September 19, 2016

Allison Osterberg, Senior Planner
Thurston County Resource Stewardship Department
2000 Lakeridge Drive SW
Olympia, WA 98502

Dear Ms. Osterberg:

In accordance with RCW 36.93.090, the City of Lacey is hereby filing an Application for Annexation with the Thurston County Boundary Review Board. This annexation proposal is located within the Lacey Urban Growth Area generally west of Marvin Road NE, east of Legacy Drive NE, north of 41st Avenue NE, and south of 44th Avenue NE. The Lacey City Council made a motion declaring its intention to annex these parcels on April 14, 2016.

The application materials are enclosed. There are several clarifications regarding the submitted materials:

1. Section V.1 asks for an affidavit for the initial public meeting notice. The initial public meeting for the annexation was held on March 11, 2016 at a regularly scheduled Lacey City Council Utilities Committee meeting. Affidavits are not published to announce regularly scheduled meetings as these are published on the City's website. The minutes from that meeting are attached.

2. Section V.3 requests a signed copy of the decision by the City to accept the annexation proposal. The City's decision to accept the proposal occurred during the City Council meeting on April 14, 2016. There is no signed decision regarding the proposal but it is captured in the meeting minutes which are attached.

3. No public hearing has been scheduled as required under RCW 35A.14.130, however, one will be held once the Boundary Review Board process has been concluded.

4. The $50.00 application fee will be submitted once the application has been deemed complete.

Should you have any questions, I can be reached at (360) 412-3190 or randrews@ci.lacey.wa.us.

Sincerely,

Ryan Andrews
Planning Manager
NOTICE OF INTENTION
THURSTON COUNTY BOUNDARY REVIEW BOARD

APPLICATION FOR ANNEXATION/MERGER

SUBMITTAL REQUIREMENTS

Annexation: Original + 6 copies
CD containing all documents as separated .pdf format files

Waiver: Original + 8 copies
CD containing all documents as separated .pdf format files

1. Jurisdiction Requesting Annexation/Merger: City of Lacey

Responsible Official: Ryan Andrews, Planning Manager

Phone: (360) 412-3190

FAX: (360) 438-2669

E-mail: randrews@ci.lacey.wa.us

2. If number of parcels is less than three, please list the owners:

   North Thurston School District No. 3—Parcel no. 11934100000

   City of Lacey—Parcel no. 11934100100

3. Method used to initiate the proposed action: 60% Petition Method RCW 35A.14.120

4. Location (address, if assigned): None assigned. Located in the Lacey Urban Growth Area west of Marvin Road NE, east of Legacy Drive NE, north of 41st Avenue NE, and south of 44th Avenue NE.
5. Legal Description. A copy of the legal description of the perimeter boundaries of the area involved in the proposed action certified by a registered engineer or land surveyor (attach as a separate exhibit): See attached.

6. Size in Acres: 72.07 acres


8. Please state the nature of this action and the relevant statutory citation (i.e., annexation for municipal purposes pursuant to RCW 35.13.180):

Annexation using the direct petition method pursuant to RCW 35A.14.120 for code cities.

9. Current Joint Plan Designation:

Open Space Institutional-School

10. Is the site currently served by sewer or water?

    _ Sewer    _ Water    _X_ Neither

    If no, specify services desired: Upon development, properties will be connected to City of Lacey sewer which is available to the site but not currently served. The properties are served by Thurston County PUD #1 water within the Prairie Ridge water service area.

    If sewer or water desired, include map showing location of nearest lines. See attached.

11. When is extension of water and sewer service planned to the area:

    Water and sewer will serve the site upon development.

12. Does this proposal affect any other interjurisdictional agreements?

    _ Yes    _X_ No

NOTICE OF INTENTION
Revised January 1, 2016

THURSTON COUNTY BOUNDARY REVIEW BOARD
If yes, please list these agreements:

Not applicable.

13. Does this proposal conform to adopted county-wide planning policies on annexation?

Yes, the annexation will accomplish an orderly transfer of contiguous lands within an urban growth area to an adjoining city. Also, the City of Lacey and Thurston County Comprehensive Land Use Plan for the City of Lacey and the Lacey Urban Growth Area (joint plan) identifies the comprehensive plan designation for these properties which will be retained upon annexation.

14. Other specific Reason(s) for Annexation: Submittal of a request by more than 60% of the assessed valuation of the area to be annexed into the City of Lacey. Properties within rural Thurston County surround the proposed annexation area on three sides (north, south, and west) and are not eligible for annexation as they are located outside of the Urban Growth Area.

15. Explain how this proposal furthers the objectives of the Boundary Review Board (as applicable) (RCW 36.93.180) [attach additional pages if necessary] (Some of these items may not apply because of Growth Management Agreements.):

   a. Preservation of natural neighborhoods and communities:

      Annexation will have no effect on existing neighborhoods. Joint planning ensures the consistency of land use regulations between the UGA and city limits.

   b. Use of physical boundaries, including but not limited to bodies of water, highways, and land contours:

      Annexation generally follows existing property lines and streets and connects to existing Lacey city limits at Marvin Road. Properties within rural Thurston County not eligible for annexation surround the proposed annexation on the remaining three sides.

   c. Creation and preservation of logical service areas: Utility service areas will not
change as a result of this annexation. Police service will be provided by Lacey Police
instead of Thurston County Sherriff. LPD already provides some service to the area
for mutual aid calls. Fire District boundaries will change upon annexation from Fire
District 8 to Fire District 3. According to RCW 52.08.025, requires any future
annexations into a city that has annexed into a fire district also be annexed into that
fire district.

d. Prevention of abnormally irregular boundaries: Annexation area follows
established streets and parcel boundaries. No islands or irregular boundaries would
be created by the proposal.

e. Discouragement of multiple incorporations of small cities and encouragement of
incorporation of cities in excess of ten thousand population in heavily populated
urban areas

Not applicable.

f. Dissolution of inactive special purpose districts: Not applicable. No known
inactive special purpose districts apply to the annexation area.

g. Adjustment of impractical boundaries: Incorporation of the proposed
annexation area will create logical boundaries for an area that is currently surrounded
on three sides by unincorporated rural Thurston County.

h. Incorporation as cities or towns or annexation to cities or towns of
unincorporated areas which are urban in character

The proposed annexation area is planned to be developed for a future high and middle
school and City of Lacey water utility structure. Annexing these urban uses will be
consistent with this objective of the Boundary Review Board.

i. Protection of agricultural lands:

Not applicable. No agricultural lands would be affected by the proposal.

For your information, the Boundary Review Board can consider the following factors (RCW
36.93.170) in deciding whether a particular decision furthers the objectives stated above:

1. Population and territory

2. Population density

NOTICE OF INTENTION
Revised January 1, 2016

THURSTON COUNTY BOUNDARY REVIEW BOARD
3. Land area and land use
4. Comprehensive use plans and zoning
5. Per capita assessed valuation
6. Topography, natural boundaries and drainage basins, proximity to other populated areas
7. The existence of prime agricultural soils and agricultural uses
8. The likelihood of significant growth in the area and in adjacent incorporation and unincorporated areas during the next ten years
9. Location and most desirable future location of community facilities
10. Municipal services
11. Need for municipal services
12. Effect of ordinances, governmental codes, regulations and resolutions on existing uses
13. Present cost and adequacy of governmental services and controls in area
14. Prospects of governmental services from other sources
15. Probable future needs for such services and controls
16. Probable effect of proposal or alternative on cost and adequacy of services and controls in area and adjacent area
17. The effect of the finances, debt structure, and contractual obligations and rights of all affected governmental units
18. The effect of the proposal or alternative on adjacent areas, on mutual economic and social interests, and on the local governmental structure of the county
REQUIRED ATTACHMENTS:

<table>
<thead>
<tr>
<th>SUBMITTAL REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annexation:</strong> Original + 6 copies</td>
</tr>
<tr>
<td>CD containing all documents as separated .pdf format files</td>
</tr>
<tr>
<td><strong>Waiver:</strong> Original + 8 copies</td>
</tr>
<tr>
<td>CD containing all documents as separated .pdf format files</td>
</tr>
</tbody>
</table>

THURSTON COUNTY BOUNDARY REVIEW BOARD:

I. Notice of Intention (the Boundary Review Board’s Notice).

II. Maps  *(NOTE: Must have legends/Colored maps no larger than 11 x 17 inches are encouraged in .pdf format and attachments.)*

The following maps must be submitted with all notices of intention:

A. Map of Entire City/Area. No larger than 11 x 17 inches:
   1. The general vicinity of the proposal.
   2. The area proposed for annexation, highlighted in some manner.
   3. The boundaries of other cities near the annexation area (highlighted if not readily discernable).
   4. Major streets/roads identified.

B. Assessor’s Map showing specific parcel(s) and immediate vicinity, (reduced copy is preferable). Valuable, but not required:
   1. Map showing parcel numbers for the proposal and immediate vicinity
   2. Map showing owner names for the proposal and immediate vicinity

C. Physical Features. One or more maps showing the following (when available):
   1. Dominant physical features such as lakes, creeks, and ravines
   2. Flood plain boundaries (100-year)
   3. Railroad lines
   4. All public roads near the annexation/merger
   5. Commercial agriculture lands (when this information is available)

D. Service Area and Other Boundaries. Map showing the proposed annexation and its relationship to the Urban Growth Boundary.
E. **Other Maps**

1. Existing joint plan zoning.
2. Location of water and sewer mains within proposed annexation, if any, and those nearby (any jurisdiction).

III. $50.00 check made out to "Thurston County". *(Note: fee will not be processed until application is determined complete)*

IV. **Election Method:** Complete copy of minutes of the meeting during which the City Resolution calling for annexation election is adopted or the city accepted the petition for election (certified if appropriate); OR

V. **Direct Petition Method:**
   1. Affidavit of publication of the initial public meeting notice.
   2. Copy of minutes of the public meeting required in which the city accepts the proposed annexation.
   3. A signed copy of the decision by the city accepting the proposed annexation.
      The Notice on Intent to annex needs to be filed with the Boundary Review Board within 180 days of the date when the city accepts the proposed annexation.
   4. Affidavit of publication of the public hearing as required under RCW35A.14.130.

VI. Copies of the signed petitions for annexation with parcel numbers of the properties, which are represented by the signatures – this does not apply to cities.

VII. Copy of the Declaration of Petition Sufficiency from the Office of the Thurston County Assessor (see RCW 35.21.05(4) for non-code cities, or 35A.01.040(4) for code cities).

VIII. **SEPA Determination (except cities or towns per RCW 43.21C.222)**
PETITION FOR ANNEXATION
60 PERCENT PETITION METHOD
RCW 35A.14.120

TO: THE HONORABLE CITY COUNCIL of the City of Lacey, State of Washington:

The undersigned, being property owner(s) and representing at least 60% of the assessed value of property herein depicted on Exhibits A and B, and described on Exhibit C, do hereby petition to annex this property to the City of Lacey pursuant to RCW 35A.14.120 and under the following terms and conditions.

1. Adoption of the following zoning districts:
   - Open Space/Institutional, per LMC Ch. 16.48 (Parcel No. 11934100000);
   - Open Space/Institutional, per LMC Ch. 16.48 (Parcel No. 11934100100).

2. Assumption of a pro rata share of the City's bonded indebtedness, if and as applicable by law.

Signature of property owner:

Debra Clemens, Superintendent

North Thurston School District No. 3

WARNING

EVERY PERSON WHO SIGNS THIS PETITION WITH ANY OTHER THAN HIS/HER TRUE NAME, OR WHO KNOWINGLY SIGNS MORE THAN ONE OF THESE PETITIONS, OR SIGNS A PETITION SEEKING AN ELECTION WHEN HE/SHE IS NOT A LEGAL VOTER, OR SIGNS A PETITION WHEN HE/SHE IS OTHERWISE NOT QUALIFIED TO SIGN, OR WHO MAKES HEREIN ANY FALSE STATEMENT, SHALL BE GUILTY OF A MISDEMEANOR.

NOTE: EACH PAGE WITH A SIGNATURE MUST CONTAIN ALL OF THE ABOVE INFORMATION

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Date</th>
<th>Address</th>
<th>Acreage</th>
<th>Parcel No</th>
<th>Assessor Value</th>
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<tbody>
<tr>
<td>North Thurston School District No. 3</td>
<td>6/6/2016</td>
<td>4101 Marvin Road NE, Olympia, WA 98516</td>
<td>69.17</td>
<td>11934100000</td>
<td>$401,850</td>
</tr>
<tr>
<td>City of Lacey</td>
<td>6/6/2016</td>
<td>Olympia, WA 98516 (located at the northwest corner of Marvin Road NE and 40th Court NE)</td>
<td>2.9</td>
<td>11934100100</td>
<td>$110,300</td>
</tr>
</tbody>
</table>
EXHIBIT C

LEGAL DESCRIPTION OF ANNEXATION SITE

(See attached.)
Annexation Legal Description

North Thurston Public Schools Parcel
Parcel D of Boundary Line Adjustment No. Bla-99-0242TC, as recorded April 6, 1999 under Auditor’s File Nos. 3224867 and 3224888. Situate in Thurston County, Washington. Excepting therefrom the East 300.00 feet of the South 425.00 feet thereof, all situated in Section34, Township 19 North, Range 1 West, W.M.

City of Lacey Parcel
The East 300.00 feet of the South 425.00 feet of that certain real property described as Parcel D of Boundary Line Adjustment BLA 99-0242TC recorded under Auditor’s File No. 3224888, records of Thurston County, Washington, SUBJECT TO that certain easement granted to Puget Sound Energy, Inc. as described in document recorded under Auditor’s File No. 3255336, records of Thurston County, Washington, all situated in the North half of Section 34, Township 19 North, Range 1 West, W.M.

Prepared by:
Blair Prigge, PLS
MTN2COAST, LLC
7/26/2016
Annexation Legal Description

North Thurston Public Schools Parcel

Parcel D of Boundary Line Adjustment No. Bla-99-0242TC, as recorded April 6, 1999 under Auditor's File Nos. 3224867 and 3224868. Situate in Thurston County, Washington. Excepting therefrom the East 300.00 feet of the South 425.00 feet thereof, all situated in Section 34, Township 19 North, Range 1 West, W.M.

City of Lacey Parcel

The East 300.00 feet of the South 425.00 feet of that certain real property described as Parcel D of Boundary Line Adjustment Bla 99-0242TC recorded under Auditor's File No. 3224868, records of Thurston County, Washington, SUBJECT TO that certain easement granted to Puget Sound Energy, Inc. as described in document recorded under Auditor's File No. 3255336, records of Thurston County, Washington, all situated in the South half of Section 34, Township 19 North, Range 1 West, W.M.

Prepared by:
Blair Prigge, PLS
MTN2COAST, LLC
7/26/2016
UTILITIES COMMITTEE MINUTES
MARCH 11, 2016
4:00 – 4:30 P.M.

COUNCIL PRESENT: CHAIR JEFF GADMAN, VIRGIL CLARKSON, AND JASON HEARN

STAFF PRESENT: SCOTT SPENCE, SCOTT EGGER, TROY WOO, DAVE SCHNEIDER, PETER BROOKS, CAROL LITTEN, DOUG CHRISTENSON

ACTION: APPROVE COUNCILMEMBER GADMAN AS CHAIR OF THE UTILITIES COMMITTEE.

MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBERS CLARKSON AND HEARN.

ACTION: APPROVE UTILITIES COMMITTEE AGENDA.

MOTION: MOTION MADE, SECONDED, AND CARRIED BY COUNCILMEMBERS HEARN AND CLARKSON.

NTPS MARVIN ROAD ANNEXATION

STAFF: RYAN ANDREWS, PLANNING MANAGER

ACTION: MOVE TO RECOMMEND APPROVAL TO COUNCIL TO PROCEED WITH THE PROPOSED NORTH THURSTON MARVIN ROAD ANNEXATION PROPOSAL.

MOTION: MOVED, SECONDED, AND CARRIED BY COUNCILMEMBERS HEARN AND CLARKSON.

STATUS: SCHEDULE FOR APRIL 14, 2016, FOR COUNCIL MEETING.

The City has received a notice of intent to commence annexation proceedings filed by North Thurston Public Schools. The filing of the notice is the first step in the annexation process under the petition method (RCW 35A.14.120), which requires a petition filed by property owners representing a minimum of 10% of the valuation of the area proposed for annexation. The City has verified that the ownership does comprise a minimum of more than 10% of the assessed valuation for general taxation purposes of the properties for which annexation is requested.

The Utilities Committee will review the annexation request under the 60% petition method and is requested to make a recommendation that the Council pass a motion indicating the following:

1) Authorize the applicants to circulate a petition and gather signatures of property owners representing at least 60% of the assessed value of the annexation property demonstrating their consent to annex;
2) Require the City's property (assessor's parcel no. 11934100100) also be included within the boundary of the area to be considered for annexation;
3) Require the assumption of all or of any portion of existing City indebtedness by the area to be annexed;
4) Waive the requirement for completion of an annexation study in accordance with the City's annexation policies prior to adoption of an ordinance to formally annex the area or make application to the Boundary Review Board.
The area proposed for annexation is located in the Hawks Prairie Planning Area and within the Lacey Urban Growth Area west of Marvin Road NE, east of Legacy Drive NE, north of 41st Avenue NE, and south of 44th Avenue NE. The area includes 72.07 acres in two separate tax parcels. Although, the request is just for the parcel owned by North Thurston Public Schools (NTPS), the city-owned parcel to the southeast would also be a part of the application for the purposes of creating logical boundaries and elimination of unincorporated islands.

The NTPS parcel is 69.17 acres in size and is planned for a future high school and middle school complex. The second parcel is 2.9 acres in size and is owned by the City of Lacey for purposes of siting a future well. The 2015-2016 assessed value of these parcels is $512,150 of which the NTPS ownership represents $401,850, or approximately 78 percent of the assessed valuation.

The area around the southeast corner of the proposed annexation area is within a critical aquifer recharge area and within the 1 year time of travel zone associated with the City’s well at the property at the southeast corner of the intersection of Marvin Road NE and 41st Avenue NE. Both properties are zoned Open Space Institutional to allow government and quasi-government uses.

The properties are located outside of the City of Lacey’s water service area and are served by Thurston County PUD #1 within the Prairie Ridge water service area. As currently configured, any water service to these properties would be served by PUD water unless a request was made to and approved by the PUD to remove the properties from the service area. Should that occur, the properties could be added to the City’s water service area with the closest point of connection to the City’s water service at the intersection of 41st Avenue NE and Marvin Road NE.

Staff noted that fire suppression might prove problematic for PUD #1. The Prairie Ridge water system likely does not currently have adequate water storage to supply the required fire flow. The City of Lacey water system has the four (4) million gallon Hawks Prairie Reservoir just south east of the future high school property and thus could provide fire flow. However, Lacey would be ill advised to provide only fire flow to the NTPS property, since it is on the very edge of Lacey's service area and would likely result in water quality issues from stagnant water in fire lines. In addition, the City of Lacey would be assuming fire protection liability without receiving any utility revenue. Therefore, it was recommended that the NTPS property receive all water utility service (i.e. potable water and fire flow) from one service provider; either PUD #1 or the City of Lacey. If representatives of PUD #1 and the NTPS District cannot come to an agreement regarding the provision of fire flow, then further discussion may be needed.

City of Lacey sewer service in the area is relatively limited but is available nearby on the east side of Marvin Road. Upon development of the properties within the annexation area, sewer service would be required to be extended.

**IGA REGARDING JOINT STORM AND SURFACE WATER MONITORING**

**STAFF:** DOUG CHRISTENSEN, UTILITIES CIVIL ENGINEER - PW

**ACTION:** RECOMMEND TO FULL COUNCIL APPROVAL OF THE INTERLOCAL AGREEMENT BETWEEN THURSTON COUNTY AND THE CITIES OF LACEY, OLYMPIA AND TUMWATER FOR JOINT STORM AND SURFACE WATER MONITORING.

**MOTION:** MOVED, SECONDED, AND CARRIED BY COUNCILMEMBERS HEARN AND CLARKSON.
STATUS: SCHEDULE FOR MARCH 24, 2016 COUNCIL MEETING.

The City of Lacey has participated in a stormwater and surface water monitoring program with Thurston County and the Cities of Olympia and Tumwater since 1990. This updated Interlocal Agreement is for the years 2015-2018, retroactive to January 2015.

Lacey's share of the joint monitoring program has a maximum annual cost allocation of $9,000, which is reduced from the previous program period ($20,000 for 2012-2014). The agreement has been reviewed and approved by the staff and legal representatives of all four participating jurisdictions.
CALL TO ORDER: Mayor Ryder called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE: Mayor Ryder led the Pledge of Allegiance.

COUNCIL PRESENT: A. Ryder, C. Pratt, V. Clarkson, J. Gadman, L. Greenstein, J. Hearn, M. Steadman


Mayor Ryder requested an amendment to the agenda to add Agenda Item #3-C for a presentation on the Boy Scouts 2016 Tree Roundup.

APPROVAL OF AGENDA AND CONSENT AGENDA: Consent Agenda Items:

A. Worksession minutes of March 17, 2016
B. Council minutes of March 10, 2016
C. Council minutes of March 24, 2016
D. City Manager Annual Review
E. A motion to approve payment of claims, wages, and transfers for 3/18/2016 through 4/5/2016

COUNCILMEMBER GADMAN MOVED TO APPROVE THE CONSENT AGENDA AND AMENDED AGENDA. COUNCILMEMBER GREENSTEIN SECONDED. MOTION CARRIED.

PUBLIC RECOGNITION: Jackson Sillars, GRUB Manager, presented Council with the annual GRUB Impact Report. GRUB is a community-based non-profit organization dedicated to nourishing community by empowering people to grow healthy food.

Arbor Day Celebration:
➢ Mayor Ryder and Council proclaimed April as Arbor Month.
➢ Mayor Ryder presented the City of Yelm with a scarlet oak tree in recognition of the city's Sister City relationship with Yelm.
➢ Emory Ledin, AmeriCorps WR Assistant Outreach Coordinator, recognized children who had participated in the city’s tree planting projects throughout the city during spring break.
➢ Cody Lee, Recreation Coordinator, invited the public to participate in the Arbor Day Seedling Giveaway, on April 16, 2016.

Jimmy Opitz, Troop Leader of BSA Troop 222, briefed Council on the 2016 Christmas Tree Roundup.

PUBLIC COMMENT:

Vaughn Nelson, Lacey resident, encouraged Council to reconsider the design of College Street to widen the bike lanes. He noted alternate routes are not viable for cyclists.

Ron Jones, Tumwater resident, urged Council to consider widening the College Street bike lanes to 5 feet.

Paul Knox, Executive Director of United Way, invited all to celebrate National Volunteer Week, and Day of Caring on September 30 & October 1, 2016.

Jean Fisher remarked that the design of bike lanes on College Street is not wide enough for experienced cyclists.

Kimberly Bauman, Lacey resident, stated that residents want a cycling community and the city should provide wider bike lanes on College Street to accommodate its citizens. She noted that trails are recreational, not for transportation, and Ruddell Road is not a safe option.

Colleen Welch, resident of Capital City Golf Course, stated she doesn’t own a car and cycles everywhere. She encouraged Council to provide wider lanes.

Karen Steen, PE teacher at Mt. View Elementary, shared that the North Thurston Public School District received grant funding to provide safe routes to school. More kids are walking and biking to school. This is an opportunity to teach alternative forms of transportation. If bike lanes are not widened, it sends a negative message to kids that the city does not value alternative transportation.

Jeff Evans stated that as a cyclist, he supports widening bike lanes on College Street.

Mayor Ryder stated that the city is developing an element of its comprehensive plan to address cycling as an alternative mode of transportation. It’s a priority for the Council and the City.
Following comments from Council, the issue will be discussed at an upcoming worksession meeting.

Shannon Reynolds, Portland resident, expressed an opposing view that a mix of cars and bicycles in a shared space presents hazards and dangers to all.

PROCLAMATION:

Mayor Ryder and Council proclaimed April 12, 2016, as Equal Pay Day. Hillary Soens, CEO of the Olympia YWCA, and Rachel Friedman, President of Olympia Zonta Club, expressed their appreciation for the recognition of workplace equity for women.

MAYOR’S REPORT:

Mayor Ryder reported the city received a letter from the Home Fund proposing a local housing levy to address chronic homelessness and housing affordability for families with children. Under the proposal, 75% of the levy funds would be allocated to capital costs for housing construction and acquisition, and 25% to services to help low income households.

Mayor Ryder noted that the cities of Lacey and Tumwater are not in a position at this time to raise a property tax levy. The Mayor will respond to the request, and will work with the cities of Tumwater and Olympia to explore regional options.

CITY MANAGER’S REPORT:

The City has received a notice of intent to commence annexation proceedings filed by North Thurston Public Schools the petition method of annexation (RCW 35A.14.120). Using the petition method, property owners representing a minimum of 10 percent of the assessed valuation of the property proposed for annexation are required to submit the notice.

After filing the petition, the City Council must pass a motion notifying the petitioners of its approval, rejection, or modification of the annexation area’s geographical boundaries. If the Council votes to approve the petition, then the applicant moves forward on obtaining a petition from a total of 60% of the assessed valuation of the area. Once the City receives the 60% petition, the City can move forward on annexation proceedings. The Utilities
Committee has reviewed the application for the provision of utilities.

The City Council will review the annexation request under the 60% petition method and is requested to pass a motion indicating the following provisions:

1) Authorize the applicants to circulate a petition and gather signatures of property owners representing at least 60% of the assessed value of the annexation property demonstrating their consent to annex;

2) Require the City’s property (assessor’s parcel no. 11934100100) also be included within the boundary of the area to be considered for annexation;

3) Require the assumption of all or of any portion of existing City indebtedness by the area to be annexed; and

4) Waive the requirement for completion of an annexation study in accordance with the City’s annexation policies prior to adoption of an ordinance to formally annex the area and the application to the Boundary Review Board.

COUNCILMEMBER GREENSTEIN MOVED TO PROCEED WITH THE PROPOSED NORTH THURSTON MARVIN ROAD ANNEXATION PROPOSAL THAT INCLUDES THE FOLLOWING PROVISIONS:

1) AUTHORIZE THE APPLICANTS TO CIRCULATE A PETITION AND GATHER SIGNATURES OF PROPERTY OWNERS REPRESENTING AT LEAST 60% OF THE ASSESSED VALUE OF THE ANNEXATION PROPERTY DEMONSTRATING THEIR CONSENT TO ANNEX;

2) REQUIRE THE CITY’S PROPERTY (ASSessor’S PARCEL NO. 11934100100) ALSO BE INCLUDED WITHIN THE BOUNDARY OF THE AREA TO BE CONSIDERED FOR ANNEXATION;

3) REQUIRE THE ASSUMPTION OF ALL OR OF ANY PORTION OF EXISTING CITY INDEBTEDNESS BY THE AREA TO BE ANNEXED; AND

4) WAIVE THE REQUIREMENT FOR COMPLETION OF AN ANNEXATION STUDY IN ACCORDANCE WITH THE CITY’S ANNEXATION POLICIES PRIOR TO ADOPTION
OF AN ORDINANCE TO FORMALLY ANNEX THE PROPERTY.

DEPUTY MAYOR PRATT SECONDED. MOTION CARRIED.

GENERAL COMMITTEES:  
Utilities Committee  
Councilmember Gadman reported the committee met on March 11, 2016, to discuss the Marvin Road annexation, and the interlocal agreement for storm and surface water monitoring.

Transportation Committee  
Councilmember Hearn reported the committee met on March 23, 2016, to discuss widening bike lanes on College Street, the Master ILA with Thurston County, and the Pedestrian Flashing Beacon Project.

BOARDS & COMMISSIONS:  
HHSC and Community Investment Partnership  
Councilmember Clarkson reported the Board is seeking public participation in evaluating RFP applications. He has asked the Board to move quickly in reviewing the applications, because agencies and organizations need funding for their operations.

EDC  
Councilmember Clarkson reported that fourteen businesses have graduated from an EDC class that will enhance their business growth.

Intercity Transit  
Councilmember Gadman reported the results of the customer satisfaction study are great – most users are happy with services. The focus will now shift to increasing public education, and marketing efforts about the benefits of using the transit system.

Lacey Chamber of Commerce  
Councilmember Hearn reported the group received a sobering report from Sheriff Snaza regarding the negative impacts of marijuana on the community. Drug addictions and domestic violence have increased in general. A low compliance from the tax industry allows the black market to flourish. This drug of today is much more dangerous, harmful, and stronger.

Councilmember Hearn suggested the Sheriff be invited to brief the Council on this issue.
Mayors Forum
Mayor Ryder reported the group discussed the request for an affordable housing tax levy from the Home Fund.

The group continued discussions about the purpose of the Mayor's Forum and how to move forward.

JASCOM
Councilmember Gadman reported the Board has approved an increase in the licensing fee.

LOTT
Deputy Mayor Pratt reported the Board passed a biennial budget resolution for 2017-2018.

The Board approved a new licensing agreement with BNSF Railroad for a right to access, operate and maintain LOTT's sewer interceptor.

The Board was briefed on Phase 3 of the infiltration study looking at untreated chemicals in Woodland Creek to determine if reclaimed water is changing the water quality above a safe limit.

ORCAA
Deputy Mayor Pratt reported that 3' good air quality days were recorded at the Mt. View monitoring site. The Saturation Study will likely confirm that Mt. View Elementary School is the best location to monitor air quality in the region.

The Board is reviewing its financial situation due to significant state and federal funding cuts to Clean Air Agency branches.

An assessment of 75 cents per person will be levied against ORCAA cities for non-fee programs and activities. As a result, the City of Lacey will pay an estimated $33,000 per year.

The Board will review the Executive Director's salary to ensure equity with other employee salaries.

TBD
Mayor Ryder reported a new software tool has been implemented to more easily facilitate public comment on annual reports.

The Board will forward a recommendation to TRPC with its list of priority programs and actions.
TRPC
Councilmember Clarkson reported the Journeys newsletter has highlighted the past 12 years of TRPC's achievements.

ADJOURN:

Mayor Ryder adjourned the meeting at 9:14 p.m.

MAYOR: ________________________________

ATTESTED BY CITY CLERK: ________________

DATE APPROVED: ________________________
LACEY CITY COUNCIL MEETING
April 14, 2016

SUBJECT: North Thurston Public Schools Marvin Road Annexation

RECOMMENDATION: Approve a motion to proceed with the proposed North Thurston Marvin Road annexation proposal that includes the following provisions:

1) Authorize the applicants to circulate a petition and gather signatures of property owners representing at least 60% of the assessed value of the annexation property demonstrating their consent to annex;

2) Require the City’s property (assessor’s parcel no. 11934100100) also be included within the boundary of the area to be considered for annexation;

3) Require the assumption of all or of any portion of existing City indebtedness by the area to be annexed; and

4) Waive the requirement for completion of an annexation study in accordance with the City’s annexation policies prior to adoption of an ordinance to formally annex the area and the application to the Boundary Review Board.

STAFF CONTACT: Scott Spence, City Manager
Rick Walk, Community Development Director
Ryan Andrews, Planning Manager

ORIGINATED BY: Community Development Department

ATTACHMENTS: 1. Notice of Intent to Commence Annexation
2. Existing Zoning
3. Aerial Photo
4. Existing Sewer Lines
5. Existing Water Lines and Water Service Areas

FISCAL NOTE: None.

PRIOR REVIEW: March 11, 2016 – Utilities Committee
BACKGROUND:

The City has received a notice of intent to commence annexation proceedings filed by North Thurston Public Schools. The filing of the notice is the first step in the annexation process under the petition method (RCW 35A.14.120), which requires a petition filed by property owners representing a minimum of 10% of the valuation of the area proposed for annexation. The City has verified that the ownership does comprise a minimum of more than 10% of the assessed valuation for general taxation purposes of the properties for which annexation is requested.

As a result of the petition, the Utilities Committee will review the annexation proposal to verify that the City can effectively provide utility service to the proposed annexation area. Additionally, the Committee will review the boundaries of the annexation area for any recommended modifications.

Proposed Annexation Area

The area proposed for annexation is located in the Hawks Prairie Planning Area and within the Lacey Urban Growth Area west of Marvin Road NE, east of Legacy Drive NE, north of 41st Avenue NE, and south of 44th Avenue NE. The area includes 72.07 acres in two separate tax parcels. Although, the request is just for the parcel owned by North Thurston Public Schools (NTPS), the city-owned parcel to the southeast would also be a part of the application for the purposes of creating logical boundaries and elimination of unincorporated islands.

The NTPS parcel is 69.17 acres in size and is planned for a future high school and middle school complex. The second parcel is 2.9 acres in size and is owned by the City of Lacey for purposes of siting a future well. The 2015-2016 assessed value of these parcels is $512,150 of which the NTPS ownership represents $401,850, or approximately 78 percent of the assessed valuation. Since both properties are owned by government entities, both are exempt from the payment of property taxes.

The area proposed to be annexed is undeveloped and is primarily forested with second and third-growth Douglas firs. There are very few identified critical areas in the area proposed for annexation with no identified water bodies or steep slopes. The NTPS property has been identified as containing areas of wetland; however, at this time, the amount is unknown. Upon development of the property, NTPS will be required to submit a wetland delineation report and comply with the appropriate provisions related to wetland protection.

The area around the southeast corner of the proposed annexation area is within a critical aquifer recharge area and within the 1 year time of travel zone associated with the City’s well at the property at the southeast corner of the intersection of Marvin Road NE and 41st Avenue NE. As properties develop in this area, certain land use restrictions apply to protect the aquifer.

Both properties are zoned Open Space Institutional. The purpose of the Open Space Institutional zone is to allow government and quasi-government uses including schools, museums, churches, and community centers as well as a variety of open space uses including city parks and passive recreational uses. If the annexation is approved, the properties will continue with their existing Open Space Institutional zoning.

Annexation Boundary
The area proposed for annexation includes the properties in the North Thurston Public Schools ownership as well as the City of Lacey’s adjacent property to the southeast. The areas immediately surrounding the properties to the south, west, and north are located in rural Thurston County and are not eligible for annexation as they are located outside of the Urban Growth Area. The subject properties were recently added to the Urban Growth Area in 2013.

This boundary, as proposed, would connect to the current city limits to the west of the Edgewater subdivision across Marvin Road NE. This configuration is a logical extension and would not create any islands or illogical boundaries. The City Council does have the opportunity to modify any boundaries prior to the applicant proceeding with the annexation; however, there are no other surrounding properties eligible for annexation.

Utilities

The properties are located outside of the City of Lacey’s water service area and are served by Thurston County PUD #1 within the Prairie Ridge water service area. As currently configured, any water service to these properties would be served by PUD water unless a request was made to and approved by the PUD to remove the properties from the service area. Should that occur, the properties would be added to the City’s water service area with the closest point of connection to the City’s water service at the intersection of 41st Avenue NE and Marvin Road NE (see attachment 5).

City of Lacey sewer service in the area is relatively limited but is available nearby with the nearest connection at the intersection of 41st Avenue NE (see attachment 4). Upon development of the properties within the annexation area, sewer service would be required to be extended.

The area is also served by private utilities including Puget Sound Energy and Comcast. No issues are expected concerning provision of these utilities to the area.

Taxes, Fees, and Services

Typically, as part of an annexation proposal, a full annexation study is performed to outline all issues associated with the annexation including taxes and fees. However, with these properties, no tax revenue is gained through the proposed annexation. It is the City Council’s option to require an annexation study; however, staff believes that in this case there is little to be gained by completing a study. The one item for additional discussion would be police service needed to serve the future high school/middle school site. However, this can be coordinated by the staff through discussions with the police department.

The annexation area is currently served by Lacey Fire District 8. As with the previous Hill-Betti Annexation, this property would become part of Lacey Fire District 3 upon annexation in to the City of Lacey. Coordination will need to occur between the City and the Fire Districts to ensure that this is communicated and that boundaries are amended concurrently with the annexation.

Process

The applicant has submitted a notice of intent to commence annexation using the petition method of annexation (RCW 35A.14.120). Using the petition method, property owners representing a minimum of 10 percent of the assessed valuation of the property proposed for annexation are required to submit the notice. After filing the petition, the City Council must pass a motion notifying the petitioners of its approval, rejection, or modification of the annexation area’s
geographical boundaries. If the Council votes to approve the petition, then the applicant moves forward on obtaining a petition from a total of 60% of the assessed valuation of the area. Once the City receives the 60% petition, the City can move forward on annexation proceedings. The City Council Utilities Committee has reviewed the application for the provision of utilities.

**Recommendation**

The City Council will review the annexation request under the 60% petition method and is requested to pass a motion indicating the following:

1) Authorize the applicants to circulate a petition and gather signatures of property owners representing at least 60% of the assessed value of the annexation property demonstrating their consent to annex;

2) Require the City's property (assessor's parcel no. 11934100100) also be included within the boundary of the area to be considered for annexation;

3) Require the assumption of all or of any portion of existing City indebtedness by the area to be annexed;

4) Waive the requirement for completion of an annexation study in accordance with the City's annexation policies prior to adoption of an ordinance to formally annex the area and the application to the Boundary Review Board.
DECLARATION OF PETITION SUFFICIENCY

I, ______ Sherrie L. Bush ________, do hereby certify, pursuant to RCW 35A.01.040, that petition for annexation to the _____ City of Lacey for North Thurston Public Schools Annexation #16-17 ______ submitted to this Office by ______ Ryan Andrews, Planning Manager ______, City of ______ Lacey ______ on ______ August 25th, 2016 ______ bears the names and purported signatures of persons who are owners or part-owners of parcels of real property lying within the proposed annexation area, collectively having an assessed value of not less than sixty percent in value according to the assessed valuation for general taxation of the property for which annexation is petitioned.

The undersigned cannot certify the authenticity of the signatures of such named owners, because authenticated signatures of such owners are not required to be kept in the records of Thurston County for such real property.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this ______ 30th ______ day of ______ August 2016 ______, in Olympia, Washington.

Steven Drew
Assessor

by

______ Sherrie L. Bush ________
Sr. Property Control Analyst, Lead
**LEGAL PROOF OF PUBLICATION**

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Attention: Ryan Andrews

LACEY, CITY OF-LEGAL
420 COLLEGE ST SE
LACEY, WA 98503

#851.1 PUBLIC HEARING NOTICE

Notice is hereby given that the Lacey City Council will conduct a public hearing on November 3, 2016, beginning at 7:00 PM at Lacey City Hall, 420 College St. S.E., in the Council Chambers, for consideration of the following item:

North Thurston Public Schools Marvin Road Annexation, Project No. 18-47!

A proposal to annex two parcels with a combined area of approximately 72.07 acres. The area proposed for annexation is located in the Nichols Prairie Planning Area and within the Lacey Urban Growth Area generally west of Marvin Road NE, north of Regatta Drive NE, east of Olympic Drive NE, and south of 44th Avenue NE. The Assessor's parcel numbers are 119841000000 and 119841000000.

The purpose of the public hearing is to give citizens an opportunity to testify to the City Council regarding the above proposal. Any interested citizen may testify. Anyone who cannot attend the meeting may give testimony in writing addressed to Lacey City Council, 420 College St. SE, Lacey, WA 98503. Your letter is received before the hearing, it will be read into the public record prior to the hearing. Information regarding the proposal may be obtained from the Lacey Community Development Department at City Hall or you may phone (360) 423-6443.

If you need special accommodations to participate in this meeting, please call us at (360) 423-6443 by 5:00 PM the day before the meeting.

Lacey Community Development Department
Ryan Andrews, Planning Manager
Published October 12, 2016

JANICE WASSENAAR, being duly sworn, deposes and says: That she is the Principal Clerk of The Olympian, a daily newspaper printed and published at Olympia, Thurston County, State of Washington, and having a general circulation therein, and which said newspaper has been continuously and uninterruptedly published in said County during a period of six months prior to the first publication of the notice, a copy of which is attached hereto: that said notice was published in The Olympian in accordance with RCW 85.16.020 and RCW 85.16.040, as amended, for:

1 Insertions

Published On:
October 12, 2016

(Principal Clerk)

SUBSCRIBED and sworn this 12th day of October in the year of 2016 before me, if Notary Public, personally appeared before me, Janice Wassenaar known or identified to me to be the person whose name subscribed to the within instrument, and being by first duly sworn, declared that the statements therein are true, and acknowledged to me that she executed the same.

Notary Public and for the state of Washington, reading at Olympia, Thurston County, Washington

Note: The above affidavit and fee is in compliance with RCW 85.16.030 and Sec. 3 Chapter 34, Laws of 1977.