



Shelton City Council
Study Session Agenda
September 28, 2021 at 6:00 p.m.
Virtual Platform

A. Call to Order

B. Roll Call

C. Study Agenda

1. 2022 Budget – Presented by Budget Coordinator Don Kuismi
2. Homeless Encampment Ordinance – Presented by City Manager Jeff Niten & Police Chief Carole Beason

D. New Items for Discussion

E. Adjourn

The City of Shelton is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council meeting, please call (360) 432-5103 at least 48 hours in advance of the meeting.



2021 Looking Ahead

(Items and dates are subject to change)

Tues. 9/28 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> • 2022 Budget • Homeless Encampment Ordinance 	Packet Items Due: Fri. 9/24 @ noon
Tues. 10/5 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> • Proposed 2022 Budget Business Agenda <ul style="list-style-type: none"> • Resolution No. 1208-0921 Western Gateway Design Contract Amendment No. 3 • Resolution No. 1209-1021 Utility Property Surplus • Resolution No. 1210-1021 SPD Body Worn Cameras • Resolution No. 1211-1021 JAVS A/V System Replacement in Courtroom/Council Chambers • LTAC Grant Recommendations • FCS Contract – ER&R Action Agenda <ul style="list-style-type: none"> • Public Hearing Ordinance No. 1974-0821 2021 Budget Supplemental • Ordinance No. 1975-0821 Debt Management Policy • Ordinance No. 1976-0821 Investment Policy • Surplus Policy • HOPE Garden Callanan Park Agreement Administration Report <ul style="list-style-type: none"> • 	Packet Items Due: 9/24 – 5:00 p.m.
Tues. 10/12 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> • Pavement Condition Rating Presentation 	Packet Items Due: Fri. 10/8 @ noon
Tues. 10/19 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes • August Financial Status Report Presentations <ul style="list-style-type: none"> • Business Agenda <ul style="list-style-type: none"> • Ordinance No. 1977-0921 Homeless Encampment • Prosecution Services Contract Action Agenda <ul style="list-style-type: none"> • Resolution No. 1208-0921 Western Gateway Design Contract Amendment No. 3 	Packet Items Due: 10/8 – 5:00 p.m.

		<ul style="list-style-type: none"> Resolution No. 1209-1021 Utility Property Surplus Resolution No. 1210-1021 SPD Body Worn Cameras Resolution No. 1211-1021 JAVS A/V System Replacement in Courtroom/Council Chambers LTAC Grant Recommendations FCS Contract – ER&R Administration Report <ul style="list-style-type: none"> 	
Tues. 10/26 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> Animal Ordinance 	Packet Items Due: Fri. 10/22 @ noon
Tues. 11/2 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Resolution No. 1186-1220 Surplus Computer Equipment Action Agenda <ul style="list-style-type: none"> Ordinance No. 1977-0921 Homeless Encampment Prosecution Services Contract Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 10/22 – 5:00 p.m.
Tues. 11/9 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> Noise Ordinance 	Packet Items Due: Fri. 11/5 @ noon
Tues. 11/16 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes September Financial Status Report Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Action Agenda <ul style="list-style-type: none"> Resolution No. 1186-1220 Surplus Computer Equipment Administration Report <ul style="list-style-type: none"> 	Packet Items Due: 11/5 – 5:00 p.m.
Tues. 11/23 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> 	Packet Items Due: Fri. 11/19 @ noon
Tues. 12/7 5:30 p.m.	Special Meeting	Executive Session <ul style="list-style-type: none"> Performance of a Public Employee 	N/A
Tues. 12/7	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> Vouchers/Payroll Warrants/Meeting Minutes Presentations <ul style="list-style-type: none"> Business Agenda <ul style="list-style-type: none"> Public Hearing Ordinance No. 1968-0321 Water Comp Plan Adoption Action Agenda	Packet Items Due: 11/24 – 5:00 p.m.

		<ul style="list-style-type: none"> • Administration Report • 	
Tues. 12/14 6:00 p.m.	Study Session	<ul style="list-style-type: none"> • Study Agenda • 	Packet Items Due: Fri. 12/10 @ noon
Tues. 12/21 6:00 p.m.	Regular Meeting	<ul style="list-style-type: none"> • Consent Agenda <ul style="list-style-type: none"> • Vouchers/Payroll Warrants/Meeting Minutes • October Financial Status Report • Presentations • Business Agenda <ul style="list-style-type: none"> • Action Agenda <ul style="list-style-type: none"> • Ordinance No. 1968-0321 Water Comp Plan Adoption • Administration Report • 	Packet Items Due: 12/10 – 5:00 p.m.
		<ul style="list-style-type: none"> • 	
		<ul style="list-style-type: none"> • 	

Other – TBD

- UGA/Annexation Policy (Water/Sewer Extensions)
- More Standing Committees by the Council
- Surplus Property
- December 7, 2021 – C Street Update
- Downtown Street Trees



2022 BUDGET: BUDGET STATUS

Shelton City Council Study Session
28 September 2021

Agenda

- 2022 Budget Calendar
- 2022 Budget Process
- 2022 current revenue assumptions
- 2022 current base budget expense assumptions
- Budgeted FTE
- Capital Investment
- ARPA Funding
- COVID Contingency

Budget Process

- The 2022 budget is being built using realistic, albeit conservative, revenue assumptions and matching expenses to those revenues.
 - *Budgeting decisions were made with an eye toward available on-going resources to fund operations. One-time resources, including accumulated fund balance, are only budgeted to fund one-time expenses.*
 - *The budget process was again challenging this year. General Fund needs are far more than available resources can fund.*
 - *All Funds are balanced with on-going revenues funding on-going operations and where appropriate, fund balance is used to fund 1x expenses.*

Budget Calendar

<u>Due Date</u>	<u>Activity</u>
4-Jun	Current labor allocations to users
15-Jun	2022 budget add request form and instructions to users
28-Jun	2022 budget instance open to users
14-Jul	June YTD actuals to departments for estimate process
19-Jul	Labor costs updated for current CPI and benefit cost increases
19-Jul	CIP worksheets and project description forms to users
23-Jul	2022 Base Budget and new budget add requests due to finance
30-Jul	2021 Year-End estimates due to finance
30-Jul	Leadership Team supplemental meeting
30-Jul	CIP worksheets and project description due to finance
Week of Aug 9	Department meetings with finance
Week of Aug 16	Department meetings with CM and finance
17-Aug	1 st Council Study Session
25-Aug	Workload Service Measure including amounts due
27-Aug	CM preliminary budget decisions
1-Sep	Preliminary decisions to Leadership Team
2-Sep	Court of Last Resort, if needed
3-Sep	CM final budget decisions
28-Sep	2 nd Council Study Session
Sep	Proposed budget created
5-Oct	Proposed budget presentation to Council
19-Oct	Council consideration of budget
16-Nov	Council consideration of budget and potential adoption
7-Dec	Potential budget adoption

Current Revenue Assumptions

- Property Tax: will increase by 1.15%
 - *1% based on state statutory maximum,*
 - *.15% new construction and delinquent penalties,*
 - *Actual collections will be based on County Assessor valuations.*
- Sales Tax: budgeted 2.1% increase over current 2021 estimates.
- B&O: budgeted at 2021 estimated levels.
- City and Non-City Utility Tax: budgeted at an average of 1.9% increase over 2021 estimated level.
- Building & Permitting: budgeted at 2021 estimated levels, roughly \$5K increase.
- Utility Services Revenue: increase based on service fee changes on estimated actuals less 1x revenues.
- Other revenue is assumed to be in-line with current estimates.

Current Base Budget Expense

- Current labor assumptions:
 - *COLA: budgeted based on negotiations with bargaining partners,*
 - *Healthcare: budgeted at 6.0% increase,*
 - *Delta Dental: budgeted at 4.0% increase,*
 - *PERS (Retirement): budgeted at a 2.72% decrease.*
- All other expenses budgeted at 4.0% increase from 2021 Budget.

Budget FTE

City-Wide FTE by Fund				
	2019	2020	2021	2022 Prelim
General Fund				
City Council	7.80	7.80	7.00	7.00
Municipal Court	4.50	4.50	4.50	4.50
City Clerk*			2.00	2.00
City Manager	3.40	4.40	2.00	2.00
Human Resources	2.00	2.85	2.85	2.85
Information Technology	2.00	2.15	1.15	1.15
Finance	9.85	9.85	8.05	9.05
Public Works	6.10	4.60	3.60	4.10
Police	21.50	22.50	21.50	23.00
Comm Dev./Parks/Facilities	11.30	12.30	12.30	12.80
Total General Fund	68.45	70.95	64.95	68.45
Other City Funds				
Street Operating	3.65	4.65	4.90	4.90
Water Utility	8.40	8.40	8.65	8.65
Sewer Utility	9.30	10.30	11.55	11.55
Storm Drainage Utility	4.50	7.00	7.25	7.75
Equip. Maint. & Rental	1.20	1.20	1.20	1.20
Total Other Funds	27.05	31.55	33.55	34.05
Grand Total City	95.50	102.50	98.50	102.50
*City Clerk functions are included in City Council, City Manager & Finance prior to 2021.				

2022 Capital Investment (Significant)

- Safe Routes to School- \$890K
- Western Gateway \$2.6 Million
- Parks Capital Improvements - \$209K
- Advanced Metering - \$800K
- Well 1 Pipe Replacement - \$1 Million
- Residential Paving - \$358K
- WRP Reclaimed Water Tank Design \$2 Million
- EM&R Equipment - \$350K
- Security Enhancements & Signage - \$60K

American Rescue Plan Act (ARPA) Funds

- The City will receive a total of \$2.98 Million in ARPA funds with the first half received in 2021 and the second half in 2022.
- Capital utility infrastructure projects are required to be allocated to the ARPA funds by December 2024 and expensed by December 2026.
- The 2022 budget includes the following projects using ARPA funds:
 - *Automated Meter Infrastructure (AMI) \$800K*
 - *Western Gateway Project \$1.34M*

COVID Contingency

- Through August the City has not experienced a significant change in revenue however, there are unknowns that could still impact 2021 and 2022:
 - *Further vaccination requirements from the Governor's Office,*
 - *Long-term impact on spending habits,*
 - *President Biden's vaccination announcement that could potentially affect employers with 100 or more employees,*
 - *Supply chain constraints and increased costs.*

- We are preparing our 2022 with an eye toward these unknowns but without significant assumptions related to them. If there are revenue impacts in the second half of the year it will likely be too late for a significant change to the proposed budget in the time available.
 - *If that is the case, we will recommend Council adopt the proposed budget with a clear understanding that we will bring a supplemental budget change in the first quarter of 2022.*

ORDINANCE NO. [REDACTED]

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
SHELTON, WASHINGTON, ENACTING A NEW CHAPTER 8.74 OF
THE SHELTON MUNICIPAL CODE RELATING TO PUBLIC CAMPING
AND HOMELESS ENCAMPMENTS**

WHEREAS, over the past few years, the number of unsheltered homeless individuals has increased in the City of Shelton and the surrounding region; and

WHEREAS, unsheltered homeless individuals live in conditions, such as tents and makeshift shelters, that are not acceptable for long term human habitation and are not conducive to the health, safety, and welfare of homeless individuals or the general public; and

WHEREAS, over the last 12 months the City has identified multiple homeless encampments on City-owned property, many of which were within environmentally sensitive areas including wetlands and riparian habitats; and

WHEREAS, the City has received estimates from third party contractors to clean up the homeless encampments referenced above, which range from \$200 to \$25,000 per encampment; and

WHEREAS, the City does not have the budget to cover clean-up costs on a continual basis, and believes that investing public money encouraging homeless people to acquire indoor shelter is a better and more effective use of public funds; and

WHEREAS, camping on public property creates a nuisance when it interferes with other uses such as normal operation of the City parks and the free movement of pedestrian traffic; and

WHEREAS, homeless encampments endanger public safety by exposing unsheltered homeless individuals and other persons to crime; and

WHEREAS, homeless encampments endanger public health, welfare, and safety through a lack of sanitation services, clean water, and trash removal, and by generating dangerous debris such as needles; and

WHEREAS, when encountering unsheltered homeless individuals, Shelton Police officers make efforts to direct them to supportive services, including emergency shelters, long-term housing options, and substance abuse treatment; and

WHEREAS, unsheltered homeless individuals do not always agree to obtain emergency or long term shelter or supportive services, or follow through with the same; and

WHEREAS, in 2018, the Ninth Circuit held in the case of Martin v. City of Boise that cities cannot enforce criminal penalties for camping on public property unless the City first verifies that indoor shelter space is available to the unsheltered homeless individual; and

WHEREAS, the City Council recognizes the need to balance the rights and dignity of unsheltered homeless individuals with the public health crisis that can be caused by increasing homelessness; and

WHEREAS, the City Council believes the rational and compassionate way of dealing with unsheltered homelessness is to assist, encourage, and incentivize homeless individuals to access and remain in emergency and long term shelter and supportive services; and

WHEREAS, due to the reluctance of some unsheltered homeless individuals to seek or remain in indoor shelters and services, the City must have criminal penalties available for public camping, to be used as a last resort.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHELTON, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. A new Chapter 8.74 of the Shelton Municipal Code, entitled “Public Camping Prohibition,” is enacted to read as follows:

8.24.010 Public Camping - Prohibited - Definitions.

A. Camping on any public property is prohibited.

B. For purposes of this Section, the following definitions shall apply:

1. “Camping” means remaining overnight in a tent, hut, lean-to, or other temporary shelter or structure.

2. “Public property” means all real property within the city limits in which the City has a property interest and which is reserved for any public purpose, including City-owned rights-of-way, parks, public facilities, easements, critical areas and buffers.

8.24.020 Public Camping – Penalty

The penalty for violation of SMC 8.74.010 shall be a misdemeanor, punishable by up to 90 days in jail and a \$1,000 fine, provided, however, that a misdemeanor shall not be charged unless all the provisions of SMC 8.74.030 have been met.

8.24.030 Public Camping – When Prohibition May be Enforced

A. Persons in violation of SMC 8.74.030 may only be charged with a misdemeanor when all of the following conditions are met:

1. A Shelton Police officer makes personal contact with the violator and advises them of the prohibition on public camping; and

2. In response to contact by the officer, the violator either does not remove their camp or erects a camp on a different public property within the City; and

3. A Shelton Police officer informs the violator of available indoor shelter and takes reasonable steps to help the violator access the indoor shelter; and

4. The violator fails or refuses to utilize available shelter, the violator's criminal record or sex offender status prohibits them from utilizing available shelter, or the shelter has declined to provide services to the violator due to the violator's unsafe behavior.

B. For purposes of this Section, "available" means all of the following:

1. The City has contacted the shelter to confirm that the shelter has bed space for the violator; and

2. The shelter does not impose conditions that are unrelated to health, welfare and safety, such as a requirement to participate in religious activities; and

3. The shelter is free to the violator; and

4. The violator is able to arrange transportation to the shelter, or the City arranges transportation to the shelter, free of charge to the violator.

8.74.040 – Removal of personal property

Personal property associated with camping on public property, when such camping is in violation of this Ordinance, is subject to removal by the City. Materials that are toxic, dangerous, or obviously refuse may be disposed of immediately. Notice shall be provided to the owner that property is being stored and may be reclaimed. Removed personal property shall be stored for (sixty) 60 days following notice to the owner.

Section 2. Effective date. This Ordinance shall take effect five days after final passage.

PASSED by the City Council this ____ day of September, 2021.

Kevin Dorcy
Mayor

ATTEST/AUTHENTICATED:

Donna Nault, City Clerk
City Clerk