



Shelton City Council  
Study Session Agenda  
July 23, 2024 – 6:00 p.m.  
Civic Center & Virtual Platform

**A. Call to Order**

**B. Roll Call**

**C. Study Agenda**

1. Annual Report – Presented by Troy Nichols of The Nichols Group Government Relations

**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.*



# 2024 Looking Ahead

(Items and dates are subject to change)

<p>Tues. 8/6 6:00 p.m.</p>	<p>Regular Meeting</p>	<p>Consent Agenda</p> <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> <li>• Resolution No. 1341-0724 Acceptance of Grant Funds for Wallace Kneeland/Shelton Springs Rd. Intersection Improvements</li> </ul> <p>Presentations</p> <ul style="list-style-type: none"> <li>• Shelton-Mason County Chamber Q1 LTAC Report</li> </ul> <p>Business Agenda</p> <ul style="list-style-type: none"> <li>• Resolution No. 1342-0724 Contract Amendment No. 3 with Aspect Consulting for C Street Landfill Post-Construction Monitoring</li> <li>• Resolution No. 1343-0724 Acceptance of Grant Funds for Systemic Pedestrian Improvement Project</li> <li>• Flock Contract</li> <li>• PUD Poles for LPR Cameras</li> </ul> <p>Action Agenda</p> <ul style="list-style-type: none"> <li>• Administration Report</li> </ul>	<p>Packet Items Due: 7/26 @ 5:00 p.m.</p>
<p>Tues. 8/13 6:00 p.m.</p>	<p>Study Session</p>	<p>Study Agenda</p> <ul style="list-style-type: none"> <li>• Shopping Cart Regulations</li> </ul>	<p>Packet Items Due: 8/9 @ noon</p>
<p>Tues. 8/20 6:00 p.m.</p>	<p>Regular Meeting</p>	<p>Consent Agenda</p> <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> <li>• Resolution No. 1343-0724 Acceptance of Grant Funds for Systemic Pedestrian Improvement Project</li> </ul> <p>Presentations</p> <ul style="list-style-type: none"> <li>• Forest Festival LTAC Report</li> <li>• Shelton-Mason County Chamber Q2 LTAC Report</li> <li>• June Financial Status Report</li> </ul> <p>Business Agenda</p> <ul style="list-style-type: none"> <li>• Resolution No. 1336-0624 Acceptance of Commerce Funds for Cross-town Trail Design</li> <li>• Resolution No. 1338-0624 Acceptance of WSDOT SWCC Grant for Cross-town Trail Design</li> <li>• Water Meter Upgrades Installation (AMI) Project Bidding</li> </ul> <p>Action Agenda</p>	<p>Packet Items Due: 8/9 @ 5:00 p.m.</p>

		<ul style="list-style-type: none"> <li>• Civic Center Rotating Art Gallery</li> <li>• Resolution No. 1342-0724 Contract Amendment No. 3 with Aspect Consulting for C Street Landfill Post-Construction Monitoring</li> <li>• Flock Contract</li> <li>• PUD Poles for LPR Cameras</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>	
Tues. 8/27 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 8/23 @ noon
Tues. 9/3 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>•</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Resolution No. 1340-0624 Water Meter Upgrades Installation (AMI) Project Award</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>	Packet Items Due: 8/23 @ 5:00 p.m.
Tues. 9/10 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 9/6 @ noon
Tues. 9/17 5:45 p.m.	SMPD Meeting	Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Meeting Minutes</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>	Packet Items Due: 9/6 @ 5:00 p.m.
Tues. 9/17 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>• July Financial Status Report</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>	Packet Items Due: 9/6 @ 5:00 p.m.
Tues. 9/24 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 9/20 @ noon
Tues. 10/1 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul> Presentations <ul style="list-style-type: none"> <li>•</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>•</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>•</li> </ul>	Packet Items Due: 9/20 @ 5:00 p.m.

		Administration Report •	
Tues. 10/8 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 10/4 @ noon
Tues. 10/15 6:00 p.m.	Regular Meeting	Consent Agenda • Vouchers/Payroll Warrants/Meeting Minutes Presentations • August Financial Status Report Business Agenda • Action Agenda • Administration Report	Packet Items Due: 10/4 @ 5:00 p.m.

Other – TBD

- Project and Funding Authorization for Wallace Kneeland/Shelton Springs Intersection Improvements
- Height Limit Ordinance
- Resolution No. 1316-0124 ILA with Mason County for Reimbursable Work, Supplies and Services
- International Property Maintenance Code

DRAFT



# Shelton City Council Work Session

2025 LEGISLATIVE SESSION OUTLOOK

TROY NICHOLS

THE NICHOLS GROUP GOVERNMENT RELATIONS

JULY 23<sup>RD</sup>, 2024

# Tonight's Agenda:

- ▶ Introduction
- ▶ Overview of Previous Successes
- ▶ 2024 General Election Outlook
- ▶ 2025 Operating Budget Dynamics
- ▶ 2025 Capital Budget Dynamics
- ▶ 2025 Transportation Budget Dynamics
- ▶ Questions?

# Previous Successes:

## 2024:

- ▶ \$206,000 for design of the multi-use trail project
- ▶ \$1 million for Wallace Kneeland intersection improvements

## 2023:

- ▶ \$250,000 for Security and Access Control Improvements for City Facilities and Critical Infrastructure
- ▶ \$1.85 million for the Angleside Reservoir Capacity Upgrades

# Previous Successes (Continued):

## 2022:

- ▶ \$206,000 for the Shelton PD Parking Facility
- ▶ \$3.25 million of our \$3.7 million request for the headworks capacity upgrades at the City's Water Reclamation Plant

## 2021:

- ▶ \$2.05 million for the Well 1 Water Main project
- ▶ \$2.05 million for the WWTP Reclaimed Water project
- ▶ \$2.2 million from the waste tire removal account to the state motor vehicle fund to satisfy the outstanding balance in the latecomer agreement between the City of Shelton and the Washington State Patrol



# Previous Successes (Continued):

## 2020:

- ▶ Supplemental Transportation Budget included a proviso to repeal the \$2.2 million Washington State Patrol Latecomer's Agreement with the City of Shelton (Governor Vetoed)
- ▶ \$750,000 for the Shelton YMCA

## 2019:

- ▶ \$650,000 for the Wallace Kneeland/Shelton Springs intersection
- ▶ \$283,000 for the civic center parking lot
- ▶ \$3.5 million grant for the Shelton YMCA from the Building Communities Fund

## 2018:

- ▶ \$1 million in the 2018 supplemental transportation budget for completion of the Downtown Connector Project
- ▶ \$288,000 in the 2018 supplemental capital budget for the Shelton Timberland Library Repairs

# 2024 General Election Outlook

## Current Legislative Makeup:

- ▶ Senate – 29 Democrats, 20 Republicans
- ▶ House – 58 Democrats, 40 Republicans

## 2025 Legislative Leadership Outlook:

- ▶ Speaker Jinkins is expected to return as Speaker in 2025, but there will be a new Senate Majority Leader in 2025 following Sen. Andy Billig's retirement
- ▶ Senator John Braun and Representative Drew Stokesbary are both expected to return as the Republican caucus leaders

# 2024 General Election Outlook (continued):

## **2025 Legislative Leadership Outlook (continued):**

- ▶ Key Committee Chairs/Ranking Members – Transportation and Ways & Means/Appropriations and Capital Budget Committees should remain largely unchanged except for Sen. Mullet, the Senate Democratic lead on Capital Budget.
- ▶ Predictions for legislative pickups/losses are highly volatile, particularly after redistricting. We could see Democrats gaining seats in both chambers in November, or Republicans holding onto their current numbers and picking up a seat or two in both chambers.
- ▶ Key Point – Capital and Transportation bond votes require a 60% majority in both chambers – if Republicans lose a seat in either chamber, they fall below that threshold.

## **35th Legislative Delegation:**

- ▶ Senator Drew MacEwen is not in cycle; he's running for Congress in the 6<sup>th</sup> Congressional District; Representatives Dan Griffey and Travis Couture are running for reelection. No changes expected unless Senator MacEwen wins his CD-6 race.

# 2025 Operating Budget Dynamics:

## June 2024 Revenue Forecast:

- ▶ 23-25 Biennium: **-\$477 Million**
- ▶ 25-27 Biennium: **-\$189 Million**
- ▶ First negative revenue forecast since the COVID pandemic
- ▶ Tax collections “will likely support the maintenance of current programs, but not growth.” Any funding request “should focus on continuing these programs” and only address caseload increases “while not expanding existing programs and services.” -David Schumacher, Inslee’s budget director

# 2025 Operating Budget Dynamics (continued):

## **2025 Session Outlook:**

- ▶ 75% of the state budget is “constitutionally protected” (K-12 spending, pensions, labor contracts, debt service, etc.)
- ▶ “Current Service Level” Budgeting in Washington State
- ▶ Awaiting the outcome of the three initiatives (I-2117/Climate Commitment Act Repeal, I-2109/Capital Gains Tax Repeal, I-2124/Makes the Long-Term Care Act Voluntary) and how they impact the operating, capital and transportation budgets

# 2025 Capital Budget Dynamics:

## **2025-27 Capital Budget:**

- Economic Slowdown or Recession? Tremendous Pressure to “sweep” the Capital Budget to support the Operating Budget
- Bond Capacity is expected to be higher than 2023-25 - \$4.7 Billion
- Local & Community Projects in the 2023-25 Biennial Budget:
  - \$301 million for 525 individual projects (average - \$573,333)
  - Range: \$15,000 to \$5.7 million

# Capital Projects Funded in the Capital Budget Include:

- ▶ Acquisition of land and buildings
- ▶ Construction of new buildings
- ▶ Major repairs, reconstruction, and additions to existing buildings
- ▶ Utility, landscaping, and infrastructure work
- ▶ Architectural planning, design, and engineering studies
- ▶ Administrative Costs directly related to the capital project

*\*Capital projects typically must have a useful life of at least 13 years and involve an architect and/or an engineer. This rule of thumb is more stringent on bond-funded projects.*

# 2025 Transportation Budget Dynamics:

- ▶ **2023-25 Transportation Budget = \$14.55 Billion**
  - ▶ “Traditional” Transportation Revenues are Shrinking
  - ▶ \$1.3 Billion in Current Climate Commitment Act Funding
  - ▶ Zero Funding for New Local Projects in 2023; Limited Number of Local Projects Funded in 2024
  - ▶ Outlook for Future Local Project Funding is Bleak – Shrinking “Traditional” Revenues and the Outcome of I-2117 (CCA Repeal)



QUESTIONS?

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