

**CITY OF SHELTON, WASHINGTON – CITY COMMISSION**

Study Session Meeting Minutes – August 8, 2011

Shelton Civic Center – 2:00 P.M.

Presiding: Mayor Tarrant, Commissioner Byrne and Commissioner Pannell

Staff Present: Dave O’Leary, Vicki Look, Steve Goins, Cathy Beierle, Mike Michael, Jason Dose, Dennis McDonald and Lesleann Kangas

Mayor Tarrant called the meeting to order at 2:00 p.m.

**Commission Reports**

- **Mason County Forest Festival – Annual Report** – Forest Festival President Ms. Debi Harvey reported on the 67<sup>th</sup> Mason County Forest Festival. Ms. Harvey said the event was a huge success and the Forest Festival Court and float was invited to participate in more parades this year including Seattle’s Torchlight Parade. She thanked all of the volunteers and the Hotel/Motel Tax Commission for their continued support.

One or more Commissioners will attend the following activities this week:

- Mason County Transit Authority Board Meeting
- Shelton Mason County Chamber of Commerce Meeting
- Meet the new Superintendent of Shelton School District
- Economic Development Council Meeting
- Mason County Fire District #5 Fire Chief Richard Knight Retirement

**Public Comment** - None

**Consent Agenda**

1. Transfer and Banking Fees in the amount of \$43,566.34

*Commissioner Byrne moved to approve the consent agenda as read, Commissioner Pannell seconded the motion. A vote was taken and the motion passed.*

**Old Business** – None

**New Business**

1. **Endangered Species Act – Procedure changes within floodplain** – Senior Planner Dose said this pertains to floodplain development and the applicability of the Endangered Species Act. The National Flood Insurance Program (NFIP) is a federally backed option to offer alternative disaster assistance for properties subject to flood damage. The program is administered by the Federal Emergency Management Agency (FEMA) that provides the City with Flood Insurance Rate Maps (FIRM) that identify where flood plains are within the respective jurisdiction. In 2008 the National Marine Fisheries Service (NMFS) issued a Biological Opinion (BIOP) that determined the implementation of the NFIP causes potential impacts to several endangered species in the Puget Sound such as salmon through modification to their overall habitat in violation of the Endangered Species Act (ESA). In the BIOP, NMFS provided FEMA local alternatives to modify the implementation of the NFIP in a manner that would be compliant with the ESA. FEMA agreed that land use and flood control practices that protect salmon and their critical habitat has positive floodplain management potential that would ultimately aid in reducing property damage during flood situations. FEMA has recently provided guidance to local jurisdictions to achieve compliance with the BIOP by offering three options. Option 1 – Prohibit all development in the floodplain identified by NFIP; Option 2 – Enact regulations that allow development that meets the criteria specified in the BIOP by either adopting the FMEA developed model ordinance, or enforcing the same requirements in other ordinances such as zoning or critical areas regulations; Option 3 – Review proposed permits on a case by case, permit by permit, basis. If Option 3 is chosen, NFIP communities such as Shelton

must ensure that each project's applicant demonstrates compliance with the ESA before issuing a development permit. Generally, this would include a biological assessment by qualified biologist. FEMA staff would provide general advice to the City that says any project that involves certain activities should be consulted with National Marine Fisheries staff to determine if a biological assessment would be required. Given the developed nature of the City's floodplain, staff recommends the City proceed with "Option 3" and review floodplain development permits on a case by case basis for compliance with the BIOP. Staff will provide documentation in project files to ensure compliance is demonstrated to FEMA staff. SP Dose recommended that the Commission authorize staff to notify FEMA that the City of Shelton will demonstrate compliance with the BIOP through implementation of "Option 3." SP Dose requested this recommendation be placed on the consent agenda for August 15, 2011.

***The Commission concurred to place the Endangered Species Act – Procedure changes within floodplain on the consent agenda for August 15, 2011.***

2. **Wallace Kneeland Blvd. Road Restoration – Final Acceptance** – City Engineer Michael reported on the Final Acceptance for Wallace Kneeland. In September of 2010 the contract for the project was awarded to Ace Paving Company. This project replaced a section of severely deteriorated pavement between Olympic Hwy North and Shelton Springs Road. This portion of Wallace-Kneeland Blvd. had experienced significant and rapid deterioration over the last several years. The Notice to Proceed was issued in September 2010, with the work progressing rapidly from that date. On November 10, 2010, the City issued a Suspension of Work to allow staff time to evaluate options for the vehicle detection portion of the traffic signals within the project. At this point, all paving and initial concrete work had been completed. Due to weather, final clean-up of the project site and completion of repair/replacement of work not compliant with the contract was delayed. The Project was completed last month. During this time, the Contractor also experienced issues with their surveyor. The issue has been resolved by agreement between staff and the Contractor for a partial payment for survey work completed. It is being forwarded to the State Engineering Board for the non-performance issue with the surveyor for their action. This project is now complete under the terms of the contract and ready for acceptance by the Commission. This step will allow staff to prepare notification and request to various State agencies for their final certifications. Completing this final step in the contract will allow staff to ultimately release the retainage for the contract and closeout our records. The Engineer's Estimate for this contract was \$865,622.90 with the successful bidder, Ace Paving, submitting a bid for \$646,927.60. One Change Order in the amount of \$7,359.60 was issued for a total contract value of \$654,257.20. Due to various savings, including reduced payment for surveying due to non-performance, the final contract payment totaled \$551,764.84 or 85.3 percent of the original contract amount. CE Michael requested the Commission put the Final Acceptance Form for the Wallace-Kneeland Blvd. Road Restoration on the consent agenda for August 15, 2011.

***The Commission concurred to place the Final Acceptance Form for the Wallace-Kneeland Blvd. Road Restoration on the consent agenda for August 15, 2011.***

3. **Public Safety Sales Tax** – City Administrator O'Leary explained the Public Safety Sales Tax measure that the Commission is considering placing on the November ballot. The tax would be a one-tenth of one percent increase in sales tax on currently taxed items, excluding motor vehicles that would be dedicated to public safety. Mayor Tarrant has been unsuccessful in attempts to have the Mason County Commission put this on the November ballot. Cities and Counties, no matter how it is done, must share the resources. The percentage that is shared varies depending on how it is implemented. To put this before the City residents in the 2011 November General Election, the City Commission must adopt the resolution by August 16, 2011. The State collects the money and will withhold one percent of the collections.

CA O'Leary presented the difference in tax revenues if the County or City proposes first. With the City proposing the vote, the citizens of the City and only the City businesses will have the increase. The City will receive 85 percent of the collections and the County will receive 15 percent. The idea is to establish a sustainable set of public safety services. O'Leary said that two of our federal grants for the police will expire in the next two years. In the past four years the City has already cut more than \$1.1 million from ongoing programs, but has been able to avoid most cuts in

the police department. Now there is no other place to cut, other than the police department. Placing this Public Safety Sales Tax on the ballot allows the citizens to make a choice in saving public safety services.

Mayor Tarrant said the Legislature has asked Cities if they have used all local options before seeking funding from other sources. He said citizens of this community deserve the opportunity to decide if they want to increase the tax and dedicate the increase for public safety.

Commissioner Pannell agreed that the citizens deserve the right to choose but does not think the time is right to increase taxes in the current economy. She is disappointed the County has not brought this proposal forward which would then include the entire County.

Commissioner Byrne stated that in 2012 the Commission is going to have to make some tough decisions relating to public safety. He said without the grants the program, public safety will have to be cut and the citizens of the City need to have a say in the options available to buy time for our public safety programs.

***Commissioner Byrne moved to place the one-tenth of one percent Public Safety Sales Tax on the November General Election Ballot, Mayor Tarrant second the motion. Mayor Tarrant called for a vote; Mayor Tarrant and Commissioner Byrne voted in favor of the motion, Commissioner Pannell opposed the motion. The motion passed with a majority vote in favor.***

### **Administration Report**

- **Evergreen Square Parking Lot Improvements** – Public Works and Community and Economic Development (PW/CED) Director Goins (DH) reported that a number of complaints have been received concerning the lack of handicap stalls in Evergreen Square. The State has received similar complaints. The parking lot is beginning to show age, is not completely level, has drainage issues, and would need re-striping to create handicap stalls which would cost approximately \$50,000. Landscaping would further enhance the lot and to completely revamp to include the landscaping would cost between \$60,000 and \$70, 000.

CA O’Leary asked where the money would come from. DH Goins replied the General Fund.

Mayor Tarrant asked if there is a City street that could use the \$50,000 to \$60,000 for repairs. DH Goins said there are probably a number of streets with this need, but not many in the retail core area.

Commissioner Byrne asked if doing this project would then decrease the 2012 street maintenance budget. DH Goins said this would be a discussion for the 2012 budget.

CA O’Leary said it is appropriate for the Commission be made aware of the issues, but the choices should be brought forward during the 2012 budget process.

- **Water/Sewer Options for Urban Growth Area** – PW/CED DH Goins said the Dayton Airport Road water line is intended to extend to the Department of Corrections passing the State Patrol and providing service outside the Urban Growth Area. As part of the design work, staff encountered some policy questions. DH Goins said an easement for the water line is needed on the north side of the road that has made good gains in the last few days. The new Mason County facility is interested in hooking up to water, sewer and reclaimed water all at the same time. After speaking to some of the property owners in the area they also seem to be interested in hooking up to the water system, but several expressed less interest in hooking up to sewer, which is already available. The City’s current policy states that owners have to agree to take both. In the future, the same scenario will likely apply in the John’s Prairie area where the water is there, but sewer might not be available for years. However, on the Dayton Airport Road, that scenario is now. It seems that from a fiscal stand point there is some legitimate argument over why property owners would need to connect to sewer. If owners have a raw piece of development it would be a sound fiscal move, but with a good septic system this is not a logical expenditure. The policy makes a lot more sense if we integrated it with the County and health polices at the appropriate time. If that’s the decision, there could be water utility customers right away.

and Helen Soper, Mr. Michael Wittenberg and Mr. Mike Olsen who have contributed to preservation throughout our community. Ms. Moore is in favor of the Simpson-Reed Local Historic District.

Mayor Tarrant thanked the SHPB for their continued efforts in historic preservation.

*The Commission concurred to close the Simpson-Reed Local Historic District Public hearing at 6:59 p.m. and to bring it back under Old Business for the meeting of August 22, 2011.*

**Consent Agenda**

1. Vouchers numbered 75819 through 75899 in the amount of \$1,587,543.81
2. Manual Warrants:
  - 75816 in the amount of \$20,098.88 to Department of Revenue
  - 75817 in the amount of \$1,719.76 to the US Post Office
3. Commission Meeting Minutes of:
  - July 18, 2011
  - July 25, 2011
4. Department of Ecology Coordinated Prevention Grant – Amendment #2 – Authorize the Mayor to sign two copies
5. 2011 Budget Modification for the General Fund Fire Department for additional fire suppression service costs

*Commissioner Byrne moved to approve the consent agenda as read; Commissioner Pannell seconded the motion. A vote was taken and the motion passed.*

**Old Business** - None

**New Business** – None

**Administration Reports**

City Administrator O’Leary said he is participating the in the review process for the new Mason Transit Manager.

CA O’Leary also said the budget process is beginning in earnest and budget instructions should be out to Department Heads tomorrow.

**Public Comment** - None

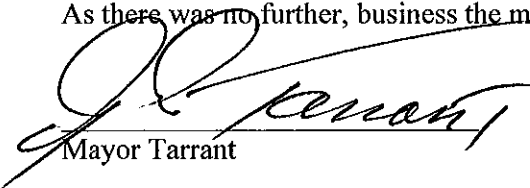
**Administrative Final Touches** - None

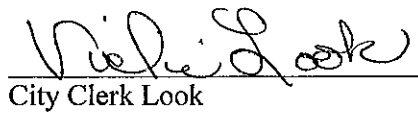
**Announcement of Next Meeting**

Mayor Tarrant announced the next Commission meeting of Monday, August 8, 2011, 2:00 p.m.

**Adjournment**

As there was no further, business the meeting was adjourned at 7:06 p.m.

  
Mayor Tarrant

  
City Clerk Look