



Peninsula Metropolitan Park District

PO Box 425 – Gig Harbor, WA 98335
 253-858-3400 – info@penmetparks.org
www.penmetparks.org

REGULAR MEETING AGENDA

November 05, 2024, 6:00 PM

PenMet Parks District Headquarters - 2416 14th Ave NW, Gig Harbor, WA 98335

Call to Order

Commissioner Roll Call:

	Present	Excused	Comment
Maryellen (Missy) Hill, President			
Laurel Kingsbury, Clerk			
Kurt Grimmer			
Steve Nixon			
William C. (Billy) Sehmel			

ITEM 1 President's Report

ITEM 2 Executive Director's Report

ITEM 3 Board Committee Reports

- 3a. Park Services Committee**
- 3b. Finance Committee**
- 3c. Administrative Services Committee**
- 3d. Recreation Services Committee**
- 3e. Campaign Committee**
- 3f. External Committees**

ITEM 4 Special Presentations

- 4a. Madrona Links Golf Course Update**

ITEM 5 Public Comments:

This is the time set aside for the public to provide their comments to the Board on matters related to PenMet Parks. Each person may speak up to three (3) minutes, but only once during the citizen comment period. Anyone who provides public comment must comply with Policy P10-106 providing for the Rules of Decorum for Board Meetings. A copy of the policy is available at each meeting and at www.penmetparks.org

ITEM 6 Minutes

- 6a. [Approval of the October 15, 2024 Study Session Minutes](#)**
- 6b. [Approval of the October 15, 2024 Regular Meeting Minutes](#)**



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- 6c. [Approval of the October 21, 2024 Special Meeting - Executive Session Minutes](#)
- ITEM 7 **Consent Agenda**
 - 7a. [Resolution C2024-020 Approving October Vouchers](#)
- ITEM 8 **Unfinished Business**
 - 8a. [Second Reading of Resolution RR2024-009 Adopting the Amended 2024 Operating Budget](#)
- ITEM 9 **New Business**
 - 9.1 **Purchasing Resolutions Requiring One Reading for Adoption**
 - 9.2 [Single Reading Resolutions Requiring One Reading for Adoption:](#)
 - 9.2a [Resolution R2024-016 Authorizing the Executive Director to Acquire Certain Real Property Interests, Including Acquisition by Eminent Domain \(Condemnation\) to the Extent Authorized by Law, and to Reimburse Eligible Relocation and Reestablishment Expenses Incurred by Affected Owners as Necessary for Public Use of Madrona Links Golf Course](#)
 - 9.2b [Resolution R2024-017 Adopting the 2024 Regular Property Tax Levy for Collection in Calendar Year 2025](#)
 - 9.3 [Two Reading Resolutions Requiring Two Readings for Adoption:](#)
 - 9.3a [First Reading of Resolution RR2024-010 Adopting the 2025 Annual Operating Budget](#)
 - 9.3b [First Reading of Resolution RR2024-011 Adopting the 2025 Annual Capital Budget and Capital improvement Plan](#)
- ITEM 10 **Comments by Board**
- ITEM 11 **Next Board Meetings**

November 19, 2024 Study Session at 5:00 pm and Regular Meeting at 6:00 pm at the PenMet Parks District Headquarters – 2416 14th Ave NW, Gig Harbor, WA 98335
- ITEM 12 **Adjournment**

BOARD OF PARK COMMISSIONERS MEETING PROCEDURES

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STUDY SESSION MINUTES

October 15, 2024, 5:00 PM

PenMet Parks District Headquarters - 2416 14th Ave NW, Gig Harbor, WA 98335

Call to Order Time: 5:01 p.m.

Commissioner Roll Call:

	Present	Excused	Comment
Maryellen (Missy) Hill, President	X		
Laurel Kingsbury, Clerk	X		
Kurt Grimmer	X		
Steve Nixon	X		Via Zoom
William C. (Billy) Sehmel	X		

Quorum: Yes

ITEM 1 Board Discussion

1a. Specialized Recreation Program Update:

- PowerPoint presentation by Director of Recreation Services Tracy Gallaway and Recreation Coordinator Mindy Gessel-Stanley.
- **Board comment:** Thanked staff for the presentation.
- **Board question:** Provide examples of adaptive recreation opportunities. **Staff response:** There are lots of opportunities: bowling, basketball, and more. PenMet Parks is looking to fill gaps in the more competitive adaptive recreational sports landscape.
- **Board question:** Are participants shuttled to sites? **Staff response:** Not currently, but that would be beneficial.
- **Board comment:** Thanked staff for the wonderful presentation. PenMet Parks' adaptive and specialized recreation programs are growing. Encouraged staff to request legislative discretionary funds to support program enhancements.

1b. Draft Peninsula Gardens Master Plan:

- PowerPoint presentation by Sarah Singleton-Schrodell and Craig Singleton, AHBL.
- **Board comment:** Thanked project team for incorporating feedback from the Park Services Committee into the final master plan.
- **Board comment:** Thanked project team for developing a balanced and thoughtful plan that meets community need. The master plan achieves the vision for a multi-use community gathering place.



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- **Board comment:** Thanked the project team for public engagement efforts. Noted the plan does not contain tennis courts. **Staff response:** There was not strong support for tennis during the public engagement phase.
- **Board question:** Describe the next steps. **Staff response:** Requested Commissioners provide feedback by October 29. The final master plan will be presented to the Board for consideration of adoption in November/December.

ITEM 2 Adjournment Time: 5:55 p.m.

BOARD OF PARK COMMISSIONERS MEETING PROCEDURES

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REGULAR MEETING MINUTES

October 15, 2024, 6:00 PM

PenMet Parks District Headquarters - 2416 14th Ave NW, Gig Harbor, WA 98335

Call to Order Time: 6:02 p.m.

Commissioner Roll Call:

	Present	Excused	Comment
Maryellen (Missy) Hill, President	X		
Laurel Kingsbury, Clerk	X		
Kurt Grimmer	X		
Steve Nixon	X		Via Zoom
William C. (Billy) Sehmel	X		

Quorum: Yes

ITEM 1 President's Report:

- Thanked staff for installing a new AV system at the District Headquarters in response to community feedback.
- Attended the opening reception for the Art in the Park exhibit at the District Headquarters and presented the Commissioner's Choice award. Thanked staff and PAL for a well-organized and well-attended event.

ITEM 2 Executive Director's Report:

- 24 people donated blood at the blood drive held on October 14 at the District Headquarters in partnership with Kiwanis Club of Gig Harbor and American Red Cross.
- Introduced new staff member Kelly Galizio.
- Youth basketball registration opens for District residents on October 16. Based on community feedback, league is expanded to about 800 players and registration process is enhanced to allow families to select the practice day, time, and location at the time of registration.
- PenMet Parks Trunk or Treat is scheduled for October 27.

ITEM 3 Special Presentations

3a. Mini Golf Themed Elements:

- PowerPoint presentation by Derrick Eberle, Baumwelt.



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- **Board comment:** Please include Span Deli as a potential themed element. **Staff response:** Span Deli signage will be included.
- **Board comment:** Commissioners provided feedback on several elements presented.
- **Board comment:** Suggested a poll to gather Commissioner feedback.
- **Action:** Staff will send a survey to Commissioners to identify the preferred 8-10 themes.

ITEM 4 Board Committee Reports

4a. Park Services Committee:

- Met on October 8, 2024.
- Reviewed the draft Peninsula Gardens Master Plan and mini golf course potential themed elements.

4b. **Finance Committee:** has not met since the last Board meeting.

4c. **Administrative Services Committee:** has not met since the last Board meeting.

4d. **Recreation Services Committee:** has not met since the last Board meeting.

4e. **Campaign Committee:** has not met since the last Board meeting.

4f. **External Committees:** none.

ITEM 5 Public Comment was provided by:

- Bill Sehmel

ITEM 6 Minutes:

6a. **Approval of the October 1, 2024 Study Session Minutes**

6b. **Approval of the October 1, 2024 Regular Meeting Minutes**

Commissioner moved to adopt the minutes as presented.

Commissioner seconded.

Roll call vote. Approved unanimously. Motion carries.

ITEM 7 Consent Agenda: none

ITEM 8 Unfinished Business:

8a. **Second Reading of Resolution RR2024-008 Adopting Policy P10-108: Relocation Assistance and Real Property Acquisition Policy**



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The item was moved and seconded on October 1, 2024. There is a motion on the table.

Roll call vote. Approved unanimously. Motion carries.

ITEM 9 New Business

9a. Purchasing Resolutions Requiring One Reading for Adoption:
 none

9b. Single Reading Resolutions Requiring One Reading for Adoption:

9.2a: Authorizing the Executive Director to Sign an Interlocal Agreement Between Pierce County, Washington and Peninsula Metropolitan Park District Regarding the Second REET Parks Fund

Commissioner moved and seconded.
 Director of Finance Jessica Wigle provided a staff recommendation.
 Roll call vote. Approved unanimously. Motion carries.

9c. Two Reading Resolutions Requiring Two Readings for Adoption:

9.3a: First Reading of Resolution RR2024-009 Adopting the Amended 2024 Operating Budget

Commissioner moved and seconded.
 Director of Finance Jessica Wigle provided a staff recommendation.
 The second reading will be held during the November 5, 2024 Regular Meeting.

ITEM 10 Comments by Board

- **Board comment:** Asphalt paving at the Recreation Center looks great.
- **Board comment:** Thanked staff for a successful Scarecrow Festival.
- **Board comment:** Staff did a great job coordinating Scarecrow Festival.

ITEM 11 Next Board Meetings:

November 5, 2024 Study Session at 5:00 pm and Regular Meeting at 6:00 pm at the PenMet Parks District Headquarters – 2416 14th Ave NW, Gig Harbor, WA 98335



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ITEM 12 Executive Session

Executive Session for the purpose of considering the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price pursuant to RCW 42.30.110 (b):

The Board of Park Commissioners will now meet in Executive Session. The estimated length of time for the Executive Session is 60 minutes.

The Board will not take final action following the Executive Session.

The Board is starting the Executive Session at 6:50 p.m.

The Board extended the Executive Session for 60 minutes.

The Board ended the Executive Session at 8:47 p.m.

ITEM 13 Adjournment Time: 8.47 p.m.

BOARD OF PARK COMMISSIONERS MEETING PROCEDURES

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SPECIAL MEETING - EXECUTIVE SESSION MINUTES

October 21, 2024, 6:00 PM

PenMet Parks District Headquarters - 2416 14th Ave NW, Gig Harbor, WA 98335

Call to Order Time: 6:02 p.m.

Commissioner Roll Call:

	Present	Excused	Comment
Maryellen (Missy) Hill, President	X		Via Zoom
Laurel Kingsbury, Clerk	X		Via Zoom
Kurt Grimmer	X		
Steve Nixon	X		
William C. (Billy) Sehmel	X		

Quorum: Yes

ITEM 1 Executive Session

- 1a. **Executive Session for the purpose of considering the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price pursuant to RCW 42.30.110 (b):**

The Board of Park Commissioners will now meet in Executive Session. The estimated length of time for the Executive Session is 60 minutes.

The Board will not take final action following the Executive Session.

The Board is starting the Executive Session at 6:03 p.m.

The Board extended the Executive Session for 30 minutes.

The Board ended the Executive Session at 7:29 p.m.

ITEM 2 Adjournment Time: 7:29 p.m.



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BOARD OF PARK COMMISSIONERS MEETING PROCEDURES

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Peninsula Metropolitan Park District

RESOLUTION NO. C2024-020

APPROVING VOUCHERS FROM OCTOBER 2024

WHEREAS, the Peninsula Metropolitan Park District Board of Park Commissioners approved the 2024 operating budget in Resolution RR2023-014 and the amended 2024 capital budget in Resolution RR2024-007 on July 16, 2024; and

WHEREAS, expenditures are within the current resource projections at the fund level; and

WHEREAS, the Executive Director or his or her designee has certified that the materials have been furnished, the services rendered, or the labor performed as described, and that each claim represents a just, due, and unpaid obligation against the District;

NOW THEREFORE BE IT

RESOLVED by the Board of Park Commissioners of the Peninsula Metropolitan Park District that vouchers in the amounts and for the period indicated on Attachment "A" be approved for payment.

The foregoing resolution was adopted at a regular meeting of the Board of Park Commissioners of the Peninsula Metropolitan Park District held on November 5, 2024.

Maryellen (Missy) Hill, Board President

Laurel Kingsbury, Board Clerk

Attest: Ally Bujacich



Attachment A to Resolution C2024-020

For the period beginning 10/01/2024 and ending 10/01/2024

Voucher # 241001001 through # 241001025 is approved for payment in the amount of \$123,638.88.

and

For the period beginning 10/08/2024 and ending 10/08/2024

Voucher # 241002001 through # 240902025 is approved for payment in the amount of \$114,814.82.

and

For the period beginning 10/15/2024 and ending 10/15/2024

Voucher # 241003001 through # 241003037 is approved for payment in the amount of \$1,528,821.87.

and

For the period beginning 10/21/2024 and ending 10/21/2024

Voucher # 241004001 through # 241004014 is approved for payment in the amount of \$48,021.32.



DISTRICT COMMISSION MEMO

To: Board of Park Commissioners

Through: Ally Bujacich, Executive Director

From: Jessica Wigle, Director of Finance

Date: November 5, 2024

Subject: **Second Reading of Resolution RR2024-009 Adopting the Amended 2024 Operating Budget**

Background/Analysis

The Board passed Resolution RR2023-014 adopting the 2024 Annual Operating Budget, including \$5,902,125 operating expenditures in the General Fund and a transfer of \$379,521 from the General Fund to the Recreation Enterprise Fund. The budgeted transfer of \$379,521 provided an Ending Balance (90-Day Operating Reserve) in the Recreation Enterprise Fund of \$368,502.

Amended General Fund Revenues

The projected 2024 investment interest income in the General Fund is \$929,056, an increase of \$549,056 from the budgeted amount of \$380,000.

Amended General Fund Expenditures related to Recreation Center operations

The 2024 Annual Operating Budget includes expenses related to operating the Recreation Center. Due to the timing shift of the Recreation Center completion into 2025, budgeted expenditures will be reduced in 2024. Those expenditures are:

Administrative Services		
• Office Supplies		\$3,000
• Uniforms		\$5,000
Finance/IT		
• Insurance		\$20,000
• New Copier		\$3,500
• Unidentified Software/Hardware		\$3,105
• ActiveNet Upgrades		\$23,600
• Internet/Cable		\$12,000



Park Services: Maintenance & Operations

• Wages/Benefits	\$58,953
• Contracted Bldg Maintenance	\$2,625
• Maintenance & Repair – Bldgs	\$2,375
• General Janitorial Supplies	\$12,500
• Contracted Custodial Services	\$22,500
• Utilities	\$40,607

The total reduction of expenses in the General Fund related to Recreation Center operations is \$209,765.

There are budgeted revenues and expenses required for Recreation Center operations in the Recreation and Facilities enterprise funds. However, since those are enterprise funds, any fund excess rolls into the next year's beginning fund balance, thus staff do not recommend amending revenues or expenses related to Recreation Center operations in the Recreation or Facilities enterprise funds.

Amended Recreation Enterprise Fund

The amended Recreation Enterprise Fund 2024 beginning balance is reduced from the budgeted amount of \$413,163 to \$304,353 to reflect 2023 year-end actuals.

Amended Interfund transfers

An additional transfer of \$228,093 from the General Fund to the Recreation Enterprise Fund is required to maintain the Recreation Enterprise Fund's Projected 2024 Ending Balance (90-Day Operating Reserve) of \$349,877. The increased interfund transfer will be funded through the increased interest revenue as described above.

The balance of the interest revenue and reduction in Rec Center operations expenses in the General Fund is anticipated to increase the transfer to the Capital Fund at year end from the budgeted amount of \$1,600,000 to \$2,130,727. Per Policy P40-101: Comprehensive Financial Management Policy, year-end surpluses in the General Fund may be transferred to the Capital Projects Fund to be dedicated to the District's capital program. The anticipated increased transfer will be reflected in the 2025 Capital Budget.

Budget Impact

If adopted, the 2024 Amended Annual Operating Budget is reflected as summarized below:

- General Fund:
 - Revenues are increased to \$10,158,973.



- Expenditures are decreased to (\$5,692,360).
- Transfers In/(Out) are increased to (\$4,466,613).
- Ending Cash (Reserve) balance remains \$2,938,952.
- Recreation Enterprise Fund:
 - The Beginning Balance is decreased to \$304,353.
 - Revenues are decreased to \$837,416.
 - Expenditures are decreased to (\$1,387,507).
 - Transfers In/(Out) are increased to \$595,615.
 - Ending Cash (Reserve) balance is reduced to \$349,877.
- Capital Project Fund
 - The year-end transfer from the General Fund to the Capital Project Fund is anticipated to be increased to \$2,130,727. This will be reflected in the 2025 Capital Budget.

These revisions to the General Fund and Recreation Enterprise Fund support responsible reserves with current anticipated needs.

Peninsula Metropolitan Park District Amended 2024 Annual Operating Budget

Fund	Beginning Balance	Revenues	Expenditures	Transfers In/Out	Ending Cash (Reserve)
General Fund	\$2,938,952	\$10,158,973	(\$5,692,360)	(\$4,466,613)	\$2,938,952
Recreation Enterprise Fund	\$304,353	\$837,416	(\$1,387,507)	\$595,615	\$349,877
Facilities Enterprise Fund	\$0	\$442,138	(\$323,130)	\$14,420	\$133,428
Debt Service Fund	\$0	\$0	(\$1,353,771)	\$1,353,771	\$0
Debt Service Contingency Fund	\$1,000,000	\$0	\$0	\$200,000	\$1,200,000
Equipment Replacement Fund	\$621,736	\$0	(\$375,212)	\$0	\$246,524
Unrestricted Maintenance Reserve Fund	\$408,760	\$0	\$0	\$160,080	\$568,840
Maintenance Endowment Fund	\$446,016	\$9,000	(\$15)	\$0	\$455,001
Scholarship Fund	\$38,000	\$0	(\$50,000)	\$12,000	\$0
Totals	\$5,757,817	\$11,447,527	(\$9,181,995)	(\$2,130,727)	\$5,892,622



Policy Implications/Support

1. Policy P40-101: Comprehensive Financial Management Policy states, in part, that the Board will adopt and maintain a balanced annual operating budget.
2. Policy P40-101: Comprehensive Financial Management Policy states, in part, that appropriations requested after the original budget is adopted will be approved only after consideration of the elasticity of anticipated revenues and such appropriations must be approved by the Board.
3. The Board passed Resolution RR2023-014 on November 21, 2023, approving the 2024 Annual Operating Budget.

Staff Recommendation

Staff requests that the Board approve Resolution RR2024-009 amending the 2024 Annual Operating Budget at its second reading on November 5, 2024.

Staff Contact

If you have any questions or comments, please contact Jessica Wigle at (253) 400-6169 or via e-mail at jwigle@penmetparks.org.

Attachments

Exhibit A: Resolution RR2024-009 Adopting the Amended 2024 Operating Budget



Peninsula Metropolitan Park District

RESOLUTION NO. RR2024-009

ADOPTING THE AMENDED 2024 ANNUAL OPERATING BUDGET

WHEREAS, Policy P40-101: Comprehensive Financial Management Policy states the Board will adopt and maintain a balanced annual operating budget; and

WHEREAS, Policy P40-101: Comprehensive Financial Management Policy states appropriations requested after the original budget is adopted will be approved only after consideration of the elasticity of anticipated revenues and such appropriations must be approved by the Board; and

WHEREAS, the Board passed Resolution RR2023-014 on November 21, 2023, approving the 2024 Annual Operating Budget; and

WHEREAS, the adopted 2024 Annual Operating budget includes a transfer of \$379,521 from the General Fund to the Recreation Enterprise Fund; and

WHEREAS, the adopted 2024 Annual Operating budget includes expenditures of \$5,902,125 in the General Fund; and

WHEREAS, Policy P401-101: Comprehensive Financial Management Policy states year-end surpluses in the General Fund may be dedicated to the Capital Program; and

WHEREAS, the proposed amended 2024 Annual Operating Budget does not exceed the lawful limit of taxation as allowed to be levied by Peninsula Metropolitan Park District for the purposes set forth in the budget, and estimated expenditures set forth in the budget are deemed necessary to provide park and recreation services to the community during the 2024 calendar year;

NOW THEREFORE BE IT

RESOLVED, by the Board of Park Commissioners of the Peninsula Metropolitan Park District that the amended 2024 Annual Operating Budget be adopted, approved and appropriated as follows:

Section 1. The required expenditures for calendar year 2024 at the fund levels as specified fixed in Exhibit A, attached hereto, and incorporated by reference into this resolution.

Section 2. This resolution shall take effect immediately upon adoption.



The foregoing resolution was heard as a first reading on October 15, 2024, and adopted at a regular meeting of the Board of Park Commissioners of the Peninsula Metropolitan Park District held on November 5, 2024.

Maryellen "Missy" Hill,
Board President

Laurel Kingsbury,
Board Clerk

Attest: Ally Bujacich



Peninsula Metropolitan Park District Amended 2024 Annual Operating Budget

Exhibit A

Fund	Beginning Balance	Revenues	Expenditures	Transfers In/Out	Ending Cash (Reserve)
General Fund	\$2,938,952	\$10,158,973	(\$5,692,360)	(\$4,466,613)	\$2,938,952
Recreation Enterprise Fund	\$304,353	\$837,416	(\$1,387,507)	\$595,615	\$349,877
Facilities Enterprise Fund	\$0	\$442,138	(\$323,130)	\$14,420	\$133,428
Debt Service Fund	\$0	\$0	(\$1,353,771)	\$1,353,771	\$0
Debt Service Contingency Fund	\$1,000,000	\$0	\$0	\$200,000	\$1,200,000
Equipment Replacement Fund	\$621,736	\$0	(\$375,212)	\$0	\$246,524
Unrestricted Maintenance Reserve Fund	\$408,760	\$0	\$0	\$160,080	\$568,840
Maintenance Endowment Fund	\$446,016	\$9,000	(\$15)	\$0	\$455,001
Scholarship Fund	\$38,000	\$0	(\$50,000)	\$12,000	\$0
Totals	\$5,757,817	\$11,447,527	(\$9,181,995)	(\$2,130,727)	\$5,892,622



DISTRICT COMMISSION MEMO

To: Board of Park Commissioners

From: Ally Bujacich, Executive Director
Mark Roberts, General Counsel

Date: November 5, 2024

Subject: **Resolution R2024-016 Authorizing the Executive Director to Acquire Certain Real Property Interests, Including Acquisition by Eminent Domain (Condemnation) to the Extent Authorized by Law, and to Reimburse Eligible Relocation and Reestablishment Expenses Incurred by Affected Owners as Necessary for Public Use of Madrona Links Golf Course**

Background/Analysis

In 1977, the City of Tacoma leased approximately 80 acres of property located in Gig Harbor to DenMARK, Inc. for the purpose of constructing, managing, operating and maintaining Madrona Links Golf Course. DenMARK, which subsequently assigned its rights to the operating lease to Tyson LP (“Tyson”), purchased a 14-acre parcel adjoining the 80 acres purchased by the City of Tacoma pursuant to the requirements in the lease. In 1977, Tyson constructed Madrona Links Golf Course to span the 80 acres owned by the City of Tacoma and 14 acres owned by Tyson and has operated the course under the lease for the last 47 years.

In 2008, PenMet Parks purchased Madrona Links Golf Course from the City of Tacoma. As part of purchasing Madrona Links, PenMet Parks was required to assume the operating lease with Tyson. The operating lease expires in 2028.

Because of physical space requirements, both the 80-acre parcel owned by PenMet Parks and the 14-acre parcel purchased by Tyson are required to keep Madrona Links intact and preserve it as a championship 18-hole public golf course after the operating lease expires in 2028.

Madrona Links is the only public 18-hole golf course in our community. Citizens indicated in a recent survey that Madrona Links is meeting the needs of the community. PenMet Parks has received feedback from members of the public regarding the importance of Madrona Links Golf Course remaining as a public golf course and as a unique recreational amenity, public asset, and local economic driver.



Recognizing the importance of Madrona Links to our community and desiring to preserve Madrona Links for public use after the operating lease expires in 2028, the Board of Park Commissioners appropriated a total of \$1 million in 2023 and 2024 for the future acquisition of the 14-acre parcel. Beginning in summer 2023, PenMet Parks advised Tyson of its interest in purchasing the 14-acre parcel and further advised Tyson that funds were appropriated for the acquisition. Instead, and without any consultation with PenMet Parks or attempting to negotiate, Tyson sold the 14-acre parcel to a private third party, ZTM Holdings LLC, for \$1 million in January 2024.

After the property was sold to ZTM, PenMet Parks continued to take steps to acquire the property in order to keep Madrona Links intact. In March 2024, PenMet Parks commissioned an appraisal of the 14-acre parcel by a highly qualified professional. Using the highest and best use for the parcel, single family residential development and use, the appraiser determined the fair market value to be \$2.49 million. In July 2024, PenMet Parks provided a complete copy of its appraisal to ZTM and formally offered to purchase the property from ZTM at its full appraised fair market value. This offer was not made under the threat of eminent domain and was PenMet Parks' attempt to engage the owners in an arm's-length negotiation for the purchase and sale of the property.

ZTM rejected PenMet Parks' offer and has refused to otherwise negotiate in good faith for a purchase and sale of the property. ZTM has stated that they would only sell the property at the inflated value of \$8 million. However, since then ZTM has stated that they will not willingly sell or lease the property to PenMet Parks. In addition, ZTM has threatened to develop the 14-acre parcel into residential housing.

The 14-acre parcel includes two of Madrona Links' 18 holes and the greens for three other holes. If PenMet Parks is not allowed the continued use of the 14-acre parcel, at least five holes will be impacted. There is no space available on the remaining property to reconfigure the course and continue to operate as an 18-hole golf course.

PenMet Parks has actively engaged in good faith negotiations and taken all reasonable steps to acquire the subject parcel through an arm's length transaction with the previous and now current owners in order to preserve Madrona Links as a public golf course and for public use. ZTM has indicated it is not willing to voluntarily sell or lease the property to PenMet Parks. As a result, the District has no other option but to proceed with eminent domain to acquire the property and to ensure the Madrona Links Golf Course remains intact, available to the general public, and continues to be operated as an 18-hole public golf course.



Budget Analysis

The \$2.49 million purchase price will be funded through the General Fund. In 2023, PenMet Parks began appropriating funds to purchase the 14-acre parcel and has set aside \$1 million to date. The balance will be funded through contingency funds.

Next Steps

If the Board approves Resolution R2024-016, PenMet Parks will continue to attempt to engage ZTM in good faith negotiations to avoid eminent domain proceedings.

If the property is acquired through eminent domain to protect the public interest, the property owner will be fairly compensated and the purchase price will not be less than the fair market value of \$2,490,000 as determined by a qualified MAI appraiser.

Policy Implications/Support

1. Policy P10-101: Board Policy and Procedures states, in part, that PenMet Parks is accountable to its citizens for its use of public dollars. The limited financial resources of PenMet Parks must be wisely used to ensure adequate funding to support the services, public facilities, and infrastructure necessary to meet the community's present and future needs.
2. The enabling legislation governing PenMet Parks is chapter 35.61 RCW. In addition, other local, state, and federal laws and regulations govern the conduct and business of PenMet Parks.
3. The Subject Property is within PenMet Parks' jurisdictional boundaries and PenMet Parks is authorized to condemn property pursuant to RCW 35.61.130(1).

Recommendation

Staff recommends the Board pass Resolution R2024-016 authorizing the Executive Director to acquire certain real property interests, including acquisition by eminent domain (condemnation) to the extent authorized by law, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners as necessary for public use of Madrona Links Golf Course



Staff Contact

If you have any questions or comments, please contact Ally Bujacich at (253) 858-3400 or via e-mail at executivedirector@penmetparks.org.

Attachments

Exhibit A: Resolution R2024-016 Authorizing the Executive Director to Acquire Certain Real Property Interests, Including Acquisition by Eminent Domain (Condemnation) to the Extent Authorized by Law, and to Reimburse Eligible Relocation and Reestablishment Expenses Incurred by Affected Owners as Necessary for Public Use of Madrona Links Golf Course



Peninsula Metropolitan Park District

RESOLUTION NO. R2024-016

AUTHORIZING THE EXECUTIVE DIRECTOR TO ACQUIRE CERTAIN REAL PROPERTY INTERESTS, INCLUDING ACQUISITION BY EMINENT DOMAIN (CONDEMNATION) TO THE EXTENT AUTHORIZED BY LAW, AND TO REIMBURSE ELIGIBLE RELOCATION AND REESTABLISHMENT EXPENSES INCURRED BY AFFECTED OWNERS AS NECESSARY FOR PUBLIC USE OF MADRONA LINKS GOLF COURSE

WHEREAS, the Peninsula Metropolitan Park District, commonly known as PenMet Parks, was formed pursuant to chapter 35.61 of the Revised Code of Washington (RCW) for the purposes of “management, control, improvement, maintenance, and acquisition of parks, parkways, boulevards, and recreational facilities” as provided in RCW 35.61.010; and

WHEREAS, PenMet Parks is authorized to plan, construct, and permanently operate recreational facilities and provide recreational services to meet the needs of its residents; and

WHEREAS, in 1977, the City of Tacoma leased approximately 80 acres of property, commonly known as Pierce County Tax Parcel No. 0221204032, to DenMARK, Inc. for the purpose of constructing, managing, operating and maintaining a golf course (the “Operating Lease”); and

WHEREAS, DenMARK, Inc. assigned its rights to the Operating Lease to Tyson LP (“Tyson”) who is the current tenant under the Operating Lease; and

WHEREAS, Tyson purchased approximately 14 acres of adjoining property commonly known as Pierce County Tax Parcel No. 0221201025 and legally described on the attached Exhibit A (the “Subject Property”) to provide sufficient land necessary for the construction and subsequent operation of a public golf course; and

WHEREAS, Tyson subsequently constructed the golf course, which is commonly known as the Madrona Links Golf Course, using the entirety of both the Operating Lease property and the Subject Property; and

WHEREAS, PenMet Parks is the current owner of the Operating Lease property and landlord and the Operating Lease expires in or about 2028, unless terminated sooner; and

WHEREAS, Tyson sold the Subject Property to an unrelated private party who is not subject to the lease; and



WHEREAS, in order to ensure the Madrona Links Golf Course remains intact, available to the general public, and continues to be operated as an 18 hole public golf course, it is necessary for PenMet Parks to acquire by negotiated purchase or to condemn certain rights in the Subject Property for public purposes, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants, if any; and

WHEREAS, PenMet Parks has negotiated in good faith as to the amount of compensation due to the owners of the Subject Property and has based its offer price of \$2,490,000 on the opinion of a licensed and qualified MAI appraiser, which was subsequently rejected; and

WHEREAS, though PenMet Parks will continue its negotiations with the Subject Property owners, the Park Board believes it to be prudent to adopt this resolution authorizing eminent domain in the event the negotiations are unsuccessful; and

WHEREAS, the Park Board is exercising its independent discretion to proceed with an eminent domain action to establish the right to take the Subject Property for a public purpose and to settle the amount of compensation owing to the Subject Property owners; and

WHEREAS, staff has provided notice to the Subject Property owners and the public of this final action authorizing eminent domain pursuant to RCW 8.25.290; and

WHEREAS, the funds necessary to acquire the Subject Property by voluntary purchase or to pay just compensation adjudged due after eminent domain and the funds necessary to reimburse eligible relocation and reestablishment expenses shall be paid from PenMet Parks' general fund.

NOW THEREFORE BE IT RESOLVED by the Board of Park Commissioners of the Peninsula Metropolitan Park District that:

SECTION 1. The Subject Property, commonly known as Pierce County Tax Parcel No. 0221201025 and legally described on the attached Exhibit A (the "Subject Property"), is currently used as part of Madrona Links Golf Course, a public golf course, and PenMet Parks' ownership of the Subject Property is necessary to ensure the continued public access, operation and use of the Madrona Links Golf Course.

SECTION 2. The Park Board deems the Subject Property to be a public use for a public purpose. The Board deems it necessary and in the best interests of the residents within PenMet Parks' boundaries to acquire the Subject Property as being necessary for the maintenance, operation, and continued public use of the entire Madrona Links Golf Course.



SECTION 3. The Park Board finds that the public health, safety, necessity, convenience, and welfare demand and require that interests in the Subject Property be immediately acquired, condemned, appropriated and taken for the maintenance, operation, and continued public use of the entire Madrona Links Golf Course.

SECTION 4. The Subject Property is within PenMet Parks' jurisdictional boundaries and PenMet Parks is authorized to condemn property pursuant to RCW 35.61.130(1).

SECTION 5. The Subject Property is hereby condemned, appropriated and taken for the public use described above, subject to the making or paying of just compensation to the owners thereof in the manner provided by law.

SECTION 6. PenMet Parks staff have actively worked in good faith to acquire the Subject Property by negotiated sale, but differences of opinion exist between PenMet Parks and the owners of the Subject Property. The public necessity and convenience requires PenMet Parks to initiate the acquisition of the Subject Property by exercise of the power of eminent domain.

SECTION 7. The Executive Director is hereby authorized to execute such agreements as are customary and necessary for the acquisition of interests in the Subject Property and for the reimbursement of eligible relocation and reestablishment expenses, if any. The acquisition price of the Subject Property shall not be less than its fair market value as determined through the appraisal process by a qualified appraiser; provided that in the event the total of the acquisition, relocation, and reestablishment costs of the Subject Property exceeds \$2,500,000.00, then the Executive Director must first obtain approval from the Board before the acquisition of the Subject Property by negotiated sale or by eminent domain and the reimbursement of eligible relocation and reestablishment expenses.

SECTION 8. The Executive Director or her designee is hereby authorized to settle condemnation litigation or enter administrative settlements (a settlement in lieu of initiating condemnation litigation) for the acquisition of the Subject Property. Such settlements shall be made only upon the finding of legal counsel that the settlement is consistent with the law and is reasonable, prudent, and in the public interest. Such settlements may not exceed the established maximum price. For all other settlements proposed, the Executive Director must obtain prior approval of the Board.

SECTION 9. In addition to the authority granted the Executive Director in Section 7 above, condemnation proceedings are hereby authorized to acquire all, or any portion thereof, of the Subject Property to the extent permitted by law, for the purpose of maintaining, operating, and continued public use of the Madrona Links Golf Course. The Executive Director is also authorized to make minor amendments to the legal description



of the Subject Property in Exhibit A, as may be necessary to correct scrivener’s errors and/or to conform the legal description to the precise boundaries of the Subject Property.

SECTION 10. The funds necessary to acquire the Subject Property by purchase or to pay just compensation adjudged due after condemnation shall be paid from PenMet Parks’ general fund.

The foregoing resolution was adopted at a regular meeting of the Board of Park Commissioners of the Peninsula Metropolitan Park District held on November 5, 2024.

Maryellen (Missy) Hill
President

Laurel Kingsbury
Clerk

Attest: Ally Bujacich



EXHIBIT A

Legal Description of the Property

All of Grantor's Entire Parcel, As Described Below:

PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 20, TOWNSHIP 21 NORTH, RANGE 2 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 20, THENCE NORTH 88°22'40" WEST 491.70 FEET (WASHINGTON STATE GRID, SOUTH ZONE, BASIS OF BEARING) ALONG THE SOUTH LINE OF SAID SOUTH HALF OF THE NORTHEAST QUARTER TO THE SOUTHWEST CORNER OF THE EAST 15 ACRES OF SAID SOUTH HALF OF THE NORTHEAST QUARTER; THENCE NORTH 1°46'00" EAST 780 FEET ALONG THE WEST LINE OF SAID 15 ACRES-TO THE TRUE POINT OF BEGINNING, THENCE CONTINUING NORTH 1°40'00" EAST TO THE SOUTHWESTERLY LINE OF WASHINGTON STATE HIGHWAY #16; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY HIGHWAY LINE TO AN INTERSECTION WITH THE NORTH LINE OF SAID SOUTH HALF OF THE NORTHEAST QUARTER, THENCE NORTH 88°22'37" WEST ALONG SAID NORTH LINE TO A POINT 1540 FEET WEST OF THE EAST LINE OF SAID SECTION 20, THENCE SOUTH 1°46'00" EAST 1328.87 FEET PARALLEL TO SAID EAST LINE AND EXTENDING TO THE SOUTH LINE OF SAID SOUTH HALF OF THE NORTHEAST QUARTER, THENCE SOUTH 88° 22' 40" EAST 70.04 FEET, THENCE NORTH 1° 42' 53" EAST 780 FEET PARALLEL TO AND 150 FEET DISTANT WEST OF THE WEST LINE OF THE SOUTHEAST QUARTER OF NORTHEAST QUARTER OF SAID SECTION 20, THENCE SOUTH 88° 22' 40" EAST 978.97 FEET TO THE POINT OF BEGINNING.

Situate in the County of Pierce, State of Washington.

Pierce County Tax Parcel No. 0221201025

Taxpayer: ZTM Holdings LLC

Site Address: 3604 22nd Ave. NW, Gig Harbor, WA



DISTRICT COMMISSION MEMO

To: Board of Park Commissioners

Through: Ally Bujacich, Executive Director

From: Jessica Wigle, Director of Finance

Date: November 5, 2024

Subject: **Resolution R2024-017 Adopting the 2024 Regular Property Tax Levy for Collection in Calendar Year 2025**

Background/Analysis

This resolution establishes the 2024 levy of regular property tax that will be collected in 2025. The tax rate is the maximum rate allowed by law. RCW 84.55.120 requires a public hearing and a resolution in the form provided to request the highest lawful levy of regular property tax. The public hearing will be conducted on November 5, 2024. This resolution is required to be adopted and transmitted to the Pierce County Assessor-Treasurer no later than November 27, 2024 to certify the amount.

On September 13, 2024, the Office of the Pierce County Assessor-Treasurer provided official notification of the Preliminary Highest Lawful Levy Limit in 2024 for collection in 2025 in the amount of \$8,665,018.26. This amount represents a .8435% increase, or \$71,892.75, over the 2023 levy. Notification / Certification of the final amount is usually provided in January of the following year. If there is a material change, staff will evaluate the impact to the 2025 budget and make a recommendation to the Board.

The District is also entitled to property tax levies in addition to the regular property tax levy. The Pierce County Assessor-Treasurer's notification included preliminary amounts for the 2024 assessed value of new construction, improvements, and wind turbines of \$56,060.34, plus a levy for refunds of \$13,089.81 and \$690.06 for revenue from increase in state-assessed property. Therefore, the expected collection of property tax by the District in 2025 totals \$8,665,018.26.



Estimated 2024 Regular Levy for collection in 2025	\$8,665,018.26
Less Levy from previous year:	\$8,523,285.31
Less New Construction	\$56,060.34
Less Refunds	\$13,089.81
Less Revenue from increase in state-assessed property	\$690.06
Total Estimated Increase	\$71,892.75
Estimated Percent Increase	0.8435%

The proposed 2025 budget is based on the following preliminary amounts:

General Fund Revenue: Property Tax Levy:	\$ 8,665,018
General Fund Revenue: Other Sources:	<u>\$ 1,505,000</u>
General Fund Total Revenues:	\$ 10,167,018
General Fund Operating Expenditures:	\$ 6,499,746
Interfund Transfers:	<u>\$ 3,667,272</u>
General Fund Total Expenditures:	\$ 10,167,018

Policy Implications/Support

1. Pursuant to RCW 35.61.210, the Board of Park Commissioners may levy or cause to be levied a general tax on all the property located in the District each year not to exceed fifty cents per thousand dollars of assessed value. In addition, the Board may levy or cause to be levied a general tax on all property located in the District each year not to exceed twenty-five cents per thousand dollars of assessed valuation. The levies are considered to be a single levy for purposes of the limitation provided for in chapter 84.55 RCW.
2. The Board of Park Commissioners reviewed the draft 2025 budget on October 1, 2024.
3. The budget is required by statute and must be adopted prior to the expenditure of any District funds in 2025.

Staff Recommendation

Staff recommends the Board pass Resolution R2024-017 adopting the 2024 regular property tax levy for collection in 2025.



Staff Contact

If you have any questions or comments, please contact Director of Finance Jessica Wigle at (253) 858-3400 or via email at jwigle@penmetparks.org.

Attachments

Exhibit A: Resolution R2024-017



Peninsula Metropolitan Park District

RESOLUTION R2024-017

ADOPTING THE 2024 REGULAR PROPERTY TAX LEVY FOR COLLECTION IN CALENDAR YEAR 2025

WHEREAS, pursuant to RCW 35.61.210(1), the Board of Park Commissioners may levy or cause to be levied a combined regular tax on all the property located in the District each year not to exceed seventy-five cents per thousand dollars of assessed value of the property in the District; and

WHEREAS, pursuant to RCW 84.55.120, a properly notified public hearing was held on November 5, 2024, to consider all relevant evidence and testimony regarding the regular property tax to be levied in 2024 for collection in 2025 and to consider the revenue sources including the 2025 property tax levies; and

WHEREAS, the District’s actual levy amount collected in 2024 is \$8,523,285.31 and the estimated levy to be collected in 2025 is \$8,665,018.26, an increase of .8435% from the previous year exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds; and

WHEREAS, the Board finds that the levy of property taxes set forth in this resolution is in the best interests of the District; and

WHEREAS, the population of the District is more than 10,000;

NOW THEREFORE BE IT

RESOLVED by the Board of Park Commissioners of Peninsula Metropolitan Park District as follows:

Section 1. Regular Property Tax Levy. That an increase in the regular property tax levy is hereby authorized for the 2024 levy to be collected in the 2025 tax year at the combined levy rate of \$0.75 per thousand dollars of assessed valuation. The preliminary levy amount is \$8,665,018.26. The dollar amount of the increase over the actual levy amount from the previous year is to be \$71,892.75, which is an increase of .8435% from the previous year exclusive of additional revenue resulting from new construction, improvements to property, newly constructed turbines, any increases in the value of state assessed property, any annexations that have occurred and refunds made as shown in the table below:

Estimated 2024 Regular Levy for collection in 2025	\$8,665,018.26
Less Levy from previous year:	\$8,523,285.31
Less New Construction	\$56,060.34
Less Refunds	\$13,089.81
Less Revenue from increase in state-assessed property	\$690.06
Total Estimated Increase	\$71,892.75
Estimated Percent Increase	0.8435%

The above amounts shall be adjusted by the County Assessor-Treasurer when property values are certified.

Section 2. Notice to Pierce County. This resolution be certified to the proper Pierce County officials, as provided by law, and the taxes levied herein shall be collected in the manner provided by law.

Section 3. Corrections. Upon approval of the District’s Attorney, the Executive Director is authorized to make necessary corrections to this resolution, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or resolution numbering and section/subsection numbering and references.

Section 4. Severability. Should any section, paragraph, sentence, clause or phrase of this resolution, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this resolution be preempted by State or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this resolution or its application to other persons or circumstances.

The foregoing resolution was adopted at a regular meeting of the Board of Park Commissioners of the Peninsula Metropolitan Park District held on November 5, 2024.

Maryellen “Missy” Hill,
Board President

Laurel Kingsbury,
Board Clerk

Attest: Ally Bujacich



DISTRICT COMMISSION MEMO

To: Board of Park Commissioners

Through: Ally Bujacich, Executive Director

From: Jessica Wigle, Director of Finance

Date: November 5, 2024

Subject: **First Reading of Resolution RR2024-010 Adopting the 2025 Annual Operating Budget**

Budget Overview

The 2025 operating budget provides the resources to advance Peninsula Metropolitan Park District’s short- and long-term priorities and its mission to enhance the quality of life by providing parks and recreation opportunities for our community. The result is a comprehensive budget that is designed to maximize the community benefit of the park and recreation resources provided by PenMet Parks.

The operating budget includes budgeted expenditures and interfund transfers in all operating funds. The budget preserves the General Fund’s \$2,938,952 beginning balance, which functions as the District’s Unrestricted Reserve Fund.

Revenues

The General Fund is funded primarily through property taxes, sales taxes, and other revenues. The Board of Park Commissioners will consider Resolution R2024-017 adopting the property tax levy for collection in 2025 on November 5, 2024. Sales tax revenue is based on Pierce County forecasted tax revenue. Other revenues include second REET, impact fees, investment interest, and other smaller sources of revenue.

The Recreation Enterprise Fund realizes revenues from participant fees and sponsorships and is supported by General Fund dollars. The Facilities Enterprise Fund realizes revenues from facility rental fees. In 2025 each enterprise fund is budgeted to establish and maintain a reserve fund equivalent to 90 days of operating expenses.

The Scholarship Fund is funded through a transfer from the Recreation Enterprise Fund.



All other operating funds not listed above are funded through transfers from the General Fund.

Expenditures

Budgeted expenditures are allocated to reflect the priorities of the District. The factors guiding the priorities reflected within the 2025 budget include:

- 2023 Strategic Plan: the budget advances PenMet Parks' mission, vision, values, and strategic themes, objectives, and initiatives.
- 2023 Comprehensive Parks, Recreation, and Open Space (PROS) Plan: the budget advances the recommendations contained in the PROS Plan for parks and recreation services that are responsive to our community's needs.
- 2023 Fees and Services Assessment: the 2025 budget advances the cost recovery and pricing recommendations contained in the Fees and Services Assessment.
- Adopted goals and objectives: the budget prioritizes the 2025 goals and objectives adopted by the Board of Park Commissioners by Resolution R2024-010.

Operating expenditures reinforce the District's commitment to providing high-quality parks and recreation services for our community. Resources are allocated to utilize PenMet Parks' unique natural resources to create memorable programs and services, provide more equitable access to recreation by taking steps to mitigate barriers to access such as pricing of services, proximity to services, and underrepresented population segments, utilize information and software to support data-driven decision-making, develop and grow alternative revenue sources, establish a framework for continuous process improvement, use effective internal communication tools to provide the optimal level of service, and developing Key Performance Indicators throughout the organization.

Interfund Transfers

The 2025 budget transfers funds to continue to build the voluntary Debt Service Contingency Fund, which, along with the Unrestricted Maintenance Reserve Fund and reserves in the General Fund and enterprise funds, are intended to provide cash reserves and financial security in the case of an economic downturn or emergency.

Operating Budget Summary

The operating budget revenues and expenditures for each fund are listed in the table below. In accordance with policy, the Board of Park Commissioners adopts the budget at the fund level. In addition, the Board approval is required to shift budget allocation



from the Maintenance and Operations department. \$2,202,700 is allocated to the Maintenance and Operations department in 2025, which is included in the General Fund in the table below.

Public hearings to allow taxpayers and members of the public to provide comments regarding the proposed 2025 operating budget will be held on November 5, 2024, and November 19, 2024.

Fund	Beginning Balance	Revenues	Expenditures	Transfers in/out	Ending Cash (Reserve)
General Fund	\$2,938,952	\$10,167,018	(\$6,506,746)	(\$3,660,272)	\$2,938,952
Recreation Enterprise Fund	\$349,877	\$1,383,480	(\$1,858,090)	\$595,383	\$470,650
Facilities Enterprise Fund	\$223,499	\$539,257	(\$606,270)	(\$4,918)	\$151,568
Debt Service Fund	\$0	\$0	(\$1,206,667)	\$1,206,667	\$0
Debt Service Contingency Fund	\$1,200,000	\$0	\$0	\$200,000	\$1,400,000
Equipment Replacement Fund	\$246,524	\$0	(\$2,898)	\$85,939	\$329,565
Unrestricted Maintenance Reserve Fund	\$518,847	\$0	\$0	\$4,918	\$523,765
Maintenance Endowment Fund	\$472,103	\$7,797	\$0	\$0	\$479,900
Scholarship Fund	\$25,000	\$0	(\$50,000)	\$25,000	\$0
Total	\$5,974,802	\$12,097,552	(\$10,230,672)	(\$1,547,283)	\$6,294,400

Policy Implications/Support

1. Policy P10-101: Board Policy and Procedures states, in part: “The Peninsula Metropolitan Park District is accountable to its citizens for its use of public dollars. The limited financial resources of PenMet Parks must be wisely used to ensure adequate funding to support the services, public facilities, and infrastructure necessary to meet the community’s present and future needs.”
2. The Board passed Resolution RR2022-012 adopting the 2023 Strategic Plan for PenMet Parks.
3. The Board passed Resolution RR2023-007 accepting the 2023 Fees and Services Assessment.
4. The Board passed Resolution RR2023-012 adopting the 2023 Parks, Recreation, and Open Space Plan.
5. The Board passed Resolution R2024-010 adopting the 2025 goals and objectives.
6. The Board has adopted the policies contained in the Peninsula Metropolitan Park District Policy Manual.



Staff Recommendation

Staff recommends the Board pass Resolution RR2024-010 adopting the 2025 annual operating budget at its second reading planned for November 19, 2025.

Staff Contact

If you have any questions or comments, please contact Director of Finance Jessica Wigle at (253) 858-3400 or via email at jwigle@penmetparks.org.

Attachments

Exhibit A: Resolution RR2024-010



Peninsula Metropolitan Park District

RESOLUTION RR2024-010

ADOPTING THE 2025 ANNUAL OPERATING BUDGET

WHEREAS, the Executive Director of the Peninsula Metropolitan Park District (PenMet Parks) has recommended a balanced budget and estimate of monies required to meet public expenses, bond retirement, interest, and the priorities, goals, and objectives for 2025 as adopted by the Board of Park Commissioners on April 16, 2024, for the 2025 calendar year; and

WHEREAS, the detailed budget is specified in the Executive Director's 2025 annual operating budget; and

WHEREAS, notice was published in the official legal notices of the local newspaper on October 22, 2024 and November 5, 2024 that the Board of Park Commissioners would meet on November 5, 2024, and again on November 19, 2024, to consider the proposed budget and to allow the public an opportunity to be heard regarding the proposed 2025 budget; and

WHEREAS, the Board of Park Commissioners did meet at the time specified and offered the opportunity for interested taxpayers and members of the public to comment on the proposed budget as detailed below:

November 5, 2024

- First Public Hearing Regarding the Proposed 2025 Budget
- Public Hearing Regarding the Proposed 2024 Levy of Regular Property Tax for Collection in 2025
- Adoption of the 2024 Levy of Regular Property Tax for Collection in 2025

November 19, 2024

- Second Public Hearing Regarding the Final 2025 Budget
- Adoption of the 2025 Annual Operating Budget
- Adoption of the 2025 Annual Capital Budget and Capital Improvement Plan

WHEREAS, the proposed 2025 budget does not exceed the lawful limit of taxation as allowed to be levied by PenMet Parks for the purposes set forth in the budget, and estimated expenditures set forth in the budget is necessary to provide park and recreation services to the citizens and residents of PenMet Parks during the 2025 calendar year;

NOW THEREFORE BE IT

RESOLVED by the Board of Park Commissioners of Peninsula Metropolitan Park District that the 2025 Operating Budget be adopted, approved, and appropriated as follows:

Section 1. The required expenditures for calendar year 2025 at the fund levels as specified fixed in Exhibit A, attached hereto, and incorporated by reference into this resolution.

Section 2. The Secretary of the Board is directed to transmit a certified copy of the 2025 Capital Budget, and 2025 Capital Improvement Plan as adopted by the Board of Park Commissioners of the Peninsula Metropolitan Park District to the State Auditor of Washington, Division of Municipal Corporations.

Section 3. This resolution shall take effect January 1, 2025, at 12:01 a.m.

The foregoing resolution was adopted at a regular meeting of the Board of Park Commissioners of the Peninsula Metropolitan Park District held on November 19, 2024.

Maryellen "Missy" Hill,
Board President

Laurel Kingsbury,
Board Clerk

Attest: Ally Bujacich

Exhibit A to Resolution RR2024-010

Peninsula Metropolitan Park District 2025 Operating Budget

Fund	Beginning Balance	Revenues	Expenditures	Transfers in/out	Ending Cash (Reserve)
General Fund	\$2,938,952	\$10,167,018	(\$6,506,746)	(\$3,660,272)	\$2,938,952
Recreation Enterprise Fund	\$349,877	\$1,383,480	(\$1,858,090)	\$595,383	\$470,650
Facilities Enterprise Fund	\$223,499	\$539,257	(\$606,270)	(\$4,918)	\$151,568
Debt Service Fund	\$0	\$0	(\$1,206,667)	\$1,206,667	\$0
Debt Service Contingency Fund	\$1,200,000	\$0	\$0	\$200,000	\$1,400,000
Equipment Replacement Fund	\$246,524	\$0	(\$2,898)	\$85,939	\$329,565
Unrestricted Maintenance Reserve Fund	\$518,847	\$0	\$0	\$4,918	\$523,765
Maintenance Endowment Fund	\$472,103	\$7,797	\$0	\$0	\$479,900
Scholarship Fund	\$25,000	\$0	(\$50,000)	\$25,000	\$0
Total	\$5,974,802	\$12,097,552	(\$10,230,672)	(\$1,547,283)	\$6,294,400



DISTRICT COMMISSION MEMO

To: Board of Park Commissioners

Through: Ally Bujacich, Executive Director

From: Jessica Wigle, Director of Finance

Date: November 5, 2024

Subject: **First Reading of Resolution RR2024-011 Adopting the 2025 Annual Capital Budget and Capital Improvement Plan**

Budget Overview

The capital budget includes planned acquisitions, construction, replacement, addition, and major maintenance of public facilities. These projects differ from routine maintenance in that their cost is generally greater than \$25,000 for any one project or grouping of similar projects, and they have a useful life of generally ten years or more. The capital budget also includes new capital equipment purchases.

Peninsula Metropolitan Park District developed an annual six-year Capital Improvement Plan (CIP) for 2025 that identifies and prioritizes capital projects to maximize the benefit to the community. The CIP is adopted annually, and the first year of the CIP constitutes the capital budget for 2025.

Capital projects contained within the 2025 CIP were developed by assessing property conditions including phases I and II of the Facilities Condition Audit completed in 2024, applying the recommendations from the comprehensive 2023 Parks, Recreation and Open Space (PROS) plan, and strategically advancing the District's mission, vision, policy direction, and adopted goals and objectives. The approved CIP must fit within available resources; thus, projects are required to be prioritized. PenMet Parks used four criteria to prioritize projects including life safety, property damage/deferred maintenance, planned major maintenance, and strategic priorities.

The proposed 2025 capital budget is \$14,895,606, which includes \$3,145,588 allocated for projects identified in the first year of the 2025 CIP, and \$11,750,018 of carryforward expenses that were allocated in the 2024 capital budget but are not anticipated to be expensed in 2024. The 2025 capital budget is focused on addressing critical needs including addressing deferred maintenance, planned major maintenance, advancing



strategic priorities including improvements to allow more access to saltwater beaches, trails, and park amenities, and maximizing efficiencies to deliver projects in a cost-effective manner. The capital budget includes an ending balance of \$4,394,946, which also functions as the unrestricted reserve balance.

The 2025 capital budget includes the projects identified in the first year of the 2025 CIP. The 2025 CIP includes partially or fully funding 10 projects that are listed below. In addition to the 2025 CIP projects and funding levels, the 2025 capital budget includes carryforward funding for project expenditures adopted in the 2024 capital budget but anticipated to extend into 2025, including the Recreation Center, which is underway and expected to be complete in 2025.

Public hearings to allow taxpayers and members of the public to provide comments regarding the proposed 2025 capital budget will be held on November 5, 2024, and November 19, 2024.

Fund Name	Beginning Balance	Revenues	Expenditures	Transfers in/out	Ending Cash (Reserve)
Capital Project Fund	\$16,593,269	\$1,150,000	(\$14,895,606)	\$1,547,283	\$4,394,946

Year	Priority	Property	Project	2025 Capital Budget
2025	1	Various	Hold For Planned Major Maintenance	\$400,588
2025	2	District	Property Acquisition Fund	\$300,000
2025	3	District	Heavy Equipment Acquisition Fund	\$0
2025	4	Peninsula Gardens	Parkland Development - Phase 1	\$500,000
2025	5	Various	Demolish Structures	\$95,000
2025	6	Narrows Park	Accessibility Improvements and Restroom	\$650,000
2025	7	Tubby's Trail Dog Park	Fencing, Shelter Improvements, and Added Amenities	\$350,000
2025	8	McCormick Forest	Multi-Use Trails, Phase 1	\$550,000
2025	9	Various	Art Installation (at one or more park locations)	\$25,000
2025	10	District	Capital Equipment	\$275,000
Total 2025 CIP Expenses				\$3,145,588
Carryforward Adopted Capital Expenses				\$11,750,018
Total 2025 Capital Budget				\$14,895,606



Policy Implications/Support

1. The Board passed Resolution RR2022-012 adopting the 2023 Strategic Plan for PenMet Parks.
2. The Board passed Resolution RR2023-007 accepting the 2023 Fees and Services Assessment.
3. The Board passed Resolution RR2023-012 adopting the 2023 Parks, Recreation, and Open Space Plan for PenMet Parks.
4. The Board passed Resolution R2024-010 adopting the 2025 goals and objectives.
5. The Board has adopted the policies contained in the Peninsula Metropolitan Park District Policy Manual.
6. Policy P10-101: Board Policy and Procedures states, in part: “The Peninsula Metropolitan Park District is accountable to its citizens for its use of public dollars. The limited financial resources of PenMet Parks must be wisely used to ensure adequate funding to support the services, public facilities, and infrastructure necessary to meet the community’s present and future needs.”

Staff Recommendation

Staff recommends the Board pass Resolution RR2024-011 adopting the 2025 annual capital budget and capital improvement plan at its second reading planned for November 19, 2024.

Staff Contact

If you have any questions or comments, please contact Director of Finance at (253) 858-3400 or via email at jwagle@penmetparks.org.

Attachments

Exhibit A: Resolution RR2024-011



Peninsula Metropolitan Park District

RESOLUTION RR2024-011

ADOPTING THE 2025 ANNUAL CAPITAL BUDGET AND CAPITAL IMPROVEMENT PLAN

WHEREAS, the Executive Director of the Peninsula Metropolitan Park District has recommended a balanced budget and estimate of monies required to meet public expenses, bond retirement, interest, and the priorities, goals, and objectives for 2025 as adopted by the Board of Park Commissioners on April 16, 2024, for the 2025 calendar year; and

WHEREAS, a Six-Year Capital Improvement Plan (CIP) was developed for 2025; and

WHEREAS, Year One of the CIP serves as the Executive Director's 2025 annual capital budget; and

WHEREAS, notice was published in the official legal notices of the local newspaper on October 22, 2024 and November 5, 2024 that the Board of Park Commissioners would meet on November 5, 2024, and again on November 19, 2024 to consider the proposed budget and to allow the public an opportunity to be heard regarding the proposed 2025 budget; and

WHEREAS, the Board of Park Commissioners did meet at the time specified and offered the opportunity for interested taxpayers and members of the public to comment on the proposed budget as detailed below:

November 5, 2024

- First Public Hearing Regarding the Proposed 2025 Budget
- Public Hearing Regarding the Proposed 2024 Levy of Regular Property Tax for Collection in 2025
- Adoption of the 2024 Levy of Regular Property Tax for Collection in 2025

November 19, 2024

- Second Public Hearing Regarding the Final 2025 Budget
- Adoption of the 2025 Annual Operating Budget
- Adoption of the 2025 Annual Capital Budget and Capital Improvement Plan

WHEREAS, the proposed 2025 annual budget does not exceed the lawful limit of taxation as allowed to be levied by Peninsula Metropolitan Park District for the purposes set forth in the budget, and estimated expenditures set forth in the budget are deemed necessary to provide park and recreation services to the community during the 2025 calendar year;

NOW THEREFORE BE IT

RESOLVED, by the Board of Park Commissioners of the Peninsula Metropolitan Park District that the 2025 Capital Budget and 2025 Capital Improvement Plan be adopted, approved and appropriated as follows:

Section 1. The required expenditures for the capital improvements for calendar year 2025 as specified and fixed in Exhibit A, attached hereto and incorporated by reference into this resolution.

Section 2. The Secretary of the Board is directed to transmit a certified copy of the 2025 Capital Budget, and 2025 Capital Improvement Plan as adopted by the Board of Park Commissioners of the Peninsula Metropolitan Park District to the State Auditor of Washington, Division of Municipal Corporations.

Section 3. This resolution shall take effect January 1, 2025, at 12:01 a.m.

The foregoing resolution was adopted at a regular meeting of the Board of Park Commissioners of the Peninsula Metropolitan Park District held on November 19, 2024.

Maryellen "Missy" Hill,
Board President

Laurel Kingsbury,
Board Clerk

Attest: Ally Bujacich

Exhibit A to Resolution RR2024-011

Peninsula Metropolitan Park District 2025 Capital Budget

Fund Name	Beginning Balance	Revenues	Expenditures	Transfers in/out	Ending Cash (Reserve)
Capital Project Fund	\$16,593,269	\$1,150,000	(\$14,895,606)	\$1,547,283	\$4,394,946

Year	Priority	Property	Project	2025 Capital Budget
2025	1	Various	Hold For Planned Major Maintenance	\$400,588
2025	2	District	Property Acquisition Fund	\$300,000
2025	3	District	Heavy Equipment Acquisition Fund	\$0
2025	4	Peninsula Gardens	Parkland Development - Phase 1	\$500,000
2025	5	Various	Demolish Structures	\$95,000
2025	6	Narrows Park	Accessibility Improvements and Restroom	\$650,000
2025	7	Tubby's Trail Dog Park	Fencing, Shelter Improvements, and Added Amenities	\$350,000
2025	8	McCormick Forest	Multi-Use Trails, Phase 1	\$550,000
2025	9	Various	Art Installation (at one or more park locations)	\$25,000
2025	10	District	Capital Equipment	\$275,000
Total 2025 CIP Expenses				\$3,145,588
Carryforward Adopted Capital Expenses				\$11,750,018
Total 2025 Capital Budget				\$14,895,606