

January 8, 2001

The Chehalis city council met in regular session on Monday, January 8, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Councilor Tony Ketchum was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Andy Sennes, Property Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Employee Service Award**. Becky Fox was presented a certificate for 20 years of services.
2. **Consent Calendar**. Councilor Hatfield moved to approve the consent calendar comprised of the following items:
 - a. Minutes of the regular city council meeting of December 26, 2000;
 - b. December 29, 2000, Claims Vouchers No. 54858 – 54950 in the amount of \$80,900.70;
 - c. Re-appointment of Donna Karvia and John McKerricher to the Historic Preservation Commission to 3-year terms expiring December 31, 2003, and re-appointment of Larry Cook to the Board of Zoning Adjustment to a 5-year term expiring December 31, 2005;
 - d. Correction of city utility easements nos. 539864, 365496, 404545, and 182667; and
 - e. Set date of January 22, 2001 at 3:05 p.m. for a public hearing regarding a petition to annex certain property.

The motion was seconded by Councilor Zylstra and carried unanimously.

3. **Citizens Business – Municipal Services Agreement with Chehalis Power Generating Limited Partnership (CPGLP)**. Mr. Paul Margaritis, on behalf of CPGLP, was in attendance to respond to questions that had recently been brought before the council with regard to the proposed agreement. He stated that their business had changed since 1993 when he first appeared before the council about the proposed project. Contracts were no longer just 30-year ones like they had been, and their business had become very competitive where it had not been at that time.

With regard to the question of CPGLP seeking sales tax exemption from construction costs, Mr. Margaritis indicated that the annexation agreement between the city and CPGLP, which was approved by the council in May 2000, addressed that issue. The agreement contained language that CPGLP would not lead a charge in the state legislature for the exemption, but, because it was a competitive world, they owed it to themselves and their employees, and in turn the community, to maintain a viable business, and to be as even as they could with their competition. He stated that if a sales tax waiver became available, they needed to be able to take advantage of it. He reminded the council that when the annexation agreement was being put together last year there was also legislation being sought by one of their competitors that was doing a project in Whatcom County. The legislation was written in a fashion that excluded CPGLP, and subsequently didn't pass anyway, although he thought it would probably resurface again this year. Mr. Margaritis indicated that CPGLP hired a lobbyist last year to monitor the situation and advise them. He understood that the question that came up earlier in the month was what would happen if the sales tax legislation was passed and made retroactive. He informed the council that CPGLP understood that such an act would be quite a bite out of any budget, and he assured the council they would offer a concession to that effect. He thought CPGLP had been straightforward with the council and the community since they first approached the council in 1993, and had honored their commitments.

Councilor Pope stated that as far as he was concerned, he had no question about their integrity, and he agreed they had always been straightforward with the council.

4. **Citizens Business – Interim Agreement with Rainier Connect**. Jerry Whatley, representing Rainier Connect and Local Access Communications (1417 Kresky, Centralia), indicated that several months ago he approached the city manager and city attorney regarding a new telecommunications franchise ordinance. It was his understanding that a proposed ordinance would be presented for first reading during today's meeting, but was not listed on the agenda.

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Bill Hillier indicated a draft ordinance was distributed to staff in December and he had just received responses back in the last week. The comments received needed to be reviewed and incorporated into the ordinance. He noted that because of the council's position taken during their first meeting in December, the ordinance did not need to be in place in order to do an interim agreement with Rainier Connect, and city staff committed to having the interim agreement in place by the end of January.

Mr. Whatley asked for assurance that the city was still on track with the agreement. He indicated they had completed their franchise arrangement with the city of Centralia and Lewis County, and the switching facility was completed and was ready to go online within 14 days. He was concerned because they were rapidly approaching a situation where they could lose substantial revenue.

Bill Hillier stated that the pole contact agreement between Rainier Connect and Lewis County PUD was required as part of the interim agreement. He indicated the city had requested a copy of the agreement, but had not yet received it.

Mr. Whatley indicated they were still working on completion of the agreement. Once it was complete it would be a public record, but until that time it would remain between Rainier Connect and the PUD.

5. **Ordinance No. 688-B, First Reading – Repealing Ordinance No. 445-A Relating to Burning Permits.** Jerry Boes stated that since the residential burn ban became effective on January 1, the ordinance was no longer needed. He added that they had not received any calls for illegal burning, but they were receiving several calls from people wanting to know if they were within the urban growth areas, and they were referring those calls to the community services department.

Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Pope and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 688-B on first and final reading. The motion was seconded by Councilor Pope.

Mayor Spahr noted there was a meeting of some congressional delegation members from the south-end of the county working towards repealing the burn ban, so the council could see the issue again. The motion carried unanimously.

6. **Ordinance No. 689-B, First Reading – Providing for an Interfund Loan.** Dave Campbell indicated the ordinance provided for a temporary interfund loan from the public facilities reserve fund to the arterial street fund in an amount not to exceed \$160,000, plus interest. Since payments from the state Department of Transportation for the Main Street reconstruction project are not received until after the city has made the expenditures, the arterial street fund was in a deficit condition on a cash basis at year-end. The loan would be paid off upon reimbursement by DOT.

Mayor Spahr asked when the money would be received.

David Kelly hoped the city would receive the money this year.

Councilor Hatfield asked who paid the interest.

David Kelly explained that what generally happens was that the money was transferred at the end of the year and put right back in, so there was really only one day or so of interest involved.

Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 689-B on second and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

7. **Staff and City Council Reports.**

a. **18th District Meeting with Legislators.** Councilor Galvin reported that he attended a meeting presented by legislators from the 18th district. Issues discussed included outdoor burning, the Timberland Regional Library tax increase, and the possible rate increase for electricity.

8. **Executive Session.** Mayor Spahr announced the council would convene into executive session pursuant to RCW 42.30.110(1)(i) – potential litigation, at 3:25 p.m. for approximately 10 minutes, and there would be no decisions following conclusion of the executive session.

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Following conclusion of the executive session, the regular meeting was reopened at 3:50 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

January 22, 2001

The Chehalis city council met in regular session on Monday, January 22, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Bobbi Boone, Land Use/Environmental Technician; Steve Buzzard, Municipal Court Judge; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; and Mark Petrie, Water Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Employee Service Award**. Police Officer Troy Thornburg was presented a certificate for 10 years of service.
2. **Consent Calendar**. Councilor Zylstra moved to approve the consent calendar comprised of the following items:
 - a. Minutes of the regular city council meeting of January 8, 2001; and
 - b. December 31, 2000, Claims Vouchers No. 54951 – 55126 in the amount of \$391,534.69.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Public Hearing – Annexation of Property Located at 1101 SW Sylvenus Avenue**. Dave Campbell indicated the public hearing concerned property that was donated to the city a few years ago by the Weyerhaeuser Company, and had since been leased to the Chehalis-Centralia Railroad Association for their steam train operations.

Bobbi Boone added that part of the donated property was left outside the city limits in error.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:05 p.m. There being no public comment, the public hearing was closed and the regular meeting was reopened.

4. **Ordinance No. 690-B, First Reading – Providing for the Annexation of Property Located at 1101 SW Sylvenus Avenue**. Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 690-B on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

5. **Resolution No. 1-2001, First Reading – Adopting a Cross-Connection Control Plan, and Ordinance No. 691-B, First Reading – Providing for the Operation and Regulation of the Water System, and Repealing Prior Ordinance**. Mark Petrie explained that the city's cross-connection control plan had to be updated to meet new Washington State Department of Health guidelines established in 1999 to ensure the protection of the city's water system. It would also set procedures for the protection from cross-connections, establish abandonment procedures for cross-connections, set quality control standard procedures for testing assemblies, and updating record-keeping and notification letters to customers. The ordinance would enforce the new plan, set installation requirements, establish enforcement, and assure that assemblies were tested on an annual basis.

Mayor Spahr asked Mr. Petrie to explain what a cross-connection was.

Mr. Petrie explained that a cross-connection was a connection between potable drinking water and non-potable sources, such as contaminated water, gases, or waste from food processing plants. Pressure can be lost in the distribution system and the contamination then backflows into the distribution system, creating the contamination.

Mayor Spahr asked if sprinkling systems could cause contamination.

Mark Petrie indicated that residential homes with sprinkler systems would be required to follow the procedures; however, he stated that staff would first make sure the city was in compliance, then look at large industries, and finally work their way to the city's residential customers.

Councilor Zylstra asked how one would come into compliance if they had a sprinkler system.

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Mark Petrie indicated the city would conduct a survey of domestic water systems to identify properties with sprinkler systems. Homeowners would then be given a period of time to install a double check valve that would have to be installed downstream of the service connection, and the valves would be tested on an annual basis. He added that he planned to create a flyer that would spell out the cross-connection control plan, along with some diagrams of installation requirements, to supply to the public, irrigation contractors, and plumbers.

Councilor Hatfield asked how the water supply could become contaminated if you use city water to water your lawn.

Mark Petrie explained that since sprinkler heads were in the ground they could come into contact with such things as dog waste and fertilizer, which could settle in the sprinkler heads. If pressure is lost in the water distribution system it creates a suction action that sucks the contaminants into the irrigation lines, and eventually into the distribution system or the home.

David Kelly asked who would pay for the valve and how much they cost.

Mark Petrie indicated it would be the responsibility of the property owner to pay for the valve and the annual testing. He stated the cost for the valve started around \$65.

Councilor Ketchum moved to adopt Resolution No. 1-2001 on first reading. The motion was seconded by Councilor Galvin and carried by a vote of 6 ayes and 1 nay. Councilor Hatfield voted against the motion.

Councilor Galvin moved to pass Ordinance No. 691-B on first reading. The motion was seconded by Councilor Ketchum and carried unanimously.

6. Ordinance No. 692-B, First Reading – Revision in Compensation Provisions for Municipal Court Judge.

Dave Campbell indicated the municipal code currently provided that when a judge pro tem was used in municipal court because of the absence of the regular judge when he is attending a conference, work meeting, or has a conflict of interest, the city reduced his pay by the amount of salary paid to the judge pro tem. Mr. Campbell believed that was somewhat inconsistent and unfair because the city did not reduce other employees' pay when they were gone to a conference or meeting on behalf of the city. He therefore proposed that the code be amended to provide that the city not reduce the pay of the regular judge in the cases mentioned. The cost would vary from year to year, but based on last year's experience, he estimated that it might result in non-deductions of salary of about \$750 per year.

Councilor Pope moved to pass Ordinance No. 692-B on first reading. The motion was seconded by Councilor Galvin.

Councilor Hatfield asked if the judge paid for his own conference expenses.

Dave Campbell stated that often times the expenses are reimbursed by the state, and sometimes by the city.

Councilor Hatfield asked if the proposed change would apply if the judge was at a conference, called in sick, or had another commitment, such as having to be in Superior Court

Dave Campbell added it would also apply if the judge had represented a client before that was appearing as a defendant in municipal court.

Steve Buzzard stated it would not apply to scheduling conflicts, such as having to appear in Superior Court. It would only apply to conflicts of interest.

Mayor Spahr indicated the only problem he had with the proposed ordinance related to the portion addressing conflicts of interest.

Steve Buzzard indicated that ethically he couldn't hear a case if there was a conflict of interest. The motion carried unanimously.

7. Draft Telecommunications Ordinance and Interim License Agreement with Rainier Connect. Dave Campbell explained that the ordinance and interim license agreement were actually two separate items. He asked that the council take action today on the interim license agreement with Rainier Connect to allow them to begin installing fiber optic facilities for service in Chehalis in the city's rights-of-way. He added it was his understanding that the Lewis County PUD had authorized

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approval of an agreement with Rainier Connect to use PUD's poles. With regard to the telecommunications ordinance, Mr. Campbell asked the council to conduct a special work session to review the ordinance.

Bill Hillier indicated he received one proposed change to the interim license agreement from Rainier Connect's attorney. The requested change included adding the word "reasonably" to the second sentence of item 5, making the sentence read as follows: "Rainier covenants and agrees that it will make available to City all information and reports as reasonably required by City to facilitate the development and use of a telecommuni-cations system." Mr. Hillier had no objection to the revision and he asked the council to authorize approval.

Dave Campbell noted the interim agreement was designed to be in effect for not more than six months, and ultimately, the telecommunications ordinance would supercede the interim agreement.

Mayor Spahr asked what the main purpose of the interim agreement was.

Bill Hillier explained that Rainier Connect had no authority to use the city's rights-of-way without the interim agreement.

Mayor Spahr pointed out it was an interim agreement. He asked what would happen if Rainier Connect began stringing lines and when they got down to adoption of the ordinance there was a problem.

Bill Hillier stated the interim agreement provided that Rainier would comply with all requirements of the ordinance as ultimately adopted.

Councilor Galvin asked if there were currently any businesses operating without a franchise or right-of-way license.

Dave Campbell indicated staff was not aware of any.

Councilor Galvin asked who would administer the ordinance.

Dave Campbell stated that public works would administer the ordinance.

Dave Muller of the Lewis County PUD, informed the council that the PUD commission approved the pole rental agreement with Rainier Connect on January 15.

Councilor Ketchum moved to approve the interim telecommunications license agreement with Rainier Connect. The motion was seconded by Councilor Pope and carried unanimously. The council also agreed to meet at 2:00 p.m. on February 12 to hold a work session to review the draft telecommunications ordinance.

8. Staff and City Council Reports.

a. **Upcoming Meetings/Events.** Dave Campbell informed the council there would be a meeting on January 23, at 6:00 p.m. regarding the potential removal of the traffic signal at Market Boulevard and Boistfort Street.

He invited the council to the D.A.R.E. graduation on February 1, at 7:00 p.m. He noted it would be the first graduation for Officer Neil Hoium.

Mr. Campbell also indicated that staff was working with the city of Centralia to put together a meeting with the legislators during the AWC Annual Conference. The preliminary plans included a lunch meeting on February 15 sometime between 11:00 a.m. and 1:00 p.m.

b. **Appointment of a Committee to Review the Status of the Water System Plan Implementation.** Mayor Spahr indicated the city was working with the veterans memorial museum and the railroad association on their development plans on the west side of the freeway. The water system at those locations was not quite up to par, and the question came down to who was responsible for developing it. Since that issue was being discussed it was thought that perhaps the city should look into the whole gamut of what was going on with the entire water system. He thought it would be good to have three council members work with the public works staff to review the water system. Councilors Ketchum and Zylstra, and Mayor Spahr volunteered to serve on the committee.

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There being no further business to come before the council, the meeting was adjourned at 3:40 p.m.

February 12, 2001

The Chehalis city council met in special session on Monday, February 12, 2001, in the Chehalis city hall to hold a work session to review a draft telecommunications ordinance. Mayor Bob Spahr called the work session to order at 2:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Bob Venemon, and Dave Zylstra. Councilors Ketchum (excused) and Pope were not in attendance. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Tim Grochowski, Street Superintendent; and Don Schmitt, Engineering Technician. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Review of Draft Telecommunications Ordinance.** Dave Campbell stated the proposed ordinance was drafted by Bill Hillier and modeled primarily after one that was done for the city of Centralia. He stated that Dave Muller, from the Lewis County PUD, and Jim Nichols were in attendance to help answer questions. Mr. Campbell also noted he included background material in the agenda, including a summary of ESSB 6676, which was passed by the legislature and signed into law a year ago. The summary provided information on what cities could and could not do with respect to vendors/providers of telecommunications services.

Bill Hillier indicated the ordinance generally addressed four areas. First, it created, for the exclusive venue of telecommunications, a right-of-way license to work within the city's right-of-way and to ensure that applicants complied with city requirements. He noted the draft ordinance was not very different from the city's current right-of-way process for anyone working within the city's rights-of-way, but it did expand the requirements for right-of-way licenses that would be imposed upon telecommunications companies because of their unique use of the rights-of-way.

The second area addressed related to master permits. Mr. Hillier explained that the master permit was required by state and federal statutes for anyone wanting to deal in telecommunications within the city's jurisdiction. The ordinance spelled out what the city's obligations and responsibilities were in creating an application, and in reviewing, approving, renewing, extending, or terminating those applications.

The third area addressed by Mr. Hillier provided for the creation of leases. The ordinance would provide for lease arrangements between the city and a provider if the city chose to allow a telecommunications company to use its facilities. He noted this was not particularly important to the city because it did not own the utility poles. If the city did own the poles, companies would need to have a lease agreement for that use. He perceived the city's involvement with facilities leases to be limited to the times that companies cross city property, which would require an easement or lease for the use of the property, or if they have to connect to a city building.

The last area reviewed by Mr. Hillier regarded compensation. He explained that the city could not charge a franchise fee for telecommunication services, and there are currently attempts at the state level to do away with a city's ability to collect any type of fee/charge for use of public rights-of-way by telecommunications systems. The ordinance would provide for a fee schedule to allow for the collection of administrative fees for administering, reviewing, granting, terminating, or extending any application, or for any work done in the city's rights-of-way, including inspection and enforcement.

Mayor Spahr commented that although it would not be a revenue source for the city, it would help the city to grow and to bring in the kinds of industry needed to provide jobs.

Dave Campbell noted that if PUD's poles were used, companies would have to have an agreement with the PUD for that use.

Dave Muller asked about the applicability of the ordinance to a public utility, like the Lewis County PUD, versus a private provider.

Bill Hillier indicated that the right-of-way license provisions within the ordinance would probably not be applicable to the PUD since they already have use of the city's rights-of-way. He did note that the use was only for telephone purposes, but the council recently expanded that use to allow PUD to put telecommunications on their poles for the school district's benefit. He perceived the city giving PUD a citywide extension for those reasons, although they would still have to obtain a master permit under the proposed ordinance because they would be in the business of providing telecommunications service.

Mayor Spahr asked who would issue the master permit.

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Bill Hillier thought it should probably be done at city hall, but a final decision was yet to be made.

Councilor Galvin asked if public works would administer the ordinance.

Bill Hillier stated that public works would administer the portions dealing with right-of-way licenses, and any inspections or violations that may occur. If there were violations relating to the master permit it would probably be handled at the administrative level at city hall, but that would be a decision of the city manager.

Councilor Galvin asked if public works had the expertise to administer the ordinance.

Bill Hillier stated that they certainly did with regard to the rights-of-way. But, he did not believe that any of the staff had the expertise to question whether a telecommunications system was operating under the requirements of the FCC, state statutes, or anything of that nature.

Jim Nichols indicated that public works would only be checking to determine safety hazards, following approved plans, etc.

Councilor Hatfield asked if the application forms were currently available.

Bill Hillier indicated that staff has a format for a right-of-way permit application that will be revised to meet the ordinance's requirements.

Dave Campbell stated there was an open-ended question at the state level as to whether or not Qwest would be required to get a master permit. Qwest currently has some state provisions that apply to them as a telephone service provider that may lead them to think they do not need to get a master permit from any city.

Mayor Spahr asked if a master permit could be considered in lieu of a franchise.

Bill Hillier thought that was a good analogy. Companies have to show the city that they have the ability and expertise, and that they are financially able to put the system in. The city must protect its rights-of-way.

Dave Muller asked if the PUD would have to expand their current franchise/right-of-way license to include telecommunications.

Bill Hillier indicated that was correct.

Tim Grochowski asked if there was a limit as to how many companies could use the PUD's poles.

Bill Hillier indicated that PUD could limit pole use, but under federal law, the city cannot restrict the number of telecommunications providers that want to serve the area if they are qualified.

With regard to the number of competing companies that may come in, Dave Muller indicated that if Rainier Connect installed enough fiber, and truly made it open-access as required by federal law, then any other provider could use Rainier's facilities and directly compete. Rainier's intent was to put up 48 pairs, which would not require additional facilities since everyone would be using the same basic point.

Dave Campbell stated that if any telecommunications providers did provide cable television as part of their telecommunications permit/lease, the city would still be able to collect a franchise fee for the cable television service. He stated that the ordinance would be placed on the February 26 council agenda for first reading.

Don Schmitt asked if the ordinance would apply to companies using fiber optics running along the railroad right-of-way.

Bill Hillier indicated it would not.

Mayor Spahr called the regular meeting to order at 3:00 p.m. Additional staff present included: Dr. Isaac Pope, Council Member; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent.

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1. **Uniform Fire Code Inspector Certification to Rob Gebhart.** Mayor Spahr presented a certificate to Captain Rob Gebhart from the International Fire Code Institute for designating him as a certified uniform fire code inspector.

2. **Employee Service Awards.** Mayor Spahr presented service awards to Firefighter Pete McChord and Jerry Boes, Deputy Chief for Fire Services, for 30 and 25 years of service, respectively.

3. **Proclamations.** Mayor Spahr designated February as Children's Dental Health Month, and Chehalis Rotary Club Month.

4. **Consent Calendar.** Councilor Hatfield moved to approve the consent calendar comprised of the following items:

a. Minutes of the regular city council meeting of January 22, 2001;

b. December 29, 2000, Payroll Vouchers No. 15018 – 15166 in the amount of \$426,585.04; Transfer Voucher No. 1480 in the amount of \$1,607.84; Transfer Voucher No. 1481 in the amount of \$160,000; December 31, 2000, Claims Vouchers No. 55127 – 55131 in the amount of \$23,781.19; January 31, 2001, Claims Vouchers No. 55132 – 55304 in the amount of \$297,789.86; January 31, 2001, Payroll Vouchers No. 15167 – 15298 in the amount of \$432,942.19; Transfer Voucher 1483 in the amount of \$160,000; and Transfer Voucher No. 1484 in the amount of \$1,872.77; and

c. Appointment of Mary Kay Nelson to the lodging tax advisory committee.

The motion was seconded by Councilor Zylstra and carried unanimously.

4. **Resolution No. 1-2001, Second Reading – Adopting a Cross-Connection Control Plan, and Ordinance No. 691-B, Second Reading – Providing for the Operation and Regulation of the Water System, and Repealing Prior Ordinance.** Dave Campbell stated the resolution would adopt a cross-connection control plan for the city. The ordinance would revise the current cross-connection control regulations in the city code.

Councilor Galvin moved to adopt Resolution No. 1-2001 on second and final reading. The motion was seconded by Councilor Pope and carried by a vote of 5 ayes and 1 nay. Councilor Hatfield voted against the motion. Councilor Galvin then moved to pass Ordinance No. 691-B on second and final reading. The motion was seconded by Councilor Venemon and carried unanimously.

5. **Ordinance No. 692-B, Second Reading – Revision in Compensation Provisions for Municipal Court Judge.** Dave Campbell explained that the ordinance would make changes to the judge's compensation provisions in the city code. The city would not deduct the cost of pro tem judges from the judge's salary for conflicts of interest, other than scheduling ones, or when the judge attends meetings/conferences on the city's behalf.

Councilor Hatfield moved to pass Ordinance No. 692-B on second and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

6. **Staff and City Council Reports.**

a. **Upcoming Meetings.** Dave Campbell informed the council of several upcoming meetings, including a council GMA committee meeting on February 13, at 7:00 a.m. in the conference room of the activity building to talk about the proposed facilities construction agreement with Chehalis Power (Tractebel); a water plan review committee meeting on February 16, at 8:30 a.m. at public works; and the luncheon with the legislators on February 15, at noon in the briefing room of the John L. O'Brien Building on the capitol campus.

b. **Sewer Interceptor Capacity Study Update.** Patrick Wiltzius recalled there was some question as to capacity at the interceptor line serving Napavine, Lewis County Sewer District No. 1, the Port of Chehalis, and industrial park areas. As a result, the council authorized a capacity study, which began in January/February 2000, with some sampling and flow monitoring; however, because of the dry weather, they were not able to collect enough data to show any conclusive results as to capacity of the line during peak flow conditions. The study was recommenced in November, but they again experienced problems gathering the data due to the dry weather. He stated that additional funding was included in the 2001 budget, and staff plan to complete

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the study by the end of March. Mr. Wiltzius added that it might be a moot point anyway because Chehalis Power, Inc. (Tractebel) could potentially upgrade a portion of the interceptor that would eliminate a bottleneck in the line.

Mayor Spahr asked how much capacity was being used.

Patrick Wiltzius indicated they were unable to tell. During dry weather conditions there is normal flow, but if there was a 20-year or 50-year storm event it may not be. He added that that was the reason for the study – to determine how many ERUs were left in the line.

Mayor Spahr asked how many ERUs were currently going through the line.

Patrick Wiltzius reported that Napavine had about 537 ERUs, and the sewer district had around 200 ERUs, and both had additional capacity they were currently not using. He stated that the council also authorized capacity for the Holloway Springs development, but any additional development after that point would be questionable.

c. **Veterans Memorial Museum**. Councilor Galvin reported that members of the Veterans Memorial Museum held their annual meeting recently. He shared several statistics from their annual report, including speaking engagements, special events, tours, special programs, parades, visitors, and membership. He provided a copy of the report to the Mayor.

7. **Executive Session**. Mayor Spahr announced that the council would convene into executive session at 3:25 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(i) – litigation, and RCW 42.30.140(4)(b) – collective bargaining, for approximately 20 minutes, and no decisions would be made following conclusion of the executive session.

Following conclusion of the executive session, the regular meeting was reopened, and there being no further business to come before the council, the meeting was adjourned at 3:50 p.m.

February 26, 2001

The Chehalis city council met in regular session on Monday, February 26, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Employee Service Award**. Fire Captain Bill Nacht was presented a certificate for 30 years of service.

Mayor Spahr stated the city manager was not able to attend today's meeting, and Bill Hillier would respond to any questions in Dave Campbell's absence.

2. **Consent Calendar**. Councilor Zylstra moved to approve the consent calendar comprised of the following items:
 - a. Minutes of the regular city council meeting of February 12, 2001; and
 - b. February 15, 2001, Claims Vouchers No. 55305 – 55496 in the amount of \$191,256.40.

The motion was seconded by Councilor Hatfield and carried unanimously.

3. **Ordinance No. 693-B, First Reading – Establishing a Telecommunications Ordinance**. Bill Hillier stated that following the council's work session to review the draft telecommunications ordinance, a letter was received from Richard Finnigan, the attorney representing Rainier Connect, requesting a couple of minor suggestions, which staff was taking under advisement. In addition, Municipal Research and Services Center was helpful in pointing out some additional provisions that may help the city. Mr. Hillier indicated a revised ordinance would be provided to the council for their consideration at their next meeting.

Councilor Hatfield moved to pass Ordinance No. 693-B on first reading. The motion was seconded by Councilor Zylstra.

Mayor Spahr indicated that Mr. Finnigan's letter occasionally talked about a franchise, although it was his understanding that there was no franchise involved.

Bill Hillier explained there was an interim license agreement between the city and Rainier Connect. The agreement provided that once the telecommunications ordinance was passed, Rainier Connect would be required to seek a master permit from the city. He believed that was what Mr. Finnigan was referencing.

The motion carried unanimously.

4. **Resolution No. 2-2001, First Reading – Declaring Property to be Surplus**. Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Pope and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 2-2001 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

5. **NPDES Permit Compliance Efforts**. Patrick Wiltzius stated the city was faced with an aging wastewater treatment plant and there have been permit compliance issues over the years. Because of that, staff has made a concerted effort to do whatever they could operationally to handle it without spending an abundance of money. He indicated that certain permit issues, such as ammonia and some metals, just could not be dealt with until a new plant was constructed. In particular, total suspended solids (TSS) had been a problem in the wintertime. In 1997 staff determined they could add chemicals to help aid settling in the clarifiers. Staff found that it worked, but it means a substantial increase in chemical use, and subsequent sludge treatment and disposal costs. He requested the budget be increased by \$90,000 for the additional chemical treatment.

Mayor Spahr indicated the city was under a consent decree to meet certain standards. He asked how the interim standards would compare with the permit standards the city would be working under with a new plant.

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Patrick Wiltzius indicated the standards would be much stricter with a new plant.

Mayor Spahr asked if the interim permit the city was working under was a lot stricter than the permit the city originally had.

Patrick Wiltzius stated that some of the interim limits were better than the original permit. The city was only given limits on certain items. He added that some of the limits were unreasonable and the city had made efforts in talking with the Department of Ecology (DOE) to get those changed, but DOE would not change them.

Councilor Galvin asked if the \$90,000 was for two years.

Patrick Wiltzius stated it was \$90,000 for one year - \$45,000 for chemicals and \$45,000 for sludge disposal.

Councilor Pope asked what fund the money would be taken from.

Patrick Wiltzius indicated that funding would come from the wastewater utility. He also noted that if suspended solids go down because of increased chemical use, less chlorine would be needed, so there would be a little savings on that end.

Councilor Hatfield moved to authorize staff to incur additional wastewater budget expenses to minimize total suspended solids violations of the city's NPDES permit in an amount not to exceed \$90,000. The motion was seconded by Councilor Ketchum and carried unanimously.

6. **New Financial Software Bids.** David Kelly reminded the council that Eden Systems, the company that provides the city's current financial software, advised the city last year that they were upgrading all of their systems to a Windows-based format at a cost of \$107,000. He noted the city recently spent about \$25,000 for a Y2K upgrade from Eden Systems. Staff decided to look elsewhere to make sure the city was getting the best system it could. Bids were received from seven vendors, which were then narrowed to the three lowest bidders whose qualifications were checked to ensure they met the bid specifications. Each of the companies provided demonstrations of their software. Of the three lowest bidders, staff recommended that the city contract with HMS, Inc., based out of North Carolina. Mr. Kelly indicated HMS was the lowest bidder and probably had the most technologically advanced system of the three. He stated that HMS had been in business since 1976, and their Windows-based package had been in place since 1995. Another plus of all three bids was that software upgrades were included as part of the annual maintenance fee, unlike Eden Systems. Mr. Kelly stated that all three of the low bidders charged annual maintenance fees between \$10,000 to \$12,000 per year, but HMS only charged \$5,000 if users attended an annual training seminar. He indicated that \$130,000 was budgeted for the new software and HMS's bid was \$59,000, although new hardware would also have to be purchased. He hoped to link all city buildings to the new system so each department could obtain needed information and reports on their own.

Councilor Hatfield asked what the monthly maintenance fee was for HMS.

David Kelly stated the maintenance fee was \$5,000 per year.

Councilor Hatfield asked what the cost of the hardware would be.

David Kelly stated he had an estimate of \$25,000 for a new network, which would include nine new machines, a server, and wiring. He indicated he would seek additional estimates.

Councilor Galvin questioned having two different companies do the software and hardware installations.

David Kelly stated the person putting together the hardware package was communicating with HMS.

Councilor Galvin asked what company would be doing the conversion work.

David Kelly informed the council that HMS would do the conversion. He noted that HMS had completed several successful conversions, including one at Snohomish County.

Councilor Hatfield asked when staff anticipated implementation.

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David Kelly advised the council it would take time to get the hardware together, but he hoped it would be by mid-April.

Councilor Galvin asked if the new system would take much retraining.

David Kelly indicated it would, but HMS would provide a two-week training session, which was included in their bid price. He also mentioned that when other agencies had training sessions, city staff could attend those as a refresher course at no cost.

Councilor Hatfield moved to authorize the city manager to enter into an agreement with HMS, Inc., to provide financial software services for the city. The motion was seconded by Councilor Zylstra and carried unanimously.

7. Staff and City Council Reports.

a. **Wastewater Division Annual Report.** Patrick Wiltzius stated the wastewater division has numerous reports that it must submit to the Department of Ecology (DOE). The reports and other wastewater data are compiled into one book as an annual report. The report includes five main sections consisting of a narrative, inflow and infiltration, assessment of flow and waste load, biosolids, and detailed data and graphical representations for influent and effluent parameters. Mr. Wiltzius gave a brief explanation of each section and also provided a few statistics for the year.

b. **2000 Year-end Budget Status Report.** David Kelly stated the numbers looked better than staff had hoped. Utility taxes were substantially higher. The unreserved beginning fund balance for 2001 was actually about \$144,000 higher. He indicated it was the same situation in the water-sewer fund.

Mayor Spahr asked how long the city would feel the impacts of the retroactive sales tax rebates to logging industry companies.

Bill Hillier indicated there was traditionally a six-year claim period, so he did not expect anyone to seek a rebate after that amount of time.

David Kelly estimated the city would probably lose \$20,000-\$40,000 annually due to the exemption. He stated that he looked at major retail sales tax contributors to the city for the year 2000 and found that most of them were pretty static, although a couple of the larger ones were substantially higher. He felt sales tax would continue to grow.

c. **Community Substance Abuse Reduction Project.** Randy Hamilton indicated the city was approached by citizens with concerns about drug activity. He stated there was a real difference in what those people thought the police could do and what the police really could do, but it was obvious the city needed to do some community outreach. The city applied for and received a grant through the Community Network, a DSHS grant for substance abuse education. He explained that the grant was administered through Centralia College, and the city contracted with the Dispute Resolution Center because of their experience with bringing people together. He introduced Mary Myhre-Pancake of the Dispute Resolution Center who was working part-time at the police services division to help coordinate the project. Chief Hamilton reported that two citizen groups were formed to advise and provide information. In addition, the group was finalizing a community survey. He noted that the grant would run out in July, but they would reapply.

Mary Myhre-Pancake distributed a draft of the community survey, along with a brochure entitled "Tips for Stopping Drug Activity in Your Neighborhood." She stated that the citizen groups decided that four basic committees were needed, including an enforcement committee to help the police services division with enforcement issues, help get information to the community, and plan activities to assist with enforcement of drug and substance abuse issues; a parent support group for parents to informally get together and talk to each when they discover their children have serious drug problems; a public information group to focus on education and getting the word out about drugs to the community; and a group to look at increasing the treatment options available. Ms. Myhre-Pancake indicated the survey would show the attitudes of citizens, impacts, how citizens perceive their community, and what they're involved in. The survey would be distributed in the five areas of the city as designated and used by the police services division for statistical reasons. The surveys would be colored-coded so the group can determine the specific concerns of individual neighborhoods and the city as a whole. Additional meetings would then be held with each neighborhood to discuss the results.

Randy Hamilton hoped it was a project that would continue and become "citizen staffed" to encourage citizens to take an active part and gain some empowerment in their own neighborhoods.

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Councilor Hatfield asked what would happen when the grant ran out.

Randy Hamilton hoped there would be enough citizen volunteers to keep the program going, and he reiterated staff would reapply for grant funding. He added they were also seeking other potential grants.

d. **Closure of Postal Substation in the Downtown Chehalis.** Joanne Schwartz stated that as the council was aware, the postal substation in downtown Chehalis was closed due to Cascade Stationery's decision to terminate their contract. The postal service then determined they would not reopen a substation anywhere else in the downtown area even though a business was willing to do so. She stated that she contacted Brian Baird's office and he, along with postal service representatives, will hold a town hall meeting on the subject on Monday, March 19, from 5:00 p.m. to 6:30 p.m. at the Colony House. Ms. Schwartz indicated she was disappointed there hadn't been any letters to the editor in *The Chronicle* because she knew people were upset about the issue.

Councilor Hatfield thought it was a laudable goal, but since the substation had been closed, he had not heard any concerns expressed by disabled persons about the issue.

Joanne Schwartz believed that handicapped access was still an issue even if nobody was writing letters.

e. **Thanks to Public Works.** Tony Ketchum stated the water in his neighborhood was recently shut off for repairs, and he thanked the public works crews for restoring the service about two hours ahead of schedule. He indicated that he appreciated their efforts.

f. **Chehalis Basin Partnership Meeting.** Mayor Spahr stated he attended a partnership meeting last week where a report on temperature TMDLs was heard. Members were able to ask DOE representatives some pointed questions. They also heard a report from EPA staff on salmon recovery, which was quite interesting. He added that he was also able to share with an EPA representative, some of the city's experiences with DOE.

8. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 4:00 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(i) – potential litigation, for approximately 10 minutes, and no decisions would be made following conclusion of the executive session.

Following conclusion of the executive session, the regular meeting was reopened, and there being no further business to come before the council, the meeting was adjourned at 4:10 p.m.

March 12, 2001

The Chehalis city council met in regular session on Monday, March 12, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Andy Sennes, Property Manager. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Proclamation – Red Cross Month.** Mayor Spahr read and presented a proclamation to Andrea Carter, executive director of the Lewis County Chapter of the American Red Cross, proclaiming March as Red Cross Month.

2. **Consent Calendar.** Councilor Zylstra moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of February 26, 2001; and
- b. February 28, 2001, Claims Vouchers No. 55497 – 55612 in the amount of \$65,845.05; February 28, 2001, Payroll Vouchers No. 15299 – 15432 in the amount of \$431,512.41; and Transfer Voucher No. 1485 in the amount of \$1,261.35.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Update on Earthquake Damage Assessment and Repair Steps.** Joanne Schwartz reported that staff had been inspecting and assessing damage in both private and public facilities. No buildings were found unsafe to enter or occupy, although some private citizens had quite a bit of damage (lots of chimney damage). The main damage to the city occurred at city hall, the library, and a pump at the Chehalis River pump station. Damage was also discovered today at the wastewater treatment plant, including cracks and an interior office that was raised above the hallway. She stated that she and David Kelly were coordinating with Lewis County Emergency Management and would be meeting with FEMA representatives on March 14. Todd Mason, a local structural engineer, was hired by the city at the recommendation of a WCIA insurance adjuster, and he confirmed that city hall and the library were safe to occupy. Ms. Schwartz stated that quotes were being sought to repair both buildings.

Ms. Schwartz indicated that city hall had minor movement of boxes and shelves in the basement. The first floor had minor sheet rock and stucco damage. Major damage was done to the second floor, including cracks to the exterior walls at the ceiling, along with the rear door and chimney walls. Municipal court would be moved to the first floor during the repair process, which could take up to four weeks to complete. The library had minor sheet rock and stucco damage and lots of books on the floor. The second floor had damage to the exterior walls at the ceiling. A main central beam cracked loose, and a hot water heating register broke a fitting and caused minor water damage to the carpet. The second floor would have to be closed in order to make the needed repairs. The exterior of the library had an eight-inch crack from the top parapet cap all around the building. Stucco was separated from the building on the southwest corner. Two bricks were broken from their mortar, and minor surface cracks were found in the stucco on the southeast and northeast sides of the building. She indicated that the library had previously been retrofitted, but since there were very few, if any, records from the 1949 and 1965 earthquakes, they were not sure when that work had been done.

Ms. Schwartz also noted that in staff's quest to find historical data, a volunteer (Joan Seip) read through council minute books from the post-1949 and 1965 earthquakes to see if there was any comment regarding repair work to city facilities. Nothing was found in the minutes, so Ms. Seip went to the museum. The information found there was not particularly helpful in what staff was looking for, but it was very interesting in terms of history of the city hall and library buildings.

Mayor Spahr asked how long it would take to get estimates for the repair work.

Andy Sennes hoped to have the estimates by the end of the week.

Mayor Spahr asked what the damage was to the wastewater treatment plant.

Joanne Schwartz indicated there were cracks on the outside of the building and on a small, elevated walkway, and the interior of one office was raised above the hallway. Community services staff would be inspecting the damage today or tomorrow.

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4. **Resolution No. 3-2001, First Reading – Declaring an Emergency.** Dave Campbell explained that the resolution was necessary in order for the city to take action as quickly as possible to begin repairs to city facilities as a result of the earthquake. The resolution would also waive some of the normal administrative processes.

Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 3-2001 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

5. **Water and Wastewater Utilities Ordinances Clarification.** David Kelly stated he was recently questioned by some citizens as to why the city charged base charges the way it did for multiple units. In reviewing city ordinances he found a discrepancy in the way the ordinances were written and how they were being applied. He used an example of a building with one water service and four separate businesses each having its own bathroom or other water facility. In some instances, customers were charged one base charge for the unit, while others were charged four base charges. He indicated that the billing of customers needed to be consistent. Mr. Kelly illustrated the different formulas currently being used to calculate base sewer charges for commercial accounts. He estimated that about 25 businesses would be affected, and he provided a spreadsheet showing what businesses were presently being charged, along with the estimated changes and the costs associated with them. He proposed that charges not be based on a formula, but rather determine how many businesses were in a particular building and determine if they were using water for their sole purpose, and then charge one base charge per business.

Mayor Spahr thought it might be unfair to charge a business the same base charge as a single-family residence when a business may just have a sink in its building.

Councilor Hatfield questioned whether the issue was a bit too complex to tackle at today's meeting, and he suggested that the GMA committee or another council subcommittee review it more thoroughly.

Ron Sharp stated that he owned a commercial building at 223 NW Chehalis Avenue, and had written several letters regarding base charges. He thought that if the city had everything tied to usage charges it would clean up the policy. Mr. Sharp also thought residential accounts should be billed on a monthly basis and commercial accounts on a bimonthly basis instead of the opposite. He stated that his base charges were sometimes twice as much as his usage charges. He also expressed concern that even though the water to his commercial building was shut off, the base charges continue to be billed.

Mayor Spahr pointed out there were elements that Mr. Sharp was forgetting – a Department of Ecology (DOE) consent decree and bonding issues. He explained that the reason the city established base rates was because of the DOE consent decree, and, the fact that the city was going to have to bond a lot of money. The city had to show its ability to pay. He stated that Mr. Sharp, as an owner of a facility, had a proportion of that to pay.

Mr. Sharp thought the rates should be based on usage. He suggested increasing the usage rates to compensate for the loss of not charging base rates.

Mayor Spahr stated that DOE would not recognize usage.

Mr. Sharp still believed there was a problem when your fixed base charges were greater than your property taxes, even when a service was shut off.

Frank Mason hoped citizens could be included if a committee was formed to look at the issue. He stated that he owned a residential home in Chehalis that had a business run out of it. Mr. Mason explained that in the last few years the building had been used for residential purposes only, but he was being charged two base sewer charges, even though there was one water meter. And, because he was being billed two sewer charges, the account had to be kept in his name. He indicated that he understood why the water and sewer rates were the way they were, but with the amount that bills could be, and by the time they are considered delinquent, he would like to see monthly billings. Mr. Mason noted that in a six-month period last year he paid the city \$1,200 for bills that tenants left. He also expressed concern that if tenants leave bills, the city will not turn the service back on for the next tenant until the previous bill was paid. He indicated that from that point the city makes no effort to collect the bill.

Mayor Spahr suggested that the council's existing water system plan committee (Mayor Spahr, and Councilors Ketchum and Zylstra) review the issue.

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Arny Davis, executive director of The Chamber, indicated that he would like to be of service to the committee to help protect business interests.

Councilor Pope moved to table the issue until the council's April 9 meeting. The motion was seconded by Councilor Hatfield and carried unanimously.

6. Agreements with Chehalis Power, Including Ordinance No. 693-B, First Reading – Approving the Amended Utilities Development & Annexation Agreement. Dave Campbell stated there were a series of documents and agreements with Chehalis Power, Inc., (CPI) for the council's consideration and approval. He asked that the council take separate action on each document, although most of the agreements were tied together and cross-referenced each other.

Utilities Development & Annexation Agreement. Dave Campbell stated that the agreement was previously approved by the council, and staff was recommending an amendment to it, which had to be done in ordinance form. He explained that it was originally approved in ordinance form last May. Mr. Campbell noted that the agreement was part of the Municipal Services Agreement, which the council began discussing last December. During that discussion it seemed that most or all of the council wanted to see additional language with respect to the potential liability for sales tax to be paid by CPI during and on the basis of their construction for the power plant. It was agreed to include the language in the Utilities Development & Annexation Agreement. Mr. Campbell stated the agenda report outlined two alternatives for amending the agreement, including one from staff and one from the council GMA committee. Staff's version was based on the full council's discussion last December, and provided that if the state approved an exemption for the sales tax obligation, CPI would still pay an equivalent amount to that (at least the amount of the local share of that sales tax to the city) to be used for construction of capital improvements in the urban growth area. The GMA committee's version would provide for a credit/offset to that liability/obligation in the amount of the value of the wastewater improvements made by CPI that didn't directly or solely serve or go beyond what was necessary for the plant itself. In dollar terms, the local share of the sales tax on construction was estimated to be \$2-3 million. The offsetting amount that CPI would be installing, in terms of wastewater facilities that go beyond what would serve their needs, was estimated to be about \$1.6 million. Mr. Campbell noted it might not even become an issue at all if the legislation does not pass out of Olympia.

Mayor Spahr asked if CPI would have to make a claim if the legislature eventually provided for an exemption in future years.

Bill Hillier indicated that was normally the process. They would have to seek reimbursement through application. He went on to say that by CPI signing the agreement, they were waiving their claim to the local portion of the sales tax.

Councilor Hatfield moved to amend the Utilities Development & Annexation Agreement to include the GMA committee's version of the amendment. The motion was seconded by Councilor Pope.

Councilor Zylstra asked what the GMA committee's rationale was for their proposed language versus staff's.

Councilor Hatfield stated his rationale was based on a number of items. He thought the possibility of sales tax relief would be a moot point. CPI agreed not to charge latecomer fees, which would greatly enhance the development possibilities in the industrial park and the Port of Chehalis. They agreed to annexation upon request, and to put in some additional (\$1.6 million) infrastructure improvements, which they didn't have to do to get their power plant to work. And, if it did come to pass and there was \$2-3 million in sales tax, and CPI made \$1.6 million in improvements, the city would still stand to gain \$1 million to help with infrastructure improvements in the future.

Mayor Spahr added that in the original Utilities Development & Annexation Agreement it provided that if a sales tax exemption was granted CPI would take it. By amending the original agreement, CPI would only be able to get back that portion which it was building back into the city's sewer facilities over and above what they needed.

Rose Spogen (174 Yates Road, Chehalis) indicated that she took exception to what she keeps hearing about it taking Tractebel seven years to site their plant. She stated that their application was submitted in September 1994, and was approved the first time in March 1997. It was then Tractebel's choice, for whatever reason, not to come back until December 1999 for their amendment. The agreements between the city, the county, the Port of Chehalis, and Chehalis Power were entered into and were outside the EFSEC process, and any delays were the responsibility of those involved.

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Ms. Spogen thanked those citizens that supported the critical issues council in taking part in the process as an intervenor to the proceedings. They came together with a purpose – if the plant was going to be, it had to be the best it could be. They believed the citizens of Chehalis and those in the county deserved no less. They knew they could be giving up to the facility a precious water supply that one day may compromise their own water supply and future growth to the area. They knew they were taking a risk with the air they breathed that would never be the same, and the noise would be constant. The coming years would determine whether having the facility would attract or detract from the industrial park that was once envisioned, or whether the tax revenues would be as long-lasting as promised. She indicated that we couldn't even say with any certainty if the community would even benefit from just one kilowatt hour. Since December of 1993, issues were posed to the city council, the county, the port, the newspaper, and to the public by members of the critical issues council. Ms. Spogen stated that they were disregarded in every kind of manner, but today she could say that their concerns were right on the money and the members could be extremely proud that they did their homework. She questioned whose homework that should have been. She stated that the members of the critical issues council stayed with the process regardless of the expended time and not-so-pleasant moments, and held their goal. She ended by stating that if anybody wanted to call that obstructive so be it. She viewed it as constructive and asked the city to notify the residents in south Chehalis that were in close proximity to the off-site water reservoir to a meeting to have the opportunity to be informed and ask questions.

Councilor Hatfield restated his motion, and the motion carried unanimously.

Ordinance No. 693-B, First Reading – Approving the Amended Utilities Development & Annexation Agreement.

Councilor Hatfield moved to approve the Utilities Development & Annexation Agreement as amended. The motion was seconded by Councilor Pope.

Bill Hillier indicated that the motion should be to approve Ordinance No. 693-B.

Councilor Hatfield withdrew the motion and Councilor Pope withdrew the second to the motion. Councilor Hatfield then moved to pass Ordinance No. 693-B on first reading. The motion was seconded by Councilor Zylstra and carried unanimously.

Municipal Services Agreement. Dave Campbell stated that the agreement included schedules, and the Utilities Development & Annexation Agreement and Facilities Construction Agreement. He stated that the agreement sets out the obligations of the city and CPI with respect to the supply of water and sewer service to the plant. It also sets out the routing for the necessary infrastructure. It provided that CPI would install an estimated \$5 million worth of new water and sewer infrastructure in the southern end of the city's utility systems that would alleviate a bottleneck in wastewater service capacity. It would also allow for the eventual extension of wastewater service to Hamilton Road, along the west side of the freeway, which was also in the city's urban growth area.

Councilor Hatfield moved to approve the Municipal Services Agreement. The motion was seconded by Councilor Pope.

Councilor Zylstra noted that in the table of contents under Article 7, it showed four subsections, yet in the body of the agreement there were only three subsections. The subsection pertaining to emergencies was missing.

Bill Hillier explained that the subsection relating to emergencies was deleted, but the table of contents was not amended to reflect the change. The subsection was removed because of a concern that CPI may be treated more favorably than others. A city ordinance was included as an exhibit to the agreement, which provides that the council makes the ultimate decision on who gets service first, and Chehalis citizens take priority over businesses.

Mayor Spahr asked what constituted an emergency.

Bill Hillier stated it included acts of God – instances where there was a break in service, such as an earthquake.

John Mudge (190 Sanderson Road, Chehalis) stated that he was the president of the critical issues council. He felt that an initial 80-year term agreement was beyond the useful life of the plant.

Dave Campbell indicated the agreement provided for an initial term of 30 years, and up to 10 additional 5-year extensions.

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Mr. Mudge thought it seemed grossly unfair to bind the council's successors in office to an agreement for 80 years. He also noted there was no language that limited CPI's use of the water to producing power.

Bill Hillier indicated the agreement was tied to CPI's EFSEC permit, which was an exhibit to the Municipal Services Agreement.

Mr. Mudge understood there would be a water tank on Yates hill, and that CPI talked about having 5 million gallons of water in their total storage capacity. He didn't believe that Yates hill was the most stable hillside and expressed concern about the tank breaking. He felt there should be an extensive public process for the location and construction of the tank because it was a definite threat to anybody downhill from the reservoir.

Councilor Pope asked who had done a study to determine that the hill was unstable.

Mr. Mudge indicated it was based on the knowledge of the people who live in the area.

Councilor Pope indicated that was not acceptable. Mr. Mudge was stating a fact that the hill was not stable, but there had been no study to determine that.

Mr. Mudge indicated that he thought it was unstable and it ought to be looked at by somebody who knew what they were doing. He also understood there was a 12-inch line that would go from the tank to the site, and he questioned if that would serve any other purpose, such as serving low pressure problems in the area.

Jim Nichols explained that Gibbs & Olson used the computer of the city's water system to evaluate how the proposed reservoir would impact the system. It would basically stay the same or improve pressures by a few pounds. It did not show any negative impact based on the modeling.

Mr. Mudge asked how the lines would be routed.

Dave Campbell stated there would be a permitting process and engineered standards that the reservoir would have to comply with as it went through the design process.

The motion carried unanimously.

Facilities Construction Agreement. Dave Campbell stated the agreement outlined the obligations of CPI and the city with respect to the actual construction and installation of the new water and sewer lines and associated infrastructure. It also provided for a schedule for the installations and construction to take place.

Councilor Hatfield moved to approve the Facilities Construction Agreement. The motion was seconded by Councilor Zylstra.

Councilor Hatfield added that the agreement outlined what would be done during construction, who would be in charge of construction, and who would pay for the construction.

Councilor Pope added it would also provide for the city to have a review engineer on site at CPI's expense.

The motion carried unanimously.

Memorandum of Understanding. Dave Campbell stated the MOU memorialized the waiver of the water main extension connection fees that otherwise would be paid by CPI. And, as a trade-off, CPI was waiving any rights to latecomer fees in connection with the development of the new water and sewer lines after construction.

Councilor Hatfield moved to approve the Memorandum of Understanding. The motion was seconded by Councilor Galvin.

Bill Hillier noted that since preparing the MOU, the person signing on behalf of CPI was retired from the company, so the document would need to be modified as to who would have authority to sign on CPI's behalf. It would also be modified to

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provide that the sum total of the MOU related to latecomer fees and water main extension connection fees being waived, and that there were no other understandings.

Councilor Hatfield noted that the agreement provided a waiver for extension fees, but not for connection fees or water usage fees. It also spelled out that latecomer fees would be waived.

The motion carried unanimously.

7. **Staff and City Council Reports.**

a. **American Flag Donations.** Tim Grochowski stated that the city's American flag supply began to be depleted last year. Letters were sent to several service organizations and the city received \$891.50. A local merchant, Mr. Dave Waldock, agreed to work with the public works department to accept donations and purchase replacement flags at a reduced cost. Mr. Waldock was able to purchase 47 flags. The Chehalis Rotary Club also indicated their willingness to donate \$700. He noted that any citizen could make a donation at city hall, and their donation would only be used for flag purchases. Mr. Grochowski indicated that the flags were flown last year from July 4 to Labor Day, and he asked if the council would like to see that happen again this year. The council agreed that it would be nice to see the flags flying. He also noted that a donation was received from the community services department in remembrance of community service employee John Smith's wife.

Councilor Hatfield thanked the public works staff for their efforts in getting the old street sweeper up and running again.

b. **Ellis Oliver Business Series.** Joanne Schwartz informed the council that a program was being offered by the Ellis W. Oliver Endowment held by the Centralia College Foundation. Mr. John Schallert, founder of Schallert & Associates Inc., Retail Consulting Firm, would be in Chehalis and Centralia March 15-16 to talk to retailers about how to increase their profits by improving their images.

c. **Adopt-A-Planting Program.** Joanne Schwartz reported that Andy Sennes put together an Adopt-A-Planting Program due to budget cuts in the community services department. The program allows downtown businesses to adopt planters in the downtown area. She also wanted to remind downtown business owners not to sweep debris into the street because the street sweeper was not able to pick up the debris along the curb.

d. **Annual Lewis County Literacy Council Knowledge Bowl.** Mr. Campbell stated that the city would again have a team participating in the knowledge bowl. The city's team was being sponsored by Hillier & Scheibmeir, and team members included Jim Nichols, Jim Armstrong, Bill Hillier, and Jerry Boes.

e. **Skate Park.** Councilor Ketchum stated that the old tennis courts at Millett Field have been being used as a skateboard park, and he had received several calls from his neighbors. They didn't particularly care that the kids were using it as a place to skateboard, but they were concerned about the safety of kids and the city's liability.

Dave Campbell stated that he would work with the park staff and city attorney about the city's obligations in terms of liability.

There being no further business to come before the council, the meeting was adjourned at 4:35 p.m.

March 26, 2001

The Chehalis city council met in regular session on Monday, March 26, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Bob Venemon, and Dave Zylstra. Councilor Isaac Pope arrived at 3:03 p.m. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Mark Petrie, Water Superintendent; Andy Sennes, Property Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Consent Calendar**. Councilor Galvin moved to approve the consent calendar comprised of the following items:
 - a. Minutes of the regular city council meeting of March 12, 2001;
 - b. March 15, 2001, Claims Vouchers No. 55613 – 55772 in the amount of \$167,170.65;
 - c. Re-appointments of Jackie Clark, Clarice Stefon, and Shanda Veatch to 4-year terms on the sister city committee expiring September 30, 2004;
 - d. Intergovernmental agreement with EFSEC for plan review and inspection services associated with on-site Tractebel plan construction; and
 - e. Agreement with RB Engineering for engineering services associated with off-site Tractebel plant utility improvements.

The motion was seconded by Councilor Venemon.

Councilor Hatfield asked if it was correct that the agreement with RB Engineering related only to the infrastructure work being done, and had nothing to do with the construction of the plant itself.

Jim Nichols indicated that was correct.

Mayor Spahr asked Jim Nichols to explain how RB Engineering was chosen.

Jim Nichols stated the city's consultant roster was used to select the firm. He explained that public works advertises once a year for engineering services for all potential engineering needs the city may have for the course of a year. The advertisement covers all of the city's engineering needs for that year and the city does not have to re-advertise for each specific project. The city did have the option of advertising if a unique project came up, but when a need falls under general engineering work, any firm can be selected from the roster. Mr. Nichols indicated that in this particular case, the city wanted a local firm that could be responsive to the city's needs and had municipal experience. In reviewing the qualifications of all the firms on the roster, staff selected RB Engineering as the firm that was best suited and able to provide the services.

Mayor Spahr indicated that the original plan was to hire an employee for the project. He commended staff for not hiring an employee and going with a firm. He asked how many firms were on the consultant roster.

Jim Nichols estimated there were probably 30-40 firms, mostly located throughout western Washington.

Councilor Hatfield asked why the project did not go out to bid.

Jim Nichols stated it could not be put out to bid. State law prohibited the negotiation of costs for engineering services. Staff could have put out a request for qualifications/proposals, but the consultant roster served in that purpose. The roster was the qualification process for any city engineering project throughout the year, and the city was not required to use any other process beyond the roster process itself.

Mayor Spahr asked how the engineering services costs were determined.

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Jim Nichols explained that the city could not ask for the submittal of costs to include in the evaluation process. The costs for engineering services from RB Engineering, which were included in the agenda report, were provided to the city once RB was selected. Public works staff then met with RB to discuss the scope of work. He noted that Gibbs & Olson also met with RB because Gibbs & Olson was the design engineer for Tractebel, and staff wanted to make sure that Gibbs & Olson was comfortable with the selection.

Councilor Hatfield asked what recourse the city had if, after a firm was selected, their proposal was way out of the ballpark.

Jim Nichols explained that after the selection was made the scope of work was negotiated, and the selected firm submits their cost estimate. The city then has the option of negotiating changes to the scope of work, and if it comes to the point where it was just not feasible, or even it was outside the city's budget, the city can then go to another firm and start the process from the beginning.

Councilor Hatfield thought there was some confusion about the various bid laws. There was also a state statute that allowed cities to not go to bid if a project was under \$30,000, for other than engineering services.

Jim Nichols indicated it was \$20,000 or \$30,000.

Councilor Hatfield indicated that would be for construction/equipment.

Jim Nichols indicated that was correct, and he stated that the city also has a small works roster for those types of projects.

Councilor Pope asked Jim Nichols if he had ever worked with anyone from RB Engineering.

Jim Nichols stated that when he worked at the city of Olympia he did work with an individual who was now with RB Engineering.

Councilor Pope asked if Mr. Nichols saw any conflict of interest there.

Jim Nichols indicated that his knowing one of the staff members from RB Engineering was not taken into account as far as the evaluation process went. He used the information provided by any firm on the city's consultant roster as part of the evaluation. He assured the council that there was no conflict of interest or favoritism being shown based on previous working relationships, and he felt he was objective enough to separate that out of the selection process.

Mayor Spahr also noted that, in regard to item "d", EFSEC had certain responsibilities they were required to do, and they were contracting with the city to do them. EFSEC would be paying the city for those services. The motion carried unanimously.

2. Ordinance No. 693-B, Second Reading – Approving the Amended Utilities Development & Annexation Agreement with Chehalis Power Generation Limited Partnership. Dave Campbell reminded the council that the first version of the agreement was passed by ordinance last May, and was now being amended to address the potential exemption from paying sales tax on construction by Chehalis Power. The amendment would provide that if an exemption was granted the company would still pay to the city an amount equivalent to the local share of what the tax would have been, offset by the value of the new wastewater infrastructure that the company would install that went above and beyond that which would be needed to serve their plant alone.

Councilor Hatfield moved to pass Ordinance No. 693-B on second and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

3. Rebudgeting Unspent 2000 Cable Television Franchise Consultant Money. Dave Campbell stated that the council approved \$18,000 in the 2000 budget for consultant services related to negotiating a new franchise agreement for cable television with AT & T. \$11,000 of the \$18,000 was spent last year working through Stephen Jolin of MuniCom. Mr. Campbell stated that from last year's budget the unspent money and revenues received resulted in a carryover for 2001. Since staff was not yet done with the negotiations with AT & T, he requested that the remaining \$7,000 be rebudgeted for consultant services.

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Councilor Hatfield moved to direct staff to prepare the appropriate budget amendment to move \$7,000 from the beginning fund balance to the general fund for the sole purpose to be spent on further negotiations with AT & T relating to the cable television franchise. The motion was seconded by Councilor Zylstra and carried unanimously.

4. **Staff and City Council Reports.**

a. **2000-01 Council Goals Status Report.** Dave Campbell reported on activities taking place during the last quarter relating to the 2000-01 council goals. Mr. Campbell highlighted several goals, including: improvement of the city's fire protection rating; implementation of the adopted water system plan; continuation of the redevelopment of Recreation Park; promotion of the revitalization of downtown; completion of the overlay of State Avenue, implementation of TMDL consent decree requirements; and cable television franchise renewal negotiations.

b. **Water System Plan Review Committee.** Mayor Spahr indicated that the group (Mayor Spahr, and Councilors Ketchum and Zylstra) had met with staff. He stated that they know there are deficiencies in certain areas with regard to fireflows. The problems were being addressed as time allowed, but the committee felt it was important to find out exactly where the deficiencies were and address those areas.

Jim Nichols added that staff reviewed the city's five-year-old fire master plan and the existing water system plan, and put together what those documents provided as far as recommendations for improving the fireflows throughout the city, although staff didn't find out as much as hoped because the plans were not as definitive as first thought. He provided a map indicating pipe sizes throughout the city, which showed that several areas were significantly undersized compared to city standards, while others had a potential for being undersized. About half of the fire hydrants in the city had been tested to determine fireflows, and a small percentage showed failure. He assumed that some of the untested hydrants would also result in not meeting city standards. Mr. Nichols stated that staff recommended to the water system plan review committee to use Gibbs & Olson to manipulate the city's existing water model to determine areas in the city that have distinct fireflow deficiencies. They could then determine what areas were the most important to begin focusing on. An engineering firm could then be used to determine what needed to be done in those specific areas to bring them into compliance. He added that Gibbs & Olson could complete the first phase for approximately \$2,500.

Councilor Hatfield stated that Mr. Nichols mentioned that some of the tested hydrants failed. He asked if that meant there was no water coming out at all, or that they didn't meet the gallons per minute standard.

Jim Nichols indicated that the hydrants didn't fail, but they did not meet the required fireflows.

Councilor Hatfield asked when they expected to have the remaining hydrants tested.

Jim Nichols stated that the hydrants were being tested on an as-able or as-needed basis, but staff could certainly devote resources specifically to that task, which would take the shifting of people from other distribution system work.

Councilor Hatfield thought it was important to have all the hydrants tested and the results compiled in order to prepare an accurate report.

Jim Nichols indicated they could certainly include that in the scope of work. It would be a key piece of information, but it was only one piece. Knowing a hydrant's fireflow wouldn't necessarily tell you the extent of what needed to be done to correct the problem.

Mayor Spahr asked if what Gibbs & Olson would be doing would show the hydrant's flow.

Jim Nichols stated it wouldn't. It would only identify an area or zone that was deficient.

Mayor Spahr suggested that the city wait for Gibbs & Olson's report, then have staff test the hydrants in identified deficiency areas.

Jim Nichols indicated he still wanted to see that all of the hydrants were eventually tested.

c. **Hedwall Park Yard Waste Site.** Councilor Hatfield asked when the yard waste site would be open.

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Joanne Schwartz informed the council that permits were currently available at community services for \$24.

Andy Sennes stated that the site would open on Sunday, April 1.

d. **Recreation Park Fields.** Bud Hatfield stated that the fastpitch fields at the park looked great and he extended his thanks to Andy Sennes, community services staff, and members of the community for their hard work, support, and dedication to bring the facility up to class with any in the state.

e. **Unauthorized Skateboard "Improvements" at Millett Field.** Jason Imes (1115 "L" Street, Centralia) stated he was involved with the Twin City Sport Court group. He agreed it was a good idea that the city was removing the homemade skateboard park because it was probably not well constructed or safe.

Mayor Spahr indicated it was not that the city was not supporting the children using the park, but the city had to consider the liability. City staff would be going to the site this evening to talk to the kids about why the city was doing what it was.

Sandy Seeger (784 NW Maryland Avenue, Chehalis), project coordinator for the Twin City Sport Court, stated that she would also be in attendance at tonight's meeting. She stated that she recently went to Millett Field to talk with the kids, and she thought that when she left they better understood the city's situation. She also expressed concern about kids being around the marsh at the site because of the chemical spills in that area. Ms. Seeger stated that she would be making a presentation about the Twin City Sport Court on March 28 at 8:00 a.m. at the high school, and at 11:00 a.m. at the middle school.

Councilor Pope stated that he recently watched the kids at Millett Field and expressed concern about their safety.

Sandy Seeger stated that although the Millett Field situation was a city issue and not a Twin City Sport Court issue, she would be there tonight to do what she could.

Councilor Hatfield clarified that the swamp area near Millett Field was not a hazardous waste site. The area had been cleared by both the Department of Ecology and the Environmental Protection Agency. He also questioned Ms. Seeger's comment about it being the city's responsibility to construct a skateboard park in lieu of the homemade one at Millett Field.

Sandy Seeger indicated that was not what she said. She was not addressing the fact that the city was closing the skateboard park at Millett Field, but she was addressing the fact that her group was trying to construct a facility that was safe.

Dave Campbell noted that properly designed and constructed skate parks or sport courts have apparently resulted in minimal liability, which was the sort of thing that Ms. Seeger's group was aiming for. He indicated that the biggest concern of staff and the city's insurance carrier was what was represented at Millett Field was really not properly designed, which created significant liability.

Councilor Galvin indicated that according to the paper the city had physically locked the court. He asked if that was true.

Dave Campbell stated that the city had not done that.

5. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 3:50 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(i) to discuss potential litigation for approximately 10 minutes and no decisions would be made following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:00 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

April 9, 2001

The Chehalis city council met in regular session on Monday, April 9, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Andy Sennes, Property Manager; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Proclamations/Presentations.**

a. **Employee Service Awards.** Mayor Spahr presented an employee service award to Bill Appleby, wastewater collection specialist, for 15 years of service. Police Officer Gary Wilson was also recognized for 15 years of service, but was not in attendance.

b. **Altrusa Awareness Day – April 11.** A proclamation was read by Mayor Spahr proclaiming April 11 as Altrusa Awareness Day. Debbie Campbell accepted the proclamation on behalf of Altrusa International of Centralia/Chehalis, and introduced Bonnie Canaday, president, and Joyce Barnes, vice president. Ms. Canaday noted that this year Altrusa gave back \$13,000 to the community.

c. **Recognition of Dave and Rose Spogen for their Work on the Recreation Park Renovation Project.** Mayor Spahr, Lilly Wall, and Andy Sennes recognized Dave and Rose Spogen for their work on the Recreation Park renovation project. Lilly Wall thanked Mrs. Spogen for her efforts in obtaining donations to complete the upstairs of the concession stand, which was used to operate the scoreboard and public address system. Mr. Spogen was thanked for the numerous grants he wrote totaling \$90,500. For their efforts, the Spogens received a plaque and fleece vests embroidered with Recreation Park on them. Andy Sennes provided an update on the status of the project and he also extended his thanks to the Spogens.

Mr. Spogen stated that the writing of the grants was a team effort, and Lilly Wall and Andy Sennes both deserved some of the credit.

d. **Introduction of Robin Holt, New Police Officer.** Randy Hamilton introduced Robin Holt as the city's newest police officer who joined the department on April 2.

Bud Hatfield indicated that he was not diminishing anything anyone had done with regard to the Recreation Park renovation project, but if it was not for 17 years of dedication from Andy Sennes, he didn't believe the project would have come this far. He stated that people had been involved with the project over the years, but Andy Sennes had been involved from the beginning.

2. **Consent Calendar.** Councilor Zylstra moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of March 26, 2001;
- b. March 30, 2001, Claims Vouchers No. 55773 – 55896 in the amount of \$138,146.22; March 30, 2001, Payroll Vouchers No. 15433 – 15577 in the amount of \$430,921.90; and Transfer Voucher No. 1486 in the amount of \$1,779.61; and
- c. Interlocal agreement for emergency management services with Lewis County.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Citizens Business – Letter from Mr. Brian Hardie.** Mayor Spahr stated that Mr. Hardie submitted a letter to the council regarding some bias being presented against him by Lewis County. Mr. Hardie plans to have someone speak on his behalf at a later date.

4. **Citizens Business – 19th Annual Lewis County Historical Bicycle Ride.** Rose Spogen announced that the Chehalis/Centralia Optimist Club was hosting the event on May 12, with registration from 7:00 to 9:30 a.m. at Stan Hedwall Park. Mrs. Spogen stated that she would be providing route maps to various city departments and any sweeping of gravel prior to ride day would be appreciated. She also noted that anyone in uniform would receive a free registration. Mrs. Spogen provided a brief description of the four different routes. Proceeds would support youth programs.

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Mrs. Spogen also thanked everyone who donated to the Recreation Park renovation project. She stated that a list of all the contributors to the project could be found on the sidewalk near the swimming pool. She added that it was a tremendous effort.

5. **Staff and City Council Reports.**

a. **Spring Rally.** Tim Grochowski announced that the spring rally cleanup was scheduled for May 7-11. City crews would pick up branches, grass trimmings, and other vegetation. Mr. Grochowski provided a brief history of collection amounts since 1997.

b. **Alleged Harassment.** Councilor Pope asked Randy Hamilton about the status of a complaint from youths in the community of alleged harassment by some members of the police department

Randy Hamilton indicated he had been waiting for a final report and was meeting with an investigator from the city of Lacey tomorrow. A report would be provided at the next council meeting.

c. **Brian Baird.** Mayor Spahr stated that he was invited to a round-table discussion on April 11 at 4:00 p.m. at Centralia College with Brian Baird regarding state and federal permitting processes.

There being no further business to come before the council, the meeting was adjourned at 3:20 p.m.

April 9, 2001

The Chehalis city council met in regular session on Monday, April 9, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Andy Sennes, Property Manager; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

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2. **Consent Calendar.** Councilor Zylstra moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of March 26, 2001;
- b. March 30, 2001, Claims Vouchers No. 55773 – 55896 in the amount of \$138,146.22; March 30, 2001, Payroll Vouchers No. 15433 – 15577 in the amount of \$430,921.90; and Transfer Voucher No. 1486 in the amount of \$1,779.61; and
- c. Interlocal agreement for emergency management services with Lewis County.

The motion was seconded by Councilor Galvin and carried unanimously.

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April 9, 2001

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Randy Hamilton indicated he had been waiting for a final report and was meeting with an investigator from the city of Lacey tomorrow. A report would be provided at the next council meeting.

c. **Brian Baird.** Mayor Spahr stated that he was invited to a round-table discussion on April 11 at 4:00 p.m. at Centralia College with Brian Baird regarding state and federal permitting processes.

There being no further business to come before the council, the meeting was adjourned at 3:20 p.m.

April 23, 2001

The Chehalis city council met in regular session on Monday, April 23, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Joanne Schwartz, Community Services Director; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

Mayor Spahr called for a moment of silence in remembrance of Mr. George McCarty, Centralia city council member, who passed away suddenly on April 14.

1. **Proclamations.** Mayor Spahr read three proclamations in honor of Nurses' Week, May 6-12, CROP Walk Day, April 29, and the 60th anniversary of Fuller Market Place Grocery Stores.

2. **Consent Calendar.** Councilor Zylstra moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of April 9, 2001;
- b. April 13, 2001, Claims Vouchers No. 55897 – 56074 in the amount of \$195,288.15;
- c. Final acceptance of the swimming pool sand filter replacement project;
- d. Final acceptance of the Sturdevant loop water main extension project;
- e. Award contract to J&K Associates in the amount of \$39,964.80 for a used combination jet rodder/basin cleaner;
- f. Grant application for fire services thermal imaging camera;
- g. Purchase of firefighter mask communications equipment; and
- h. Addition of portions of NW Pacific Avenue and NW Park Street to asphalt overlay project.

The motion was seconded by Councilor Hatfield.

Tim Grochowski stated that item "h" provided for the addition of portions of NW Pacific Avenue from NW Front Street to NW Park Street, and NW Park Street from NW Pacific Avenue to N Market Boulevard to the asphalt overlay project that was approved last year for an additional \$20,250. He requested additional funding to include another 500 feet of NW Pacific Avenue from West Street to the Petra Insurance building, bringing the total cost for the additional work to \$30,836.70.

Councilor Hatfield moved to amend the main motion by amending the consent calendar to include the additional work as proposed by the public works department, not to exceed \$30,900. The motion was seconded by Councilor Zylstra and carried unanimously. The main motion, as amended, carried unanimously.

3. **Resolution No. 4-2001, First Reading – Declaring Property to be Surplus.** Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Pope and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 4-2001 on first and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

4. **Staff and City Council Reports.**

a. **Community Website.** Amy Davis, executive director of The Chamber, spoke about The Chamber's plans for a community website. The homepage would have icons for Centralia, Chehalis, Lewis County, and The Chamber. Other information would include everything from non-profit organizations to churches to tourism. Community organizations would have the ability to update their activities at no cost. All 4,400 businesses in Lewis County would be listed regardless of Chamber membership, although members would be highlighted. Funding would come from advertising. Businesses would have the opportunity to purchase a yearly ad on the homepage, or a full-color ad and/or hotlink to its own website. The charge for the latter would be \$90 for Chamber members and \$190 for non-Chamber members annually. Mr. Davis indicated that a local

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company, Hewitt Consulting, had agreed to help build a Chehalis website at a cost of about \$1,500, plus an ongoing maintenance charge.

Joanne Schwartz stated that the city desperately needed to be on-line, and she requested that a city of Chehalis website be funded through the tourism fund.

Councilor Galvin asked if The Chamber currently had a website.

Amy Davis indicated they did, and noted that the new website would be totally separate from The Chamber's existing site.

b. **First Quarter 2001 Budget Status Report.** David Kelly reported that sales tax continued to be down, in fact, the Department of Revenue informed the city that March taxes were very low. After some research it was found that a couple of significant businesses did not get their taxes turned in on time and would not be reported until April. Electricity, gas, and telephone taxes were up, and water-sewer revenues were coming in better than last year.

Mayor Spahr asked if the Department of Revenue gave any indication if the city was losing any more money on the sales tax exemption as granted to certain industries.

David Kelly stated that he did ask them that question and they were not aware of any requests for rebates.

c. **Planning Commission Hearing on Petitions.** Bob Nacht informed the council that the city was in receipt of petitions to amend the city's comprehensive plan, which was passed in July 1999, in compliance with the 1990 Growth Management Act. The Act provided that cities review their comprehensive plans, which may be done annually and must be done once every five years. Chehalis established a process and procedure for the public to request review of the plan by submitting petitions for amendment to the comprehensive plan and/or development regulations. Mr. Nacht indicated that the city currently had five petitions (three relating specifically to the comprehensive plan, one for a rezone for an area in the urban growth area, and one for a request to remove a property from the urban growth area). The review process included the submission of petitions to the city's development review committee who forwarded a recommendation to the planning commission. The planning commission set a date of May 7, at 7:00 p.m. to accept public comment on the petitions, and subsequently a recommendation to the city council. The city council would then be required to conduct a public hearing to make a final determination.

Councilor Pope asked what role Lewis County played in the process.

Bob Nacht explained that the county had a separate process to deal with petitions to amend their own comprehensive plan and/or development regulations. However, there was a direct relationship with respect to the urban growth areas between the city and the county. The county would have to make decisions in the urban growth area because they were the jurisdiction for those areas. The city really had no jurisdiction with respect to the urban growth areas, other than to request what the city would like the county to do.

Councilor Pope asked if the city would have to deal directly with the individual(s) making the requests or with the county.

Bob Nacht explained that a taxpayer or agency was entitled to petition a government for an amendment to its comprehensive plan, and once a petition was received the city was required to act on it.

He noted that there could be, and in this case there was, a relationship between what the city may want to do and what the county's regulations are under the Growth Management Act that requires the county and the city communicate about what happens within an urban growth area.

Councilor Pope thought that approving requests for the removal of properties from the urban growth area would undo a lot of work. He wondered if the city would be setting a precedent for people petitioning to remove themselves from the urban growth area.

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Bob Nacht indicated that the petition requesting removal from the city's urban growth area was not a valid petition because the city had no authority to add or remove properties from the urban growth area. He indicated that the recommendation would be to find that it was improperly submitted and reject it and refer it to the county.

Mayor Spahr asked if the review of comprehensive plans was specifically for large changes, or did it include such things as simple variance requests.

Bob Nacht stated that the Growth Management Act provided that comprehensive plans and/or development regulations be reviewed not more frequently than once a year. The timing for the city's review process was set up to be somewhat correlated with the county's, and particularly correlated with the city's budget process because some decisions with respect to the comprehensive plan may affect the budget. He explained that the comprehensive plan was generally a guideline as to how things should develop, while the development regulations implemented the concepts of the comprehensive plan. He thought that what Mayor Spahr was referring to had more to do with the development regulations rather than changing the plan itself. He indicated that if the comprehensive plan provided for or prohibited something then it had to be incorporated into the development regulations. If the comprehensive plan was silent the development regulations would typically allow it to be addressed through the board of adjustment. Unless it's precluded in the comprehensive plan the development regulations usually provide a mechanism to allow it to be heard, but not necessarily approved. Mr. Nacht believed that a recommendation from the planning commission would be presented to the council sometime in June.

d. **Earthquake Repairs.** David Kelly reported that damages to city facilities totaled about \$40,000, including \$25,000 to the library, \$10,500 to city hall, and \$4,500 in miscellaneous damages. The insurance deductible was about \$28,000 and would be submitted to FEMA, which generally pays about 75%. The state would pick up between 12½% to 25% depending upon their budget. Repairs to city hall would begin on May 16 and take about a month to complete. During that time, municipal court and city council meetings would have to be relocated.

5. **Executive Session.** Mayor Spahr announced that the council would convene into executive session pursuant to RCW 42.30.110(1)(i) – litigation, and RCW 42.30.110(1)(b) – acquisition of real estate, at 3:45 p.m. following a five-minute break.

Following conclusion of the executive session Mayor Spahr reopened the regular meeting at 4:10 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

May 14, 2001

The Chehalis city council met in regular session on Monday, May 14, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, and Bob Venemon. Dave Zylstra was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Employee Service Awards.** Employee service awards were presented to Derek Pedersen, firefighter, for five years of service; Dan Chitwood, wastewater treatment operator, for 10 years of service; and Don Schmitt, lead engineering technician, for 15 years of service.

2. **Proclamations.** Mayor Spahr read two proclamations in honor of Public Works Week, May 20-26, and Walk of Hope Day, May 14. In recognition of Public Works Week, Jim Nichols distributed copies of the department's year-end report. Mr. Norman Ball accepted the proclamation for Walk of Hope. Mr. Ball was walking 8,250 miles to raise money to save unwanted, at-risk children.

3. **Consent Calendar.** Councilor Hatfield moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of April 23, 2001; and
- b. April 30, 2001, Claims Vouchers No. 56075 – 56195 in the amount of \$148,332.83; April 30, 2001, Payroll Vouchers No. 15578 – 15714 in the amount of \$441,733.02; and Transfer Voucher No. 1487 in the amount of \$968.40.

The motion was seconded by Councilor Galvin and carried unanimously.

4. **Citizens Business – Chehalis Power, Inc. (Tractebel).** Mr. Tom Schneider of Chehalis Power, Inc., introduced Mr. Steve Bates, the senior project engineer for the project that was currently underway.

5. **Citizens Business – Veterans Memorial Museum.** Mr. Lee Grimes of the Veterans Memorial Museum asked for an update in regards to the water and fireflow problems on the property the museum was leasing from the city for its new museum location.

Jim Nichols reported that staff was working with the council's water system plan subcommittee, and at their last meeting agreed that the city contract with Gibbs & Olson to do modeling work to look at fireflow issues throughout the city, including the proposed museum site. Gibbs & Olson submitted a draft map identifying fireflow efficiencies and city staff was currently reviewing it and would be providing comments back to Gibbs & Olson. Once the map was finalized it would be presented to the council subcommittee, along with some recommendations. He hoped that would happen within the next couple of weeks.

6. **Citizens Business – Lewis County Historical Bicycle Ride.** Rose Spogen reported there were 149 riders. She expressed thanks to the public works and community services departments for their assistance for the event, especially Tim Grochowski and Lilly Wall.

7. **Telecommunications Ordinance.** Bill Hillier indicated the city would have to go back to the drawing board because of the decision by the United States Court of Appeals for the Ninth Circuit regarding telecommunications. The city could pass the ordinance as originally drafted and passed on first reading and not enforce it, or reconfigure and pass an ordinance to be consistent with the decision of the Ninth Circuit and enforce that ordinance until a second decision was made or until Congress felt there should be some sort of substantive change in telecommunications legislation.

Mayor Spahr asked if there was a chance the decision could be appealed higher than the Ninth Circuit.

Bill Hillier indicated there was. The Ninth Circuit decision was in conflict with the Sixth Circuit decision and those were the types of cases normally reviewed by the Supreme Court. The question would be whether or not the cities involved wanted to go to that expense.

May 14, 2001

Mayor Spahr asked if the city would be better off by extending its existing ordinance.

Bill Hillier stated the city did not have a telecommunications ordinance, but it did have an interim agreement with Rainier Connect to allow them to install infrastructure within the city limits. The agreement provided that Rainier Connect would comply with whatever the city's ultimate telecommunications ordinance was.

Councilor Galvin asked why the city couldn't hold its breath and go with the interim agreement until something materialized from the Supreme Court.

Bill Hillier indicated that based upon the decision of the court, the city probably could do that and simply operate under the city's current right-of-way ordinance, but he was not sure that that was what staff wanted to do. A decision had to be made that was in the best interest of the city.

Dave Campbell stated it might be possible to continue in that mode with Rainier Connect, but if another provider came in, the city may want to have something more substantive than the interim agreement.

Bill Hillier anticipated that a recommendation on how to proceed would come before the council in the next three to four weeks.

Councilor Hatfield asked if it was incumbent that the five cities involved make their appeal to the Supreme Court.

Bill Hillier indicated it was their choice. He also noted that the telecommunications providers might challenge the one portion of the decision that said it was the responsibility of the provider, at their expense, to move any infrastructure within a right-of-way if the right-of-way was reconfigured.

Dave Campbell stated that he supposed if in the Sixth Circuit the telecommunications providers appealed to the Supreme Court it could be ruled on and even if the Ninth Circuit decision wasn't appealed it could still be overridden by the Supreme Court.

7. Resolution No. 5-2001 – First Reading – Setting the Date and Time of June 11, 2001, at 3:00 p.m. for a Public Hearing Regarding a Petition for Vacation of a Portion of NW Duffy Street. Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Pope and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 5-2001 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

8. Staff and City Council Reports.

a. **Water Treatment Residuals Retention Basin (WTRRB) Project Status Report.** Mark Petrie indicated the project was moving forward. The biological assessment was currently being reviewed by the Department of Fisheries, which could take approximately three months. He stated it had already been reviewed by the Army Corps of Engineers and they had no changes. The city may miss its opportunity for construction this year, but funding from a Public Works Trust Fund loan for the project was secure. The city has a three-year window of opportunity for the loan and even if it did go beyond the three-year time period the city would be given an extension. He noted however that the city's goal was to have it completed by the end of the year, or in a worst-case scenario by the end of 2002.

b. **General Sewer Plan Status Update.** Jim Nichols indicated the city was very close to having the general sewer plan approved. Staff was working with the Department of Ecology to address their comments and with Gibbs & Olson on specifying an end-use option. He stated that once the general sewer plan was approved, staff would then be working rapidly towards completing the city's facilities plan.

Mayor Spahr asked if the state realized that the farther they put the city out on approval of the general sewer plan, the farther out the city was with finishing construction, and it was the state's deadline the city was trying to meet.

Jim Nichols indicated that staff has pointed out to the state that the consent decree requires timeliness on the state's part.

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c. **Downtown Landscape Maintenance and Upcoming Promotional Activities.** Joanne Schwartz stated there were several things going on relating to the downtown.

Joanne Schwartz introduced Jane Bates, co-owner of JJ's Bridal and Consignment, and Rory Maddox of Green Thumb Nursery. Ms. Bates and her partner, Jodee Hemphill stepped forward to have the downtown plantings redone, and Mr. Maddox offered his services and time at no charge to help with the project. Ms. Bates explained their vision of how the plantings would look, noting that they would be of little or no maintenance. The first phase of the project would be to remove all of the existing plantings and the second phase would consist of installing the new plantings. She stated that Mr. Maddox suggested making it a community project and they had already received several responses from individuals wanting to help. Ms. Bates indicated that she and her partner each donated \$500 to get the project started, and The Chamber would also be contributing some of their MEDAL funds toward the project.

Mr. Maddox thought the plantings needed to be uniform and able to stand up to the abuse they receive. The plantings would be low maintenance and would not interfere with any of the city's underground piping. He stated that he was also donating water-saver crystals to help keep watering down to a minimum. The project would be done as organically as possible, but there were times when chemicals had to be used. Mr. Maddox wanted to see some of the school children involved because he felt that if they helped with the project they would take pride in it. He announced there would be a work party on Sunday, May 20, at 10:00 a.m. to remove the existing plantings.

Joanne Schwartz indicated that notices were going out to all of the downtown business owners to inform them about the project. She added that she did receive a few responses some time ago when the city tried to start a program called "Adopt-A-Planting", but she felt this would be a more coordinated effort. She also stated that signage would be placed within the plantings naming those individuals/businesses which participate in the project.

Joanne Schwartz stated that another city activity would take place on Flag Day, June 14. She explained that a time capsule was buried 25 years ago on Flag Day and plans are underway to open it on the 14th at 3:00 p.m. The contents of the capsule will be put on display for one month, and another time capsule would be buried, along with reburial of the 25-year-old time capsule. Following the opening ceremony there are plans to have a community photo taken, which will be made into posters. There has been discussion about selling the posters for a nominal fee with the proceeds going to the city's flag fund. Following all of that, The Chamber would be hosting its second annual Chamber Business After Hours Block Party from 4:00 to 7:00 p.m.

Joanne Schwartz reported that another downtown committee was being headed by Billie Melin, owner of Billie's Designer Fabrics. The group was working on having banners designed for the downtown area. The banners are being made locally and will have a navy blue background with a red rose and the word "welcome".

Joanne Schwartz also reported that the historic preservation committee would be holding their meeting in the upstairs of the Party Papers building. She explained that the building housed an old theater that was built in 1924. The ceiling was still there, along with a lot of other memories from that year. She invited the council to join the meeting.

Dave Campbell also mentioned that the Chehalis Theater would be hosting the world premiere of "The Immigrant Garden", a movie produced and directed locally by Chehalis producer Tad Devlin. The proceeds from the two showings would benefit the Southwest Washington Dance Center.

d. **Next Council Meeting Date and Location.** Dave Campbell announced that the May 29 council meeting would be held at the Activity Building at Henderson Park due to earthquake repairs at city hall.

Councilor Hatfield suggested that the meeting be cancelled if there was nothing pressing to act on.

Dave Campbell indicated that staff would take a look at the items and reports for the agenda to determine if a meeting was necessary.

Councilor Pope felt the meeting should not be cancelled.

e. **American Cancer Society Walk.** Mayor Spahr announced that the American Cancer Society was holding its annual cancer walk on Friday, May 18, at 7:00 p.m. to raise money for cancer research.

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There being no further business to come before the council, the meeting was adjourned at 3:55 p.m.

May 29, 2001

The Chehalis city council met in regular session on Tuesday, May 29, 2001, in the Chehalis community services activity building. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Councilor Bud Hatfield arrived at 3:03 p.m. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Andy Sennes, Property Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Employee Service Award.** Mayor Spahr presented a 10-year service award to John Smith, Property Maintenance Worker, with the community services department.

2. **Consent Calendar.** Councilor Galvin moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of May 14, 2001;
- b. May 15, 2001, Claims Vouchers No. 56196 – 56387 in the amount of \$139,920.81; and
- c. Set date and time of June 25, 2001, at 3:00 p.m. for a public hearing regarding the city's 2002-2007 six-year transportation improvement program.

The motion was seconded by Councilor Pope and carried unanimously.

3. **Citizens Business – Internet Access at the Library.** A gentleman addressed the council regarding an incident that his girlfriend's 11-year-old daughter had at the Chehalis Timberland Regional Library. He explained the girl was at the library when a 17-year-old boy, who was watching pornography on the Internet, exposed himself to her. He indicated that he reported the incident to the police and to Kitty Schiltz, the head librarian. He stated that he was shocked when he was told by Ms. Schiltz that, "The library had never been a safe place and never would be a safe place for children." The gentleman also stated that he had talked to David Kelly and Brian Mittge of *The Chronicle*. He requested that blocks be placed on the Internet at the library so that this type of incident did not happen again.

Randy Hamilton reported that the 17-year-old boy was arrested. He indicated that there would continue to be problems until the library took a position to block pornography or remove Internet access. Chief Hamilton stated that both he and Sheriff McCroskey appeared before the Timberland Regional Library board and asked that they take steps to at least separate it from the computers that children use.

The gentleman stated that he didn't care what people did in their own homes, but he did not believe that pornography belonged in a public library.

Mayor Spahr indicated that he was shocked at the statement that was made to the gentleman by the librarian that the library was not a safe place. He also requested that the press not print the name of the gentleman so that the identity of the 11-year-old girl would be protected. Mayor Spahr indicated the problem was an ongoing battle in dealing with the situation, but he could not promise that the city could do anything.

Councilor Pope added that he and other local pediatricians in the area also contacted the library, but got nowhere.

Sheriff McCroskey indicated that he just spoke to the newest member of the regional library board who stated that the issue of pornography in the libraries would again be on the board's July agenda.

5. **Citizens Business – Scotch Broom.** Rose Spogen expressed concern about the abundance of Scotch Broom in the area, and thought it was worse than last year. She stated that when it caught fire it explodes like the Eucalyptus in California. She was particularly concerned about the scotch broom on the land where the proposed reservoir for the Tractebel project was being sited.

Dave Campbell stated that if the reservoir was constructed on that land there would presumably be some sort of landscaping plan.

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Mrs. Spogen advised that if the bush is cut back annually for about three years it would eventually die. She also noted that this was the time of year to do that.

5. **Lewis County Jail Advisory Committee Report.** Sheriff John McCroskey distributed a handout, which provided a summary of the information that the jail advisory group had studied over the last couple of years. He indicated it was his desire to find a way to deal with jail overcrowding without building a new jail, but that hadn't been able to be done. He stated that there had been many temporary fixes to the jail overcrowding problem and the city of Chehalis had been very generous in working with the county on the issue. He stated they were now at a point where they were ready to recommend to the board of county commissioners a one-tenth of one percent sales tax specifically to fund a new jail and for juvenile projects. Sheriff McCroskey noted that the plan was being endorsed by the Law & Justice Council. He stated that a needs assessment was completed and was fairly well defined for the next 20 years. Sheriff McCroskey indicated they would recommend to the county commissioners that it be placed on the September ballot.

Councilor Hatfield asked if the existing jail would remain.

Sheriff McCroskey stated that the current plan called for the existing jail to be the hardest portion of the new jail. About 15% of the jail population required the hardest cells, while the other 85% could manage in something less, which was also cheaper to construct. During the study the two areas they were the most concerned about was making sure they built whatever was necessary for anticipated populations, and that it would be operated efficiently. He added that the total bed count would be 358.

Councilor Pope stated that this area needed some type of detox facility for juveniles and adults. He asked if there were any plans to incorporate such a facility into the project.

Sheriff McCroskey indicated that medical and mental health were huge issues for both juveniles and adults. He stated that the jail currently contracts with Cascade Mental Health in providing some services. He hoped the plan would provide for all of those kinds of needs based upon what was known today.

Randy Hamilton asked if it would be a permanent tax.

Sheriff McCroskey explained the committee's recommendation would be that the tax would go on for the length of the construction of the project and then come off, but that was ultimately a decision of the board of the county commissioners. The tax would come off at the end of the 20 year build-out.

Randy Hamilton asked if it covered the construction only, or both construction and operational costs.

Sheriff McCroskey stated that it would only cover a majority of the construction costs. He stated that it was very important to him that the cities in Lewis County have a jail available to them.

6. **Police Vehicle Purchase, Including Resolution No. 6-2001, First Reading – Authorizing the Acquisition of Personal Property and Execution of a Financing Contract and Related Documentation, and Resolution No. 7-2001, First Reading – Allowing for the Purchase of Personal Property Through a Loan from the Washington State Treasurer's Office.** Dennis Dawes explained that staff looked at several options for replacing patrol vehicles and decided to go through a state program called Local Option Capital Asset Lending (LOCAL). He explained how the LOCAL program operated and he noted it provided low-cost financing. Deputy Chief Dawes stated that there was numerous paperwork associated with the program, including the passage of two resolutions authorizing the acquisition of the vehicles and execution of a financing contract, and allowing for the purchase of the vehicles. He stated the vehicles should come almost totally equipped and the remaining equipment could be used from existing vehicles.

Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to adopt Resolution Nos. 6-2001 and 7-2001 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

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7. **Staff and City Council Reports.**

a. **Youth Harassment Complaints.** Randy Hamilton reminded the council that about three months ago Councilor Pope indicated that he had been contacted by some parents regarding youth being allegedly harassed and followed by some members of the police services division. The deputy chief from the Lacey police department was asked to do an in-depth investigation because a relative of Chief Hamilton's was involved. He reported that the investigation was completed and it was found that there was no pattern of harassment that was occurring; however, there were some isolated instances where youth were contacted and justifiably so. Chief Hamilton stated there was one matter where a former police officer made some remarks to an employer of an individual which was inappropriate.

Councilor Pope stated that a good job was done on the investigation.

Randy Hamilton added that the department was in the process of adopting a policy against bias-based policing.

b. **Proposed NFPA Standards 1710/1720.** Randy Hamilton reported that he recently attended a National Fire Protection Association (NFPA) meeting in Anaheim, California to oppose proposed NFPA standards 1710 and 1720, relating to minimum staffing requirements and minimum response times. Chief Hamilton reported that both standards were passed by about a 75% margin. He indicated however that it was just the beginning; the standards had to be adopted by the NFPA council. He stated that many cities and counties were represented at the meeting and explained what the impacts would be if the standards were adopted. Chief Hamilton noted that if they were mandatory standards he would probably recommend doing away with all codes in the city and develop the city's own regulations because the city could not financially afford it.

Councilor Zylstra asked if there was a direct connection to the Washington Survey & Rating Bureau, and could there be a correlation to their requirements, too.

Chief Hamilton stated there could be. He was also concerned about the state WISHA/Labor and Industries jumping on standards and making them mandatory. He stated that he didn't mind it being a recommended guideline, but not a standard the city would be required to implement.

Councilor Hatfield asked if the final vote by the NFPA council took was a simple majority.

Randy Hamilton stated that the council was comprised of about 30 people and it would be a simple majority vote.

Councilor Hatfield asked if there was a council member from the northwest area.

Randy Hamilton knew of one. He stated that the group was a mix of fire prevention, labor, and management people from both large and small cities.

c. **Community Substance Abuse Survey Results.** Randy Hamilton stated that the coordinator, Mary Myhre-Pancake, was working under a substance abuse grant, and part of the grant included conducting a community survey as it related to perceptions in the community. He indicated that it was a difficult survey to tabulate and there were some mixed issues that needed to be looked at more in-depth. He also noted that there was not a good response – only 142 surveys out of 500 were returned, although there were some good comments on those surveys that were returned. Based on the results the police services division would be conducting some neighborhood meetings in each of the council districts. They would also be talking to other city departments because issues came up on the survey that were not directly related to the police services division, but to other departments.

Mary Myhre-Pancake briefly reviewed the survey. Some of the questions related to how the citizens felt about the level of crime in Chehalis, how they perceived law enforcement to be working on that, what they were willing to do about it, and what their suggestions were. She stated that according to the survey there are not a lot of big problems. Ms. Pancake pointed out that some problems were identified in specific areas of town, and several comments were received in the comment portion of the survey.

Councilor Hatfield hoped that the survey wouldn't just get put on the shelf. He thought there were several comments that talked to other departments in the city, particularly with regard to trash and un-kept yards. He asked that the idea of a trash pick-up for items that don't go into a regular trash can be explored.

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Councilor Galvin complimented the work on the survey. He also questioned the conclusion to the question of how safe did people feel in their neighborhood. He thought the results showed that the majority of people thought their neighborhood was a safe place, not a very unsafe place.

d. **Telecommunications Ordinance.** Dave Campbell indicated that he and Bill Hillier met with Rainier Connect to talk about the U.S. Court of Appeals opinion on telecommunications regulations.

Bill Hillier stated that staff would ask that the council table the telecommunications ordinance that was passed on first reading. Staff would then prepare a revised ordinance that dealt simply with rights-of-way and how the city controls its rights-of-way. The proposed ordinance would recommend that the city continue to regulate the use of rights-of-way as in the past, but would also include specific provisions to deal with telecommunications systems and cable television systems. He added that they would also be working on language to create controls on leasing city property, but he did not believe that needed to be addressed in the ordinance.

e. **Street Overlay Projects.** Councilor Zylstra commented that the street overlays were nice. He asked how soon the side street transitions would get done.

Tim Grochowski hoped it would be completed by the end of the next week.

f. **Flags.** Councilor Hatfield complimented Tim Grochowski on the new flags displayed throughout the city.

Tim Grochowski indicated that the local service organizations and Dave Waldock deserved the credit for that.

g. **Downtown Plantings.** Councilor Hatfield complimented the community services and public works departments for their work on removing the plantings from the downtown area.

Joanne Schwartz recognized downtown business owners Jane Bates and Jodee Hemphill for spearheading the project. She stated that the planting of the new flowers and shrubs would take place on June 10, and if need be, June 24.

Councilor Galvin indicated that he recently hosted his Army reunion at the Veterans Memorial Museum in Centralia. The group toured the area and he stated that they were impressed with the small-town feel, the small-town theater in downtown Chehalis that had first-run movies, and all the trees!

9. **Executive Session.** Mayor Spahr announced that the council would convene into executive session pursuant to RCW 42.30.140(4)(a) – collective bargaining, at 4:10 p.m. for approximately 20 minutes, and there would be no decisions following conclusion of the executive session.

Following conclusion of the executive session, the regular meeting was reopened at 4:30 p.m., and there being no further business to come before the council, the meeting was adjourned at 4:30 p.m.

June 11, 2001

The Chehalis city council met in regular session on Monday, June 11, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. Mayor Spahr announced that an item would be added under Staff and City Council Reports regarding water rates for the St. Helens Inn.

2. **Historical Commission Restoration and Preservation Plaques.** Mayor Spahr and Dr. Hank Kirk, chair of the city's historic preservation commission, presented plaques recognizing citizens who have restored and preserved their historic structures. Those receiving awards included Jenny Wade for her home at 170 SE Washington Avenue, Judy Hitchcock for her two commercial buildings located at 852 and 876 South Market Boulevard, and Mitch and Kate McCullough for their home at 682 NW St. Helens Avenue. Dr. Kirk provided a brief description and history of each of the award-winning structures.

3. **Consent Calendar.** Councilor Zylstra moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of May 29, 2001;
- b. May 31, 2001, Payroll Vouchers No. 15716 – 15855 in the amount of \$439,205.86; Transfer Voucher No. 1488 in the amount of \$1,571.56; and May 31, 2001, Claim Vouchers No. 56388 – 56501 in the amount of \$119,636.84;
- c. Award of contracts to Jones Chemicals, Inc., for chlorine and sulfur dioxide;
- d. Engineering services agreement with Cosmopolitan Engineering Group in an amount not to exceed \$52,325.50 for the South National Avenue pump station upgrade project;
- e. Set date and time of June 25, at 3:00 p.m. for a public hearing on petitions to amend the comprehensive plan and development regulations; and
- f. Purchase of a dry chemical feeder and delivery system with dust collector from Barnard BOE, Inc., for the water treatment plant.

The motion was seconded by Councilor Pope.

With regard to item "d", Councilor Hatfield asked if there were any local engineering firms that had the expertise to do the engineering required for the project.

Jim Nichols indicated there were no local firms listed on the small works roster for the particular engineering services for the project.

Councilor Galvin asked if any local firms bid on the project.

Jim Nichols stated that the bidding process was not used. Staff put out a request for qualifications. After the firm was selected, based on their qualifications, staff then negotiated for the scope of work and cost. Mr. Nichols indicated that the process followed the law and was to ensure that the best engineering services were obtained rather than the cheapest.

The motion carried unanimously.

4. **Public Hearing – Vacation of a Portion of NW Duffy Street.** Jim Nichols stated that the city received a petition from Dan and Nailla Vanderkolk for the vacation of a small portion of NW Duffy Street. He indicated that the city maintain an easement for drainage ditch maintenance. Mr. Nichols added that the Vanderkolk family owned the surrounding properties and was requesting that the entire vacated area be attached to their property, rather than the customary equal split between adjacent

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properties. He also noted that the Washington State Department of Transportation (DOT) was an abutting property owner and he had just received a letter from DOT.

Mayor Spahr asked for clarification as to exactly where the street was located.

Chris Butler, of Butler Surveying, and representing the Vanderkolks, drew a picture of the area.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:17 p.m.

Chris Butler indicated that he submitted documentation relating to the vacation to DOT, and they requested that the Vanderkolks reserve the westerly 30 feet of the vacated street to be someday dedicated to the state for right-of-way if I-5 was expanded. He indicated that he did not believe it was a practical request, and he noted that NW Duffy was not a through street. He reiterated that the Vanderkolks owned the property on both sides of the street of the proposed vacation and would like the entire vacation portion attached to their property. Mr. Butler explained that the Vanderkolks were in the process of short-platting property to the north of the requested vacation, but they were not able to proceed on the division of the southerly portion until the street was vacated.

There being no further public comment, Mayor Spahr closed the public hearing and reopened the regular meeting at 3:21 p.m.

Bob Spahr stated that staff would prepare a recommendation and an ordinance for passage on first reading for the June 25 council meeting. The ordinance would then be presented for second and final reading on July 9.

5. Resolution No. 8-2001, First Reading – Extending the Franchise with TCI Cablevision of Washington, Inc., (AT&T Broadband) Until December 31, 2001. Dave Campbell stated that the negotiations for a new franchise with AT&T were underway and staff met once with AT&T representatives. He indicated that additional meetings were still needed to come up with a revised, recommended franchise. He added that the city was coordinating with its consultant and the city of Olympia, which was also in the process of negotiating with AT&T. Mr. Campbell requested that the council extend the current franchise until December 31, 2001.

Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 8-2001 on first and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

6. Staff and City Council Reports.

a. **Jackson Highway Bridge Water Main Replacement.** Jim Nichols explained that it was determined last year that the city's water line suspended under the Newaukum River bridge was in a very precarious position, and, if it should ever fail, staff would have a difficult time getting to it to repair it. Because the system used to suspend the line from the bridge was rather unconventional, it was decided that it would be in the best interest to replace the hanger system. He stated that the project had been under design the past few months and was about 90% complete. Mr. Nichols stated that the city received comments from Lewis County expressing some concerns that would be passed on to the engineers. He noted that the comments from Lewis County could slow the project down, but he hoped to see the project completed this year.

Councilor Hatfield asked if the project was beyond the scope of city staff.

Jim Nichols indicated it was. The project required constructal engineering and some real specific areas because of the hanger system. He explained that the hanger system needed to be designed to suspend the line properly from the bridge and be able to move with the varying movements of the bridge itself, be it from an earthquake, expansion from temperatures, or floodwaters hitting it.

Councilor Venemon asked if the project would in any way interfere with the water supply coming into the city.

Jim Nichols indicated it would not interfere with the city's water system. It was basically a replacement of what was already there.

Mayor Spahr asked if the line was also being replaced.

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Jim Nichols stated that both the line and hanger system would be replaced.

b. **Street Maintenance Update.** Jim Nichols indicated that this year's street maintenance program had been changed since staff last talked to the council. In particular, staff had made some commitments and decided on some new strategies that they were not going to be able to follow through on based on the street overlay projects being delayed from last year to this year due to weather. The overlays were recently completed and turned out well, but striping and pavement markings still need to be done, which would be accomplished in-house. Staff also intended to use a pre-leveling approach for some side street maintenance rather than chip-sealing because it was less labor intensive and would still allow for the maintenance of the side streets. However, with a lot of labor now being devoted to the aftermath of the overlay projects, taking on the street sweeping in-house, and other various maintenance projects, it didn't appear that staff would be able to do everything. He hoped to begin a pavement management system next year, which was a more objective approach as to how and where streets are maintained.

Mayor Spahr asked how that would impact the budget.

Jim Nichols indicated that money geared for street maintenance would still be unused, but other street maintenance, such as potholes and smaller projects that could be accomplished by one or two people, would still be undertaken through the course of the year.

Mayor Spahr asked if they were basically setting back some side street maintenance projects until next year.

Jim Nichols proposed that the projects be held off until staff could evaluate and gear their efforts in the right areas, but not necessarily until next year. Without an overall system to evaluate all the city's streets, it was difficult to know if resources were being pushed in the right direction.

Councilor Hatfield agreed with the idea and the proposed system, but he expressed concern about the use of consultants to assess the presence of cracks, ruts, potholes, etc. He did not believe a consultant was needed to do that kind of work and he believed money for a consultant should be used to make the needed street repairs.

Jim Nichols stated that staff had some training for the pavement management system and if there was a way to balance the department's resources so that staff could do the evaluation work and still accomplish their normal maintenance it would certainly be their intention to do the work in-house. Mr. Nichols noted that such a project would take a lot of in-depth analysis. The rating system would determine the magnitude and the amount of cracks, ruts, etc., and puts that information into a database. He assured the council that staff would look for every opportunity to do the project in-house and that he appreciated and agreed with Councilor Hatfield's point.

c. **Approval of General Sewer Plan and Next Wastewater System Planning Steps.** Jim Nichols announced that the general sewer plan was approved by the Washington State Department of Ecology (DOE). Gibbs & Olson was now working on the facilities planning stage of the process, which consisted of taking the concept of the general sewer plan and narrowing the details and specifics of the hows, wheres and whys of treatment. Once the facilities plan was approved the actual designs and specifications are done followed by construction. He indicated that a portion of the facilities plan was already completed since some of it was done parallel to the general sewer plan because a lot of the information carried over. However, there were some specific details that could not be addressed until the general sewer plan was approved by DOE.

d. **Downtown Activities.** Joanne Schwartz hoped that everyone had a chance to drive through downtown to see the new plantings that went in over the weekend. Ms. Schwartz listed the names of all of the volunteers and she stated that the remainder of the plantings would go in on June 24.

Ms. Schwartz also reminded the council about a meeting at the V.R. Lee Community Building tomorrow night to discuss the future of the Millett Field tennis court.

Finally, Ms. Schwartz reminded the council about June 14 (Flag Day) when the time-capsule buried at city hall 25 years ago would be unearthed, and a community "family" picture would be taken. The picture would be made into posters and sold for \$2 with proceeds going toward the city's flag fund. She noted that the posters were being sponsored by Tractebel and TIC, the construction company for the Tractebel project.

e. **St. Helens Inn Utility Rates.** Mayor Spahr indicated that the council recently began discussing how the water rates were calculated for commercial and multi-family dwellings. It was discovered that some people were

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being charged different rates and several ideas to fix the problem have been identified and will soon be presented to the council. He stated that in the meantime, the St. Helens Inn was doing a lot of refurbishing and in the process of doing that, they had moved a lot of residents out and had a huge vacancy. Under the city's current ordinance the St. Helens Inn's monthly base charge was running in excess of \$1,100 per month and their usage charge was around \$2,600. Mayor Spahr stated that staff was working on some rate change proposals to deal with the situation and make it more consistent for everyone, but he believed the situation with the St. Helens Inn needed to be addressed now to help people who were trying to do something for the downtown and not be part of the burden.

David Kelly stated that after talking with the city attorney, he was recommending that the council extend the shutoff on the St. Helens Inn for two weeks until the next council meeting. Rather than trying to make a decision today, he stated that staff would like to be more prepared and present solid proposals that the council could see in writing and have a chance to discuss before making a decision.

Councilor Hatfield asked if the proposals would be specific to the St. Helens Inn or would they include the entire system.

David Kelly indicated that the city needed to be consistent with everybody. He explained that the St. Helens Inn and some other businesses' rates are calculated by how much water they use and base their base charge on the number of ERUs they consume during an annual basis. That figure is then divided by twelve to determine the monthly base charge. Because the St. Helens Inn was at full last year, the calculation made at the beginning of 2001 was based on full occupancy. One of the proposals was to have the calculation be done quarterly to be a little more responsive to situations like the St. Helens Inn was experiencing.

Councilor Hatfield asked that the information be made available to the council before the next council meeting so that they would have time to thoroughly review it.

Councilor Pope asked if shutting the water off at the St. Helens Inn would hinder their refurbishing efforts.

David Kelly indicated it would because they still have about 20 apartments out of 52 currently occupied.

Mayor Spahr stated that when they are at full occupancy the charges are fine, but the problem arises when they are trying to change the kind of tenants they have and upgrade the building, the vacancy goes down but the base charges stay the same. He thought that, as a community, it was in the best interest to get the St. Helens Inn up and running to its best capacity and that the city do everything and anything it legally could to help them.

Ron Portnoy stated that his brother, Don, had owned the St. Helens Inn for some time and for one reason or another the building gradually went downhill and there were some undesirable tenants occupying the building. He stated that he has had numerous talks with the police department about the situation since he took over management of the building, and he also met with Mayor Spahr and Randy Hamilton to discuss what he intended to do with the building. He indicated that he knew what the building had been and that it could be that way again, and he thought it was in everyone's best interest to do whatever they could to make it be the cornerstone of the city. He stated that he had put about \$100,000 into the building, although it was hard to see where it went. Work was done in the lobby, the entire sixth floor was vacant for remodeling, and junk left by tenants was hauled away. He believed that if he had another \$100,000 he could make the transition, but trying to get the "bad" people out and the "good" people in was very difficult. The "good" people see the drug activity and other things going on and are not too sure they want to live in the building. But, if they vacate the building there is no income to pay the mortgage or water bill. He believed that most of the "bad" people were gone and calls for police assistance were considerably better.

Mr. Portnoy stated that 20 apartments out of 52 were rented and that it took eight apartments out of 20 just to pay the water bill. That means 12 apartments were left to pay for everything else each month, including managers, advertising, other utilities, insurance, and remodeling. He stated that he was not asking for any "freebies," but he was afraid that if the current situation continued they would go under, and if they start taking any tenant like they used to they would go back to the way it was before. He indicated that the building was going in the hole about \$8,000 each month, but he believed that if they could get through the next six months the building could break even, if not even a little more. He stated that he would like to see the restaurant opened again, but they were first concentrating on getting the building fully occupied. He stated that any help from the council would be greatly appreciated.

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Mayor Spahr stated that the council's water system plan committee would present a proposal at the next council meeting. He noted that the committee was also reviewing fire flow deficiencies throughout the city and public works would provide some recommendations on June 25.

f. **Street Overlay Projects**. Councilor Hatfield thanked Tim Grochowski for the kudos he gave to the council in a public works newsletter regarding the recent overlay projects. He stated that it was an outstanding job with a minimum of disruption.

g. **Recreation Programs**. Councilor Hatfield thanked Joanne Schwartz, Lilly Wall, and the recreation staff for providing numerous recreation programs this summer.

h. Councilor Hatfield extended kudos to Mark Petrie for an article he wrote which appeared in an ICMA newsletter on the use of bicycles by city meter readers while doing their route.

There being no further business to come before the council, the meeting was adjourned at 4:00 p.m.

June 25, 2001

The Chehalis city council met in regular session on Monday, June 25, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Bob Venemon, and Dave Zylstra. Councilor Isaac Pope arrived at 3:02 p.m. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; and Mark Petrie, Water Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Consent Calendar**. Councilor Zylstra moved to approve the consent calendar comprised of the following items:
 - a. Minutes of the regular city council meeting of June 11, 2001;
 - b. June 15, 2001, Claims Vouchers No. 56502 – 56688 in the amount of \$223,956.64; and
 - c. Proposed new union contract with the non-uniformed employees bargaining unit for 2001-2002.

The motion was seconded by Councilor Venemon and carried unanimously.

2. **Public Hearing – 2002-2007 Six-Year Transportation Improvement Plan**. Tim Grochowski stated that the recommended 2002-2007 six-year transportation improvement plan was included in the agenda, but, because of complications with the program used to put the plan together, some of the information and figures were incorrect. He requested that the council open the public hearing, but not adopt the proposed plan until the errors could be corrected.

Mayor Spahr questioned whether the public hearing should be held today if the plan was going to be changed.

Dave Campbell indicated the public hearing could be opened and continued until the next council meeting.

Tim Grochowski added that the most important aspect of the plan was the priority listing of the projects. He briefly highlighted the projects being proposed for inclusion in the plan.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:06 p.m.

There being no public comment, Councilor Hatfield moved to continue the public hearing until July 9. The motion was seconded by Councilor Pope and carried unanimously.

3. **Resolution No. 9-2001, First Reading – Adopting the Six-Year Transportation Improvement Plan for the Years 2002-2007**. This item was also continued to the July 9 council meeting.

4. **Public Hearing – Petitions to Amend the Comprehensive Plan and Development Regulations**. Dave Campbell stated that staff was requesting that the public hearing be opened and continued until the July 23 council meeting.

Bob Nacht stated that the petitions and supporting documents were included in the agenda. He noted that representatives from the planning commission were in attendance.

Councilor Hatfield asked why staff was requesting that the public hearing be continued.

Dave Campbell explained that further research needed to be done before the council could act on the recommendations with full information.

Councilor Hatfield thought that what was presented in the agenda was sufficient to act on the petitions. He stated that the planning commission made their recommendations.

Dave Campbell stated that Bob Nacht was not aware of some of the issues that needed to be researched before the staff report was completed and included in the agenda.

Councilor Hatfield thought the issue had been going on long enough and asked when it would end.

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Dave Campbell hoped it would not be past July 23.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:10 p.m.

Patricia Ahrens, 1846 Bishop Road, Chehalis, indicated that she was one of the petitioners and was asking that her property be rezoned from commercial/industrial to residential. She stated that her family owned 80 acres and had been farming since 1950. They now wished to retire and possibly build a home on the property and would like to have other homes built around them. Mrs. Ahrens indicated that someone was interested in purchasing the property if it could be sold as residential.

Ernie Ahrens, 1477 Rush Road, Chehalis, stated that he had lived in his home for 15 years and also had a family nursery business there. He indicated that he didn't want to see industrial operations right next door to his property and he requested the council to approve the rezoning of the property to residential.

There being no other public comment, Councilor Galvin moved to continue the public hearing until July 23. The motion was seconded by Councilor Pope and carried by a vote of six ayes and 1 nay. Councilor Hatfield cast the dissenting vote.

5. **Citizens Business.** Don Mitchell, interim executive director of The Chamber, introduced Todd Christensen as the new Chamber executive director.

Mayor Spahr welcomed Mr. Christensen to Chehalis.

6. **Ordinance No. 694-B, First Reading – Vacating a Portion of NW Duffy Street.** Jim Nichols stated that the council held a public hearing on June 11 regarding the vacation request of Jim and Nailla Vanderkolk to vacate a small portion of NW Duffy Street. At the time of the public hearing, a letter was received from the Washington State Department of Transportation (DOT) indicating their possible entitlement to part of the vacation. Mr. Nichols stated that since that time DOT discovered they had no entitlement after all.

Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 694-B, including all of the conditions contained within the ordinance, on first and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

7. **Water System Plan Review Committee Recommendations.** Jim Nichols stated that staff had been working over the past few months with the council water system plan committee (Mayor Spahr, and Councilors Ketchum and Zylstra) on fire flow issues in the city and projects outlined in the water system plan. The committee first reviewed where the water pipes existed that were below the city's current standards. Some water modeling was then done to identify where specifically there were fire flow deficiencies or fire flows below current standards. He stated that a map was provided in the agenda showing those areas. Mr. Nichols indicated that two priorities were identified by the committee as needing to be addressed now, including providing adequate fire flow to the proposed Veterans Memorial Museum, and to the north area of the city in the Kresky/National area where the water system plan identified the need for a reservoir. The other fire flow deficiencies noted would be weaved into the next update of the water system plan, which was to take place next year. He indicated that the committee was requesting authorization to pursue the Riverside Drive and north Chehalis water system upgrades, and the inclusion of the other water system fire flow needs into the next water system plan.

Mayor Spahr thought the committee had also talked about extending a line down 3rd Street to address fire flow protection. He indicated there was an apartment complex on 3rd Street.

Jim Nichols indicated it was his understanding that that issue was going to be handled internally, but that it could certainly be included.

Mayor Spahr added that the committee decided on those priorities because of the potential for development in those locations. He indicated that the committee would like authorization to pursue financing and design.

Councilor Hatfield moved to direct staff to pursue financing, design, and construction of fire flow projects for Riverside Drive, north Chehalis, and 3rd Street. The motion was seconded by Councilor Zylstra.

Councilor Pope asked if the fire flow improvements made to the Elks Lodge improved the north area fire flow needs.

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Randy Hamilton stated that the Elks Lodge installed a private line so that the city could pump water from the bottom of the hill up to the Lodge if necessary. He indicated it was a temporary fix and not a permanent solution to the problem. The motion carried unanimously.

8. Staff and City Council Reports.

a. **Council Goals Status Report.** Dave Campbell reported on activities taking place during the last quarter relating to the 2000-2001 council goals. Mr. Campbell highlighted several goals, including improvement of the city's fire protection rating; implementation of the adopted water system plan; continuation of the redevelopment of Recreation Park; promotion of the revitalization of downtown; completion of the overlay of State Avenue; storm drainage improvements; and implementation of TMDL consent decree requirements.

Joanne Schwartz stated that one more day was needed to put in the new plantings in the downtown area. The final work day would be July 1 and all volunteers would be welcomed.

b. **Water System Plan/Rates Review Committee.** David Kelly stated that two weeks ago the council discussed an issue relating to the St. Helens Inn delinquent utility bill and looking into some opportunities to see if there was anything the city could do to alleviate the situation.

Mayor Spahr indicated that when the committee starting looking into the city's rate system they found that there were inequities in the way some commercial and industrial accounts were charged. He stated that David Kelly was putting together some numbers to provide a report to the full council at their next meeting, including an accurate accounting of exactly who was being charged what and how a change would impact them. Mayor Spahr indicated that the proposal would be to figure base rates on the size of the meter.

Tom Guyer, of Guyer Property Management, indicated that he was aware of the situation with the St. Helens Inn. He asked that whatever the council did for the St. Helens Inn should be fair and just across the board.

Mayor Spahr stated that the situation never started out to be an issue with the St. Helens Inn; it was an issue of fairness.

Councilor Zylstra stated that with regard to Ron Portnoy's request to defer a portion of the St. Helens Inn utility bill, city representatives had a chance last week to tour the building. He stated that Mr. Portnoy indicated he had invested around \$100,000 in improvements to the building, but during the tour city staff just didn't see that. Upon further questioning it became evident that Mr. Portnoy was speaking in terms of operating costs, such as mortgage payments and taxes, and as far as actual improvements to the building, it seemed to be more like \$20,000. In fairness to other landlords in the community, they concluded that the city should probably not grant any special treatment for this particular utility bill, but instead address the billing unfairness currently in place.

c. **Council Budget Committee.** Dave Campbell stated that staff would like the council budget committee to have a kickoff meeting for 2002 budget preparation on July 16. The committee agreed to meet at 9:00 a.m.

d. **Council GMA Meeting.** Dave Campbell reminded the council GMA committee members that there would be a meeting directly following conclusion of today's executive session.

e. **St. Helens Inn Utility Bill.** Ron Portnoy expressed disappointment that the council chose not to give the St. Helens Inn any help when he had been led to believe from the very first day that the city would do whatever it could to help the Inn become a viable part of the downtown again. If the city was going to turn its back on them, it would not only be bad for them, but it would be bad for the city. He didn't believe he was asking the city to do anything for him that it wouldn't do for anyone else. Mr. Portnoy stated that the mayor pointed out there were some issues in the way the utility billing was done and if those were going to be corrected that was fine, but two weeks ago David Kelly indicated that the council wanted to help with the delinquent bill because of the possible inequities, so he could spend more money fixing up the building. He stated that he was really sorry that the council didn't see more improvements to the building and he noted that Councilor Zylstra was incorrect about the \$20,000 figure. He stated that he put \$125,000 into the building and a portion of that was for back-bills, property taxes, and new cables and parts for the elevator, although it was still not working.

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Mr. Portnoy stated that he asked Frank Mason for advice about how he should attack the building since he would have to do a little bit at a time because he didn't have the cash to do it all at once. He knew the tough part would be the transition period; getting the bad people out and the good people in, and getting the building back up to the way they wanted. He explained that Mr. Mason suggested doing one floor at a time, starting at the top. He indicated that was exactly what he did and the entire sixth floor was emptied, even though they knew they may have trouble with paying some of their bills. All the walls were retextured, including the hallways, and the sixth floor was just about ready for paint.

Mr. Portnoy indicated they were trying to do the best they could, and utility bills weren't the only thing they needed help with. He thought the city would be willing to help when he talked to David Kelly and he told Mr. Kelly that whatever the city decided he didn't want to be told at the last minute that he had an hour to pay the bill, but that was exactly what happened. He indicated that he was not blaming David Kelly and that he had been as helpful as any person could be, but Mr. Kelly told him at the last minute today what the city council decided.

David Kelly indicated that what he told Mr. Portnoy was what the city council was considering.

Councilor Hatfield stated there had not been one meeting where Mr. Kelly or the city council ever said what they were going to do for certain. He stated that if Mr. Portnoy got that information he got bad information.

Mr. Portnoy indicated it wasn't just the utility bill. There were other issues such as parking. He stated that if they were really serious about making the St. Helens Inn into something in the downtown area he couldn't do it by himself. He was concerned that the San Juan apartments had on-street parking spaces reserved for their residents, but the St. Helens Inn was three times as big and had no reserved parking spaces.

Councilor Hatfield questioned where the San Juan apartments had designated street parking.

Mr. Portnoy indicated he hadn't seen them himself, but the city's parking enforcement officer told him they did.

Randy Hamilton explained that the San Juan apartments had a parking lot across the street on Washington Avenue that they owned. They also rent parking spaces in a lot, but they did not have designated street parking.

Mr. Portnoy indicated that he must have misunderstood, but he reiterated that there was currently not enough parking provided.

Mayor Spahr thought the council wanted to see Mr. Portnoy succeed and one of the first things that needed to be done was to bring equity into the utility billing process, and that was being looked into.

Mr. Portnoy asked for a one-week extension on the delinquent utility bill.

A majority of the council agreed to grant the extension. Councilors Hatfield and Pope were against the granting of the extension.

Councilor Pope indicated that he did not want this issue on the agenda next week. He indicated that the bill needed to be paid and that it was inappropriate for Mr. Portnoy to keep coming back to the council.

9. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 4:05 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(b) – acquisition of real estate and RCW 42.30.110(1)(i) – litigation, for approximately 20 minutes and no decisions would be made following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:05 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

July 9, 2001

The Chehalis city council met in regular session on Monday, July 9, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent, and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Brian Mittge of *The Chronicle*.

1. **Proclamation**. Mayor Spahr read a proclamation in recognition of the former crew members of the USS Chehalis in honor of their annual reunion in San Diego, California, August 8-12.

2. **Consent Calendar**. Councilor Galvin moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of June 25, 2001; and
- b. June 29, 2001, Claims Vouchers No. 56689 – 56795 in the amount of \$136,269.37; and June 29, 2001, Claim Vouchers No. 56796 – 56810 in the amount of \$6,374.32.

The motion was seconded by Councilor Pope and carried unanimously.

3. **Public Hearing (Continued) – 2002-2007 Six-Year Transportation Improvement Plan**. Jim Nichols presented the revised 2002-2007 six-year transportation improvement program. He indicated that the public hearing was continued from the council's last meeting because new information was received from the Washington State Department of Transportation on how projects were to be developed and determined. The list was cut down from 13 to six projects, and he believed it was a realistic approach to the highest priorities in the city based on staff's knowledge and understanding of the transportation network. He briefly reviewed each project.

Mayor Spahr closed the regular meeting and reopened the public hearing at 3:09 p.m. There being no public comment, Mayor Spahr closed the public hearing.

4. **Resolution No. 9-2001, First Reading – Adopting the Six-Year Transportation Improvement Plan for the Years 2002-2007**. Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 9-2001 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

5. **Citizens Business – Lewis County Television (LCTV)**. Don Mitchell, president of LCTV, addressed the council regarding the newly-formed public access organization. He indicated that LCTV came before the council about two years ago asking for support of a local access television station. At that time they were too late in the budget process for requesting financial support from the city and they were also not a 501(c)(3) entity, which would allow them to apply for grants and other financial assistance. He stated that since then, LCTV had received 501(c)(3) status. Mr. Mitchell indicated that the agenda included various information about LCTV, and he pointed out that LCTV board members, along with other organizations and individuals, already contributed over \$14,000 to get it up and running. He believed they now had a better understanding on how to operate a station, including the hiring of a manager to oversee and direct the day-to-day activities, along with a part-time technical assistant. He also reviewed a three-year projected budget beginning in 2002, and noted that the primary funding source for other local access stations was from public entities through franchise fees. Mr. Mitchell introduced Corene Jones-Litteer, a LCTV board member who was also in attendance.

Mayor Spahr asked Mr. Mitchell when they would be requesting money from the city.

Don Mitchell indicated they were requesting at this time since they knew that it had to be done early enough in the budget process.

Mayor Spahr stated that \$30,000 from the city of Chehalis was currently included in LCTV's proposed budget. He asked Mr. Mitchell if he knew how much they would officially ask the city for.

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Mr. Mitchell believed it would be about \$30,000. He believed their projections were the minimal amount for start-up costs and the running of a small program. He added that they applied for three grants and were looking into a fourth.

Mayor Spahr indicated there had not been an overwhelming request by citizens to fund the station, and cable franchise fees received by the city were already being utilized in the general fund. In order for the city to fund such a request it would require a property tax increase, and would probably have to go before a vote of the people.

Don Mitchell indicated they would like to conduct a citizen survey to determine the public interest.

Councilor Hatfield expressed some of the same concerns as Mayor Spahr. He indicated that their proposed revenues were dependent upon three governmental entities. He also pointed out that the information from other local access stations had much healthier revenue monies coming in from their cable companies, but he did not see any outlined in LCTV's projected budget. He also asked why the per capita rate was higher in Chehalis than it was in Centralia.

Mr. Mitchell indicated that the number in the report were put together before the board received all of the figures from the three government entities and they had not had a chance to go back and refigure the amounts.

Councilor Hatfield reiterated that the citizenry of Chehalis had not indicated their interest in a local access station, and he would have a hard time supporting it because of that.

Don Mitchell indicated that his group was expressing an interest in a local access station. He thought a survey needed to be done to determine the public's interest. He added that he or any other board member would be glad to come back and furnish additional information or answer further questions if needed.

Councilor Hatfield asked how much the city collected in cable television franchise fees.

Dave Campbell indicated that it was not a cable franchise fee. The city collected a cable utility tax in the amount of 6% that generated about \$55,000 annually. He noted that the city was currently in negotiations with the city's cable provider and the issue of franchise fees was being discussed.

Mayor Spahr asked how they would go about doing a survey.

Dave Campbell stated that staff could talk with the cable provider about trying to run a survey through the customer bills.

6. **Citizens Business – Sewer Rates.** Buffi Bloom (PO Box 125, Chehalis), president of the Lewis County Rental Association addressed the council regarding sewer rates. She indicated she was in attendance because of all the publicity regarding the St. Helens Inn sewer rate problems, and her association wanted the council to know that they would like to see one base rate for multiple unit dwellings.

Mayor Spahr informed Ms. Bloom that the city received a letter today from the association's attorney testifying to exactly that.

David Kelly stated that he also spoke to the association's attorney and explained what direction the council had given staff. He indicated that the council subcommittee on this issue would probably meet later in the week and a report would be presented at the next council meeting.

7. **Resolution No. 10-2001, First Reading – Setting the Date and Time of August 13, 2001, at 3:00 p.m. for a Public Hearing Regarding a Petition for Vacation of a Portion of NW Rhode Island Avenue.** Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Galvin and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 10-2001 on first and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

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8. **Staff and City Council Reports.**

a. **Sewer Interceptor Capacity Study.** Patrick Wiltzius stated that the sewer interceptor capacity study, which was conducted to get a better determination of the sewer interceptor line serving Napavine, Lewis County Sewer District #1, and Chehalis, was completed at the end of April. He reported there had not been enough rain to obtain sufficient information, but some I&I was identified in certain sections of the line and was being investigated. He also noted that a Tractebel upgrade of the line would eliminate a known bottleneck in the system. Patrick reported that only \$13,000 was used from the additional \$20,000 allocated by the council to continue the data collection after the first collection attempt was unsuccessful due to dry weather. He stated that the flow monitors which were purchased for the study could be used in other flow monitoring projects.

Mayor Spahr asked if they could tell what the I&I situation was coming out of Napavine and Lewis County Sewer District #1.

Patrick Wiltzius indicated they were still working on that and continue to monitor both entities, which had been relatively stable over the last year on what they were contributing to the system. He noted that both entities were also monitoring the situation. With regard to the Green Hill line, he stated that when he came a couple of years ago, staff actually walked the portion of the interceptor that runs along the Dillenbaugh and found some manholes that were damaged. Those were repaired and have continued to be monitored, and he hoped that televising work would pinpoint the source of I&I, actual leaks, etc., for repair.

b. **Downtown Traffic Safety Enhancements.** Randy Hamilton stated that an engineering analysis was done about a year ago and provided recommendations to improve traffic safety in the downtown area, including changing the YIELD sign to a STOP sign at the intersection of Market Boulevard and Park Street, and removing two crosswalks on NW Pacific Avenue near the Security State Bank drive-up window and Petra Insurance. He stated that input was needed from the community, but the council needed to recognize the fact that the city would be creating a hazard by putting the crosswalks back in after their removal following the recent overlay project. Chief Hamilton indicated that staff met with representatives from Security State Bank about the importance of the crosswalk and their willingness to participate financially in enhancements that could possibly be done if the crosswalk was directed to be put back in by the council.

Randy Hamilton explained that laws regarding crosswalks changed a few years ago. It was no longer illegal to cross outside of a crosswalk, and there was an implied crosswalk at every intersection whether marked or unmarked. He indicated that the only place you could jaywalk was between signalized intersections. He stated that when people cross with no crosswalk, they tend to be a little more careful, and he believed that crosswalks created a false sense of security. Chief Hamilton suggested that enhancements could consist of lighting or the installation of a 4-inch lift the width of the crosswalk to bring up the visibility of the crosswalk and to slow down traffic. He suggested that a public meeting be held.

Bob Biggs of Security State Bank expressed concern about the removal of the crosswalk near the bank's drive-up window. He indicated it was used by their staff every day and was also a security issue since they carried money back and forth. He stated that the crosswalk had been there for many years and when it was not replaced without any kind of communication it was quite a surprise. Mr. Biggs stated that the bank was willing to help financially to improve the crosswalk for safety reasons, although they would not fund the entire project since it was used by others.

Randy Hamilton reiterated that staff would like to hold a meeting with users of the crosswalk to hear their concerns and allow staff to do some training about pedestrian safety. A report would then be presented to the council at their next meeting.

Councilor Galvin asked if staff was going to look into the possibility of roundabouts.

Randy Hamilton indicated that roundabouts would probably be looked at a time when there was money to look at the entire downtown area. Roundabouts have their advantages, but it would take a lot of studying.

Councilor Venemon mentioned that the speed on Pacific Avenue had increased.

Randy Hamilton agreed. He noted that one of staff's proposals included putting a crosswalk in at the edge of the bank driveway exit at the main branch that would go across Pacific Avenue to the back entrance of Thorbecke's, and do away with the diagonal crosswalk at the intersection of Pacific and Park Streets.

Tim Grochowski noted that the relocation of some crosswalks would impact parking spaces. There was no parking 20 feet from a crosswalk.

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Mayor Spahr was against changing the YIELD sign to a STOP sign at Market Boulevard and Park Street. He stated that he remembered when it used to be that way and it didn't work. He believed that road buttons would be a better alternative to make drivers aware of the approaching YIELD sign.

Councilor Hatfield disagreed with Mayor Spahr. He believed a STOP sign was necessary because a high percentage of drivers weren't yielding to the through traffic on Park Street.

c. **Downtown Banners.** Joanne Schwartz introduced Billie Melin, Jane Bates, and Linda Dotson of the Chehalis Community Marketing Committee, who were instrumental in putting together a proposal to purchase banners for the downtown area. She stated that the agenda included a picture of what the banner would look like and she requested \$5,000 from the tourism fund to pay for the banners.

Mayor Spahr asked if there was a reason why "Chehalis" wasn't somewhere on the banner.

Billie Melin felt that people already knew they were in Chehalis. She indicated they would like to add to the banners each year and expand them from the downtown core; maybe as they got out from the central business area they could be changed to say "Welcome to Chehalis."

Councilor Galvin asked why the proportion of the banners was changed to a larger size.

Joanne Schwartz indicated that in working with the company that was making the banners, they recommended the larger banner.

Billie Melin noted that the larger banners were actually a better price because they were a standard size.

Councilor Pope wondered how well the banners would hold up because he had seen some in other cities that looked worn.

Joanne Schwartz anticipated that the American flags would be up from Memorial Day to July 4th, and after the 4th of July the banners would be put up until fall. They hoped this would help the banners last longer. She indicated the banners should last at least five years.

Councilor Hatfield asked if the banners had been ordered. He also thought it was a nice touch to have the name of the city on them.

Joanne Schwartz stated they were ordered because they wanted to have them up for the Music & Art Festival, but she reiterated that "Chehalis" could be included on the banners as additional ones were ordered.

Councilor Hatfield moved to approve the use of tourism funds in an amount not to exceed \$5,000 to purchase banners from DiJulio Displays. The motion was seconded by Councilor Zylstra and carried unanimously.

Joanne Schwartz acknowledged the work of Bob Nacht and Doug Fletcher who were making the brackets for the banners, which was saving a huge amount of money.

Councilor Hatfield added that if it were not for the efforts of Bob Nacht and Doug Fletcher a lot of downtown decorations would not happen.

Joanne Schwartz also reported that a new downtown brochure was ready for printing. She noted that KITI Radio was sponsoring the printing of the first 5000 brochures.

Tim Grochowski asked if the council would like to leave the flags that were not in the downtown core up until Labor Day as originally planned. The council agreed.

d. **2001 Annual Water Quality Report.** Mark Petrie stated that the report was required by state and federal governments to inform citizens about the quality of their water. He indicated the report was good and was mailed to all citizens.

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Mayor Spahr asked why arsenic was not mentioned in the report.

Mark Petrie explained that arsenic was up in the air and there had been no final approval on it.

Mayor Spahr felt that people needed to be educated on what the more stringent regulations would have cost the city and the lack of benefit from those regulations.

Mark Petrie indicated there should be a decision on it by the end of the year and it could be included in the next annual report.

e. **Meeting Reminders.** Dave Campbell reminded the council about the GMA committee meeting on July 12, at 7:00 a.m. and the budget committee meeting on July 16, at 9:00 a.m.

Randy Hamilton stated that the public meeting regarding downtown traffic improvements was set for July 17, at 5:00 p.m. at city hall.

9. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 4:15 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(i) – litigation, for approximately 30 minutes and no decisions would be made following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:50 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

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The Chehalis city council met in regular session on Monday, July 23, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Mark Petrie, Water Superintendent; Andy Sennes, Property Manager; and Lilly Wall, Recreation Manager. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Consent Calendar**. Councilor Galvin moved to approve the consent calendar comprised of the following items:
 - a. Minutes of the regular city council meeting of July 9, 2001;
 - b. June 29, 2001, Payroll Vouchers No. 15856 – 16029 in the amount of \$485,874.99; and Transfer Voucher No. 1489 in the amount of \$1,344.10;
 - c. Appointment of Pete Bezy to the building/fire code board of appeals, replacing Jim Hubenthal;
 - d. Final acceptance and approval of payment in the amount of \$292,267.83 (less retainage of \$14,613.39) to Lakeside Industries for the street resurfacing project;
 - e. Amendment no. 1 to the agreement dated August 25, 1997, with Gibbs & Olson, Inc., for the wastewater facilities plan in an amount not to exceed \$261,900;
 - f. Supplemental agreement no. 1 with Entranco, Inc., for additional engineering services for the Jackson Highway water main improvement project.

The motion was seconded by Councilor Pope and carried unanimously.

2. **Public Hearing (Continued) – Petitions to Amend the Comprehensive Plan and Development Regulations**. Dave Campbell stated that the public hearing was opened on June 25, and continued to today, regarding five petitions proposing to amend the city's comprehensive plan and development regulations. He noted that a report and recommendations were presented by staff and the planning commission on June 25.

Mayor Spahr closed the regular meeting and reopened the public hearing at 3:03 p.m.

Steve Bergstrom (2990 SW 195th Avenue, Beaverton, Oregon) spoke in favor of the petitions. Mr. Bergstrom reviewed a map of the area outlining the current zoning designations. He stated that for the last five to six years he had been in the process of resolving sewer and water issues to develop certain land that was not in the city's urban growth boundary and was not zoned at the time he came to Chehalis. Since that time interim urban growth boundaries were established and there were now permanent urban growth boundaries.

Mr. Bergstrom stated that when the urban growth areas were being established a case was filed that there was not enough residential property to meet the state's guidelines. He indicated that several properties on the hillside had been offered for sale to him, but the firm that he hired to do a soils report to determine the stability of the hillside indicated the area had landslide debris from an older landslide and encompassed all of the ground that plateaued to Jackson Highway. He indicated that it was well and good that the area designated for residential development represented 400 acres, but it was an impossible piece of ground to develop enough housing to meet state guidelines.

Mr. Bergstrom asked the council to consider rezoning or placing overlay zones over existing industrial and commercial zones. He was concerned because the city's current regulations provided that if a piece of ground was zoned industrial and there was an existing use on that piece of ground, such as a home, and the homeowner did not use the home for residential purposes for six months, the home could no longer be used as residential and would become industrial. Mr. Bergstrom pointed out properties on the map where he would like to see residential use allowed, noting that the properties were abutted by other residential areas and a church. He believed that if industrial and commercial businesses were developed near residential areas, the values of the homes would go down quickly. He stated that he owned Holloway Springs, which included two more phases of residential development. Mr. Bergstrom stated that the property was near 85 acres of land that he currently has for sale as

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industrial, but he told the Ahrens family and other neighbors that if the city was willing to consider changing the zoning or adding overlay zoning he would not take the offers he had for industrial use. If the city denies the requests he would start closing the deals.

Mr. Bergstrom stated that the properties owned by the Langus family were subject to litigation as to whether he actually had the right to purchase them or not, and would be handled by a federal bankruptcy judge. He stated that he had an offer on the property from a company in Chehalis for storage of construction material if the residential zoning was denied. He again asked for the council's consideration on his request.

Jeff Langus (2042 Bishop Road, Chehalis) spoke on behalf of the Langus family, including his mother, Margaret Langus. He indicated that Mr. Bergstrom did not speak for the Langus family because the option to purchase their property terminated on December 31, 2000. It was his position that neither Clear Water Development nor Steve Bergstrom had any right or authority to seek rezoning for the Langus property. Mr. Langus emphasized that he was only discussing his own property and no other. He explained that Mr. Bergstrom had an opportunity to purchase property from Margaret Langus. On June 30, 2000, Mr. Bergstrom/AKR Properties filed a petition for reorganization under Chapter 11 of the United States Bankruptcy Code, United States Department of Justice, Office of the United States Trustees, Western Division of Washington. Mr. Bergstrom listed Margaret Langus as one of the creditors; however, Mr. Bergstrom did not owe Margaret Langus anything.

Mr. Langus stated that Mr. Bergstrom was seeking to have multiple properties rezoned, including Margaret Langus's, but Ms. Langus did not file a petition for amendment to rezone the property. He indicated that the Langus family recognized the current comprehensive plan. In his opinion, based on current economics, there must be a substantial industry located in the Chehalis area to support residential homes/mobile park at this time. He felt it was premature at this particular time to change the rezoning, and such a major decision would affect the urban growth area for decades to come.

Mr. Langus indicated that it was his opinion that the council continue with due diligence on any petitioner regarding any development that it could professionally and financially commence and complete a project with a resume, references, and professional credentials. He also asked anyone who was affected in the audience by the petition for an overlay zone to request a resume, professional credentials, references of previously completed projects, and any financial backers the petitioner had been involved with. He stated that, after all, the public had a right to know who the petitioner was relevant to developing. Mr. Langus stated that he would answer questions or discuss anything with anyone after the meeting.

Linda Johannsen (Preston Gates Ellis, Portland, Oregon) stated that she represented Jeff and Leslie Langus and Margaret Langus. It was their position that Mr. Bergstrom's companies (AKR Properties and Clear Water of Washington, Inc.) were not entitled to any of the Langus properties and did not have the authority or right to ask for rezoning of the properties. The Langus family was opposed to the rezoning.

Bennie Ahrens (1477 Rush Road, Chehalis) stated that she lived adjacent to the property owned by her in-laws (Ernest and Patricia Ahrens) which was one of the petitions requesting rezone from commercial and industrial to residential. She stated it would be sad to see the property turned into industrial and would rather see residential.

George Converse (1882 Bishop Road, Chehalis) indicated they already had enough problems with heavy trucks on the road and would rather see the Ahrens property zoned residential.

Karen James (153 Newaukum Village Drive, Chehalis) was concerned about whatever abutted her neighborhood. Many of her neighbors had their retirements in their homes and would like to protect their investments.

Ron Ahrens (1846 Bishop Road, Chehalis) stated he had run his family's farm for the last 25 years. It was a tough decision whether to sell their farm, but for a dairy their size they were actually being forced out because of too much development around them. He wanted to see the property developed as residential because it would be more suitable to the neighborhood and the residents were there before the properties were zoned industrial.

Leon Basey (1485 Rush Road, Chehalis) stated he owned two acres on Rush Road and would hate to see it go industrial. He bought his home 10 years ago and did a lot of work to it and he didn't want to move. He felt it would devalue his property if it went industrial.

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Steve Pack (136 Newaukum Village Drive, Chehalis) indicated he recently arrived from California because it was a beautiful area and they found a lot of nice homes being developed. He thought an overlay zone would give flexibility to developers.

Arlene Liljedahl (150 Newaukum Village Drive, Chehalis) spoke in favor of rezoning the property to residential to protect the valuation of her property.

Tami Squires (1869 Bishop Road, Chehalis) stated that she lived across from the Ahrens property and supported a residential rezone. She stated that the gas plant was going in behind her home, and they already hear many noises from companies within the industrial park area. She stated the families were there first and that should be taken into consideration. She also had a statement from her neighbor, Gloria Fairley, who felt the same way.

Earlene Wohlers (108 Villageway Drive, Chehalis) echoed what had been said previously. She stated that her neighborhood was very nice, pleasant, and quiet. To put an industrial area next to it would not detract from property values, but detract from the quiet atmosphere. She was in favor of residential zoning.

Jermaine McCarthy (156 Newaukum Village Drive, Chehalis) indicated that her property was adjacent to the property that was now zoned industrial and she would hate to see it actually developed into an industrial site. It was very pleasant in her neighborhood and she agreed with her neighbors that they would like to see it developed into residential sites so they could retain their neighborhood.

Christina Smith (112 Villageway Drive, Chehalis) thought it would be beneficial to keep the area residential, and have houses and families rather than trucks or mills.

Judy DeVaul, a member of the Chehalis planning commission and Chehalis port commissioner, stated that the feedback that was being given today was very good and she indicated how helpful that would have been to the planning commission when the planning was being done. As a good neighbor, the Port of Chehalis would consider land usages in the industrial area. Heavy industrial did not make good neighbors with residential and that would always be considered, but that was also the thing to consider when the council was making its decisions today. Industrial development would not make good neighbors with additional residential land. The more residences put there, the harder the time there would be in finding industries that want to abut up against a residential area. Ms. DeVaul stated that when the planning commission was putting together the comprehensive plan they were thinking about the capital facilities plan and servicing residential areas, especially residential areas of that large a magnitude, and they took into consideration such things as police and fire services since residential absorbed much more city services than industrial uses did. She reiterated that the Port of Chehalis, although they didn't own any land that far south, would also want to be good neighbors.

Councilor Pope asked how far south their property extended.

Judy DeVaul pointed out on the map where their boundaries extended.

Mayor Spahr asked for clarification on how questions were limited during a public hearing.

Bill Hillier advised that the council could question an individual that was making a statement, but individuals from the public could not question people that were talking.

Sal Trejo (110 Harold Drive, Chehalis) spoke about the condemnation of land with respect to the construction of the gas plant. He stated that he lived in Holloway Springs and it, along with other neighborhoods, were all around the plant site and was concerned about potential accidents such as explosions from propane or natural gas.

Richard Ahrens (1475 Rush Road, Chehalis) spoke in favor of a residential rezone. He expressed concern about traffic and decreased land values.

Patricia Ahrens (1846 Bishop Road, Chehalis) stated that she was one of the petitioners and didn't want to see industry come in. She thought that housing would be needed for the people that would move to the area to work on construction of the power plant and work in it when it was finished. She indicated that she spoke to several of her neighbors and they agreed it should be residential.

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Karen James added that she didn't know if the theme park proposed for the Winlock area would become a reality or not, but if it did they would certainly need a lot more residential areas.

Heidi Pehl, executive director of the Port of Chehalis, spoke against approving the petitions. She stated that there had been three to four years of public hearings, workshops, and planning, and major amounts of tax dollars and city efforts spent to decide how the comprehensive plan should zone the subject areas. She urged extreme caution of the council if they were going to change zoning that had been in place now for just about a year, and hoped the council would take the planning commission's recommendations.

Monte Squires (1869 Bishop Road, Chehalis) indicated that in addition to his home he also had a convenience store located at 2988 Jackson Highway. He felt it would help the community and all businesses, including the city of Chehalis, for the area to be residential.

There being no further public comment, the public hearing was closed and the regular meeting was reopened at 3:42 p.m.

Mayor Spahr indicated that what everyone had to remember was that a plan was a plan. When the comprehensive plan was originally done a lot of people talked about how it should keep certain properties as residential and not industrial, although there was no prior zoning. When the industrial park began growing many years ago the footprints should have been put down then, but they weren't. It wasn't until a few years ago that they began to be laid. He stated that the reason you put an industrial footprint down was because people do have to have places to work, and the reason you try to develop a footprint today for 20 years down the road was for the same reasons being stated today. Mayor Spahr didn't think that putting the Holloway Springs development in was a good use because of its location to the freeway, but it was put in prior to any comprehensive planning. He thought the Langus property should have been a border for the Newaukum Village development, but he didn't know whether the council could make that decision now or not. He stated that the Ahrens property was totally encircled by industrial properties, and if a residential subdivision was developed there it would be virtually impossible to put any kind of industry anywhere in the rest of the designated industrial park.

Councilor Hatfield stated that the properties being requested for rezone were currently zoned commercial or industrial. When the Holloway Springs and Newaukum Village developments were built they were built with full knowledge at that time that there was no zoning. The Newaukum Village developer knew that the adjacent 45 acres could be residential, commercial, industrial, or anything. He explained that to preclude those things from happening in the future the county developed a comprehensive plan and urban growth areas, and now there were parcels of land that some parties were requesting the current zoning be overturned and changed. Councilor Hatfield indicated that the council made a mistake some time ago with some acres within the Port of Chehalis and a mobile home park was almost sited there. They were able, due to some situations that changed later, to reverse that decision and to keep that piece of property as industrial and commercial. He stated that with regard to the Langus property, the person who represents the owner of that property was the only one that had standing with that property, and he was not in favor of that changing from its current industrial zoning. He also didn't know how a residential developer could market homes in that area when the people know full well that the area was abutted or surrounded by commercial and industrial zoning. He reiterated that a lot of thought, money, and time went into discussing the comprehensive plan and urban growth areas.

Mayor Spahr asked if the industrial zoning was strictly industrial or industrial/commercial.

Judy DeVaul believed that it was light industrial.

Fred Rider, a member of the planning commission, indicated that he believed it also included heavy industrial. He thought that the light industrial zoning bordered Bishop Road.

Councilor Hatfield pointed out that the Ahrens property could remain and stay in the Ahrens family forever as long as they owned the property.

Councilor Galvin asked about buffer areas between residential and industrial zones.

Judy DeVaul indicated that light industrial and commercial uses would act as the buffering areas between residential and heavy industrial.

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Heidi Pehl noted there were significant buffering requirements under the development regulations when industrial uses abutted residential areas.

Judy DeVaul stated that was also good for industrial because an industry would not want to come in and cause a conflict with residents.

Councilor Hatfield moved to not adopt petitions 1-4. He indicated that the fifth petition was a moot point because it had to go before the county. The motion was seconded by Councilor Ketchum.

Bill Hillier indicated that the fifth petition could be denied by the council for procedural reasons, but as far as the city was concerned it was not on the board and did not need to be considered.

The motion carried unanimously. Mayor Spahr stated that everyone had a stake on what went on in their neighborhood and he thought the residents of Newaukum Village made a good argument. As good stewards of their neighborhood and good stewards of land use, he thought it was up to everyone to be cognizant as to what was going on so it could be kept attractive and good for as many people as it can.

A member of the audience asked about having an overlay zone around residential areas.

Mayor Spahr indicated that the question becomes, where would it stop?

Steve Bergstrom clarified that the entire gray area on the map was entirely light industrial.

Mayor Spahr thanked everyone for coming and giving their input, and that he understood their concerns and was concerned for them. He indicated that things were changing all the time and what the council was trying to do now was to put a footprint out there for the future that people could live with and adjust to as time went on. It wasn't something that was going to happen overnight and he hoped that as it occurred it would be good for all.

3. **Citizens Business.** Mayor Spahr indicated that Chuck Haunreiter had asked to speak to the council, but Mr. Haunreiter left during the public hearing.

4. **Downtown Traffic Safety Enhancements.** Dave Campbell indicated that the item was a follow-up to a discussion two weeks ago, and a public meeting was held about proposed changes to traffic controls.

Randy Hamilton indicated that he understood why the users of the crosswalks on Pacific Avenue did not want to see them removed. He stated there was a lot of input at the public meeting and the minutes of the meeting were included in the agenda, along with letters supporting the crosswalks. He stated there was unanimous approval to change the YIELD sign to a STOP sign at the intersection of Market Boulevard and Park Street. He noted that the crosswalks would have to be enhanced if they were put back in, and Security State Bank indicated they were willing to help financially with some of the enhancements.

Jim Nichols indicated that he could appreciate the concerns expressed by the citizens, and in healthier financial times staff may have proposed that the city undertake some kind of major enhancement, but with no funds it made it very difficult for discretionary projects like this. Staff didn't want to appear as though they were ignoring the public, but with only the bank offering financial backing, it would make it difficult to do any enhancements to make the crosswalks workable and provide any kind of enhanced safety, unless others were willing to participate.

Councilor Ketchum agreed with the removal of the crosswalk near Petra Insurance because of its proximity to the corner, but he believed that the one near Security State Bank should be put back in.

Councilor Venemon thought the crosswalk near the bank was an important one and should be replaced. He added that he received numerous concerns about its removal.

Councilor Hatfield moved that the YIELD sign be replaced with a STOP sign at the intersection of Market Boulevard and Park Street; that the crosswalk not be replaced on Pacific Avenue near Petra Insurance; and that the crosswalk on Pacific Avenue near Security State Bank be replaced in as much as the Bank had agreed to participate financially in enhancement of the crosswalk.

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The motion was seconded by Councilor Zylstra.

Councilor Pope asked about the city's liability in putting the crosswalks back in since a traffic expert indicated that the crosswalk was dangerous.

Bill Hillier stated that the expert had not looked at the crosswalk with the enhancements and if it was revisited they may have a different opinion.

Councilor Pope asked if the bank would assume any liability if they participate financially in any enhancements.

Bill Hillier doubted that liability would extend to the bank. The motion carried by a vote of 5 to 2. Mayor Spahr and Councilor Pope voted against the motion.

5. **Ordinance No. 695-B, First Reading – Establishing a Water Policy Ordinance and Repealing Prior Ordinance.**

6. **Ordinance No. 696-B, First Reading – Establishing a Wastewater Policy Ordinance and Repealing Prior Ordinance.**

7. **Ordinance No. 697-B, First Reading – Establishing a Water Rate Ordinance and Repealing Prior Ordinance.**

8. **Ordinance No. 698-B, First Reading – Establishing a Wastewater Rate Ordinance and Repealing Prior Ordinance.** David Kelly stated that he had been meeting with a subcommittee of the council (Mayor Spahr and Councilors Ketchum and Zylstra) to discuss how base rate charges were applied to multiple units, and how to clarify and simplify current practices. Mr. Kelly provided a summary of the proposed changes. Residential accounts would be limited to single family residences only. The definition for "commercial services" would be changed to "commercial services shall include all businesses or multiple living units other than a single family residence." The term "base rate" would be changed to "capital improvement rate" to more accurately reflect what was being done with the revenues. The timelines for billing and collection would be changed. The turn-on fee would be increased from \$15 to \$25, and after-hours turn-ons would be increased from \$25 to \$75. Capital improvement charges for water and wastewater would be determined by the size of the meter.

Mayor Spahr stated that a single family dwelling would pay a capital improvement rate of \$35.98 for both water and sewer, and a commercial account would pay a capital improvement rate of \$49.40. The reason for that was because the city did not want to increase the residential capital improvement rates and also wanted the city to be revenue neutral on the proposed changes. The city didn't want to make more money, but it could not afford to give up more money because it had to show its financiers, when the city goes to build a new sewage treatment plant, that it had the revenues to do it.

Councilor Zylstra moved to waive the readings of the ordinances. The motion was seconded by Councilor Ketchum and carried unanimously.

Councilor Zylstra moved to pass Ordinance Nos. 695-B, 696-B, 697-B, and 698-B on first readings. The motion was seconded by Councilor Hatfield and carried unanimously.

9. **Elimination of Parking Commission.** Dave Campbell stated that the city has had a parking commission for a number of years to establish and maintain off-street parking facilities, although cities are not required to establish parking commissions. He indicated that parking problems in Chehalis may not be as serious now as they were in the past, and the commission hasn't had a cause to meet all that often or at much length when they have. In addition, a quorum has often not been present. There was a current vacancy on the commission and Mr. Campbell indicated that he did not have a recommendation on a person to appoint, and perhaps it was time that the city not have parking commission and have the council serve as the final decision-maker with respect to off-street matters. If there was a need for public involvement/opinion/feedback with respect to downtown parking there was the Chehalis community marketing committee that meets on a regular basis and could serve as advice to the staff and council to that regard.

Councilor Hatfield moved to direct the city attorney to prepare an ordinance repealing the one which provides for the parking commission, and to continue to have a separate fund accounting for parking revenues and expenditures. The motion was seconded by Councilor Zylstra and carried unanimously.

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10. **Agreement with Puget Sound Energy to Provide Utility Bill Printing, Mailing, and Payment Processing Services.** David Kelly explained that since the purchase of the city's new software system he had been looking into how utility bills could be printed differently. Members of the council had expressed an interest in including a return envelope with utility bills. He looked into purchasing a machine for stuffing and mailing, which would cost around \$13,000. During that time Puget Sound Energy proposed that they could print the city's bills and send them out with a return envelope for basically the same price the city was paying today for hard costs. He estimated it would save about 20 hours of labor per month. The city would also have the ability to include additional kinds of mailings for one cent each. The second part of PSE's proposal was to collect the bills, post them, deposit the money, and send the city an e-mail containing all the information. The costs for that would be about \$300 per month. He noted that staff spent a fair amount of time doing that portion of their work. Mr. Kelly explained that about a year ago staff was reorganized at city hall and he believed that when positions were cut they probably cut a little bit too much. PSE's proposal would provide an opportunity to gain back two-thirds of an FTE of work and provide an opportunity to get other things done.

Councilor Hatfield pointed out that both proposals would actually regain almost 75% of an FTE. For roughly the same amount of money to process utility bills the city could pay an outside firm to do it and the benefit would be that employees would be freed up to do other tasks that they were currently not doing.

Mayor Spahr asked if the city could go back to what it was currently doing if PSE increased their charges.

David Kelly stated that the city's new software had the ability to print the bills.

Mayor Spahr asked if PSE would be able to meet the city's billing timelines.

David Kelly indicated they would.

Mayor Spahr asked if the mailing address would remain the same.

David Kelly stated that the city had two mail boxes (871 and 872) and the return envelopes would be addressed to 872, and would be held in Olympia and picked up by PSE on a daily basis.

Councilor Galvin asked if customers could still use the drop boxes at city hall.

David Kelly stated that customers could still use the drop boxes. Those payments would either be processed at city hall or simply sent to PSE for processing.

Councilor Hatfield asked where customers would direct questions to regarding their bill.

David Kelly stated that that would stay the same and be handled at city hall. He noted that the contract was for three years with the ability to get out in one year.

Councilor Hatfield moved to authorize the city manager to enter into the Customer Care Services Agreement with PSE. The motion was seconded by Councilor Galvin.

David Kelly stated that Councilor Galvin asked what PSE was going to do with the city's customer information. He indicated that PSE has advised the city that they would not give any information out unless mandated by a court.

Councilor Galvin asked if that would be an attachment to the contract.

Bill Hillier stated that PSE would be the city's agent so they would be duty-bound to impose the same restrictions as the city did with regard to the release of information. From a legal standpoint he was not too concerned. The motion carried unanimously.

11. **Staff and City Council Reports.**

a. **2001 Mid-year Budget Status.** David Kelly reported on the status of revenue and expenditure activities during the second quarter. Things in the general fund were coming along fine except for sales tax, which was a little lower than the same

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time last year. He projected that sales tax would be down by the end of the year by \$175,000 to \$250,000. With regard to the water-sewer fund, reserved and unreserved retained earnings continued to grow.

b. **Music & Art Festival**. Mary Kay Nelson of The Chamber reminded the council that the Music & Art Festival was scheduled for Friday and Saturday and t-shirts with the new festival logo were available at Billie's Fabrics. She provided a brief overview of the scheduled activities.

Joanne Schwartz added that the downtown flower beds were weeded and the streets and sidewalks were cleaned. She also noted that the new banners were put up in some areas of the downtown.

c. **2001 Chehalis Family Photo and Presentation of Time Capsule**. Joanne Schwartz presented the 2001 Chehalis family photo posters and stated they were on sale for \$2 at the Book-N-Brush with proceeds going to the city's flag fund. She and Mary Kay Nelson also presented the time capsule to be opened in 2026. She stated that when the time capsule from 1976 was opened, it had formed moisture and the contents had a very strong and offensive odor. The items which could be copied were and the other non-salvageable items were thrown away. The new time capsule box would be placed in the city hall archives room in the basement. The box was presented to the council. She stated that a picture would be taken of the council with the time capsule to be made into plaques that would be placed at city hall and The Chamber as a reminder that the plaque should be opened in 2026.

d. **2002 Budget Preparation, Guidelines, Projections, and Issues**. Dave Campbell reported that the council budget committee met recently to review the 2002 budget projections, guidelines, and issues. Mr. Campbell reviewed five general guidelines and assumptions to be used in preparing the recommended 2002 budget. He stated that current projections indicate a \$248,000 shortfall based on existing programs and service levels. Mr. Campbell also outlined the budget review schedule, including a council work in early November, a public hearing on November 13, and readings of the budget adoption ordinances on November 26 and December 10.

There being no further business to come before the council, the meeting was adjourned at 5:00 p.m.

August 13, 2001

The Chehalis city council met in regular session on Monday, August 13, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Randy Hamilton, Chief of Police & Fire Services; Amanda Vey, Assistant City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Patrick Wiltzius, Wastewater Superintendent; and Kitty Schiltz, Librarian. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Consent Calendar.** Councilor Galvin moved to approve the consent calendar comprised of the following items:

a. Minutes of the regular city council meeting of July 23, 2001;

b. July 2-13, 2001, Claim Vouchers No. 56811 – 56832 in the amount of \$43,148.93; July 19, 2001, Claim Vouchers No. 58000 – 58190 in the amount of \$189,870.78; and July 31, 2001, Claim Vouchers No. 58191 – 58293 in the amount of \$378,255.17; and

c. Award contract to Quigg Bros., Inc., in the amount of \$150,726.15 for the water treatment plant backwash supply tank project.

The motion was seconded by Councilor Hatfield and carried unanimously.

2. **Public Hearing – Requested Vacation of a Portion of NW Rhode Island Avenue and Adjacent Alley.** Jim Nichols stated that the city received a vacation request from Darrell Sorenson for a portion of Rhode Island Avenue and adjoining alley off Geary Street, and adjacent to Mr. Sorenson's business. He indicated that the city would be provided with a key to Mr. Sorenson's gate to access city utilities, easements would be over city utilities, and arrangements were being made with a neighboring property owner who had concerns about access to his property. Mr. Nichols also indicated there were frontage and other improvement issues with Mr. Sorenson's property and staff would recommend that those become a condition of the vacation. He stated that one written comment was received from Chris Rasmusson expressing support for the concept that was developed and seeking assurance that he would be able to retain access to his property. Mr. Nichols noted that with regard to a part of the alleyway adjacent to Mr. Rasmusson's property, an agreement was made between Mr. Sorenson and Mr. Rasmusson for that portion to be dedicated to Mr. Rasmusson for access to his property.

Mayor Spahr asked about access by fire apparatus.

Jim Nichols indicated that as long as it was less than 150 feet there were no requirements for turnarounds. He added that Mr. Sorenson and Mr. Rasmusson were also making arrangements for the sale of a piece of Mr. Sorenson's property to Mr. Rasmusson, but that it was a private matter.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:07 p.m.

Chris Rasmusson (216 Galaxie, Chehalis) stated that he owned C.R. Parts on State Avenue and indicated that he had no qualms about the vacation, but he did ask for assurance that he would have sufficient access to his property. He was concerned about the proposed 20-foot piece specified as a new public alleyway on the property he was purchasing from Mr. Sorenson

Jim Nichols stated that it would not be a new public alleyway, but would be Mr. Rasmusson's private access. He reiterated that it was a private transaction between Mr. Sorenson and Mr. Rasmusson and was not proposed to be taken over by the city.

There being no other public comment, Mayor Spahr closed the public hearing and reopened the regular meeting at 3:10 p.m.

Mayor Spahr believed that staff had additional work to do before a final recommendation was presented to the council. He asked what that would do to the public hearing process if something different was done.

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Dave Campbell stated that an ordinance was not being presented today, but would be presented at the council's next meeting. The ordinance could contain additional conditions if appropriate.

Councilor Hatfield noted that citizens would have the ability to speak with regard to the ordinance.

Jim Nichols clarified that what Mr. Rasmusson wanted and what Mr. Sorenson was proposing were one in the same. He believed there was just a misunderstanding.

3. **Ordinance No. 695-B, Second Reading – Establishing a Water Policy Ordinance and Repealing Prior Ordinance.**

4. **Ordinance No. 696-B, Second Reading – Establishing a Wastewater Policy Ordinance and Repealing Prior Ordinance.**

5. **Ordinance No. 697-B, Second Reading – Establishing a Water Rate Ordinance and Repealing Prior Ordinance.**

6. **Ordinance No. 698-B, Second Reading – Establishing a Wastewater Rate Ordinance and Repealing Prior Ordinance.** Dave Campbell stated that the ordinances related to proposed changes in water and sewer rates for commercial accounts, as well as some details on how water and sewer billings were administered.

Councilor Hatfield moved to suspend the readings of the ordinances. The motion was seconded by Councilor Galvin and carried unanimously. Councilor Hatfield then moved to pass Ordinance Nos. 695-B, 696-B, 697-B, and 698-B on second and final readings. The motion was seconded by Councilor Zylstra and carried unanimously.

Buffi Bloom asked about hookup fees for new construction.

David Kelly indicated those rates were not changing.

Buffi Bloom thanked the council for making the changes to the ordinances.

Councilor Hatfield thanked Ms. Bloom for the letter she wrote to *The Chronicle* regarding the council's actions on this matter.

Councilor Zylstra thanked David Kelly for the good staff work he did on the ordinances.

7. **Ordinance No. 699-B, First Reading – Repealing Chapter 2.52 of the Chehalis Municipal Code, Disestablishing the Parking Commission.** Dave Campbell stated that the issue was discussed at the council's most recent meeting, specifically the apparent lack of, or at least the little need for, a parking commission to deal with off-street parking matters. The ordinance would eliminate the commission and any future parking questions or issues could be dealt with by other citizen groups. He also noted that the ordinance provided that the parking activity would continue to have its own separate fund.

Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Zylstra.

Councilor Pope stated that he wanted the ordinance to have two readings because of the potential conflict that it could cause and to give those who may object to the ordinance an opportunity to come before the council.

Councilor Hatfield withdrew his motion. Councilor Hatfield then moved to pass Ordinance No. 699-B on first reading. The motion was seconded by Councilor Pope and carried unanimously.

8. **Ordinance No. 700-B, First Reading – Relating to Contracting Indebtedness.** Dennis Dawes stated that the bond firm that was handling the financing for the state for the purchase of two police patrol cars indicated that the purchase constituted a debt and the ordinance was required. The ordinance confirmed two resolutions recently adopted by the council regarding the purchase.

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Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Pope and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 700-B on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

9. Ordinance No. 701-B, First Reading – Providing for the Regulation and Licensing of Businesses and Repealing Prior Ordinance.

10. Ordinance No. 702-B, First Reading – Establishing a Gambling Ordinance and Repealing Prior Ordinance.

11. Ordinance No. 703-B, First Reading – Establishing an Entertainment License and Repealing Prior Ordinance. Dave Campbell stated that the three ordinances essentially related to the same issue and provided for the ability to collect gambling taxes.

David Kelly added that the city had recently had some trouble collecting gambling taxes from certain businesses. The ordinances would give the city the ability to hold a business license for nonpayment of gambling taxes and, in turn, the state could then pull the business's liquor license. The ordinances also provided that if a business wanted an entertainment license they would have to be current on payment of gambling taxes.

Councilor Pope believed that bingo was gambling, but he did not see bingo addressed in the ordinances as it related to service clubs.

Randy Hamilton stated that the city did not collect taxes on bingo, but if an establishment had pull-tabs they were required to pay taxes. He also noted that staff would be checking to see if nonprofits had entertainment licenses because they were required to have them. Chief Hamilton provided an explanation of how the ordinances were modified and referred to one another.

Mayor Spahr asked why an entertainment license was needed.

Randy Hamilton explained that the entertainment license was needed to make sure that businesses having entertainment had security measures in place. He indicated that the ordinance referred to special police, which staff had looked at in broad terms. The city required businesses to take certain security measures in order to conduct their activity, which allowed people to police their own group. If they didn't comply with that, the city had the ability to revoke their entertainment license, although it hadn't been a real problem in the past.

Councilor Hatfield moved to pass Ordinance Nos. 701-B, 702-B, and 703-B on first readings. The motion was seconded by Councilor Galvin and carried unanimously.

12. Staff and City Council Reports.

a. **Upcoming Sister City Delegation Visit From Inasa, Japan.** Dave Campbell stated that the delegation was arriving on Friday evening. He highlighted some of the activities taking place during their visit. Mr. Campbell also showed the plaques (one in English and one in Japanese) that would be placed at city hall near the trees planted by Mayor Spahr and Mayor Nagayama a couple years ago.

b. **Crosswalk on Pacific Avenue.** Councilor Hatfield asked when the crosswalk on Pacific Avenue between Security State Bank and Thorbecke's would be replaced.

Jim Nichols indicated the replacement of the crosswalk was approved with enhancements. Staff was still working with bank representatives to figure out what kind of enhancements they would fund. In addition, staff was working with the engineer who drafted the original report to find out what kind of enhancements he would recommend.

Councilor Hatfield asked when they would be put back in.

Jim Nichols stated that he was still trying to put together a list of enhancement options to present to Security State Bank. He indicated he would try to have the crosswalks replaced by the end of September.

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c. **Chehalis River Basin Flood Executive Committee Meeting**. Councilor Galvin stated that he recently attended a meeting of the Chehalis River Basin flood executive committee and met the new Corps of Engineers representatives. Councilor Galvin gave a brief report on the current activities of the committee.

13. **Executive Session**. Mayor Spahr announced that the council would convene into executive session at 3:45 p.m. following a five-minute break, pursuant to RCW 42.30.110(i) – agency enforcement actions and litigation, for approximately twenty minutes and no decisions would be made following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:05 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

August 27, 2001

The Chehalis city council met in regular session on Monday, August 27, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, and Bob Venemon. Councilor Dave Zylstra was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Patrick Wiltzius, Wastewater Superintendent; and Kitty Schiltz, Librarian. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Consent Calendar.** Councilor Galvin moved to approve the consent calendar comprised of the following items:

a. Minutes of the regular city council meeting of August 13, 2001;

b. July 31, 2001, Payroll Vouchers No. 16030–16197 in the amount of \$457,069.13; Transfer Voucher No. 1490 in the amount of \$83,500.00; Transfer Voucher No. 1491 in the amount of \$1,554.70; June 29, 2001, Claim Vouchers No. 55353–56801 in the credit amount of \$600.00-; and August 15, Claim Vouchers No. 58294–58477 in the amount of \$262,905.38; and

c. Appointment of Janice Smith to the lodging tax advisory committee, replacing Maggie McCarthy.

The motion was seconded by Councilor Hatfield and carried unanimously.

2. **Citizens Business – Regional Wastewater Treatment Plant.** K. Joyce Stanfield (920 Goodrich Road, Centralia) asked why Chehalis was not participating with Centralia in a regional wastewater treatment plant.

Mayor Spahr explained that it was a matter of economics. A joint study was done and concluded that for Chehalis to join with Centralia would cost the city of Chehalis an additional \$20 million to move its effluent from the existing treatment plant to the proposed site in Galvin. It was simply cost prohibitive.

Ms. Stanfield asked if there was a possibility for a centrally-located facility. She indicated that she was told that four proposals were given to Chehalis.

Mayor Spahr recalled that the only proposal given to Chehalis was for the Galvin site, and he reiterated that it would be about \$20 million cheaper for Chehalis to construct a new facility in Chehalis, even factoring in maintenance and operation costs for twenty years.

3. **Ordinance No. 699-B, Second Reading – Repealing Chapter 2.52 of the Chehalis Municipal Code, Disestablishing the Parking Commission.**

4. **Ordinance No. 701-B, Second Reading – Providing for the Regulation and Licensing of Businesses and Repealing Prior Ordinance.**

5. **Ordinance No. 702-B, Second Reading – Establishing a Gambling Ordinance and Repealing Prior Ordinance.**

6. **Ordinance No. 703-B, Second Reading – Establishing an Entertainment License and Repealing Prior Ordinance.** Councilor Hatfield moved to suspend the rules requiring the reading by title of Ordinance Nos. 701-B, 702-B, and 703-B. The motion was seconded by Councilor Pope and carried unanimously. Councilor Hatfield then moved to pass Ordinance Nos. 699-B, 701-B, 702-B, and 703-B on second and final readings. The motion was seconded by Councilor Pope and carried unanimously.

7. **Ordinance No. 704-B, First Reading – Providing for the Licensing, Control, and Environmental Standards for Animals.** Bob Nacht indicated that Don Chambers, community services officer, primarily did the research compiled from a majority of state law, along with local regulations.

Councilor Hatfield moved to pass Ordinance No. 704-B on first reading. The motion was seconded by Councilor Ketchum.

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Councilor Hatfield commented that Don Chambers did a great job for the city and anything the council could do to make his job easier they should. The motion carried unanimously.

8. **Ordinance No. 705-B, First Reading – Providing for the Vacation of a Portion of NW Rhode Island Avenue and Adjacent Alley.** Dave Campbell stated that a public hearing was conducted at the council's last meeting and an ordinance was prepared based on the feedback received.

Jim Nichols stated that he met with the petitioner (Darrell Sorenson) and adjacent property owner (Chris Rasmusson) regarding the conditions contained in the ordinance and he believed they accomplished what both parties wanted. Mr. Nichols outlined the conditions and stated that Mr. Rasmusson would also like some kind of time constraint to be added as a condition so that the process did not drag out for a long period of time.

Councilor Hatfield wanted to see the conditions completed before the vacation process proceeded.

Mayor Spahr proposed that the ordinance be passed on first reading and then held for second reading after the conditions were met.

Councilor Pope agreed with Councilor Hatfield. He thought the conditions in the ordinance should be met before the vacation process continued.

Councilor Ketchum stated that an agenda report two weeks ago indicated that Mr. Sorenson had done various work without a permit, and asked if he had obtained the permit.

Jim Nichols indicated that Mr. Sorenson did not yet have a permit, but in order to accomplish some of the conditions in the ordinance he would have to obtain one.

Following further discussion, Councilor Hatfield moved to set a deadline of October 15 for Mr. Sorenson and Mr. Rasmusson to comply with all of the conditions. The motion was seconded by Councilor Pope.

Bill Hillier suggested that the council could also table the ordinance until the next council meeting and direct staff to contact Mr. Sorenson and inform him that the council may take contrary action at its next meeting.

Councilor Hatfield withdrew his motion and Councilor Pope withdrew his second to the motion. Councilor Hatfield then moved to table the vacation request and give Mr. Sorenson and Mr. Rasmusson until October 15 to comply with all of the conditions as stated by public works. Once all of the conditions were met the council would then take action on the vacation request. The motion was seconded by Councilor Pope and carried unanimously.

9. **Staff and City Council Reports.**

a. **Chehalis Firefighters in Eastern Washington.** Jerry Boes informed the council that members of the Chehalis fire services division responded to a statewide request for assistance to help with the fires in eastern Washington, along with the city's reserve engine. Their base camp was at the Okanogan fairgrounds and their first assignment was to protect a Native American cemetery. They worked with firefighters from as far away as Kentucky and were there for 9½ days and logged 684 hours, while the engine logged 128 billable hours. Deputy Chief Boes noted that use of the city's engine and employee salaries would be reimbursed by the state.

b. **2000 Audit.** Dave Campbell stated that representatives from the State Auditor's Office were at the city in July to do the audit for 2000 and an exit conference was held this morning.

David Kelly informed the council that the city received a nine-page suggestion list for things that the auditor felt should be addressed. He noted that it was a clean audit – the city's 21st consecutive one. Mr. Kelly indicated that the suggestions were only suggestions and were not mandatory and if they could be worked in and were financially feasible staff would move toward that direction.

Mayor Spahr asked how much the audit cost.

David Kelly stated it was approximately \$19,500.

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Councilor Hatfield indicated that he would like a copy of the suggestions.

c. **Market Boulevard/Boistfort Street Signal Light and Crosswalk on Pacific Avenue.** Jim Nichols stated that recent repairs funded by some downtown business owners to the signal light at Market and Boistfort were not successful. The business owners would now like to have the entire unit looked at to see if it could be repaired and were willing to fund it. He explained that stop signs would be installed on Boistfort Street to regulate traffic while the unit was being looked at. He thought it would take at least a month-and-a-half and was probably the last shot for saving the signal.

With respect to the crosswalk on Pacific Avenue near Security State Bank, Mr. Nichols stated that he planned to hold a public meeting later this week or the next week to discuss potential enhancements and cost-sharing amongst those who would benefit from and support the return of the crosswalk.

d. **Lewis County Historical Museum.** Councilor Galvin indicated that the "Barn Again" Smithsonian display at the museum was great. Because the museum was the last to have the display they had people from all over the state come. He believed it was probably the biggest attended display since he had been associated with the museum and estimated that on Saturday they probably broke any record they had for attendance.

e. **Chehalis River Basin Partnership.** Mayor Spahr stated that the partnership met on Friday and that planning efforts were going good, and they were developing some bonds with other cities and people. The group meets on the fourth Friday of each month.

10. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 3:45 p.m. following a five-minute break, pursuant to RCW 42.30.110(b) – acquisition of real estate, for approximately twenty minutes and no decisions would be made following conclusion of the executive session. Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:10 p.m.

11. **Grant Writer.** Councilor Hatfield asked about the status of the city hiring a grant writer.

Dave Campbell stated that Joanne Schwartz talked to individual council members about the concept of hiring a grant writer rather than having contractors or consultants do that kind of work for the city. He thought the idea had merit, but he wanted to talk to Centralia to see if there was any feasibility in the two cities sharing a grant writer. He stated that he and Joanne were meeting with Centralia's city manager, J.D. Fouts, tomorrow.

Councilor Galvin indicated it was his understanding that Centralia's grant writer was also involved with grant administration.

Joanne Schwartz added that she also administers the historic preservation commission.

Councilor Hatfield applauded Mr. Campbell's efforts at fiscal responsibility, but he thought it would be awfully tough, if not impossible, for one person to serve both cities.

There being no further business to come before the council, the meeting was adjourned at 4:15 p.m.

September 10, 2001

The Chehalis city council met in regular session on Monday, September 10, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Councilor Tony Ketchum was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Mansoor Ghorbani, Supervisory Engineer; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Andy Sennes, Property Manager. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Proclamations/Presentations**. A proclamation was read by Mayor Spahr proclaiming September 10-15 as Try Transit Week.

Jim Nichols introduced Mansoor Ghorbani, the city's new supervisory engineer. The council welcomed Mr. Ghorbani.

2. **Consent Calendar**. Councilor Zylstra moved to approve the consent calendar comprised of the following items:

a. Minutes of the regular city council meeting of August 27, 2001.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Citizens Business – Wal*Mart Expansion**. Edward Taub (3304 SW Stonebrook Dr., Portland, OR 97201) stated that he worked for the United Food and Commercial Workers (UFCW) Union, which represented 141 members who lived in Chehalis and worked in Chehalis or Lewis County. He understood that at this point they couldn't ask the council to stop the expansion project since a lease had already been signed, but he asked the council to direct the city's representatives on the Chehalis-Centralia Airport Board to have an economic impact study done to determine the impact that the project was going to have on jobs and other aspects of the local community. He noted that the city's comprehensive plan included language supporting and promoting jobs that provided prosperity, and protecting local businesses to the extent it could. Mr. Taub cited a study indicating that for every dollar spent with a local merchant, 60 cents of that dollar re-circulates through the community, with a chain store, 20 cents re-circulates, and with a big-box store, only six cents re-circulates. He also cited an article that stated that Wal*Mart's incursions into full-service grocery most directly impact independent grocers, and he believed there would be a significant economic impact to the community. Mr. Taub made it clear that the UFCW was not trying to disparage Wal*Mart workers. He added that Wal*Mart was the richest corporation in the country and could well afford to pay the wages and benefits that Fullers, Shop-N-Kart, and Safeway paid, but didn't.

Ruth Underwood (28218 68th Avenue East, Graham, WA) stated that she was a UFCW union representative for Safeway, Fullers, and Shop-N-Kart members who were concerned and worried about losing their jobs. She requested that an economic impact study be done because she believed it would not only impact the members who might lose their jobs, but the community could also see contributions and donations from employers diminish, and she didn't know if Wal*Mart would make up that difference.

Pat Underhill (1517 Highway 603, Chehalis) stated he was a business representative for the Carpenters Union in Lewis County, representing about 250 members. He stated that other towns had stopped Wal*Mart developments when it was determined it would not be to the benefit of a community. He noted that it was his understanding that Wal*Mart had chosen a non-union contractor, so most of the construction jobs wouldn't even be local people being paid a decent wage, but rather out-of-area people also not being paid a decent wage.

John Penberth (PO Box 162, Pe Ell, WA 98572) indicated that he was asked by the Lewis County Commissioners to sit on the citizens' advisory board relating to the growth management problems facing Lewis County, and one of the things he was hearing from citizens was the need for living-wage jobs. He expressed concern that the Wal*Mart expansion was being constructed on an archeological site and in a prior letter to the city he offered to take any city representative to the site and show them arrowheads, but received no response. Mr. Penberth stated that the site was identified on state archeological maps and he asked that the project be delayed until the site could be examined and the history of Chehalis documented, rather than just covering it up with a piece of cement.

Bob Spahr indicated that he did speak with Bob Nacht regarding Mr. Penberth's concerns.

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Bob Nacht stated that no evidence was shown during the SEPA process that indicated it was an archeological site.

Mayor Spahr asked how much union dues were.

Ruth Underwood stated that dues ranged from \$15 to \$36 per month.

Councilor Galvin commented that it seemed that if Wal*Mart were union they would have no objections.

Mr. Taub indicated that even if Wal*Wart wasn't union, but paid a family wage they would not be objecting. He explained that the profit margin in the retail grocery industry was about three percent and labor costs were one of the major expenses, so if employers pay around the same wage it made it harder to compete unfairly.

Councilor Pope asked why an economic impact study was not done. He noted that wages in Lewis County did not compare to wages in other places. He asked how the study could demonstrate the significance of the impact of the expansion on the community.

Mr. Taub explained that economic impact studies were not considered by the Growth Management Act, but some individuals were trying to generate interest about amending the Act so that such a study could be done to determine what the impacts would be on a local economy. It was something that was precluded by law, but it didn't mean that you couldn't ask to have one done.

Mayor Spahr asked what information the study would provide.

Mr. Taub indicated that a study would show if there would be a significant impact and you could then work with local resources to prepare for those that may be impacted by lost jobs.

Councilor Hatfield asked Mr. Taub if he would be here if Wal*Mart was fully unionized.

Mr. Taub doubted that they would be because the local employers would not be asking for their assistance.

Councilor Galvin asked if traffic along Chamber of Commerce Way, that might be increased because of the expansion, was considered as part of the environmental impact statement.

Bob Nacht indicated it was; a traffic impact analysis was required and accomplished and a number of issues would be implemented pursuant to public works and state department of transportation requirements.

4. Ordinance No. 704-B, Second Reading – Providing for the Licensing, Control, and Environmental Standards for Animals. Bob Nacht stated that since the ordinance was originally presented on first reading the city had declared a dog to be potentially dangerous. The owner failed to confine the dog, which was running at large and accosted a two-year-old girl. He noted there was no bite incident, but the child's mother asked if there was any provision within the ordinance to notify property owners within a certain area of a property that had a potentially dangerous or dangerous dog residing on it. Mr. Nacht indicated the proposed ordinance did not include such a provision, but that it could still be included if the council so chose. He noted there would be a cost for the mailing, but there may be a community benefit to doing it.

Councilor Hatfield moved to amend Ordinance No. 704-B to include language for the notification to property owners within a 300-foot radius of a potentially dangerous animal. The motion was seconded by Councilor Zylstra.

Dave Campbell pointed out that when the city makes a finding of a potentially dangerous animal the owner would be required to incur some costs relating to such things as licensing, insurance, and having a secure enclosure. The city could also add the costs of doing the notification to the owner's responsibilities.

Bob Nacht stated that the fee for registering a dangerous or potentially dangerous animal was either \$150 or \$250, so the mailing costs could actually be considered a part of those fees. He noted that the declaration of a dangerous or potentially dangerous animal only came up two to three times a year. He also stated that notifications were posted at the community services office and city hall. Mr. Nacht suggested the following language be added to the ordinance: "A copy of any declaration of a potentially dangerous or dangerous animal shall also be mailed to the occupant of all properties within 300 feet of the property where such animal is kept."

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The council concurred that the city be responsible for the costs of the mailings. The motion to amend Ordinance No. 704-B carried unanimously. Councilor Hatfield moved to suspend the reading of the ordinance by title. The motion was seconded by Councilor Pope and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 704-B, as amended, on second and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

5. **Ordinance No. 706-B, First Reading – Providing for a Budget Amendment.** David Kelly stated that the budget amendment included, among others, items relating to the February earthquake, overtime costs paid by the county for contracted services, and downtown banners.

Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance and reading of the ordinance by title. The motion was seconded by Councilor Galvin and carried unanimously.

Bill Hillier stated that since the ordinance was an economic impact ordinance that affected the budget, there had to be two readings.

Councilor Hatfield withdrew his motion and moved to suspend the rules requiring the reading of the ordinance by title. The motion was seconded by Councilor Galvin and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 706-B on first reading. The motion was seconded by Councilor Zylstra and carried unanimously.

6. **Staff and City Council Reports.**

a. **Retrospective Rating Program for Worker Compensation Insurance.** David Kelly stated that the city participated in the state's retrospective rating program for worker compensation insurance which meant that if the city maintained a good track record throughout the year the city received a refund on a part of the premiums paid. He reported that the city received a \$5,600 refund this year. He anticipated that the city would have to pay next year because of some significant injuries. He recommended that the city continue participating in the retro program in Plan A2 at the MPR level of 1.10, which was the same conservative plan and level as last year.

Councilor Hatfield indicated that the agenda report stated that half of any refund monies were set aside in a reserve account in case there was a bad year. He asked if the \$20,000 "rainy day" fund was a general fund category and asked what "rainy day" experience he was anticipating.

Dave Campbell stated that a couple of years ago the city did have to pay extra premiums which came out of that reserve.

Councilor Hatfield indicated then that instead of a "rainy day" fund it was actually an industrial insurance premium contingency fund and should be dedicated in the general fund for that specific use.

Dave Campbell stated that the account was dedicated in the general fund for that purpose.

Councilor Zylstra stated there were various plan choices and he asked what the basis was for the recommended choice.

David Kelly explained that the program assumed risk. The past history of the city was looked at and then you try to anticipate how many losses there might be in a year. The city could be a little riskier and assume there would be hardly any losses and possibly receive a much larger premium refund, but if it was a bad year the city would have to pay a higher premium. He stated that the city has chosen to stay a little on the conservative side.

Councilor Zylstra moved to authorize the city manager to sign the retrospective rating plan agreement for the next coverage year in Plan A2 at the MPR level of 1.10. The motion was seconded by Councilor Hatfield and carried unanimously.

b. **Feedback from Downtown Crosswalk Public Meeting.** Dave Campbell stated that another meeting was held last Tuesday to talk with downtown business representatives about the potential reinstatement of one or two crosswalks on Pacific Avenue.

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Jim Nichols stated that the council had previously directed that the crosswalk on Pacific Avenue near Petra Insurance not be reinstalled, and that the crosswalk on Pacific Avenue near Security State Bank be reinstalled with some enhancements to be funded by the downtown community. Mr. Nichols indicated that he requested the engineer who did the analysis last year and noted the problems with the crosswalk, if there were any enhancements he could recommend that might make a safer crossing situation and remove the risk issue. The engineer provided some workable suggestions that were provided at the public meeting, along with rough cost estimates. During the meeting one individual indicated his unwillingness to pay for the enhancements and to just have the crosswalks reinstalled, and others began to support him. Representatives from the bank then reaffirmed that they were not willing to pay for everything themselves since it was a community issue. Thorebecke's Fitness representatives indicated they would probably be willing to participate, assuming they could work out their lease situation, which was in the process of being negotiated. Mr. Nichols indicated that those attending the meeting seemed to prefer using bulbouts to enhance the crosswalk, but that alone would not meet the safety needs as determined by the engineer or himself, although it didn't mean it couldn't be done. He also noted that bulbouts were one of the cheapest options. Since that meeting a letter was received from Petra Insurance indicating that they were willing to participate in crosswalk enhancements if bulbouts were used, and requested that staff revisit the issue with the council to have the crosswalk reinstalled at a different location because of the problem with its original location in proximity to a blind corner.

Mr. Nichols asked for direction from the council as to whether or not he should pursue Petra Insurance's request since it would be a contradiction from the council's previous direction. He also didn't believe the crosswalk by the bank could be reinstalled by the end of the month as originally directed by the council. He stated that the citizens wanted the crosswalks put back the way they were and that was an option if it came from the council and took the liability away from staff, who would face some personal liability if they did it on their own. He still believed, that from a technical standpoint, enhancements were the appropriate way to go for the safety of the community, for the liability of the city, and for the best interest of pedestrians.

Councilor Hatfield thought the issue would go on and on if the council did not take action and he moved that some kind of enhancement provision be put together, but that the crosswalk between the bank and its drive-up window be reinstalled on the north side of the bank exit as opposed to the south side of the exit. The motion was seconded by Councilor Venemon.

Mayor Spahr assumed there was some manual/standard that staff was going by, and he asked if it specified that a crosswalk shall not be placed in the middle of a block.

Jim Nichols indicated the manual did not specify that.

Mayor Spahr asked what the line of sight was for crosswalk placement.

Jim Nichols indicated that it varied and he did not have that information on hand.

David Kelly noted that the city's insurance carrier recommended that the city have no crosswalks between blocks.

Mayor Spahr asked if there had ever been an accident at the bank crosswalk or at any other crosswalk in the city.

Randy Hamilton stated there had been one accident at the bank crosswalk and accidents at other crosswalks in the city, along with accidents where there were no crosswalks at all.

Councilor Hatfield didn't believe that by the council voting to put the crosswalk back absolved any liability from the staff.

Jim Nichols expressed concern that his engineering license could be on the line and that was a risk that he couldn't take, but his biggest concern was the safety of the citizens. He also noted that if the crosswalk was moved from the south side of the bank's exit to the north side, bank employees have indicated they would lose their ability to see their employees directly through their window, which was one of the reasons they wanted the crosswalk to be put back exactly where it was.

Councilor Hatfield thought there needed to be some compromise, and if the bank wanted it on the south side he would withdraw his motion.

Jim Nichols requested that if the motion passed that he be given time to review the crosswalk relocation because it was not a concept that had been entertained until now.

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Mayor Spahr was concerned about how close it would be to the corner coming off of Chehalis Avenue if the crosswalk was relocated. He also asked about using speed berms/bumps.

Jim Nichols indicated that speed berms/bumps would cause problems with maintaining the area, and based on comments from other neighborhoods where there were speed berms, there were ten times as many drivers petitioning to have them removed as those wanting them. Mr. Nichols asked for an additional two weeks to resolve the issue to everyone's satisfaction.

Tim Grochowski added that there was also a liability with using buttons if someone was to trip and fall, and a raised crosswalk would interfere with sweeping and drainage. If the crosswalk near the bank was moved to the north of their exit it would remove 20 feet of parking, although it might be gained back where the previous crosswalk was. He thought they were all issues that would have to be looked at.

Councilor Pope believed that the council should support staff's recommendations.

Councilor Hatfield withdrew his motion and Councilor Venemon withdrew his second to the motion.

Jim Nichols stated that he would look into moving the crosswalk near the bank to the north side of their drive-up window exit, and also to look at the possibility of reinstalling the crosswalk near Petra Insurance.

c. **Budget Committee Will Meet on Monday, September 17, at 9:00 a.m.** Dave Campbell reminded the members of the council budget committee that the group would meet on September 17 at 9:00 a.m.

7. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 4:10 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(i) – potential litigation, for approximately twenty minutes and no decisions would be made following conclusion of the executive session. Following conclusion of the executive session, Mayor Spahr reopened the regular meeting and there being no further business to come before the council, the meeting was immediately adjourned at 4:25 p.m.

September 24, 2001

The Chehalis city council met in regular session on Monday, September 24, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Mark Scheibmeir, Assistant City Attorney; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Mansoor Ghorbani, Supervisory Engineer; Tim Grochowski, Street Superintendent; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Others present included Kitty Schiltz, Librarian. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

Mayor Spahr noted that today was the first opportunity the council was together since the September 11 terrorism attack. He reported that a ceremony was held at the flag pole at city hall on September 14. He stated that the local community also suffered a loss in Dave Spogen who was very instrumental in obtaining grants for the Recreation Park fastpitch fields, and was also an activist in the community. He believed Mr. Spogen loved the community and worked hard for it. Mayor Spahr asked for a moment of silence to reflect on those who were lost during the last two weeks.

Councilor Zylstra stated that everyone saw the brave men and women of the police and fire services in New York City. He thought the city of Chehalis also had some brave men and women serving in the police and fire services department, and he wanted to somehow show the support of the council to those individuals because we sometimes get caught up in other things and forget what really counts. He presented hats to each council member from the police and fire services divisions to wear in appreciation.

Rose Spogen thanked the council for the acknowledgement of her husband and she indicated that a vocational education scholarship fund in memory of her husband had been established and was growing every day. She stated that contributions could be made at West Coast Bank.

1. **Proclamations/Presentations**. A proclamation was read by Mayor Spahr proclaiming October as Domestic Violence Awareness Month.

2. **Consent Calendar**. Councilor Pope moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of September 10, 2001;
- b. August 31, 2001, Claim Vouchers No. 58478 – 58514 in the amount of \$81,523.43; and September 14, 2001, Claim Vouchers No. 58539 – 58733 in the amount of \$171,770.58;
- c. Rejection of bid for Jackson Highway bridge water main replacement project; and
- d. Interlocal agreement with the city of Napavine to provide access for telemetry antenna.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Ordinance No. 706-B, Second Reading – Providing for a Budget Amendment**. Councilor Galvin moved to pass Ordinance No. 706-B on second and final reading. The motion was seconded by Councilor Hatfield and carried unanimously.

4. **Lodging Tax Advisory Committee Report**. Councilor Hatfield, chair of the lodging tax advisory committee, indicated that the committee met on September 7 to review the requests for tourism funds in 2002 from various agencies. He reviewed the makeup of the committee membership and indicated the recommended funding allocations were included in the report.

Mayor Spahr asked why the committee was recommending funding in the amount of \$15,000 to the Chehalis-Centralia Railroad Association when their request was for \$8,000.

Councilor Hatfield reviewed the recommended allocations, including \$25,000 to the Chehalis Community Marketing Committee (CCMC); \$6,000 to the Veterans Memorial Museum; \$7,500 to the Lewis County Historical Museum; \$15,000 to the Chehalis-Centralia Railroad Association; \$22,000 to The Chamber-Tourism Lewis County; and a \$4,800 carryover to The Chamber-Tourism Lewis County for a regional marketing plan that was not completed in 2001. He explained that the committee recommended a \$15,000 allocation to the Railroad Association because they had done a ton of things to bring Chehalis and

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Lewis County to the forefront as far as tourism, and people knowing and talking about the steam train. The Railroad Association did an outstanding job and their results were without question, and the committee felt that they could do twice as well with twice as much money.

Mayor Spahr asked how the CCMC funds would be spent.

Joanne Schwartz reported that \$10,000 was targeted for entrance signs and replacement of reader boards; \$5,000 for additional banners; and \$10,000 for advertising.

Mayor Spahr wanted to make sure that the CCMC was not duplicating work done by The Chamber.

Joanne Schwartz stated that the two groups actually complimented and worked with each other.

Todd Christensen, executive director of The Chamber, didn't think the efforts of the CCMC were in conflict with The Chamber. It was recognized that the efforts of the CCMC being specific to the city of Chehalis allowed Tourism Lewis County a greater opportunity to market the entire county as a whole.

Mary Kay Nelson of The Chamber added that part of the funding for Tourism Lewis County would be used to hire outside public relations for promotional efforts and all of the agencies which fund The Chamber would have to participate in order for that to happen.

Mayor Spahr noted that the city had the luxury of providing additional funding this year because of another new motel in town that was providing more revenues, and at the request of the motels, the city increased the hotel/motel tax. He thought Tourism Lewis County had probably been under funded by the city for years because the city simply did not have the revenue.

Councilor Pope asked for more information about the \$4,800 carryover for Tourism Lewis County.

Joanne Schwartz stated that the \$4,800 was for a regional marketing plan.

Mary Kay Nelson indicated they were working with other groups to do a one-time marketing plan to help identify their target audience and where they should be putting their promotional efforts.

Councilor Pope thought that when money was invested to that extent there should be some means of measurement.

Mary Kay Nelson indicated that was definitely something that had to be done.

Councilor Pope commented that a national event recently took place in Lewis County and he didn't hear anything about it.

Mary Kay Nelson stated that one of the ways they do measure currently was through revenue recorded at the State Department of Revenue. They can measure how many tax dollars were spent and review how area hotels/motels were doing.

Councilor Ketchum asked why the sister city program did not receive funding.

Councilor Hatfield explained that the committee voted unanimously to not fund the sister city program based on the premise that it was not a tourism-generating activity. The people that come from Japan stay in private homes and have most of their meals in private homes, and the committee believed the program was more of a cultural and political exchange.

Councilor Galvin asked how the distinction was made between what was tourism-related and what was operational, specifically relating to the Lewis County Historical Museum. He thought that everything the museum did related to bringing people in.

Councilor Hatfield stated that the committee looked at the museum's advertising efforts.

Councilor Galvin noted that 25% of the museum's visitation comes from the signs on the freeway.

Mayor Spahr asked if it was appropriate to debate any of the funding recommendations today.

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Dave Campbell indicated that changes could be made by the council today or during the budget process.

Mayor Spahr stated that he wanted to have further discussion during the budget process regarding funding for the Lewis County Historical Museum and the sister city program.

Councilor Hatfield moved to approve the committee's recommendations. The motion was seconded by Councilor Galvin.

Councilor Pope asked if there was some means to devise a process by The Chamber of notifying the community about all events in the county, particularly national events.

Todd Christensen indicated that The Chamber would work with that.

Mary Kay Nelson added that The Chamber was not made aware of the particular event mentioned by Councilor Pope.

The motion carried unanimously. Councilor Hatfield thanked the members of the committee and introduced those in attendance, along with the individuals representing the agencies which received funds.

5. Creation of a Grant Writer/Administrator Position. Dave Campbell stated that over the years there had been many different ways of applying for outside grants and loans to assist city operations and specific projects. There had never been any one person, consultant, or position that had the responsibility for coordinating that effort on a full-time basis.

Councilor Hatfield moved to approve the hiring of a full-time grants administrator at a salary range of 25 and up to \$3,000 in start-up costs to be funded by the 1982-93 Community Development Block Grant Fund and the HUD Block Grant Fund. The motion was seconded by Councilor Pope. Councilor Hatfield pointed out that the money being used to fund the position was not money that was being taken out of the general fund. The CDBG money was a dedicated fund and could only be used for certain activities. The motion carried unanimously.

6. Staff and City Council Reports.

a. **Downtown Crosswalk Replacements.** Jim Nichols indicated there was still not a consensus of the affected members of the downtown area regarding the crosswalks. At the last council meeting he was directed to reexamine and resolve the issue. He explained that his recommendation was to reinstall two crosswalks on Pacific Avenue near Security State Bank and Petra Insurance with slight realignments to make them safer. The crosswalk near the bank would be moved to the north of the bank's drive-up window, and the crosswalk near Petra Insurance would be moved south to the alleyway near Petra Insurance from its previous location because of its close proximity to the corner. He stated that both crosswalks would include bulbouts, and there would be an impact to parking, which turned out to be a concern to bank representatives. They expressed concern that if parking was allowed to get too close to their parking lot exit it would impact the sight distance of vehicles exiting the bank. He indicated that staff looked at that situation and there would still be a 20-foot no parking buffer.

Mayor Spahr asked if the bus stopped near the bank.

Jim Nichols stated that buses could stop wherever needed, but there was no designated stop.

Councilor Galvin asked if the loss of parking spaces was due to the bulbouts.

Jim Nichols explained that the bulbouts would fit within the 20-foot no-parking area that must be maintained around a crosswalk.

Councilor Zylstra believed that having the crosswalk located north of the bank drive-up window exit would improve visibility.

Councilor Pope asked if staff's recommendations were safe.

Jim Nichols indicated it was his professional recommendation that the crosswalks would be the safest they could at the lowest cost possible for everyone involved.

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Councilor Pope thought the recommendations were a better compromise than having no crosswalks at all and he thought the bank should let it move forward without any comment.

Councilor Spahr asked if there were any problems with the relocation of the crosswalk near Petra Insurance.

Jim Nichols stated there were no problems in his opinion, and no objections were raised by Michael Petra.

Councilor Spahr asked if angling the crosswalk at Security State Bank would help.

Councilor Hatfield didn't believe that would help save any parking spaces or improve safety.

Jim Nichols stated his proposal was the best compromise he could come up with to meet all needs.

Mayor Spahr asked if there was any controversy over the bulbouts.

A bank representative believed the bulbouts were what was causing the lack of parking.

Councilor Hatfield indicated that if the crosswalk was relocated, parking spaces would be lost with or without the bulbouts because of the required 20-foot no parking area approaching a crosswalk. He moved to approve the crosswalk replacements, including bulbouts as presented by staff, to be funded by the downtown merchants. The motion was seconded by Councilor Pope and carried by a vote of 6 ayes and 1 nay. Mayor Spahr voted against the motion.

A bank representative asked if the city was going to pay for the bulbouts.

Jim Nichols stated that the recommendation from staff was that the replacement costs be funded by those affected, although he had nothing to compel anyone to pay anything; it was purely on a voluntary basis. He estimated that each crosswalk would cost \$3,500.

Mayor Spahr believed there was confusion about who was going to pay for reinstalling the crosswalks.

Councilor Hatfield stated there was nothing to force anyone to pay and if no one wanted to pay the crosswalks didn't have to be put back in.

Mayor Spahr thought they needed to be a little more specific, and he wanted to know if the crosswalks were going to be put back in or not.

Councilor Hatfield stated that the council just voted to do it.

Councilor Ketchum indicated that the council voted to put the crosswalks back in with bulbouts to be funded by the downtown merchants, and if those affected didn't want to pay the crosswalks would not be reinstalled according to the city's insurance provider.

Mayor Spahr believed it was only a recommendation and the highway guidelines manual provided that the crosswalks could be reinstalled as they were.

b. **Council Goals Status Report.** Dave Campbell provided a report on activities that took place during the last quarter with respect to the council's goals. Those goals highlighted included improvement of the city's fire protection rating; implementation of the adopted water system plan; continuation of the redevelopment of Recreation Park; promotion of the revitalization of downtown; implementation of TMDL consent decree requirements; and cable television franchise renewal negotiations.

c. **Budget Committee Meets on Thursday, September 27, at 9:00 a.m.** Dave Campbell reminded the members of the council budget committee that the group would meet on September 27 at 9:00 a.m.

d. **Thanks to Street Department.** Councilor Ketchum thanked the street department for fixing the sink hole in front of Darigold on Chehalis Avenue.

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e. **Downtown Brochures**. Joanne Schwartz distributed new brochures that the CCMC had been working on for about the last two years. She stated that the printing of 5000 brochures was funded by KITI/Live 95 Radio.

f. Mayor Spahr stated that the public works department would be putting together a committee to review applications for engineering design of the sewage treatment plant and would like a council member to sit on that committee.

g. Councilor Galvin announced that the Veterans Memorial Museum had applied for permits and the project was moving forward. In addition, the Lewis County Historical Society held its annual vaudeville show last night and was very successful.

7. **Executive Session**. Mayor Spahr announced that the council would convene into executive session at 4:05 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(i) – litigation, for approximately twenty minutes and no decisions would be made following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting and there being no further business to come before the council, the meeting was immediately adjourned at 4:50 p.m.

October 8, 2001

The Chehalis city council met in regular session on Monday, October 8, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Councilor Bud Hatfield was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Mansoor Ghorbani, Supervisory Engineer; and Bob Nacht, Community Development Manager. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Proclamations/Presentations**. A 10-year service award was presented by Mayor Spahr to Francis Landry, Equipment Maintenance Technician.

Mayor Spahr read and presented a proclamation to Fire Captain Brian Slater proclaiming October 7-13, as Fire Prevention Week.

Larry Cook, Linda Dotson, Jim Fechtner, Karri McCall, and John Mosier were recognized for their service to the city as past members of the Chehalis Parking Commission.

2. **Consent Calendar**. Councilor Galvin moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of September 24, 2001; and
- b. September 28, 2001, Claim Vouchers No. 58736-58842 in the amount of \$81,017.87.

The motion was seconded by Councilor Pope and carried unanimously.

3. **Ordinance No. 707-B, First Reading – Establishing Revolving Cash Funds and Repealing Prior Ordinance**. Dave Campbell stated that the ordinance responded in-part to recommendations of the State Auditor following the 2000 audit.

Councilor Zylstra moved to pass Ordinance No. 707-B on first reading. The motion was seconded by Councilor Galvin and carried unanimously.

4. **Resolution No. 11-2001, First Reading – Authorizing the Chehalis-Centralia Airport Governing Board to Acquire Real Property (3110 Airport Road)**. Dave Campbell explained that following discussion by the council in executive session, the council directed staff to prepare a resolution to authorize and lend the city's endorsement for the acquisition of 75 acres of property north and northeast of the Chehalis-Centralia Airport.

Councilor Zylstra moved to adopt Resolution No. 11-2001 on first reading. The motion was seconded by Councilor Ketchum.

Councilor Pope stated that he had asked for engineering information, and although information was included in the agenda, he specifically wanted to know if the 75 acres, at \$5,332 per acre, was needed to acquire appropriate drainage for the airport. He wanted to see engineering alternatives to determine if buying 75 acres at almost \$400,000 could be done any cheaper.

Jerry Otto, airport manager, explained that they were not able to buy only a portion of the property.

Councilor Pope asked why an engineering study could not be done.

Mr. Otto indicated that based on the work by the engineer there was not an alternative to buying the entire property. He explained that in order for the board to control the drainage on the airport it was necessary to have control of the whole property to maintain all of the drainage features.

Councilor Pope asked the city attorney if the city had the ability to condemn property if it wanted to extend Louisiana Avenue to a frontage road.

Bill Hillier advised Councilor Pope that the city could do that if it was able to show use and necessity.

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Councilor Pope asked if the drainage problem could be completed any cheaper if the property was accessible by the city.

Mayor Spahr indicated that the reason the airport board was buying the property was for drainage purposes. He believed the airport board needed to purchase the entire property to accomplish what had to be done.

Mr. Otto added that the draw was not open and had not been maintained, and several ditches that once existed, that drained into the draw and eventually into a lake, had also not been maintained over the years. He stated that water drains back down onto the airport when those types of drainages are not maintained.

Mayor Spahr asked where the pump station pumped to.

Mr. Otto stated that the pump station was located on the northern edge of the property. When the lake reached a certain level it pumped water from the lake, over the dike, and under a county road into a drainage ditch north of the dike and airport, and eventually into the river.

Mayor Spahr asked if all of the drainage system was on the property to be purchased.

Mr. Otto indicated that the pump and pumping lines, and the lake, were on the property.

Councilor Pope still believed the issue was not fully addressed. The motion carried by a vote of 5 to 1. Councilor Pope voted against the motion.

5. Resolution No. 12-2001, First Reading – Creating and Establishing a Municipal Firemen’s Pension Board of the City of Chehalis. Dave Campbell explained that the city needed to come into compliance with state law regarding the city’s current firemen’s pension fund, primarily the appointment of a pension board, whose membership was laid out in RCW 41.16. Since the resolution was prepared it came to his attention that the city could be a little more specific with regard to the two firefighters who would be members of the board. It was suggested that at least one of those individuals be a LEOFF I firefighter, if available. Since the use of the fund paid for LEOFF I (retired or active) health insurance costs, it seemed to make sense to have at least one of the firefighters come from the LEOFF I membership. Mr. Campbell suggested the following amendment to Section 1.A.: “The members shall be the mayor, the city clerk, the city treasurer, and two regularly employed or retired firefighters, one of whom shall be a LEOFF I firefighter, if available, elected by secret ballot of the employed and retired firefighters. The mayor shall be the chair of the board.”

Councilor Galvin moved to adopt Resolution No. 12-2001 on first reading, including the amending language as recommended by the city manager. The motion was seconded by Councilor Venemon and carried unanimously.

6. Staff and City Council Reports.

a. **Setting a Special Council Meeting on Monday, November 5, to begin reviewing the recommended 2002 budget.** The council agreed to meet on November 5 at 3:00 p.m.

b. **Fire at Burger King.** Jerry Boes reported that a fire occurred at about 9:15 p.m. on Saturday night at the Burger King restaurant located at 1820 North National Avenue. There were no injuries and the owner of the building plans to rebuild as soon as possible.

7. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 3:30 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(i) – litigation, RCW 42.30.140(4)(a) – contract negotiations, and RCW 42.30.110(1)(b) – acquisition of real estate, for approximately thirty minutes and a decision would be made following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:22 p.m.

8. **Settlement of Litigation with Steve Bergstrom/AKR Properties.** Dave Campbell stated that a proposed letter of intent for a settlement agreement was before the council regarding litigation pertaining to Steve Bergstrom/AKR Properties.

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Councilor Zylstra moved to approve the mutual release and settlement agreement subject to completion of Section 3.c., regarding the submittal of engineering plans, and modifying language in Section 3.e., paragraph 2, as follows: "City agrees to allow the necessary sewer ERUs and water service connection fees to be purchased at ~~any time prior to occupancy~~ the time of connection, . . ." The motion was seconded by Councilor Pope.

Mayor Spahr asked Steve Bergstrom if he understood the motion. Mr. Bergstrom responded, "Yes." The motion carried unanimously.

There being no further business to come before the council, the meeting was adjourned at 4:25 p.m.

October 22, 2001

The Chehalis city council met in regular session on Monday, October 22, 2001, in the Chehalis city hall. Mayor Pro Tem Isaac Pope called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Bob Venemon, and Dave Zylstra. Mayor Bob Spahr was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Bobbi Boone, Land Use Environmental Technician; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Others present included Kitty Schiltz, Community Librarian. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Consent Calendar.** Councilor Zylstra moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of October 8, 2001; and
- b. October 15, 2001, Claim Vouchers No. 58864–59021 in the amount of \$202,915.64.

The motion was seconded by Councilor Galvin and carried unanimously.

2. **Ordinance No. 705-B, First Reading – Providing for the Vacation of a Portion of NW Rhode Island Avenue and Adjacent Alley.** Councilor Zylstra moved to pass Ordinance No. 705-B on first reading. The motion was seconded by Councilor Ketchum.

Dave Campbell stated that the council set several conditions to be addressed by the property owner before voting on the ordinance. Staff would provide an update on the accomplishment, or lack thereof in some cases, of the conditions and recommend that the deadline be extended.

Jim Nichols explained that in August, when the vacation request was presented, staff listed several conditions as part of the vacation, but the council decided to set the conditions out and require the property owner to accomplish them before the vacation would be considered. The council set a deadline of October 15 for the conditions to be addressed and, although they were all in various states of completion, none of them were totally complete at this time. He stated that a letter was received from a representative of the property owner requesting an extension of time and staff recommended an extension of the deadline from October 15 to November 5.

Councilor Hatfield moved to amend Ordinance No. 705-B to extend the deadline for completion of the conditions to November 5. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to table Ordinance No. 705-B until such time as the conditions were completed. The motion was seconded by Councilor Zylstra.

Mr. Darrell Sorenson informed the council that he was working on the conditions as quickly as he could. He questioned whose responsibility it was to draft the utility easements. He noted there were security issues because his company hauled military freight that was stored in Chehalis and had to be secure. He also asked how much the cost would be for the vacated property.

Caryn Foley stated that the appraisal was normally done after the ordinance was passed, but indicated that it didn't mean it couldn't be done now. The motion carried unanimously.

3. **Ordinance No. 707-B, Second Reading – Establishing Revolving Cash Funds and Repealing Prior Ordinance.**

4. **Resolution No. 11-2001, Second Reading – Authorizing the Chehalis-Centralia Airport Governing Board to Acquire Real Property (3110 Airport Road).**

5. **Resolution No. 12-2001, Second Reading – Creating and Establishing a Municipal Firemen's Pension Board of the City of Chehalis.** Councilor Hatfield moved to suspend the rules requiring readings of the ordinance and resolutions. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 707-B, and adopt Resolution No. 11-2001 and Resolution No. 12-2001 on second and final readings. The motion was seconded by Councilor Zylstra and carried unanimously.

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6. **Addition of Locker Room at Police Station for Female Employees.** Dave Campbell asked for the council's approval regarding remodeling at the police station using criminal justice reserve funds. He noted that the project would require a budget amendment at a later date.

Randy Hamilton added that the project was originally planned for earlier in the year, but was held off to see how the fund balances looked. He indicated it was something that needed to be done because there were female staff members who were not being afforded the same opportunities as male staff members.

Councilor Hatfield moved to approve the project to add a locker room for female staff and amend the 2001 budget to transfer the necessary funds from the criminal justice reserve account. The motion was seconded by Councilor Galvin and carried unanimously.

7. **Staff and City Council Reports.**

a. **Community Rating System Annual Recertification.** Bob Nacht stated that Bobbi Boone was now taking care of the community rating system program. He indicated it was a lot of work and she did a good job.

Councilor Zylstra asked if the flood maps would change.

Bob Nacht indicated it had been discussed, but at this point there was no regulatory change from the FEMA Flood Insurance Rate Map (FIRM), which had been used by the city since 1980. He stated there was also discussion about whether the hydraulic analysis of the flood plain would result in adoption of different regulations, but there was again no proposal in that regard. He noted that staff would use the Best Available Information standards if there were historic floods of record information or other known elevation to require additional protection beyond the FEMA flood maps if they can document when that occurs.

b. **Meeting Reminders.** Dave Campbell reminded the council about the council work session on Monday, November 5, at 3:00 p.m. at city hall to begin reviewing the 2002 recommended budget, and he also noted that the first regular meeting in November would be on Tuesday, November 13 because of the Veterans Day holiday.

8. **Executive Session.** Mayor Pro Tem Pope announced that the council would convene into executive session at 3:20 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(b) – acquisition of real estate, for approximately thirty minutes and there could be a possible decision following conclusion of the executive session. Following conclusion of the executive session, Mayor Pro Tem Pope reopened the regular meeting at 4:00 p.m.

9. **Purchase of Property at 3110 Airport Road (The "Barnes" Property).** Bill Hillier provided the following language based upon his understanding of the consensus of the council during discussion in executive session: "Contingent upon lack of consensus of the three entities (City of Chehalis, City of Centralia, and Lewis County) to purchase the Barnes property, the council would move to have Chehalis purchase the property independently for a purchase price already negotiated by the Airport Board and fund the same with water/sewer reserve funds."

Councilor Hatfield moved to make a motion that was verbatim as presented by the city attorney. The motion was seconded by Councilor Ketchum and carried unanimously.

There being no further business to come before the council, the meeting was adjourned at 4:03 p.m.

November 5, 2001

The Chehalis city council met in special session on Monday, November 5, 2001, in the Chehalis city hall for the purpose of reviewing the 2002 recommended budget. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Bud Hatfield, Tony Ketchum, Bob Venemon, and Dave Zylstra. Councilor Wayne Galvin arrived at 3:02 p.m. and Councilor Isaac Pope arrived at 3:21 p.m. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Jerry Boes, Deputy Chief for Fire Services; Steve Buzzard, Municipal Court Judge; Dennis Dawes, Deputy Chief for Police Services; Sharon Ferrier, Community Services Office Manager; Becky Fox, Court Administrator; Mansoor Ghorbani, Engineering Supervisor; Tim Grochowski, Street Superintendent; Barbara Lovelady, Fire Services Administrative Assistant; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Andy Sennes, Property Manager; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Review of 2002 Recommended Budget.** Dave Campbell provided an overview of the 2002 recommended budget, which included no new taxes or rate increases, except for scheduled increases in water and sewer user fees. He stated that two new positions were included in the recommended budget – a grants administrative who will begin work on November 26, and a wastewater collection specialist. Cost-of-living adjustments were also budgeted for the fire and non-uniformed employee bargaining units, as well as the non-union employees. Mr. Campbell noted that the police union contract was still unsettled. He also expressed concern about the decline in sales tax revenues. Following Mr. Campbell's comments, each department head/representative presented information on their respective budgets.

During discussion about the tourism fund, Councilor Hatfield noted that several letters were received from individuals asking that funding for the sister city program be restored. He explained that the Lodging Tax Advisory Committee recommended not to fund the program because they did not believe it was a tourism-generating activity. However, because of the number of letters received in support of the program, Councilor Hatfield moved to restore funding for the program using tourism funds. The motion was carried by Councilor Venemon and carried unanimously.

Dave Campbell noted that a public hearing on the recommended budget was scheduled for November 13, and budget ordinances would be presented on November 26 and December 10.

Following conclusion of the work session, the meeting was adjourned at 4:15 p.m.

November 13, 2001

The Chehalis city council met in regular session on Monday, November 13, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, and Bob Venemon. Councilor Dave Zylstra was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Becky Fox, Court Administrator; Mansoor Ghorbani, Supervisory Engineer; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Proclamations/Presentations**. Mayor Spahr presented a 5-year service award to Ryan Chaney, Community Services Property Maintenance Worker.

A plaque was presented to the employees of the wastewater treatment plant from the Pacific Northwest Pollution Control Association for 10 years without a loss-time accident.

2. **Consent Calendar**. Councilor Hatfield moved to approve the consent calendar comprised of the following items:

a. Minutes of the regular city council meeting of October 22, 2001, and the special city council meeting of November 5, 2001;

b. September 28, 2001, Payroll Vouchers No. 17131 – 17273; Claim Vouchers No. 58741/58843 – 58868/59031 in the amount of \$448,364.12; Transfer Voucher No. 1494 in the amount of \$2,041.29; August 31, 2001, Payroll Vouchers No. 16198/17000 – 17130; Claims Vouchers No. 58512/58515 – 58538/58734 – 58735 in the amount of \$472,998.54; Transfer Voucher No. 1492 in the amount of \$1,000.00; Transfer Voucher No. 1493 in the amount of \$1,244.11; and October 31, 2001, Claim Vouchers No. 59022–59144 in the amount of \$183,267.84;

c. Re-appointment of Steve Buzzard as Municipal Court Judge to a new term expiring at the end of December, 2005;

d. Extension of jail contract for one year at current rates;

e. Transfer of solid waste collection and disposal services agreement to D.M. Disposal Co., Inc.;

f. Accept bid from SeaWestern, Inc., in the amount of \$21,509.76 to provide a thermal imaging camera;

g. Radio system upgrades; and

h. Telecommunications right of entry agreement with Rainier Connect, Inc., for space outside of police station.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **2002 Recommended Budget**. Dave Campbell stated the purpose of the public hearing was to accept comments on the 2002 budget, and also an opportunity for people to comment on possible increases in property tax revenues pursuant to RCW 84.55.120. He added that the recommended budget did not anticipate a property tax rate increase so the city should be well within the requirements of Initiative 747.

Mayor Spahr closed the regular meeting at 3:06 p.m. and there being no public comment, the public hearing was closed and the regular meeting was reopened.

Dave Campbell noted that the budget ordinances would be presented on November 26 and December 10.

4. **Citizens Business – Disconnected Water Service**. Mr. Jim Wood (920 South Market Boulevard, Chehalis) addressed the council about his tenant's unpaid water bill. He explained that the tenant did not pay his bill and the water was shut off and the meter was locked. The renter then cut the lock so the city removed the meter. Mr. Wood stated the tenant re-piped the line and was stealing water. The water was ultimately shut off at the main by the city and Mr. Wood eventually evicted the tenant. Mr. Wood indicated there was \$185 still owing on the account and felt the tenant was responsible for the bill. He stated he was in the process of selling the house and needed water to clean.

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Bill Hillier advised that if there was a violation of a city ordinance, the tenant would be charged, convicted if guilty, and would ultimately have to pay restitution to either the city or the landlord.

Mr. Wood stated that Randy Hamilton told him that if he could get the tenant to pay the total water bill they would drop the charges.

Becky Fox indicated the individual was charged, but failed to appear for arraignment so a warrant was issued.

Mayor Spahr asked what the council could do.

Dave Campbell stated the council could direct staff to reconnect the water, and, if the individual was ordered to pay restitution, it be retained by the city.

Councilor Hatfield thought the council needed to let the municipal court system run its course, but in the meantime, Mr. Wood needed to have water. He moved to direct staff to restore water service to Mr. Wood's property so it could be sold, and wait to see what happened through the judicial system. If the individual was not convicted the city had other alternatives on how to collect the unpaid bill. He added that he didn't think Mr. Wood should be penalized for something his tenant did. The motion was seconded by Councilor Ketchum.

Mayor Spahr concurred with the motion, but he also understood what the city's ordinance stated and how it was written to try to take care of past due utility bills, but when it was a matter of criminal offenses it became an issue of victimization and he thought that was going a little too far. The motion carried unanimously.

5. **Citizens Business – Lewis County Historical Museum.** Barb Laughton of the Lewis County Historical Museum, apologized for missing the public hearing on the 2002 recommended budget. She asked if she could speak now or wait until the next council meeting.

Mayor Spahr asked that Ms. Laughton wait to address the council at their next meeting during presentation of the budget ordinances.

6. **Ordinance No. 705-B, First Reading – Providing for the Vacation of a Portion of NW Rhode Island Avenue and Adjacent Alley.** Dave Campbell reminded the council that the deadline for complying with certain conditions of the vacation was extended to November 5.

Jim Nichols distributed a report and provided a brief history of the matter. He stated that he spoke to Mr. Darrell Sorenson, the petitioner, who indicated that all of the conditions were in various stages of progress. Mr. Nichols requested that the abatement process be initiated because fencing was erected around the property, including the city's right-of-way that was blocking access to public property and causing access issues for Mr. Chris Rasmusson, an abutting property owner. He believed the city had been very fair in trying to work productively with Mr. Sorenson and thought this was the last effort to try and move forward. Mr. Nichols made it clear that if Mr. Sorenson was able to address the issues before the abatement process was complete, the process would be stopped and the vacation process would be resumed.

Mayor Spahr didn't understand what kind of access problem Chris Rasmusson was having.

Jim Nichols explained that Mr. Rasmusson did not technically own the land that he would following the vacation process. The means of access to his property was not established, and until he owned the land he did not have full access.

Mayor Spahr asked if stormwater drainage would have to be developed.

Jim Nichols indicated it was not a matter of drainage, but a detention issue that was not addressed when Mr. Sorenson paved a parking lot this summer. City standards require that if there was an increase in impervious surface on a property over a certain amount, stormwater must be detained and metered off the property so flows were not increased. Mr. Nichols stated that he advised Mr. Sorenson of that fact before the project was complete and Mr. Sorenson indicated that he would proceed anyway.

Mayor Spahr asked if the wet season would be a problem in completing the stormwater issue.

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Mr. Nichols indicated he didn't know. He heard that Mr. Sorenson's engineer was looking into the issue and may propose an alternate scenario or try to demonstrate that there was no stormwater issue.

Councilor Ketchum asked if Mr. Sorenson's gate was unlocked.

Jim Nichols stated that prior to Mr. Sorenson's last extension he was leaving the gate unlocked at the city's request, but he did not know the status as of today.

Ed Butler stated that Mr. Sorenson had retained Mason Engineering to address the stormwater issue. He added that he did not see Mr. Rasmusson as having access problems because he had frontage on Geary Street. Mr. Butler stated he was preparing the legal documents for the transfer of the sale and the easements for the vacation.

Mayor Spahr asked Mr. Butler when he thought the conditions could be completed.

Mr. Butler felt the conditions could be met within a week, although he could not speak to the stormwater issue. He stated that he was in the process of writing separate easements for the storm and water lines running along NW Rhode Island Avenue, but was advised by the city attorney that the vacation ordinance automatically retained an easement to the city for those utilities.

Councilor Pope indicated the city had been dealing with the issue for almost a year and believed that the petitioner needed to comply with the conditions.

Councilor Galvin asked what the abatement process consisted of.

Jim Nichols explained that the matter would be turned over to the Community Services Office to begin the abatement process that would eventually include removal of part of the fencing that was constructed over city right-of-way.

Bob Nacht anticipated that the nuisance abatement process would initially involve a directive to accomplish all of the conditions within 14 days. If the conditions were not accomplished then a decision would have to be made as to whether or not a criminal citation for violation of city ordinance should be issued or simply remove the fence.

Councilor Hatfield moved to direct staff to initiate the abatement process with the understanding that if the vacation requirements were completed in the meantime, staff would discontinue that process and resume the vacation request proceedings. The motion was seconded by Councilor Galvin and carried unanimously.

7. **Ordinance No. 708-B, First Reading – Amending the Chehalis Criminal Code.** Bill Hillier indicated that the state of Washington changed the violation of domestic violence protection orders from a misdemeanor to a gross misdemeanor and the city's ordinance had to mirror the state penalties.

Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Galvin and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 708-B on first and final reading. The motion was seconded by Councilor Galvin and carried by a vote of 5 ayes and 1 nay. Councilor Pope voted against the motion.

8. **Staff and City Council Reports.**

a. **2001 Third Quarter Budget Status Report.** David Kelly provided information on the last quarter's analysis of revenues and expenditures. Expenditures were in-line with projections. Revenues were up in natural gas utility taxes; however, sales tax was down considerably. In order for the city to meet its projected goal for 2001, the city had to average about \$212,000 per month for the last three months of the year. Sales tax revenue received in October was only \$180,932, and those numbers were before the September 11 tragedy.

Mayor Spahr asked that staff contact the State Department of Revenue to find out how much sales tax revenue the city lost due to legislation that was passed granting a sales tax exemption on purchases of manufacturing related machinery, equipment, and construction. The law was ultimately amended to include the logging industry and made retroactive back to July, 1995. He thought that would give the city a better idea of where sales tax revenues were going.

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Councilor Hatfield stated that the revenue totals in the water-sewer fund did not add up correctly.

David Kelly explained that the total included water and sewer charges and other various charges that were not shown.

Councilor Hatfield thought it would be helpful to add another line-item so the figures added up.

b. **Lewis County Meth Summit on Saturday, November 17.** Dave Campbell stated that he planned on attending the Lewis County Meth Summit this Saturday. He stated that registrations for the summit needed to be turned in by tomorrow.

c. **Staff Responses to Auditor's Management Recommendations.** David Kelly stated that the city received a clean audit for the year 2000, although the city did receive some recommendations. He noted that the recommendations were not mandatory, and he reviewed a few of the city's responses to some of the recommendations.

d. **Holiday Decorations.** Bob Nacht informed the council that holiday decorations would be put up this weekend. Since there would be fewer decorations because of the deteriorated condition of some of them, and due to current world events, the American flags would be put up again in certain areas.

e. **City Emergency Warning System.** Councilor Galvin stated that since the September 11 events he had received questions about what kind of alert warning system the city had to advise people to turn on their radios.

Dave Campbell informed the council that the city has an emergency warning system with four locations that are tested silently on a periodic basis. The system had not been tested in its audible mode for some time, but there has been discussion amongst staff to reinstating that testing. Staff would like to first develop a strategy for audible testing so as not to scare people.

Randy Hamilton added that if audible testing was reinstated it needed to be done at a given date and time so people knew what it was and that would take some public education. There would also have to be a determination as to whether the city wanted to maintain the system because it was not a new one. The system came from Cowlitz County who used it when Mt. St. Helens erupted. Chief Hamilton stated that a city emergency management committee had been meeting and maybe it would be appropriate to have that committee look at the matter and provide a recommendation to the council. He noted that the city had a contract with Lewis County for coordination of emergency management services and they had been very helpful in working with the city. The county was in the process of installing an emergency radio system that would operate independently of the local radio stations through some kind of a broadcast.

f. **Santa Claus Parade.** Joanne Schwartz reminded everyone about the annual Santa Claus parade on Saturday, December 1, beginning at noon. She stated the grand marshals of the parade would be Margaret Langus and Margaret Shields of the Lewis County Historical Museum.

g. **Veterans Memorial Museum.** Councilor Galvin stated that the museum was represented at the Olympia all-military parade and was featured on KIRO Television.

9. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 4:10 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(b) – acquisition of real estate and RCW 42.30.110(1)(i) – potential litigation, for approximately fifteen minutes and there would be no decisions following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:25 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

November 26, 2001

The Chehalis city council met in regular session on Monday, November 26, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Councilor Bud Hatfield was absent (excused). Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Mansoor Ghorbani, Supervisory Engineer; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Marilyn Riebe, Grants Administrator; Andy Sennes, Property Manager; and Patrick Wiltzius, Wastewater Superintendent. Others present included Kitty Schiltz, Librarian. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Proclamations/Presentations**. Mayor Spahr presented a 15-year service award to Caryn Foley, City Clerk.

Joanne Schwartz introduced the city's new grants administrator, Marilyn Riebe. The council welcomed Ms. Riebe.

2. **Consent Calendar**. Councilor Galvin moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of November 13, 2001;
- b. November 15, 2001, Claim Vouchers No. 59172 – 59325 in the amount of \$143,955.95; and
- c. Engineering services agreement with Gibbs & Olson, Inc., in an amount not to exceed \$97,000 for design of the water treatment plant filter upgrade project.

The motion was seconded by Councilor Zylstra and carried unanimously.

3. **Citizens Business – Lewis County Historical Museum**. Barb Laughton, Director of the Lewis County Historical Museum, addressed the council on behalf of the Lewis County Historical Society. Ms. Laughton provided additional information to what was included in the agenda and she invited the council to the Winter Toyland member's preview and luncheon on December 2 from 1:00 to 5:00 p.m. Ms. Laughton reviewed a few of the exhibits and projects at the museum during 2001, and provided an outline of the 2002 goals and objectives and proposed budget for the Lewis County Historical Society. Ms. Laughton noted that both membership and visitor attendance had increased substantially.

Mayor Spahr thought the museum did a tremendous job, especially in increasing visitor attendance.

Ms. Laughton reported that the museum now had a website and she invited the council to visit it. She stated that the museum requested city tourism funding in the amount of \$10,000 for 2002, but were only awarded \$7,500 by the city's lodging tax advisory committee. Ms. Laughton requested an additional \$2,500 for the museum.

Councilor Ketchum asked why the city of Centralia was only providing funding in the amount of \$2,500 in 2002.

Ms. Laughton indicated that she couldn't address the city of Centralia, but she stated that funding was received from Lewis County for salaries and operational expenses.

Councilor Galvin stated the city of Centralia was putting most of their money into their downtown renovation project and were cutting back funding on various things, including the Veterans Memorial Museum. He explained that all of the museum artifacts belonged to and were the responsibility of Lewis County, and the building was leased by and was the responsibility of the county. The money received by the museum from tourism funds were by-and-large used only for advertising, exhibit and display costs, providing services to the community, and to attract visitors to the community. He stated that a summary of activities for 2001 was included in the agenda. Councilor Galvin added that no tourism funds were expended to salary support or general administration. Councilor Galvin moved to approve additional tourism funding in the amount of \$2,500 to the Lewis County Historical Museum, making the total funding in 2002 \$10,000. The motion was seconded by Councilor Venemon.

Councilor Pope asked why the museum's request was not fully funded by the lodging tax advisory committee. He thought the museum brought many people into the community and supported the motion. The motion carried unanimously.

Councilor Galvin introduced the museum board members who were in attendance, including David Holland, Bob McDole, Jim Shouse, and Sandy Crowell.

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Mr. Holland stated that the museum and its artifacts were in touch with the people of Lewis County. Those that visit the museum find artifacts from their families and pictures of their homes. He thought that in light of today's world events, people were seeking out their roots, foundations, and anchors in their lives. He believed that people wanted to look back and see where they came from, which was one of the important aspects of the Lewis County Historical Museum, and why it should continue.

4. Ordinance No. 709-B, First Reading, Determining and Fixing the Amount of Revenue to be Raised by Ad Valorem Taxes During 2002; Ordinance No. 710-B, First Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies in 2002; and Ordinance No. 711-B, First Reading – Adopting the 2002 Budget. Dave Campbell stated that Ordinance No. 709-B would establish the property tax levies for next year for the general operations of the city and for emergency medical services that was based upon the original ten-year levy approved by voters two years ago. Ordinance No. 710-B, also relating to property taxes, identified changes from this year to next year in the dollar amounts and percentage terms of the property tax levies. Mr. Campbell noted that a table was included in the agenda showing the changes in the amounts and the rates of the property levies over three years, including the proposal for 2002. He pointed out that the property tax levies fully complied with Initiative 747 and the only increases in the dollar amounts for the property tax levies in 2002 were the result of the estimated value of new construction in the city in 2001, which resulted in about a 1% increase in the tax base. The 1% that would be allowed to be increased by Initiative 747 was not included in the budget and there would be no change in the property tax rates between 2001 and 2002. Mr. Campbell stated that Ordinance No. 711-B would adopt the budget itself, noting that the council had made two changes to the budget since it was presented a few weeks ago with regard to the tourism fund by increasing appropriations for the sister city program and the Lewis County Historical Museum.

Mayor Spahr noted that the chip-sealing of streets and building maintenance would not be included in the budget for the second year in a row. He asked that the council review the ending fund balances and sales tax status in mid-March and determine whether the budget could be amended to include those items because he thought the city would feel the impact of the lack of chip-sealing.

Councilor Zylstra moved to pass Ordinance Nos. 709-B, 710-B, and 711-B, as amended, on first readings. The motion was seconded by Councilor Galvin and carried unanimously.

5. Ordinance No. 712-B, First Reading – Establishing a Wastewater Rate Ordinance and Repealing Prior Ordinance. Dave Campbell indicated that the ordinance related solely to the rates for wastewater service that were charged to the city of Napavine and Lewis County Sewer District No. 1.

Patrick Wiltzius stated this was the second year that the city would be establishing rates for the Lewis County Sewer District No. 1 and the city of Napavine based on flow meters. He noted that the rate calculations were modified by basing costs on ownership of the interceptor, instead of just a share. He reported that Lewis County had a rate study done and asked their consultant to review the calculation to determine if it was fair and equitable. The only recommendation was to base the rate on the ownership of the interceptor. He indicated there would be a net increase in sewer revenues of about \$12,000 per year.

Councilor Galvin moved to pass Ordinance No. 712-B on first reading. The motion was seconded by Councilor Zylstra and carried unanimously.

6. Ordinance No. 713-B, First Reading – Providing for a Budget Amendment. Dave Campbell noted that the ordinance would have to be amended on second reading to include \$500 in the general fund for the municipal court's purchase of cash draws with funding from the criminal justice reserve account.

Councilor Pope moved to pass Ordinance No. 713-B on first reading. The motion was seconded by Councilor Zylstra and carried unanimously.

7. Resolution No. 13-2001, First Reading – Approving the 2002 Budget for the Chehalis-Centralia Airport. The 2002 budget for the Chehalis-Centralia Airport was presented by Dennis Dawes, one of the city's representatives on the airport board. He pointed out that the FAA grant that was listed under revenues had to be included as potential revenue although there was no guarantee it would be received. With regard to expenditures, Mr. Dawes noted that funding was included for mowing assistance by the Washington State Department of Transportation to mow the dike area. He explained that they had the proper equipment to mow the area, which was very important because the dike needed to be adequately maintained. Mr. Dawes reviewed the capital expenses included in the budget and stated the airport would be paying off the final balance of the loan

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received from Lewis County a number of years ago for fill work. Finally, Mr. Dawes outlined some of the capital projects planned for 2002, including the acquisition of property to support the installation of an instrument approach system and to protect the drainage interests of the airport. He added that if the airport did acquire property it had sufficient revenues and would not be coming to any of the entities for any part of that.

Councilor Galvin moved to adopt Resolution No. 13-2001 on first reading. The motion was seconded by Councilor Venemon and carried unanimously.

8. Staff and City Council Reports.

a. **Status of Review and Adoption Process for GMA Development Regulations.** Bob Nacht stated that in July, 1999, the council adopted a Growth Management Act compliant comprehensive plan. Subsequent to that the city initiated the compilation of the city's uniform development regulations document, and city staff and the planning commission have been diligently working on the document for the last two years. He stated that a draft proposal was completed and the planning commission would conduct a public hearing on December 3 at 7:00 p.m. at the Community Services Activity Building to obtain public input, and agency and special interest groups' comments on the draft document. The planning commission will then determine if any changes should be made to the document and it will be forwarded to the city council for another public hearing and ultimate adoption. Mr. Nacht stated the document was available for public review at city hall and community services, and available for purchase at the community services office. He stated that staff was in the process of retaining a consultant to put together a supplemental environmental impact statement for the proposed document.

Councilor Pope asked when the development regulations would have to be revisited.

Bob Nacht stated they would have to be revisited immediately because new legislation was passed that required all development regulations and comprehensive plans to contain an element called Best Available Science by September, 2002, which was not a component of the draft regulations document.

Councilor Pope asked how much it would cost.

Bob Nacht stated the cost was still being negotiated, but he didn't think it would exceed \$10,000.

Councilor Pope asked how the document would benefit the city.

Bob Nacht explained that the development regulations would contain the answer to every developer's question in one document. It would be a how-to document and would identify what to expect from the review process, including timelines, appeals, and variances. It would provide staff with clear guidance on how to deal with issues relevant to private property development. He stated there were currently a number of stand-alone ordinances, making some cases extremely ambiguous.

Joanne Schwartz commended the work of the planning commission and Bob Nacht on the proposed document.

b. **Lewis County Historical Museum's Winter Toyland.** Councilor Galvin reminded the council about the museum's Winter Toyland member's preview.

9. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 4:00 p.m. following a five-minute break, pursuant to RCW 42.30.110(1)(b) – acquisition of real estate, for approximately five minutes and there could be a decision following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:10 p.m.

10. **Acquisition of Real Estate.** Dave Campbell stated that the acquisition pertained to property that would represent another potential site for future location of a new wastewater treatment plant in Chehalis.

Councilor Zylstra moved to authorize and accept the terms and conditions of an offer through Adolphsen Real Estate for property at 400 NW Louisiana Avenue in Chehalis. The motion was seconded by Councilor Pope.

Mayor Spahr noted there were safety factors built into the earnest money agreement that would allow the city to "escape" if the property did not meet the city's intended needs. The motion carried unanimously.

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There being no further business to come before the council, the meeting was adjourned at 4:13 p.m.

December 10, 2001

The Chehalis city council met in regular session on Monday, December 10, 2001, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, Bob Venemon, and Dave Zylstra. Staff present included: Dave Campbell, City Manager; Caryn Foley, City Clerk; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Administrative Services Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Mansoor Ghorbani, Supervisory Engineer; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Marilyn Riebe, Grants Administrator; Andy Sennes, Property Manager; and Patrick Wiltzius, Wastewater Superintendent. Others present included Kitty Schiltz, Librarian. Members of the news media in attendance included Paul Alleva of *The Chronicle*.

1. **Consent Calendar.** Councilor Zylstra moved to approve the consent calendar comprised of the following items:
 - a. Minutes of the regular city council meeting of November 26, 2001;
 - b. November 30, 2001, Claims Vouchers No. 59326 – 59420 in the amount of \$224,866.62;
 - c. Appointment of Brian Zylstra to an unexpired term on the Chehalis Library Board expiring December 31, 2005, replacing Tim Fuller;
 - d. Maintenance agreement with the Washington State Department of Transportation (WSDOT) for traffic signal electronics at Chamber of Commerce Way and NW State Avenue; and
 - e. Acceptance of a Public Works Trust Fund loan from the Washington State Public Works Board for design work and property acquisition for a new wastewater treatment plant.

The motion was seconded by Councilor Pope.

Mayor Spahr asked if the maintenance agreement with the WSDOT would help with coordination of the signal lights.

Jim Nichols explained that the lights were not currently tied together, but the agreement would accomplish that and would also put the responsibility for maintenance on the WSDOT. The motion carried unanimously.

2. **Ordinance No. 709-B, Second Reading, Determining and Fixing the Amount of Revenue to be Raised by Ad Valorem Taxes During 2002; Ordinance No. 710-B, Second Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies in 2002; and Ordinance No. 711-B, Second Reading – Adopting the 2002 Budget.** Dave Campbell provided a brief explanation of each ordinance. Ordinance No. 709-B established property tax levies for 2002 for both the general levy and the voter-approved emergency medical services levy. Ordinance No. 710-B stated the changes in the levies from this year to next year. Under Referendum 47, those changes were described both in dollar and percentage terms. Ordinance No. 711-B adopted the budget itself. He reminded the council that the property tax levies for 2002 were in compliance with Initiative 747 and there was not even the 1% allowable increase in the levy that the initiative provided for. The only increase in the dollar amounts was due to new construction or new assessed value that was added to the city's tax base this year.

Mayor Spahr asked if the changes made by the council to the budget were included in the proposed ordinances.

Dave Campbell indicated the changes were made in the tourism fund for appropriations for the sister city program and the additional appropriation for the Lewis County Historical Museum.

Councilor Hatfield moved to suspend the rules requiring readings of the ordinances. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to pass Ordinance Nos. 709-B, 710-B, and 711-B on second and final readings. The motion was seconded by Councilor Galvin and carried unanimously.

3. **Ordinance No. 712-B, Second Reading – Establishing a Wastewater Rate Ordinance and Repealing Prior Ordinance.** Dave Campbell stated the ordinance established new monthly wastewater rates for the city of Napavine and Lewis County Sewer District No. 1 as users of the Chehalis wastewater treatment plant.

Councilor Galvin moved to pass Ordinance No. 712-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

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4. **Ordinance No. 713-B, Second Reading – Providing for a Budget Amendment.** Dave Campbell indicated the ordinance was the final amendment to the 2001 budget. He noted there were changes made to the ordinance from first reading, which were detailed in the agenda report.

Councilor Hatfield moved to pass Ordinance No. 713-B on second and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

5. **Resolution No. 13-2001, Second Reading – Approving the 2002 Budget for the Chehalis-Centralia Airport.** Councilor Hatfield moved to adopt Resolution No. 13-2001 on second and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

6. **Ordinance No. 714-B, First Reading – Establishing a Small Works Roster and Repealing Prior Ordinance.** Jim Nichols explained that state law regarding small works rosters was changed so the city's ordinance had to be updated to comply with the most current laws. The ordinance would increase the threshold for selecting contractors from the roster for various construction projects from \$100,000 to \$200,000. It would enable contractors to be added to the list when a formal request was made. It would also allow the city to solicit bids from five contractors if the estimated cost of the work was between \$100,000 and \$200,000. However, the city would have to notify the remaining contractors that it was going through that process.

Councilor Hatfield moved to suspend the rules requiring two readings of the ordinance. The motion was seconded by Councilor Ketchum and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 714-B on second and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

7. **Ordinance No. 715-B, First Reading – Providing for an Interfund Loan.** Dave Campbell explained that from time to time the city had funds that would technically be in a deficit situation without an interfund loan at the end of the year. In this case the fund was one which had been the recipient of monies for the Main Street improvement project. It was an active project with some work still needing to be done. Staff anticipated some reimbursement from the state when the work was done, but in order to cover the deficit until the reimbursement was received, an interfund loan was necessary.

Councilor Zylstra moved to suspend the rules requiring two readings of the ordinance. The motion was seconded by Councilor Pope and carried unanimously. Councilor Zylstra then moved to pass Ordinance No. 715-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

8. **Resolution No. 14-2001, First Reading – Adopting a General Sewer Plan.** Dave Campbell stated the resolution would formally adopt a general sewer plan for the city, which was reviewed by the council over the last several years at various points of drafting. The plan was also approved by the Department of Ecology.

Patrick Wiltzius added that the plan also had to be adopted by the city of Napavine and the Lewis County Sewer District.

Councilor Hatfield moved to adopt Resolution No. 14-2001 on first reading. The motion was seconded by Councilor Pope and carried unanimously.

9. **Resolution No. 15-2001, First Reading – Extending the Franchise with TCI Cablevision of Washington, Inc., (AT&T Broadband) Until June 30, 2002.** Dave Campbell stated the council passed three similar resolutions to extend the city's cable franchise with TCI during the negotiation process for a new franchise. He indicated there were still a couple of unresolved issues, but anticipated that a proposal could be ready within the next few weeks.

Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to adopt Resolution No. 15-2001 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

10. **Appointment to the Airport Board.** Dave Campbell stated that an appointment was necessary for a new six-year term to the airport board. He stated there were two people (Peter Tiller and Mary Swafford) who would like to continue serving on the airport board, but unfortunately only one appointment could be made.

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Mayor Spahr indicated it was a difficult decision because both individuals were very qualified and the airport board was happy with both of them. He noted that Mr. Tiller was originally appointed to a regular term, while Ms. Swafford was appointed to the floating position, which was rotating to Centralia for the next two years.

Councilor Hatfield agreed it was a tough call, but he preferred to reappoint Ms. Swafford to the board because he thought the board tended to be dominated by pilots and it would be good to have the perspective of someone who was not a pilot and could provide a broader community perspective to the airport. He moved to appoint Mary Swafford to a new term on the airport board expiring December 31, 2007. The motion was seconded by Councilor Ketchum.

Mayor Spahr reiterated that Mr. Tiller was originally appointed to be the city's regular representative and Ms. Swafford was appointed to the city's floating position. The motion carried unanimously.

11. **Local Agency Railway Agreement with the Washington State Department of Transportation (WSDOT) for the Installation of Grade Crossing Warning Devices at SW Parkland Avenue.** Jim Nichols stated the proposal was for the upgrading of the railroad crossing signals at SW Parkland Drive. The city received a grant with no matching funds required, but the city would have to enter into a maintenance agreement for the crossing as done in the past. The city would accept 75% of the cost of any damage caused to the crossing equipment. Mr. Nichols stated that staff worked to try to have that requirement removed, but were informed it was not possible. After reviewing the history of the costs associated with the agreement, staff determined it was in the best interests of the city to accept the grant funding to upgrade the crossing.

Councilor Zylstra moved to approve the local agency railway agreement with the WSDOT for the installation of grade crossing warning devices at SW Parkland Drive and authorize the city manager to sign said agreement. The motion was seconded by Councilor Hatfield and carried unanimously.

12. **Staff and City Council Reports.**

a. **Water Effects Ratio (WER) Study Update.** Patrick Wiltzius reported the study was progressing fairly smoothly. The first half of the bulk of the sampling was completed and preliminary results came back giving the city WERs that would be needed in the future to change the metals limits for the wastewater treatment plant. Wet-weather sampling still needed to be done and he anticipated those would take place in January or February when the river flows were a little higher. He noted that zinc was removed from further testing due to preliminary analysis, which saved quite a bit of money.

b. **Arsenic Rule Change by EPA.** Mark Petrie reported on EPA's proposal to reduce the standard for arsenic in drinking water to decrease public health risks. In 1975, the maximum level for arsenic was set at 50 parts per billion (ppb), and in October of this year, the level was lowered to 10 ppb. He stated that past analysis done for the North Fork of the Newaukum River and the Chehalis River indicated that arsenic levels were less than 10 ppb so he did not anticipate any problems with meeting the new standards. He indicated the state may issue a reporting level of 5 ppb, but he believed the city should still be able to meet those expectations. Gibbs and Olson conducted a preliminary study that showed the treatment plant would be able to meet the lower standard with minor operational changes. He added that the 10 ppb standard was not mandatory until January, 2006.

c. **Sales Tax Receipts Update.** Dave Campbell reported that sales tax receipts recently received from the state were better than expected. The receipts reflected September sales, which was the first month that there may have been some economic fallout over the events of September 11. He added that staff would continue to watch the situation closely because of how much sales tax receipts represented the general fund.

Mayor Spahr still wondered how much the city was being impacted by state legislation passed giving certain industries tax exemption.

David Kelly said he contacted the state regarding Mayor Spahr's question, but they were unable to provide the information.

Dave Campbell thought sales tax receipts would exceed last year's, but he didn't believe receipts would reach the 2001 budget target of \$2,500,000.

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d. **Cancellation of December 24 Council Meeting.** Councilor Galvin moved to cancel the December 24 council meeting. The motion was seconded by Councilor Pope and carried by a vote of 6 to 1. Councilor Hatfield voted against the motion.

e. **Chehalis River Flood Damage Reduction Project Meeting.** Councilor Galvin stated that he and Dave Campbell attended a meeting where a report was received on how things were going with the Corps of Engineers. He indicated it was the most positive meeting he had come away from. The Corps of Engineers decided to give the project its highest priority and it may be completed within the next couple of years. A meeting would be held this week to decide on one of three alternatives. Alternative "A" consisted of opening up areas under State Highway 6 and doing some widening, Alternative "B" included putting up levies, and Alternative "C" was a combination of Alternatives "A" and "B".

Dave Campbell added they would be looking ahead to financing at both the state and federal levels. The Corps' review process of the alternatives was underway and the next challenge was to get the money for it during the next few years.

f. **Recognition of Heidi Pehl.** Councilor Hatfield acknowledged the resignation of Heidi Pehl as executive director of the Port of Chehalis. He thanked Ms. Pehl for her many years of a job well done and extended his best wishes. He stated that she was always very helpful to the city, especially the council GMA committee.

g. **Snorkel Truck.** Randy Hamilton reminded the council that a couple of years ago the city donated a snorkel truck to a Rotary Club from Seattle for shipment to Tblisi, Georgia, a former republic of the Soviet Union, which would serve the Tblisi airport. Mr. David Holmes, the individual who spearheaded the project, was traveling to Tblisi and requested that Jerry Boes accompany him to provide training on operation of the truck. He stated the city could not participate in funding the trip, but a fund had been established at Sterling Savings for those who would like to make a donation for his transportation costs.

13. **Recognition of Councilor Bud Hatfield and Councilor Dave Zylstra.** Mayor Spahr stated it wasn't often that you lose 36 years of leadership, experience, and knowledge all at one time, and the thought of losing Councilors Hatfield and Zylstra at one time was almost devastating. He stated that both Councilor Hatfield and Councilor Zylstra had been an extreme addition to the council in developing the community that Chehalis was today. He presented plaques of appreciation to Councilors Hatfield and Zylstra on behalf of the city.

Councilor Zylstra stated it had been his honor to serve the people of Chehalis as a council member, and it had been his pleasure to work with some of the finest people, in terms of staff members and council members, that one could ever ask for. He thought Chehalis had earned a pretty good reputation for a well-run city and he was proud to be part of making that possible.

Councilor Hatfield echoed Councilor Zylstra's sentiments. He stated he enjoyed every minute of his sixteen years on the council. He thanked all of the city department heads and their staffs for their help, not only to the council, but to the citizens of Chehalis. He also thanked his fellow council members for their help and support through the many years. Councilor Hatfield thought he had done a good job.

There being no further business to come before the council, the meeting was adjourned at 3:50 p.m.