



Shelton City Council  
Study Session Agenda  
September 10, 2024 – 6:00 p.m.  
Civic Center & Virtual Platform

**A. Call to Order**

**B. Roll Call**

**C. Study Agenda**

1. 2025 General Fund Budget Review – Presented by Finance Director Mike Githens & City Manager Mark Ziegler
2. 2025 Capital Improvement Projects (CIP) – Presented by Superintendent Brent Armstrong & Public Works Director Jay Harris

**D. New Items for Discussion**

**E. Adjourn**



# 2024 Looking Ahead

(Items and dates are subject to change)

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> <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> </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>• Ordinance No. 2022-0824 Shopping Cart Regulations</li> <li>• Resolution No. 1347-0824 Approval of On-Call Building Code Services Pool</li> <li>• Resolution No. 1339-0624 Library Deck Project</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 <ul style="list-style-type: none"> <li>• Pavement Condition Index Report</li> </ul>	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>• Resolution No. 1340-0624 Water Meter Upgrades Installation (AMI) Project Award</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: 9/20 @ 5:00 p.m.
Tues. 10/8 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> <li>•</li> </ul>	Packet Items Due: 10/4 @ noon
Tues. 10/15 6:00 p.m.	Regular Meeting	Consent Agenda <ul style="list-style-type: none"> <li>• Vouchers/Payroll Warrants/Meeting Minutes</li> </ul>	Packet Items Due: 10/4 @ 5:00 p.m.

		Presentations <ul style="list-style-type: none"> <li>• White Cane Awareness Proclamation</li> <li>• August 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>• Resolution No. 1340-0624 Water Meter Upgrades Installation (AMI) Project Award</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>	
Tues. 10/22 6:00 p.m.	Study Session	Study Agenda	Packet Items Due: 10/18 @ noon
Tues. 11/5 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>• Public Hearing Ordinance No. 2023-0924 2025 Preliminary Budget</li> <li>• Resolution No.1348-0924 Master Fee Schedule Update</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Ordinance No. 2021-0824 Height Limit Removal</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>	Packet Items Due: 10/25 @ 5:00 p.m.
Tues. 11/12 6:00 p.m.	Study Session	Study Agenda <ul style="list-style-type: none"> <li>• Transportation Benefit District (TBD)</li> </ul>	Packet Items Due: 11/7 @ noon
Tues. 11/19 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>• September Financial Status Report</li> </ul> Business Agenda <ul style="list-style-type: none"> <li>• Public Hearing Ordinance No. 2024-0924 2025 Ad Valorem Taxes</li> </ul> Action Agenda <ul style="list-style-type: none"> <li>• Resolution No.1348-0924 Master Fee Schedule Update</li> </ul> Administration Report <ul style="list-style-type: none"> <li>•</li> </ul>	Packet Items Due: 11/7 @ 5:00 p.m.

Other – TBD

- Resolution No. 1316-0124 ILA with Mason County for Reimbursable Work, Supplies and Services
- International Property Maintenance Code

2025 City Manager's Recommended 2025 Budget

**The 2025 General Fund Budget includes:**

**Maintains 2024 baseline budget for 2025**

**All Current Positions**

**Filling one additional Police Position already in budget but held in 2024**

**One additional 1.0 FTE for facilities**

**Priority #1 requests from Departments**

**Includes one year of Enterprise Fleet Management costs**

2025 General Fund Revenue	15,057,159	As of 9/4/2024
2025 General Fund Expenses	15,506,210	As of 9/4/2024
Difference (ongoing expenses exceed ongoing revenue)	(449,051)	
Transfer from General Fund to Street Fund	(400,000)	
Subtotal; 2025 General Fund Expenses exceed Revenue ( )	(849,051)	

Cover the difference with 2024 ending fund balance	849,051
Subtotal	-
Over Baseline Requests from Priority #1 list	(535,219)
Expenses covered with ending fund balance (not ongoing)	535,219
2025 General Fund Budget balanced	-

Priority #1 Requests	535,219	Included; funded with ending fund balance
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**Not funded in the 2025 Budget:**

Staffing Requests 2025	712,502	Not included in baseline
Priority #2 Requests	92,500	Not included in baseline

**Proposed Strategic/Efficiency Funding Options for General Fund Unreserved Ending Balance**

	<b>2025 Budget-General Fund</b>	<b>2nd Priority</b>
Difference (ongoing expenses exceed ongoing revenue)	\$ 449,051	
Street Fund Transfer in 2025	\$ 400,000	
Over Baseline Requests from Priority #1 list	\$ 535,219	
Enterprise Vehicle Future Amount	\$ 500,000	
Access control		\$ 50,000
Records & Retention System City Wide		\$ 150,000
Citywide phone system		\$ 67,500
Seismic study		\$ 25,000
Facility needs analysis		\$ 50,000
Scanning of all documents		\$ 45,000
Creative District		\$ 30,000
Kneeland Park playstructure		\$ 350,000
Simpson Railroad Multi-Modal Trail		\$ 1,500,000
Civic Center Storefront		\$ 100,000
Public work shop/yard		\$ 1,000,000
Council chambers		\$ 250,000
<b>Total:</b>	<b>\$ 1,884,270</b>	<b>\$ 3,617,500</b>

Projected 2024 Ending Balance General Fund	6,003,486
Reserved 20%	(3,113,054)
Projected 2024 Unreserved General Fund Balance	<u>2,890,432</u>
Projected Unreserved Ending Fund Balance \$	2,890,432.00
Opioid Settlement Total \$	(192,730.00)
Use of Ending Fund Balance as Funding for the 2025 Budget \$	(1,884,270.00)
Balance: \$	813,432.00

Real Estate Excise Taxes (REET)

**REET 1**

Dec. 31, 2024 estimated ending fund balance:	\$	601,854
2025 Estimated Revenue	\$	100,500
2025 Transfer out to bond payment	\$	(47,570)
2025 Estimated Fund Balance without additional expenses	\$	654,784
2025 Projected Expenses	\$	(269,625)
2025 Estimated Fund Balance with additional expenses	\$	385,159

**REET 2**

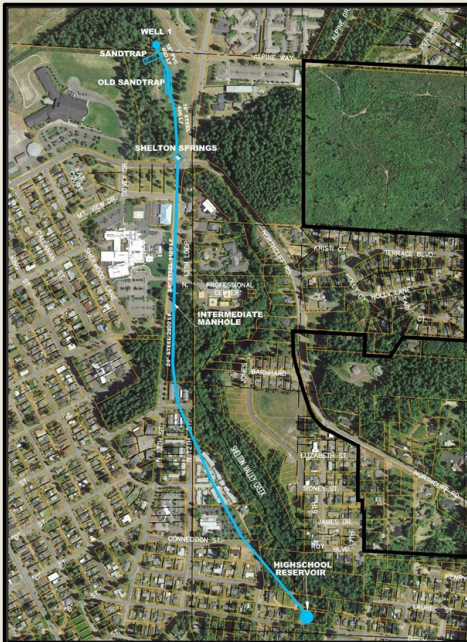
Dec. 31, 2024 estimated ending fund balance:	\$	840,410
2025 Estimated Revenue	\$	163,000
2025 transfer out for downtown street repairs	\$	(200,000)
2025 Estimated Fund Balance without additional expenses	\$	803,410
2025 Projected Expenses	\$	(454,000)
2025 Estimated Fund Balance with additional expenses	\$	349,410

**REET 1 and REET 2 Funds To Pay For:**

Secure parking lot; estimated cost over Grant	\$	300,000
Civic Center Fire Alarm panel	\$	37,000
Civic Center fire alarm device	\$	110,000
Library duct cleaning	\$	7,000
Library deck; estimated cost over Grant	\$	116,625
Library/Civic Center/Fire Station Elevator Preventative Maintenance	\$	40,000
Museum Building Ductless Units Replacement	\$	50,000
Library Building HVAC Replacement	\$	32,000
Animal Shelter New HVAC for kennel area	\$	16,000
Civic Center; Municipal Court & Police ADA Doors	\$	15,000
<b>TOTAL:</b>	<b>\$</b>	<b>723,625</b>

# FY 2025 CAPITAL IMPROVEMENT PLAN

September 10, 2024 Council Study Session



2024 Well 1 Pipeline Project

COMPLETED PROJECTS



2024 Safe Routes to School

# Well Pumps

FY 2025 Budget:  
Water \$260,000

- Well 3 Pump Removal, Testing & Potential Component Replacement(s)



- Well 1 Pump/Motor and VFD Replacement



# Reservoir Vent Replacement

FY 2025 Budget:  
Water \$150,000

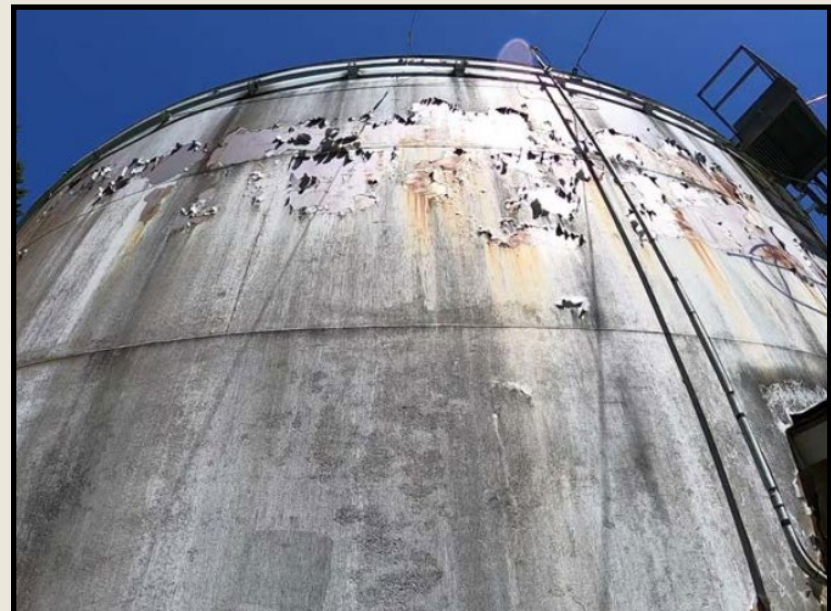
- The City's latest Department of Health Sanitary Survey identified four reservoir roof vents that do not meet current DOH requirements. DOH is requiring retrofit or replacement of these vents, with a set deadline of December 31, 2025. Replacing these vents will also require some touchup of the reservoir coating.
  - High School Reservoir
  - Angleside Reservoir
  - Mountainview Reservoir
  - Capital Hill Reservoir



# High School Tank Recoating

FY 2025 Budget:  
Water \$60,000

- In July 2023, H2O Solutions performed an exterior inspection and sent divers into the tank to do a visual inspection. The inspection was done on a rating scale of 4 options; Excellent, Good, Fair & Poor. The exterior wall and vent had 33% corrosion present, coating failure of 50% and was in poor condition. All of the piping (inlet and outlet) had corrosion and rust present but was in good working condition. Repair or replacement of the roof and wall coating was recommended. The exterior ladder, rails and hatch are all in good condition with some corrosion. The interior is mostly in good working condition with the exception of the ceiling which is in poor condition.



# 150kw standby diesel generator – For Well #1

FY 2025 Budget:  
Water \$250,000



# Front Street Overflow Pipe Removal

FY 2025 Budget:  
Sewer \$500,000

- In 2022, the City hired a consultant to complete a pre-design report to evaluate the removal of the aging gravity sewer main that extends from the Front Street Lift Station to Kneeland Park Lift Station under Goldsborough Creek.
- At this time the gravity line acts as an emergency overflow from the Front Street Lift Station. The removal of the pipe was required by the funding agreement of the Goldsborough Pipe Bridge Project.
- The consultant provided several options for completing the project. City Staff and the consultant, agreed upon a path forward. The next steps include preparation and completion of the permitting process and to begin designing the project.



# Assess Condition of 18” force main to WWTP

- The City has a sewer force main that runs from the Front Street and Kneeland Lift Stations to the main Wastewater Treatment Plant. This main needs to be inspected by a qualified contractor, who will then provide the City with a report of the force main’s condition and any needed repairs. This is the only force main that feeds all flows to the main wastewater treatment plant. There are no alternative piping pathways, therefore, maintenance of this infrastructure is crucial.



Kneeland Lift Station

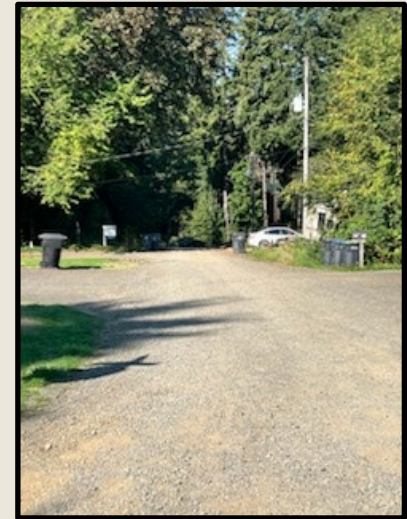


Front Street Lift Station

# Paving Projects

FY 2025 Budget:  
Sewer \$75,000  
Streets \$200,000  
Storm \$200,000

- In house paving with Mason County (\$150,000)
- Mason County Chip Seal (\$100,000)
- Downtown Street Repairs (\$200,000)
- Yearly pavement preservation and rehabilitation projects (\$75,000 sewer & \$200,000 storm)



# Olympic Highway N. Overlay

FY 2025 Budget:  
Estimated: \$4,148,614

- The travel lanes in Olympic Highway North from “C” Street to Wallace Kneeland Boulevard are severely distressed and are at end of life.
- The City was awarded \$3,688,752 in State Transportation Improvement Board (TIB) funding for the project to grind and overlay the travel lanes, fog seal the center turn lanes and parking stalls, upgrade existing ADA ramps to current standards, and replace the striping.
- \$500,000 in TBD matching funds.



Olympic Highway N. at H Street



Olympic Highway N. near PUD3 Substation & McDonalds

# Signage Improvement Plan

FY 2025 Budget:  
Streets \$20,000

- The City plans to replace old and worn street signs. Stop Signs, Speed Limit Signs, and other worn roadway signs will be replaced to meet WSDOT reflectivity standards.

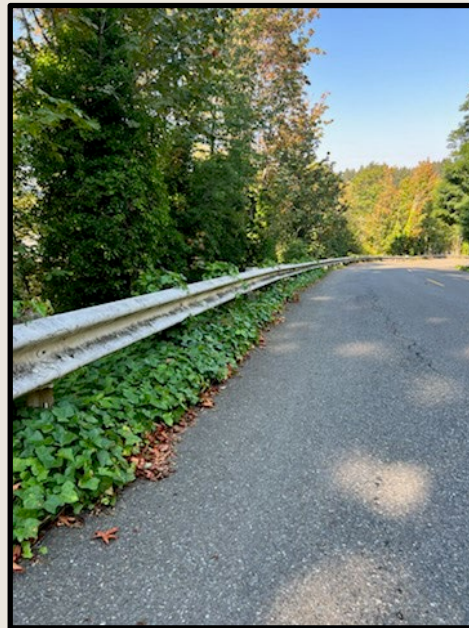
# Guardrail Replacement

FY 2025 Budget:  
Streets \$80,000

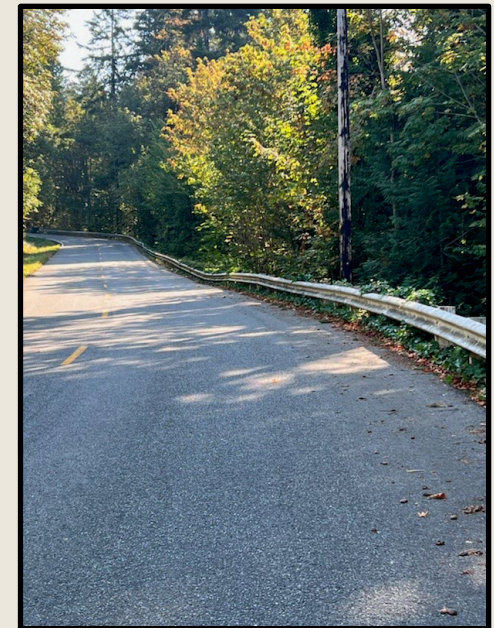
- The City plans to replace old and broken guardrails on San Joaquin Avenue, and on Highland Drive.



Highland Drive Guardrail



San Joaquin Avenue Guardrails





# Wallace/Springs Intersection Improvements

FY 2025 Budget:  
Streets \$1,550,000

- SCJ Alliance prepared a conceptual roundabout site plan and cost estimate for the intersection. In 2021 the City secured a state grant for the design and a portion of the construction cost of the roundabout. The City will begin the design of the intersection in 2024. The City received an additional \$1,000,000 in grant funding for this project.



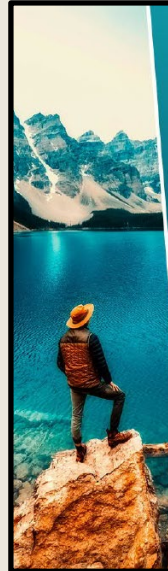
Signal at Wallace Kneeland Blvd. & Shelton Springs Road.

# Stormwater Comprehensive Plan Update

FY 2025 Budget:  
Storm \$225,000

- The last update that the City had to the Stormwater Comprehensive Plan was in 2007. Since then, the City has adopted the 2019 Washington State Department of Ecology Stormwater Management Manual for Western Washington (2019 SWMMWW), became a “New Permittee” under the National Pollutant Discharge Elimination System (NPDES) Western Washington Phase II Municipal Stormwater Permit, and are now under the next cycle of the permit (August 1, 2024 to July 31, 2029).

The City is no longer a new permittee which means there are more permit requirements that are part of the current permit cycle. The Comprehensive Plan update is budgeted for 2025 and will identify capital improvement project needs, current and future Phase II Permit conditions/implementation, projected city growth as it pertains to stormwater management and current city storm system deficiencies. It will also identify city storm system and storm department needs to adequately manage and properly maintain the current and future city storm system.



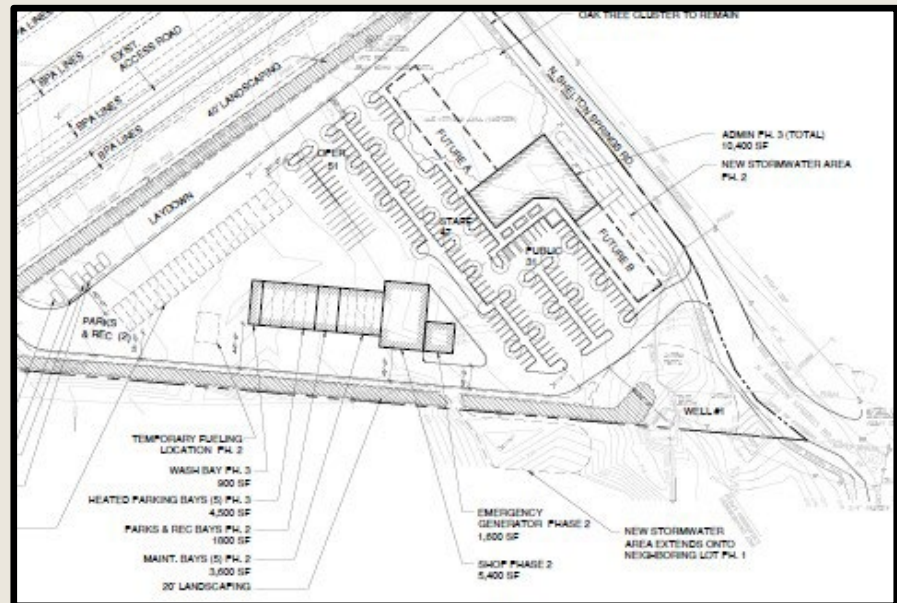
## Permit Contents

1. Stormwater Planning
2. Public Education and Outreach
3. Public Involvement and Participation
4. MS4 Mapping and Documentation
5. Illicit Discharge Detection Elimination (IDDE)
6. Controlling Runoff from New Development, Redevelopment and Construction Sites
7. **Stormwater Management for Existing Development-NEW**
8. Source Control Program for Existing Development
9. Operations and Maintenance
10. (Monitoring and Reporting)

# Maintenance Division Laydown Yard

FY 2025 Budget:  
Water \$133,500  
Sewer \$133,550  
Streets \$89,000  
Storm \$22,550

- The City Maintenance Division has outgrown the existing 2-acre Parks and Public Works Maintenance Yard on W. Pine Street and expansion of the existing site is not possible, because of physical limitations.
- A 10-year project to relocate the Public Works Maintenance Division to a larger site that can be expanded over time to meet the needs of the City for the next 75+ years, has been started.
- The City owns approximately 21 acres on the south side of Shelton Springs Road and Wallace Kneeland Boulevard, some portions are under the power lines.
- A consulting Architect & Engineer will assist the City in preparing construction plans to clear/grade the site, install fencing, gravel, storm drainage systems, and lighting, so the City can begin storing construction materials onsite.



Conceptual Maintenance Yard Sketch