

**CITY OF RUSTON
REGULAR COUNCIL MEETING**

Tuesday, November 5, 2024

MEETING CALLED TO ORDER

At 7:00PM Mayor Hopkins called the regular Council Meeting to order. Councilmembers present were Councilmember Hedrick, Councilmember Syler, Councilmember Huson, and Councilmember Jensen. Councilmember Holland was excused. Councilmember Hedrick moved to approve the agenda with a second from Councilmember Syler, passed 4-0.

MINUTES - Councilmember Hedrick moved to approve the minutes for the regular Council Meeting of October 15, 2024, with a second from Councilmember Holland the minutes passed 4-0.

STAFF REPORT – Nothing at this time.

GENERAL PUBLIC COMMENTS –

Tanja Carter – New resident to Ruston, suggested if the City could record the meetings to allow individuals to view them after the meeting. Also suggested if the City would consider offering compost services as the landfills in Washington are nearing capacity.

Fred Byzinker – Inquired if the City Council would consider placing a crosswalk at the intersection of 51st and Highland to accommodate the foot traffic. Previously there was a blinking yellow light, but it was replaced with a stop sign. Expressed the crosswalk would provide additional awareness.

BUSINESS –

ORD 1583 – Public Hearing – Tax Levy FY2025 (2nd reading) – As part of the budget process, Ruston will consider a budget and the revenue sources for City operations and capital expenses. As part of that process, the City is required to hold a public hearing on this topic. The public hearing on revenue sources is currently scheduled to coincide with First Reading. Second Reading and Adoption of Ordinance No. 1583 is scheduled for November 5, 2024. Ruston is required to adopt its property tax levy in November of each year by ordinance and transmit a certified copy of the ordinance to Pierce County Assessor-Treasurer and to the Pierce County Council no later than November 30th. A Levy Certification must also be transmitted with the Ordinance. Adoption of this Ordinance should be scheduled on the agenda during the meeting on November 5, 2024. If the Council needs more time, the Ordinance may be adopted on November 19, 2024 and still meet the November 30th deadline. This levy ordinance increases the property taxes levied by Ruston by the maximum amount allowed by law (one percent plus new construction, etc.). The dollar amount of the increase over the actual levy amount from the previous year is \$7,291.92, exclusive of additional revenue from new construction, improvements to property, newly constructed wind

turbines, increases in the value of state assessed property, annexations, and refunds made by the City. This should result in a 2025 levy in the amount of \$736,484.41.

ORD 1586 – Sanitary Sewer Rates – (1st reading) - Under State law, the City is authorized to provide sanitary sewer services to properties within its jurisdiction. As a sanitary sewer utility provider, the City may establish charges for sanitary sewer service. Under an interlocal agreement, the City of Tacoma accepts the flow from Ruston sanitary sewers for the purpose of providing sewage treatment. The City of Ruston pays Tacoma for this service.

The last time the City of Ruston changed its rates was in March of 2023 via adoption of Ordinance No. 1567. Ordinance No. 1567 included a two-step increase that were effective March 21, 2023 and January 21, 2024. Since that time, the City of Tacoma has instituted several sewer rate increases. This ordinance does not change the fixed rate for Ruston customers, which has remained unchanged since 2017, but it does bring the flow charges equal to what Tacoma charges its customers for flow charges for both 2025 and 2026.

As is the City's practice for utilities, rate increases are passed through to its ratepayers to ensure continued financial viability of the sanitary sewer utility. The rate increases are outlined below, including a look back at 2023 rates.

Rate Type	2023	Increase	2024	Increase	2025	Increase	2026
Fixed Rate - RES	\$67.67	\$-0-	\$67.67	\$-0-	\$67.67	\$-0-	\$67.67
Flow Charge - RES	\$5.65	\$0.40	\$6.05	\$0.22	\$6.27	\$0.07	\$6.34
Fixed Rate - COM - Categorized	\$55.60	\$-0-	\$55.60	\$-0-	\$55.60	\$-0-	\$55.60
Flow Charge - COM by Category							
1	\$7.84	\$0.63	\$8.47	\$0.26	\$8.73	\$0.44	\$9.17
2	\$8.46	\$0.68	\$9.14	\$0.64	\$9.78	\$0.74	\$10.52
3	\$10.65	\$0.86	\$11.51	\$0.52	\$12.03	\$0.79	\$12.82
4	\$12.51	\$1.01	\$13.52	\$0.61	\$14.13	\$0.92	\$15.05
5	\$12.70	\$1.02	\$13.72	\$1.24	\$14.96	\$1.13	\$16.09
6	\$14.56	\$1.17	\$15.73	\$1.18	\$16.91	\$1.19	\$18.10
7	\$16.45	\$1.32	\$17.77	\$1.34	\$19.11	\$1.34	\$20.45
8	\$17.02	\$1.37	\$18.39	\$1.48	\$19.87	\$1.40	\$21.27
Fixed Rate - COM - Not Categorized	\$66.96	\$-0-	\$66.96	\$-0-	\$66.96	\$-0-	\$66.96
Flow Charge - COM - Not Categorized	\$5.65	\$0.40	\$6.05	\$0.22	\$6.27	\$0.07	\$6.34

The City Council will hold a Public Hearing on this Ordinance during Second Reading on November 19, 2024. By increasing the sanitary sewer flow rates to be the same as Tacoma charges its sanitary sewer customers for flow for 2025 and 2026, the City will ensure that its sanitary sewer

utility is self-sustaining and that these increased costs were born by the ratepayers rather than the general public. Councilmember Hendrick moved to approve Ordinance 1583, with a second from Councilmember Syler, passed 4-0. Councilmember Hendrick clarified the tax levy amount of this ordinance and the overall impact. Councilmember Jensen expressed her support for this Ordinance and highlighted the overall increase of the cost of living. Mayor Hopkins clarified the reason the rates are higher is due to the replacement of the complete sewer system. Councilmember Jensen inquired on the terms of the loan that was obtained for this city improvement project. Councilmember Hendrick further added to the importance and impact the loan obtained from the USDA has had on the City of Ruston including the low interest rate and the additional roads that were repaired.

ORD 1587 – Public Hearing – Budget FY2025 – Councilmember Hendrick moved to open Public Hearing, with a second from Councilmember Syler. There was no public comment, Councilmember Hendrick moved to closed Public Hearing with a second from Councilmember Syler, passed 4-0.

ORD 1587 – Budget FY2025 (1st Reading) - In accordance with State law, the Mayor of the City of Ruston will complete and place on file with the City Clerk-Treasurer a proposed preliminary budget and estimate of the amount of monies required to meet the public expenses, interest, reserve funds, and expense of government of the city of Ruston for the fiscal year ending December 31, 2025. The Council is required to adopt its budget ordinance prior to January 1, 2025.

On October 15, 2024 the Council held a public hearing regarding property taxes and the 2025 tax levy. On November 5, 2024, the Council held a preliminary public hearing to hear from the public about their budget priorities. The final public hearing on the budget will be held on November 19, 2024. The final public hearing must take place prior to budget adoption. The City is required to pass the budget before the end of this calendar year.

The City Council Budget consideration schedule for Fiscal Year 2025 is as follows:

Mayor's Budget Message to Council:	_____, 2024
Council discussion of revenue sources:	October 15, 2024
Public Hearing on Revenue Sources	October 15, 2024
Public Hearing on Preliminary Budget	November 5, 2024
Adoption of Tax Levy Ordinance No. 1583	November 5, 2024
Public Hearing on Proposed Budget	November 19, 2024
Budget Discussion #1:	October 15, 2025
Budget Discussion #2:	November 5, 2025
Budget Discussion #3:	November 19, 2025
Budget Discussion #4:	December 3, 2024
Adoption of Final Annual Budget for 2024	December 3 or 17, 2024

Prior to budget adoption, the City Clerk will have fully complied with state law by publishing notice of the availability of the budget for public review and publishing notice of the required

public hearings on the City's proposed tax levy and budget, including a preliminary and final budget hearing.

BUDGET OVERVIEW

The proposed Total Revenues forecasted are \$8,242,302, consisting of Beginning Balances in the amount of \$2,064,722 plus interfund transfers in of \$307,000, and operating revenues of \$5,870,580. The Total Expenditures proposed are \$8,242,302, consisting of operating expenses in the amount of \$5,975,270, plus Interfund transfers out of \$307,000, and Ending Balances of \$1,960,032. The proposed budget by funds is as follows:

Fund	Fund Name	2025 Revenues Budget	2025 Interfund Transfers In	2025 Interfund Transfers Out	2025 Appropriations Budget
001	General Fund	\$ 2,541,880			\$ 2,779,862
005	Surplus Fund	\$ 2,000		\$ 50,000	
050	Pt. Ruston Development				
101	Street Fund	\$ 774,400			\$ 772,455
105	Street Reserve Fund				
110	Winnifred Street Fund				
130	Affordable Housing	\$ 60,000			
301	Capital Construction Fund	\$ 75,000			\$ 24,000
401	Electric Utility Fund	\$ 1,368,300		\$ 75,000	\$ 1,224,061
402	Electric Utility Reserve Fund		\$ 75,000		\$ 90,000
403	Sewer Utility Fund	\$ 783,500		\$ 182,000	\$ 608,637
404	Sewer Utility Reserve Fund				
407	Storm Sewer Fund	\$ 102,500			\$ 94,344
410	Sewer Debt Service Fund		\$ 182,000		\$ 181,215
411	Electric Meter Deposit Fund	\$ 18,000			\$ 12,000

622	W.R. Rust Playfield Fund	\$	13,000			\$	10,720
624	School Building Fund	\$	132,000	\$	50,000	\$	177,976
		\$	5,870,580	\$	307,000	\$	307,000
						\$	5,975,270

The 2025 Budget Ordinance will establish the appropriations necessary to authorize expenditures for each of the City's funds. This information will be detailed in Ordinance #1587. Mayor Hopkins provided an overview of the 2025 Budget and indicated there were challenges as we move into FY 2025. Some of the challenges Mayor Hopkins indicated included the developer lien holders and the involvement of the DOJ and EPA. Mayor Hopkins opened the discussion to the City Council to discuss possible solutions.

Councilmember Hendrick inquired about the property surplus funds.

Councilmember Jensen highlighted the importance of discussing the status and future of the budget. Additionally, she noted during the council retreat, short-term and long-term goals were identified, one the goals discussed was the importance of maintaining the safety and police force. Councilmember Jensen also discussed increasing pay for staff and Mayor Hopkins. Finally, she inquired on the line item relating to affordable housing from Pierce County.

CLAIMS/PAYROLL – Councilmember Hendrick moved to approve Claims for November 5, 2024, and Payroll for October 20, 2024, and November 5, 2024, with a second from Councilmember Holland, passed 4-0.

MAYOR'S TIME – Announced the City of Ruston and City of Tacoma have terminated the ILA. In the years the ILA existed, there was only one permit issued. A number of streetlights and telephone poles have been damaged in recent time, Mayor Hopkins shared the costs incurred by these damages. He also discussed the federal funds that have not been yet released by Olympia. Until the funds are released, we will not move forward with any underground projects. Mayor Hopkins welcomed Mr. Mario Ortega as the new Clerk-Treasurer for the City of Ruston. Lastly, he expressed the need to appoint a member to the RCC (Rainier Communication Commission).

Councilmember Hedrick – Welcomed Mr. Ortega to the City of Ruston and discussed the budget along with plans to discuss with legislator for funds.

Councilmember Syler – Nothing at this time.

Councilmember Huson – Commented on the attendance of community members who spoke on Ordinance 1585 at the last council meeting but were not present at tonight's meeting.


Councilmember Jensen – Welcomed Mr. Ortega and announced the upcoming tree lighting ceremony, scheduled for Saturday, December 7, 2024. She encouraged everyone to join in the celebration and called for volunteers to help with the event.

Councilmember Holland – Was excused.

MEETING AJOURNED -- At 7:36 PM Councilmember Hendrick moved to adjourn, with a second from Councilmember Syler, passed 4-0.



Bruce Hopkins, Mayor

ATTEST:


Mario A. Ortega, Jr., City Clerk