definition of a project permit. That definition also refers to “project permit” or “project permit application” as meaning, “...any land use or environmental permit or license required from a local government for a project action.” Project permits are referred to as “land use permits” throughout the ordinance to differentiate such permits from “building permits” and “construction permits,” which are not part of the RCW definition but addressed elsewhere in the RCW and by the City in TMC Title 15 Buildings and Construction. The proposal reduces the current scope of permits covered by TMC Title 14.

One important change by SB 5290 is the number of days the City has to review applications before issuing a decision and establishing monetary penalties for when these timelines are not met. Time limits begin when an application is determined to be complete and end when a final decision is issued by the Director or Hearing Examiner. The time limits also include all required notices and comment periods. New legislation includes a penalty if the City does not achieve the established timeframe. The penalty can be a refund of 10% or 20% of the permit fee if the City is unable to meet the timelines. The City is also required to report to the state annually on the City’s actual timelines for all permits submitted.

Councilmember Agabi asked whether the City is able to stop the clock on development proposals that require a SEPA review. Manager Medrud responded that the City has the ability to stop the review timeframe for specific reasons to address missing information or issues that arise during the review process. The intent is to process all development proposals without stopping the process, as it is not in the City’s interest to halt the development process. However, according to recent discussions by other planning managers across the state, stopping the review process will likely continue to some degree for various reasons.

Manager Medrud reported other changes include establishing common public notice requirements for different proposals. For example, the applicant could make many changes after submittal of an application for the review that increases square footage from 10,000 to 20,000 creating a substantially different proposal. Staff has identified a process to address those types of situations.

The proposed changes also address land use permit expirations and the process for staff to interpret the code. Chapter 14.12 addresses the land use permit process for Types I-III in more detail. Examples of each permit type

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are included, as well as a table on recommendation, decision, and appeal authorities. The maximum review timelines for review of applications are included.

Manager Medrud reviewed the different types of land uses for Type I, Type II, and Type III permits. Chapter 14.16 Application Review includes land use action review and determination of consistency, initial State Environmental Policy Act (SEPA) analysis, categorically exempt and planned actions, referral and review of land use permit applications, and notice of application. Chapter 14.18 Application Decisions and Appeal provisions include notice of decision, appeals of administrative approvals, appeals of State Environmental Policy Act related matters, notice of open record and appeal hearings, and combined public hearings allowed.

The state previously limited the ability for public comment if the application meets all codes. Type I applications are proposals that typically do not require a SEPA review. A determination of completeness is no longer required or notice of application posted in the newspaper or provided to interested parties. As SEPA reviews, for the most part, are covered by the City's other code processes, a caveat was included to ensure public notice was issued for those decisions that were above the minimum but below the City's maximum. New state law no longer enables that process, as the City can no longer require a public comment period or notice of application for Type I applications.

Councilmember Dahlhoff asked about the possibility of publishing a dashboard listing the status of applications. Manager Medrud responded that it might be possible under the new software system but not within the current system.

Councilmember Dahlhoff questioned the City's ability to maintain transparency and accountability in alignment with the new state requirements. A dashboard might provide an option to enable the tracking of development proposals that could be accessed by anyone. Manager Medrud offered that staff could explore the option as the new system is implemented; however, as the development process is fluid and ongoing, specific timelines for public comment are no longer applicable according to state law.

Manager Medrud reviewed the land use permit application review timelines and exceptions to the time limits:

- Type I – 90 days
- Type II – 120 days
- Type III – 170 days

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Manager Medrud emphasized that staff processes permit applications as quickly as possible based on the completeness of the application. One important change pertains to how the City determines an application is complete. The new law requires staff to deem a land use permit application to be procedurally complete. To be procedurally complete, the code includes a list of all requirements that must be included on a site plan. For all application types, staff has the ability to reduce the list as needed. An application is deemed procedurally complete if the application meets all requirements in the code. Staff has 28 days following receipt of the application to deem the application procedurally complete. Staff has the ability to pause the timeline and request additional information during the 28 days.

The last chapter is the decision process and appeal process. The notice of decision is issued for Type II and Type III permits only.

The amendments would also modify portions of the following titles and chapters of the Tumwater Municipal Code:

1. TMC Chapter 2.58 Hearing Examiner
2. TMC Title 11 Telecommunications and Telecommunications Facilities
3. TMC Title 13 Public Services
4. TMC Title 15 Buildings and Construction
5. TMC Title 16 Environment
6. TMC Title 17 Land Division
7. TMC Title 18 Zoning

Manager Medrud added the ordinance considered by the Planning Commission following its public hearing, as well as the General Government Committee included some amendments to Chapter 3.30 for multifamily tax exemption. Some proposed amendments as allowed by state law include consideration of contract approvals of multi-family tax exemptions administratively by the Community Development Director rather than by the City Council. Following discussion by the General Government Committee, members and staff agreed the proposal requires more discussion and subsequently it was added to the 2025 Work Plan for a staff review of proposed amendments to the Multi-family Tax Exemption Program.

Proposed amendments to TMC Title 18 include updating the code references to TMC Title 14 and adding a new section on the certificate of occupancy process from the International Building Code.

Proposed amendments to TMC Title 18 update the code references to TMC Title 14, adds a new chapter, TMC 18.55 Site Plan Review on requirements for site plan review and approval not currently included in the TMC, and

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adds new section TMC Chapter 18.60 Text Amendments and Rezones to address the review and approval procedures for Comprehensive Plan amendments, general area rezones, development regulation amendments, and site-specific rezones required because of a proposed Comprehensive Plan amendment formerly addressing TMC Title 14.

The Planning Commission held a public hearing, and the General Government Committee reviewed the recommendation and forwarded a recommendation for approval as conditioned.

Mayor Sullivan asked whether the timelines are calendar days or business days. Manager Medrud said the timelines are calendar days.

Councilmember Swarthout cited language that the legislative bill creates incentives for local governments to be responsive to permit processing timelines. It appears the new law would penalize the City rather than providing any incentives to local governments. Manager Medrud said guidance from the Department of Commerce is pending regarding the provisions. Councilmember Swarthout pointed out that the new law provides several options to include provisions that speak to how the City could avoid being penalized by maintaining and budgeting for on-call permitting assistance when staffing levels or permit volumes change rapidly or by seeking assistance from another jurisdiction and sharing permitting processes. The Council is scheduled to adopt a budget, which speaks to whether sufficient resources would be available to meet the new requirements. Manager Medrud responded that should the Council approve the budget as presented, it is likely there would be insufficient resources, as permitting staff would be allocating resources to convert to the new software system. Replacing those resources as included in the budget will be crucial. Staff has been exploring the list of options included in the new legislation. Although the ability of sharing staff across jurisdictions appears to be a good step, systems are different as well as different codes and bringing someone up to speed to complete the work consumes more time. For those reasons, staff does not recommend sharing resources between jurisdictions.

MOTION:

Councilmember Dahlhoff moved, seconded by Councilmember Althausser, to adopt Ordinance No. O2024-005, amending the Development Administration Code, as recommended by the General Government Committee. A voice vote approved the motion unanimously.

**ORDINANCE O2024-007, 2025-2026
BIENNIAL BUDGET:**

City Administrator Parks outlined the City's biennial budget process during the year. The process acknowledged the rapid growth in the community and within the City creating both opportunities and many challenges. The City is guided by Tumwater Vision, Mission, and Beliefs. Budget development is guided by adopted financial policies and the Strategic Priorities and Goals established by the Council.

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The budget process kicked off in January, February, and March 2024 with Council retreats to update Strategic Priorities, budget forecasting and projections, creating and maintaining revenue projections over a two-year timeframe. Directors and staff participated in planning and forecasting needs for 2025 and 2026 to accomplish the City priorities and goals. In preparation of the budget process, the Council participated in budget workshops covering the basic components of municipal finance and the City's budget. Two public hearings were conducted. The request before the Council is to adopt the 2025-2026 Tumwater Biennial Budget as presented.

During the course of the review, staff identified four primary budget priorities based on feedback from directors to accomplish the Strategic Priorities and Goals identified by the Council:

1. Non-Represented Salary Adjustment
2. Additional Staffing
3. Space and Security at City Hall
4. Deferred Building Maintenance

The proposed ordinance identifies all City funds and budget dollar amounts projected for the biennial period. Enterprise funds include Water, Sewer, Stormwater Utilities, and the Golf Course. Internal service funds finance, administer, support, and account for goods, products, and services that serve multiple departments. The City has an ER&R Fund for vehicles and equipment and an ER&R Fund for IT needs. The budget also incorporates all Capital Facilities Funds for General Government and Transportation projects projected for completion within the two-year budget. The General Obligation Debt Service Fund maintains and retains resources for payments of long-term debt incurred by the City.

Although the ending fund balance is larger than anticipated, larger general fund expenditures are projected during the budget period. Based on the projections, the City will end 2026 with an increased ending fund balance comprised of the City's reserve accounts, cash flow reserve, and specific emergency facility, emergency, and permit reserve funds established by the City's financial policies. It is anticipated the City will spend \$5.5 million of the ending fund balance. Reserve accounts are secure as they are restricted and are set-aside for specific uses. The ending fund balance is the remaining amount of funds at the end of the year once all revenue has been collected and all expenses paid. The ending fund balance serves as a savings account and the funds are not restricted for use. Of the projected beginning fund balance of \$23.5 million, the City proposes to use \$5.5 million over the next biennium.

Councilmember Jefferson inquired as to whether the results of the community survey on City priorities would result in any changes in the

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projected budget. City Administrator Parks said she anticipates that the results of the community survey would likely affect the 2027-2028 budget process. Although the projected budget is essentially completed, budget amendments are possible during the biennium to account for any changes in priorities.

Councilmember Swarhout pointed out the large difference in projected revenues of \$72 million during the 2023-2024 biennium versus projected revenues of \$96 million during the 2025-2026 biennium. City Administrator Parks explained that during the previous biennium, the City had projected revenues conservatively in anticipation of a recession, which did not occur. Revenues were underestimated during the previous biennium.

City Administrator Parks reviewed represented and non-represented employee totals, a proposed market rate increase in salaries, and proposed COLA's of 2.0% in 2025 and 2.5% in 2026. The City's full time equivalent (FTE) employees total 275 during the biennium.

City Administrator Parks requested the Council adopt Ordinance No. O2024-007 as presented.

City Administrator Parks responded to comments regarding the employee salary market rate increase and COLAs for 2025 and 2026. A salary survey was completed earlier in the year.

Mayor Sullivan commented on the difficulty of developing the budget as many parts of the budgets are different components and often change in response to ongoing changes and adjustments. The goal was producing a conservative budget to the extent possible; however, it is also important the budget meets the needs of the City. The budget process has consumed an enormous amount of time and energy by staff. She expressed appreciation to staff for their efforts. Next year, ongoing efforts will review the City's financial health while ensuring ongoing momentum to achieve objectives, goals, and priorities.

Councilmember Dahlhoff expressed appreciation for the efforts required in developing the budget as well as ensuring parity of salaries. However, she is concerned that the City is utilizing ending fund balance to cover the cost of the increase in salaries.

City Administrator Parks responded that the budget includes 33 new positions of which 27 positions have a revenue source to fund the position. She reviewed specific positions and the respective funding source of each position. Of the 33 new positions, approximately five positions are funded from the general fund, which is supported in part by using \$5.5 million of ending fund balance.

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Councilmember Dahlhoff acknowledged the information and referred to the situation of neighboring jurisdictions, the state, and the federal government that are contenting with many changes and unknowns. Most jurisdictions in the state are reducing positions. In terms of her support of the proposed budget, she asked about options for delaying some actions until the City has more information and possibly pursuing budget amendments next year to support changes.

Mayor Sullivan emphasized how staff conservatively forecasts future conditions and economic trends.

City Administrator Parks provided additional information on the proposed new positions, which were substantially reduced from requests from department directors who projected week needs to implement the goals, objective, and priorities of the City. Additionally, the positions are staggered within the budget based on the timeline of adding new employees.

Councilmember Von Holtz acknowledged the process the City utilizes to plan and forecast based on trends; however, earlier in the day, Governor Inslee announced a non-essential employee hiring freeze. Many state employees are concerned about potential furloughs or layoffs, which may financially affect the City if less spending occurs. She asked about potential cost savings attributed to unfilled positions.

City Administrator Parks explained that the City typically saves costs because of unfilled positions. For example, in 2024 across all funds, unfilled positions saved the City an estimated \$2.5 million. Employee turnover has resulted in some savings; however, the intent is to level the rate of turnover by salary adjustments for non-represented employees.

Councilmember Althausser conveyed support for the proposed budget while also agreeing that spending the deficit is not sustainable although he believes the proposed budget is responsible. The City is managing a difficult program; however, the City's actions over previous budgets have positively positioned the City to weather changes through conservative actions by not assuming debt, avoiding over-estimating revenue, and conservatively estimating appropriate expenditures. The City is in a much better place financially than other jurisdictions and is not in position where layoffs are necessary. He believes the budget is responsible and establishes some challenges for the City to contend with over the next two years in terms of determining the future path forward.

Councilmember Cathey agreed with Councilmember Althausser as it speaks to any nervousness with respect to any budget proposal – personal or business. She also plans to support adopting the budget. She thanked employees for their work and efforts to be communicative and transparent.

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Councilmember Dahloff clarified that she understands the importance of moving forward and that it is possible for future budget amendments and discussions while also supporting the overall budget.

Councilmembers individually thanked staff for their efforts, for addressing questions, and ensuring the budget process was transparent.

MOTION:

Councilmember Swarthout moved, seconded by Councilmember Althausser, to adopt Ordinance No. O2024-007, Tumwater 2025-2026 Biennial Budget as presented. A voice vote approved the motion unanimously.

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

City Administrator Parks reported on the hybrid joint work session with the Planning Commission on Tuesday, December 10, 2024 at 6 p.m. The agenda includes the 2025 Comprehensive Plan Periodic Update and the Housing Element, Land Use Element, and Development Code updates, as well as a review of the 2025 Long-Range Work Plan.

The City's annual Christmas Tree Lighting celebration is scheduled on Saturday, December 7, 2024 from 1 p.m. to 5:30 p.m. at City Hall and the Fire Station. Festivities include several local school choirs and activities for children. The tree lighting is scheduled at 5:30 p.m.

Mayor Sullivan reported on signing the Firefighter's labor contract. She conveyed appreciation to HR staff and to the labor unions as all three unions settled contracts with the City for the next three years.

**COMMITTEE
REPORTS:**

**PUBLIC HEALTH &
SAFETY:**

Peter Agabi

There was no meeting and no report.

**GENERAL
GOVERNMENT:
*Michael Althausser***

The committee's next meeting on December 11, 2024 includes briefings and consideration of a contract between the City of Tumwater and the Washington State Department of Fish and Wildlife for the Phase 4 Bush Prairie Habitat Conservation Plan (HCP) Grant and the Comprehensive Plan Periodic Update – Lands for Public Purposes, Lands for Utilities, and the Tumwater Thurston County Joint Plan, and update to the Development Code.

**PUBLIC WORKS:
*Eileen Swarthout***

Agenda items during the next meeting on December 5, 2024 include briefings and consideration of several service provider agreements.

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**BUDGET AND
FINANCE:
*Debbie Sullivan***

There was no meeting and no report.

**COUNCILMEMBER
REPORTS:**

Joan Cathey:

There were no meetings and no report.

Eileen Swarthout:

There were no meetings and no report.

Michael Althaus:

There were no meetings and no report.

Leatta Dahlhoff:

Councilmember Dahlhoff reported the Thurston County Opioid Response Task Force received an introductory briefing on the Rapid Health Information Network. She recommended the Public Health and Safety Committee schedule a briefing on ways of accessing other databases for data on services available in Tumwater.

Peter Agabi:

Upcoming meetings include the Joint Animal Services Commission, Transportation Policy Board, and the LEOFF Disability Board.

Angela Jefferson:

There were no meetings and no report.

Kelly Von Holtz:

Councilmember Holtz is scheduled to attend the next Intercity Transit Authority Board meeting on Wednesday, December 4, 2024 on behalf of Mayor Sullivan.

ADJOURNMENT:

With no other business, Mayor Sullivan adjourned the meeting at 9:05 p.m.