

January 7, 2000

The Chehalis city council met in special session on Friday, January 27, 2000, 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; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance Director; Jim Nichols, Public Works Director; Jerry Boes, Deputy Chief for Fire Services; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Ordinance No. 665-B, First Reading – Amending Ordinance No. 659-B (Determining and Fixing the Amount of Revenue to be Raised by Ad Valorem Taxes) by Reducing the Property Tax Levy by \$55,000 and Amending the 2000 Budget in the Same Manner.** Mayor Spahr indicated it appeared the state would not be helping cities in what they will lose in motor vehicle excise taxes due to the passage of I-695. He went on to say that, on the other hand, there were also no indications the city would have to pay for a portion of the county's public health costs. Mayor Spahr added that, in light of that, and the fact the actual county property assessment increases appear to be impacting homes in the \$100,000 and less range, some as much as 20% or more, the council felt it would be best if the \$55,000 budgeted for potential health care costs was cut.

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. 665-B on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

Dave Campbell advised the council he distributed another ordinance the council needs to take action on during their regular meeting on January 10. The ordinance restates the property tax dollar amounts for the Lewis County assessor's office.

2. **Appointment of Mayor and Mayor Pro Tem.** Councilor Hatfield moved to reappoint Robert Spahr as mayor and Dr. Isaac Pope as mayor pro tem to 2-year terms. The motion was seconded by Councilor Venemon.

Dave Campbell stated that the council could not take action on the reappointment of the mayor and mayor pro tem because when there is a special meeting you cannot add any action to the agenda apart from what it shows.

There being no further business to come before the council, the meeting was adjourned at 3:25 p.m.

January 10, 2000

The Chehalis city council met in regular session on Monday, January 10, 2000, in the Chehalis city hall. Mayor Bob Spahr called the meeting to order at 3:00 p.m. with the following council members present: Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, and Bob Venemon. Councilor Wayne Galvin arrived at 3:25 p.m. and Councilor Dave Zylstra was absent (excused). Staff present included: Dave Campbell, City Manager; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; John Barton, Water Superintendent; 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; Andy Sennes, Property Manager; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

Mayor Spahr announced that item 7 on the agenda (Life Safety Award to Fire Services Division) would be held over to the January 24 meeting, and a new item (Ordinance No. 667-B, First Reading – Restating and Revising the Amounts and Percentages of Change of Property Tax Increases in Calendar year 2000) would be added under New Business.

1. **Special Business.**

a. **Election of Mayor and Mayor Pro Tem for 2000-01.** Councilor Venemon moved to re-elect Bob Spahr as mayor and Isaac Pope as mayor pro tem. The motion was seconded by Councilor Hatfield and carried unanimously.

b. **Possible Dates for Goal-setting Session.** Dave Campbell reported that February 29 appeared to be the best date for the goal-setting session to be held at Woodland Estates. He added that Daphne Schneider, who facilitated the council-management retreat last time, would also be available on the 29<sup>th</sup>.

2. **Proclamations/Presentations.**

a. Mayor Spahr presented a five-year service award pin to Jeff Shine, code inspection specialist.

b. A National Flood Insurance Program Community Rating System Class 8 Designation plaque was presented to Bob Nacht and Tim Grochowski.

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 December 27, 1999;

b. December 30, 1999, Claims Vouchers No. 51376 – 51494 in the amount of \$70,660.62;

c. Pay Estimate No. 4 in the amount of \$18,177.75 (less retainage of \$339.19) to TransTech Electric, Inc., for the Main Street signalization project;

d. Supplemental agreement no. 2 with Gibbs & Olson, Inc., in the amount of \$8,000 for the State Avenue signalization project;

e. Award bid to Harold's Petroleum, Inc., in the amount of \$6,564 for contaminated soil removal connected with the Main Street and State Avenue signalization project; and

f. Engineering services agreement with Gibbs & Olson, Inc., in the amount of \$118,700 for the water effects ratio study.

The motion was seconded by Councilor Pope.

Councilor Ketchum asked if there would be more pay estimates for the Main Street signalization project.

Tim Grochowski advised there would be more pay estimates for council approval. He added the contractor plans to be done by the end of April.

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Mayor Spahr stated the agenda report relating to the contaminated soils removal indicated it was an ongoing problem.

Tim Grochowski stated the problem was from some businesses in the area that have contaminated the soil. He added there were monitoring wells in the area.

Bill Hillier explained that the city required an easement from the property owner to set the signal light pole in concrete about ten feet below the surface. In order to dig out the area for placement of the pole, testing was done and soil contamination was found. The city agreed to remove that portion of the contamination in order to perfect the easement. The motion carried unanimously.

4. **IRS Code Section 125 Cafeteria Plan (Employee Medical Savings Plan)**. David Kelly explained the plan gives employees the opportunity to set aside pre-taxed dollars for planned medical expenses, and also benefits the city because the amount the city pays for social security wages would be lessened. Mr. Kelly stated there would be a cost to the city if not enough employees participated in the program. He reviewed what employees would have to contribute to have the program result in a no net cost to the city. He added it was his feeling that over time, employees would see the benefit and take advantage of it. Mr. Kelly pointed out that another drawback of the program was that it was a "use it or lose it program". He indicated the provider would meet with all employees to explain the program.

Councilor Hatfield moved to approve the added benefit and authorize the city manager to sign any documentation necessary to put the program into place. The motion was seconded by Councilor Ketchum.

Councilor Pope requested that an annual review be presented to the council.

Councilor Ketchum indicated he had been on the program for about six years and felt it was a real good program. The motion carried unanimously.

5. **Ordinance No. 667-B, First Reading – Restating and Revising the Amounts and Percentages of Change of Property Tax Increases in Calendar Year 2000**. Dave Campbell stated the item was a follow-up to the special meeting of January 7 when the council passed Ordinance No. 665-B, reducing the property tax levy. He indicated the Lewis County assessor's office requested that the city restate the ordinance regarding the amounts and percentages of change in property taxes from calendar year 1999 to 2000.

Councilor Hatfield moved to pass Ordinance No. 667-B on first reading. The motion was seconded by Councilor Pope.

Mayor Spahr indicated the rules requiring two readings of an ordinance should probably be suspended and pass the ordinance on first and final reading.

Councilor Hatfield withdrew his motion and then 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. 667-B on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

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

a. **Industrial Park Annexation Position Statement**. Dave Campbell reminded the council of the presentation from Tractebel representatives at a previous meeting about their plans to get the natural gas-fired power plant underway in the industrial park. He indicated the construction of the plant offered a likely prospect for making annexation worthwhile to the city and attractive to businesses and property owners currently in the industrial park. Mr. Campbell stated that a position statement had been prepared and was included in the agenda report. The position statement was intended to put Tractebel, as well as the community, on notice that it was important for the city to pursue annexation and also to go as far as to say that unless annexation happens, water and sewer service wouldn't be provided until the city obtained annexation commitments.

Councilor Hatfield moved to adopt the position statement to be shared and followed in working with Tractebel and the community. The motion was seconded by Councilor Pope and carried unanimously.

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b. **Downtown Chehalis Economic Enhancement Strategy**. Joanne Schwartz indicated the plan was presented to the council last year and staff would like the council to formally adopt the plan as the official roadmap for the city. She indicated staff would then proceed with selecting a committee.

Councilor Hatfield moved to adopt the downtown Chehalis economic enhancement strategy as the city's official plan for revitalization and development of the downtown area. The motion was seconded by Councilor Ketchum.

Councilor Pope asked what the costs would be.

Joanne Schwartz indicated she was not sure, but they would be looking for grants and loans.

Councilor Hatfield added it was a long-range plan that would cost a lot of money over several years. He also indicated that grant applications usually ask if there is an officially approved comprehensive plan.

Mayor Spahr noted that The Chamber would be holding a meeting on January 12 at the Red Dawg BrewPub to discuss upcoming events.

There being no further business to come before the council, the meeting was adjourned at 3:30 p.m.

January 24, 2000

The Chehalis city council met in regular session on Monday, January 24, 2000, 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; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; John Barton, Water Superintendent; Jerry Boes, Deputy Chief for Fire Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Proclamations/Presentations.**

- a. Mayor Spahr presented a certificate to Police Sergeant Willie Shupp for fifteen years of service.
- b. State Deputy Fire Marshal Karen Jones presented the fire services division a life safety award for achieving zero fire deaths. She stated the department has several prevention programs in place.
- c. Mayor Spahr presented a distinguished budget presentation award from the Government Finance Officers Association to the finance department. Peggy Morant, Acting Finance Director, accepted the award.

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

- a. Minutes of the special city council meeting of January 7, 2000, and the regular city council meeting of January 10, 2000;
- b. December 30, 1999, Payroll Vouchers No. 12882 – 13038 in the amount of \$427,975.87; Transfer Voucher No. 1463 in the amount of \$1,460.22; and Transfer Voucher No. 1464 in the amount of \$105,000;
- c. Re-appointment of Mary Michael Myhre-Pancake to the library board for a five-year term expiring December 31, 2004; and
- d. Agreement with Lewis County Sewer District No. 1 for operations and maintenance of district facilities and equipment.

The motion was seconded by Councilor Pope and carried unanimously.

3. **Citizens Business – Chehalis M.E.D.A.L. Program.** Rick Petty, Chehalis Events Chairman, explained that the M.E.D.A.L. (Making Each Dream Alive Locally) program was a project of The Chamber to locally fund Chehalis activities and events. Merchants make a one-time annual contribution at one of three levels and are not asked to contribute again during the year. He reported that \$3,500 was received during the first year of the program. Mr. Petty added that merchants making a contribution receive a bronze, silver or gold medal decal to place on their store window.

Councilor Galvin asked how the program was promoted.

Mr. Petty stated he basically went door-to- door asking for contributions.

4. **Ordinance No. 668-B, First Reading – Adopting Interim Development Regulations.** Dave Campbell stated the State Growth Management Act (GMA) required cities and counties to adopt comprehensive plans, along with development regulations to implement the plans. He indicated the development regulations were supposed to be done within six months after adoption of the comprehensive plan, but that has proven to be difficult for many agencies, so the state is accepting the adoption of interim development regulations.

Bob Nacht stated the city adopted a comprehensive plan last July, and since that time the planning commission, the city's consultant, David Evans and Associates, and staff have all been working on compiling a draft uniform development regulations document. Once completed, the document will be submitted to the planning commission and city council for public hearings. He explained that because the document was not expected to be completed until June, the city had to put together interim development regulations in order to satisfy and comply

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with GMA requirements. Mr. Nacht added that once the interim development regulations are adopted the city would be eligible for public works trust fund loans and certain state grants which it was not currently eligible for. Mr. Nacht then reviewed the current zoning map and the changes to it as reflected in the new interim zoning map.

Councilor Galvin moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Hatfield and carried unanimously. Councilor Galvin then moved to pass Ordinance No. 668-B on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

5. **Resolution No. 1-2000, First Reading – Declaring City Property to be Surplus.** Dave Campbell noted the resolution was necessary in order to dispose of property, including vehicles and equipment from the community services department.

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. 1-2000 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

6. **Resolution No. 2-2000, First Reading – Providing for the Transfer of Lead Agency Status from Lewis County to Grays Harbor County in Pursuing Watershed and Salmon Enhancement Grants for the Chehalis Basin Partnership.** Dave Campbell indicated the resolution provided for change in lead agency status for the Chehalis Basin Partnership for administrative duties.

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. 2-2000 on first and final reading. The motion was seconded by Councilor Zylstra.

Councilor Hatfield asked why the city had to be involved in the matter.

Dave Campbell indicated that Chehalis is a member of the partnership. The motion carried unanimously.

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

a. **Legislative Action Conference.** Bob Spahr reported the legislative action conference was scheduled for February 9 and 10 and anyone interested in attending should contact Caryn Foley.

8. **Executive Session Pursuant to RCW 42.30.140(4) – Labor Relations.** Mayor Spahr announced that the council would convene into executive session at 3:40 p.m. for about 15 minutes and no decisions would be made following the executive session. Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 3:50 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

February 14, 2000

The Chehalis city council met in regular session on Monday, February 14, 2000, 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; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; John Barton, Water Superintendent; 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; Andy Sennes, Property Manager; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Proclamations/Presentations.**

a. Mayor Spahr read and presented a proclamation to Chamber representatives Don Mitchell and Jodi Baker proclaiming February 9-16 as Chamber of Commerce Week.

b. Ron Moeller was recognized for his participation in the employee incentive awards program. Ron received a certificate and \$275 for his idea relating to the use of an existing flow meter instead of purchasing a new meter for use at the wastewater treatment plant. Patrick Wiltzius accepted the award on Ron's behalf.

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 January 24, 2000;

b. December 31, 1999, Claims Vouchers No. 51495 – 51636 in the amount of \$329,810.88; December 31, 1999, Claims Vouchers No. 51637 – 51639 in the amount of \$1,632.65; and January 28, 2000, Claims Vouchers No. 51640 – 51797 in the amount of \$335,586.78;

c. Bids for rock, gravel and asphalt; and

d. Re-appointment of Larry Fazzari to the library board to a five-year term expiring December 31, 2003.

The motion was seconded by Councilor Hatfield and carried unanimously.

3. **Citizens Business – Introduction.** Joanne Schwartz introduced Marge Jones who was job shadowing her for the day. Ms. Jones works as volunteer manager for Centralia Providence Hospital and is also a member of this year's Leadership Lewis County class.

4. **Agreement for Cable Television Franchise Renewal Consultation with Stephen Jolin not to Exceed \$18,000.** Dave Campbell informed the council that the city's fifteen-year franchise for cable television services expires this spring, and neither staff or city attorney have a lot of experience in negotiating renewal or new franchise agreements. He reminded the council that the 2000 budget included money to hire a consultant with the needed expertise. Mr. Campbell stated he contacted Stephen Jolin of MuniCom to provide consultation services and a proposed agreement was included in the agenda.

Councilor Hatfield moved to approve the proposed agreement with Stephen Jolin at a cost not to exceed \$18,000 and to authorize the mayor to sign the agreement. The motion was seconded by Councilor Zylstra.

Councilor Galvin asked if the resumes of all the other people that were included in the agenda worked for Mr. Jolin.

Dave Campbell indicated they did.

Mayor Spahr asked if there was a possibility of any additional revenues for the city, or was the objective just to protect the interests or property rights of the city.

Dave Campbell indicated they certainly wanted to protect the city's existing revenue base, but he expected that Mr. Jolin would have some suggestions about additional financial support from the cable firm. The motion carried unanimously.

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5. **Library Remodeling**. Dave Campbell stated the library recently had a study done to address its space needs, handicapped access and technology upgrade issues. He indicated the agenda included a description and recommendations from the consultant.

Kitty Schiltz, Chehalis librarian, added that the purpose for the renovation project was to make the library accessible and spruce it up a little bit at the same time without spending too much money. She indicated that Joanne Schwartz would present some ideas about how to raise money for the project.

Mark Nelson, the consulting architect, reviewed the proposed plans for the library renovation project. The plans provide for additional computer work stations, improvement to the overall efficiency and work flow, and better accessibility for patrons. Specifically, reading areas would be enhanced and the building would be upgraded to make it handicapped accessible, including the restrooms. A lift would be added to get people to the restrooms and second floor. The second floor would be converted to one level instead of two for better accessibility. Mr. Nelson indicated that the estimated costs for the improvements was \$307,000 and \$70,000 for a new air conditioning system. In addition, there was also discussion about upgrading the exterior walls of the building, but the cost for that was not yet known.

Mayor Spahr asked how the lift would operate.

Mr. Nelson explained it was somewhat like a fancy forklift. It would be stationary and driven by a belt or chain on a track going up the wall. He stated the cost would be about \$14,000, which was about 1/3 of the cost of an elevator.

Councilor Galvin asked what kind of noise the lift would generate.

Mr. Nelson indicated it would not be very noisy at all.

Mayor Spahr asked about the life span of the remodel project in this particular building, and if any additional square footage would be realized.

Thelma Kruse, Timberland Regional Library Director, indicated the library already meets the required square footage needs. She stated the purpose of the project was to make the library more accessible. Ms. Kruse felt the renovation project should take the library through the next ten to twelve years.

Mr. Nelson did note that the project did not include retrofitting the building to meet seismic code issues, but he thought you could easily get another ten to twenty years out of the building.

6. **Grant Writer**. Joanne Schwartz informed the council she attended a series of grant writing classes at the suggestion of Councilor Hatfield who had also attended them earlier. She stated that she met Robert Okey, a professional grant writer, and subsequently set him the library project proposal and the downtown enhancement strategy. Mr. Okey responded and indicated he was interested. Ms. Schwartz stated he would address the projects separately at an initial cost of \$1,250 to retain his services. She added that Mr. Okey is very excited about the projects and he believed money is out there.

Councilor Hatfield was aware of a number of projects that Mr. Okey had been successful in, and he moved to approve the initial expenditure of \$1,250 using 1982-1993 CDBG funds to retain grant writer Robert Okey and direct the city manager to enter into a contract with him. The motion was seconded by Councilor Zylstra.

Councilor Galvin asked what his success rate was.

Joanne Schwartz stated she did not know the exact numbers, but he is very successful.

Councilor Hatfield noted that Mr. Okey would pursue grants from private foundations and there would be no expense above the initial \$1,250 unless Mr. Okey secured a grant. The motion carried unanimously.

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

a. **Legislative Action Conference**. Bob Spahr reported the legislative action conference was held February 9 and 10. Topics included a proposal to not pass any unfunded mandates to municipalities and I-695.



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Councilor Hatfield added that I-695 was blamed for anything and everything, and that transportation had taken a big hit and he didn't believe there would be any progress by DOT relating to the LaBree Road or north Centralia interchange projects.

8. **Executive Session Pursuant to RCW 42.30.110(b) – Acquisition of Real Estate, and RCW 42.30.110(i) - Litigation.** Mayor Spahr announced that the council would convene into executive session at 3:40 p.m. for about 30 minutes and no decisions would be made following the executive session. Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:35 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

February 28, 2000

The Chehalis city council met in regular session on Monday, February 28, 2000, 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; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; John Barton, Water Superintendent; Becky Fox, Court Administrator; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Andy Sennes, Property Manager; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Proclamations/Presentations**. Mayor Spahr presented certificates of appreciation to volunteers of the holiday decorations program. He stated that they put up the decorations every year and have done a tremendous job for the community. Mayor Spahr also recognized Bob Nacht for spearheading the program for the city. Those receiving certificates were Doug Fletcher for his dedication to the program over the last several years; National Frozen Foods for donating their lift-truck and employees to put up the decorations; and volunteers Mark Fletcher, Dennis Blake, Dan Bonagofski, John Norman, Dave Roberts, and Mike Young.

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 February 14, 2000; and
- b. February 15, 2000, Claims Vouchers No. 51798 - 51981 in the amount of \$152,057.24.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Resolution No. 3-2000, First Reading – Establishing a Medical Savings Account/Voluntary Employee Beneficiary Association Plan**. David Kelly explained the program allows employees to put money into a tax-free medical savings account. The resolution would establish the program and then each employee group would decide how they wanted to participate. He indicated the non-union employees had already done that. Mr. Kelly discussed the various ways employees could contribute to the program, including deferring a certain amount of money each month, or putting sick and vacation leave cash outs into the account at retirement.

Councilor Hatfield asked if you could just buy anything with the money after it was in the account.

David Kelly explained the money could only be used for medical expenses, and if money is in the account at the time of death, relatives are able to use the account for medical expenses. He reiterated that in order to be reimbursed from the account medical expense bills had to be submitted.

Councilor Hatfield asked if the city would be the custodian of the funds.

David Kelly indicated the money would be under the administration of REHN & Associates, Inc.

Councilor Pope asked if he understood correctly that the money could be used for such things as leftover medical expenses that were not paid by insurance.

David Kelly indicated that was correct and added the account could also be used for insurance premiums, deductibles, and anything else the insurance would not pay for covered medical expenses. He noted it could not be used for such things as plastic surgery or other procedures not medically necessary. Mr. Kelly noted the program would not cost the city anything.

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. 3-2000 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

4. **Resolution No. 4-2000, First Reading - Declaring City Property to be Surplus**. Dave Campbell stated the resolution declared UNET property to be surplus. He explained the reason the city was dealing with UNET property was because the city was currently the administrative overseer of the UNET task force.

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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. 4-2000 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

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

a. **1999 Year-end-Budget Status Report.** Acting Finance Director Peggy Morant presented the fourth quarter 1999 analysis of revenues and expenditures.

In regard to property taxes, Mayor Spahr noted that only 95% was generally collected from what was budgeted, and thought at some point it should catch up with itself. He asked if they had ever reached 100%.

Peggy Morant did not recollect they had ever received 100%. She noted there was also a three-year lag.

Dave Campbell added that another budget line item was for delinquent property taxes, so most of what was not collected in the current year was collected within one to three years afterwards.

Peggy Morant pointed out the budget shows a ten-year history of property tax collections.

Councilor Pope stated he hears complaints from Chehalis citizens about taxes and he felt it should be distinguished as to what other entities collect taxes.

Peggy Morant indicated the budget shows a ten-year history of all the different taxing districts. She also asked the council if they would like to see any other revenues itemized separately.

b. **Downtown Partnership.** Joanne Schwartz reported there were now two downtown committees: the Chehalis Community Marketing Committee (CCMC) that started as the holiday decorations committee, and the Downtown Partnership that evolved from the group called the process committee during the time that Hyett/Palma was doing their study of the downtown. She stated there were several people working very hard on both committees, including Jim Nichols, Tim Grochowski and Andy Sennes. She noted that she spoke to several downtown merchants after the holiday season and they reported they had an excellent season and year. Ms. Schwartz informed the council that grant writer Robert Okey was meeting with the Downtown Partnership tonight to determine where to go from this point; the CCMC was currently working on a downtown brochure; The Daily Olympian had an article about Lewis County activities and places of interest; Lewis County was featured in the Washington Visitors Guide 2000; and there was also work going on to have an ad in the Cowlitz County Awesome brochure.

c. **Council Goal-setting Session on February 29.** Dave Campbell reminded the council about the council/management staff goal-setting session on February 29 beginning at 9:00 a.m. at the Best Western Inn.

d. **Stan Hedwall Park Yardwaste Site.** Joanne Schwartz reported the yardwaste site opens April 1.

e. **Chehalis Flood Zone Advisory Committee.** Councilor Galvin stated the committee heard a report regarding a recent trip to Washington D.C. to talk to representatives about flooding problems in our area. He indicated there was encouragement that there would be a water resources bill in 2000 and there was enthusiasm that there would be some money for Lewis County. He also reported that although there was money lost because of I-695 they are positive that that can be restored.

f. **Chehalis Basin Partnership.** Mayor Spahr advised the council there was discussion about introducing more terns into the estuary of the Chehalis River, but everyone was against it, except for the Army Corps of Engineers and they are determined that it will be done.

6. **Executive Session Pursuant to RCW 42.30.110(b) – Acquisition of Real Estate, and RCW 42.30.140(4) - Labor Relations.** Mayor Spahr announced that the council would convene into executive session at 3:40 p.m. for less than 30 minutes and there may be a possible decision following conclusion of the executive session. Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 3:52 p.m.

7. **Acquisition of Real Estate.** Mayor Spahr removed himself from discussion and action on the item due to a conflict of interest.

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Councilor Hatfield moved to accept the sale agreement regarding the purchase of property owned by Sherm and Linda Smith on Coal Creek Road for a backwash treatment lagoon site for the water treat plant, not to exceed \$100,000 and to authorize the city manager and city attorney to execute all documents necessary to make the sale final. The motion was seconded by Councilor Zylstra and carried unanimously.

Mayor Spahr returned to the table.

8. **Report on Firefighter Reggie Macomber**. Joanne Schwartz reported that Reggie Macomber visited the fire department over the weekend and was doing okay. He has a good attitude and hopes to be back to work within four to six weeks. Mr. Macomber lost a portion of his right arm on February 15 while helping friends cut down a tree. He was airlifted to Haborview Medical Center where he went through three surgeries in four days.

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

March 13, 2000

The Chehalis city council met in regular session on Monday, March 13, 2000, 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; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; John Barton, Water Superintendent; Jerry Boes, Deputy Chief for Fire Services; Becky Fox, Court Administrator; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Andy Sennes, Property Manager; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Proclamations/Presentations.** Mayor Spahr read a proclamation designating March as American Red Cross Month. Connie Small, executive director of the Lewis County Chapter of the American Red Cross accepted the proclamation and noted some of the activities going on during the month in observance of the event.

2. **Introduction.** Joanne Schwartz introduced Bobbi Boone, the city's new land use/environmental technician. Ms. Boone came to the city after working thirteen years with the city of Centralia.

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 February 28, 2000; and
- b. February 28, 2000, Claims Vouchers No. 51982 - 52067 in the amount of \$105,169.24; January 31, 2000, Payroll Vouchers No. 13039 - 13165 in the amount of \$452,147.96; Transfer Voucher No. 1466 in the amount of \$105,000; Transfer Voucher No. 1467 in the amount of \$2,619.47; February 29, 2000, Payroll Vouchers No. 13166 - 13296 in the amount of \$429,710.03; and Transfer Voucher No. 1468 in the amount of \$2,297.01;
- c. Pay Estimate No. 5 in the amount of \$60,212.50 (less retainage of \$3,010.63 and prior payment for materials on hand of \$11,394.00) to TransTech Electric, Inc., for the Main Street signalization project; and
- d. Amendment to intergovernmental agreement with the Chehalis Basin Partnership by approving transfer of lead entity status from Lewis County to Grays Harbor County.

The motion was seconded by Councilor Galvin.

Councilor Ketchum requested that the street lights out along Main Street be fixed. The motion carried unanimously.

4. **Resolution No. 5-2000, First Reading – Setting the Date and Time of April 24, 2000, at 3:00 p.m. for a Public Hearing Regarding a Petition for Vacation of a Portion of NW Rhode Island Avenue.** Councilor Galvin moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Pope and carried unanimously. Councilor Galvin then moved to adopt Resolution No. 5-2000 on first and final reading. The motion was seconded by Councilor Venemon.

Mr. Harold Coleman requested a copy of the vacation information. Mayor Spahr indicated that Mr. Coleman could obtain the information from the clerk following the meeting. The motion carried unanimously.

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

a. **Public Information Meeting on March 16 Regarding Changes to Chehalis Power's (Tractebel's) Site Certification Agreement.** Dave Campbell reminded the council about the meeting beginning at 7:00 p.m. at W.F. High School.

6. **Executive Session Pursuant to RCW 42.30.110(i) – Litigation.** Mayor Spahr announced that the council would convene into executive session pursuant to RCW 42.30.110(i) regarding litigation at 3:15 p.m. for less than 30 minutes and there would not be any decisions made following conclusion of the executive session. Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 3:35 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

March 27, 2000

The Chehalis city council met in regular session on Monday, March 27, 2000, 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; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance Director; Jim Nichols, Public Works Director; Joanne Schwartz, Community Services Director; John Barton, Water Superintendent; Dennis Dawes, Deputy Chief for Police Services; Tim Grochowski, Street Superintendent; Andy Sennes, Property Manager; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included John Henderer of The Chronicle.

1. **Proclamations/Presentations.**

a. **Employee Incentive Program Award.** Rick Sahlin received a certificate and \$250.00 for his participation in the employee incentive awards program. His idea was to change from using one double-sided street sign to two single-sided street signs, saving the city \$5,382.

b. **Certification Recognition.** Mr. Sahlin was also recognized for receiving certification as a signs and marking specialist level II by the International Municipal Signal Association (IMSA).

c. **Recognition of Retiring Employees.** Mayor Spahr recognized John Barton, Water Superintendent, and Steve Gunsolley, Fire Captain, upon their retirement. John will be leaving the city with 28 years of service and Steve with 29 years of service.

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 March 13, 2000; and

b. March 15, 2000, Claims Vouchers No. 52068 - 52249 in the amount of \$267,046.52; and

c. Relinquishment of sewer easement to John Panesko for property located on Main Street.

The motion was seconded by Councilor Zylstra and carried unanimously.

3. **Resolution No. 6-2000, First Reading – Declaring City Property to be Surplus.** Dave Campbell noted that the equipment and vehicles listed in the resolution were no longer usable by the city and could be declared surplus. The proceeds from the disposition of the property go back to the respective department's reserve fund for future equipment purchases.

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. 6-2000 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

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

a. **2000-01 Council Goals.** Dave Campbell stated that a summary of the goals established by the council during a goal-setting session last month was included in the agenda, along with an "other issues of interest" list.

Councilor Pope moved to adopt the proposed 2000-01 council goals list and report format. The motion was seconded by Councilor Hatfield and carried unanimously.

b. **Industrial Park Annexation.** Dave Campbell stated that a report from the council GMA committee was included in the agenda regarding the status of the proposed annexation of the industrial park. He indicated that meetings had been held since the report was written and another was scheduled later in the week with interested parties representing the Industrial Commission and Port of Chehalis. He recommended that, because of the pending meeting, the council not establish a deadline for receiving signed notices of intent to commence annexation proceedings.

Councilor Hatfield moved to establish a deadline of April 17 for receiving signed notices of intent to commence annexation proceedings. He indicated that that date would give all parties about three weeks to respond. It would also ensure, depending upon the outcome of the meetings this week, that the council would not have to call

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a special meeting to establish a date if the meetings determined that the annexation process should proceed. He thought it was important that all parties be given a deadline because of the length of time that the issue had been going on. The motion was seconded by Councilor Pope and carried unanimously.

c. **Employee Retirement Reception Reminders.** Dave Campbell reminded the council about the retirement receptions being held for John Barton and Steve Gunsolley on Tuesday and Wednesday, respectively.

d. **Stan Hedwall Park Yard Waste Site.** Bud Hatfield stated that he bought his \$24 permit for the yardwaste site today. He asked that John Henderer include in his report of the meeting that the site opens April 1. The site operation hours are Wednesdays from 4:00 p.m. to 7:00 p.m., Saturdays from 10:00 a.m. to 5:00 p.m., and Sundays from 2:00 p.m. to 5:00 p.m. Andy Sennes added that the site is for Chehalis residents only.

April 10, 2000

The Chehalis city council met in regular session on Monday, April 10, 2000, 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 was absent (excused). Staff present included: Dave Campbell, City Manager; Mark Scheibmeir, Assistant City Attorney; David Kelly, Human Resources Director; Jerry Boes, Deputy Chief for Fire Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Mark Petrie, Water Superintendent; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Proclamations/Presentations**. Patrick Wiltzius introduced Mark Petrie, the city's new water superintendent. Mark came to the city with twelve years of experience from the city of Olympia and more recently from the Shoreline Water District. Mayor Spahr welcomed Mark to the city.

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 March 27, 2000; and
- b. March 30, 2000, Claims Vouchers No. 52250 - 52355 in the amount of \$119,653.49; March 31, 2000, Payroll Vouchers No. 13297 – 13448 in the amount of \$491,325.93; and Transfer Voucher No. 1469 in the amount of \$1,957.99;
- c. Award bid for the National Avenue flood repair project to Groat Brother's, Inc., in the amount of \$44,434; and
- d. Award bid for the National and Kresky Avenues corridor hazard safety elimination project to Petersen Brothers, Inc., in the amount of \$103,043.20.

The motion was seconded by Councilor Zylstra.

Councilor Hatfield asked when the bid process for the State Avenue overlay would begin.

Tim Grochowski indicated he would like the bids to go out in May and the work completed in June. He added the project would also include overlays on several other streets.

Mayor Spahr stated that in his review of the National Avenue flood repair project he noticed the engineer's estimates were off on mobilization and road excavation/disposal.

Tim Grochowski indicated he couldn't say why the estimates were off, but it was always better to estimate high rather than low. He also added it was a good time to bid projects because it was not a real busy time of year for contractors. The motion carried unanimously.

3. **Staff and City Council Reports**.

a. **Lewis County Comprehensive Plan**. Mayor Spahr stated that a hearing was going on regarding the county's comprehensive plan. He indicated that if anyone was interested, the hearing was taking place at the Ferryman's Inn in Centralia through Wednesday.

There being no further business to come before the council, the meeting was adjourned at 3:05 p.m.



April 24, 2000

The Chehalis city council met in regular session on Monday, April 24, 2000, 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, Bob Venemon, and Dave Zylstra. Councilor Isaac Pope arrived at 3:03 p.m., and Councilor Tony Ketchum was absent (excused). Staff present included: Dave Campbell, City Manager; Randy Hamilton, Chief of Police & Fire Services; Bill Hillier, City Attorney; David Kelly, Human Resources Director; Peggy Morant, Acting Finance 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; Patrick Wiltzius, Wastewater Superintendent; and Caryn Foley, Acting City Clerk. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Proclamations/Presentations.**

a. Mayor Spahr announced two proclamations being presented at other ceremonies, including one honoring Centralia College's 75<sup>th</sup> anniversary, and designating May 6 as CWO Robert M. Dowling Day recognizing a new VFW post in Chehalis honoring CWO Robert M. Dowling who was the first casualty from Lewis County in the Vietnam War.

b. **1999 Reserve Firefighter of the Year Award to Steve Emrich.** Mayor Spahr, Randy Hamilton and Jerry Boes presented Steve Emrich a plaque naming him the 1999 reserve firefighter of the year. Jerry Boes reported that Mr. Emrich had received the award for the last six years and he was happy to announce that Mr. Emrich had recently been hired as a full-time firefighter.

c. **Swearing-in of Steve Emrich as a Firefighter and James McFarlane as a Police Officer.** Randy Hamilton administered the oaths of office to firefighter Steve Emrich and police officer James McFarlane.

d. **State Fire Marshal's Office Public Educator of the Year Award to Brian Slater.** Captain Brian Slater was designated by the State Fire Marshal's Office as public educator of the year and was honored recently at a fire training program in Wenatchee. Jerry Boes added that it was not only a honor for Brian, but also for the city.

Captain Slater acknowledged the help of Barbara Lovelady, fire services administrative assistant. He stated that part of the plaque really belonged to Barbara because of all of her assistance. In appreciation, Captain Slater presented her with flowers.

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 April 10, 2000; and

b. April 14, 2000, Claims Vouchers No. 52356 - 52525 in the amount of \$227,403.32;

The motion was seconded by Councilor Zylstra and carried unanimously.

3. **Public Hearing – Proposed Vacation of a Portion of NW Rhode Island Avenue Between West Main Street and NW Center Street.** Jim Nichols reported that a vacation request was received from Fred and Pam Wildhaber to vacate approximately 400 feet of NW Rhode Island Avenue between West Main Street and NW Center Street. He indicated that staff was not asking for a decision from the council today, but requested that staff have a chance to listen to comments received during the public hearing and make a recommendation at the next council meeting.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:15 p.m.

Harold Coleman (807 Pe Ell-McDonald Road, Chehalis), owner of Jackpot Food Mart at 614 W. Main Street spoke against the proposed vacation. He stated the vacation would seriously impact his business in regard to receiving deliveries. He explained that the new street structures and signal lights make it very hard for the business to get deliveries, and felt there would be a public safety hazard if semis had to park in the street to make deliveries.

Loren Combs (PO Box 1317, Tacoma, WA 98401), attorney for Time Oil Company (owner of 614 W. Main Street), also opposed the vacation. He indicated that letters against the vacation were filed with the acting city clerk from himself on behalf of Time Oil Company, and from Jim Fagerness representing L&E Bottling.

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Mr. Combs stated that Time Oil owns property fronting State and Main Streets which accesses onto NW Rhode Island Avenue, and although the road is not improved to city standards, it is graveled and used by Time Oil. He indicated they were not concerned however about the property to the north because it was in fact unimproved. Mr. Combs explained that the long term viability of his client's business and the long term financial worth of the property hinged on the ability to have adequate traffic circulation patterns, and he stated that NW Rhode Island Avenue was a portion of that adequate circulation pattern both now, and most importantly, in the future as Chehalis continues to grow. He noted that the property was very valuable in his client's network of gas stations throughout the northwest and along the west coast, and was in fact one of the most profitable. He indicated that any impact on traffic access and circulation of the property would have very substantial financial consequences to his client. He acknowledged that the city had the absolute right to vacate the street, but if they did the city would be liable to his client for the economic loss it may sustain, not only to the business operation, but to the value of the land as a convenient store and gasoline station. Mr. Combs added that they would not oppose the vacation if other adequate, comparable access were provided. He informed the council that his client had requested a copy of the site plan for the proposed development on more than one occasion, but have yet to receive it. Mr. Combs indicated that his client was willing to work with the Wildhabers to ensure adequate access to the property, but asked the council to deny the petition for vacation at this time.

Fred Wildhaber, petitioner of the vacation, provided some history of the situation. He explained that in 1988, there was a request for vacation submitted to the city, but was denied primarily because of the sale of a piece of real estate and Time Oil's rejection to the vacation based on the same reasons they have today - it would impose economic duress on their company and impede their abilities to develop their business. Also at that time, there was a vacated street (the west portion of NW North Street) and an old house that sat on a piece of adjacent property. Time Oil removed the house and excavated some fuel tanks to develop it into a parking facility and access route for trucks to ingress and egress to deliver supplies to the store. Mr. Wildhaber indicated that it had been 12 years now that the development and improvement of the Main Street entrance had been held up. He noted that he hadn't seen Time Oil make a major change in their operation or submit any kind of developmental plans to do so. He added that he and his wife took the old West Coast Grocery building on the corner of State and Main Streets and remodeled it and made it something that has enhanced Main Street and brought revenue into the community. They would like the opportunity to do the same with the subject property. He stated that he didn't mean to impose any kind of economic injury on anyone and he didn't really believe that was the case, but was in fact an opinion. He asked the council to approve the vacation request.

There being no further public comment, the public hearing was closed at 3:25 p.m. and the regular meeting was reopened.

Mayor Spahr indicated that he had a question about who could buy the right-of-way. He pointed out that about 30 feet of the original right-of-way was vacated some years ago. The remaining 30 feet was what was being asked to be vacated now. Time Oil bought part of the original 30 feet that was vacated. Mayor Spahr asked who had the right to buy the final 30 feet if vacated. Would Time Oil have the right to buy an additional 15 feet or would it all go to Mr. Wildhaber?

Bill Hillier advised the council that abutting property owners are entitled to acquire one-half of the property being vacated - 15 feet would be available to purchase by the property owner to the west and 15 feet would be available to purchase by the property owner to the east.

Mayor Spahr stated the Wildhabers did a tremendous job on the old West Coast Grocery building. He stated further that the subject property was doing nothing for anybody except Harold Coleman. He indicated the council would have to make a decision that was best for everyone, including the city.

Councilor Hatfield felt that before the city got involved, Mr. Wildhaber and Mr. Combs should sit down together with the site plan and talk about the situation to determine what could be done to make it work for both of them. He suggested they may be able to come to an agreement and the vacation would not even be necessary.

Councilor Pope suggested that staff be directed to collect information and inform the council about the findings at the next council meeting. The council concurred.

4. **Citizens Business – SB 6022**. Rose Spogen (174 Yates Road, Chehalis) indicated the legislature was going back into session and one of the items to be discussed included SB 6022, a bill relating to a gas-fired plant at Sumas that was asking for relief of all sales tax on construction. Ms. Spogen indicated that she understood the

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legislation only applied for plants over 600 megawatts, but she felt that once the bill was passed, there would be nothing to stand in the way of others to ask for the same no matter what the size of the facility. She didn't believe the state of Washington could afford to lose all of that sales tax money, and she hoped the council would contact their legislators to see that the bill did not pass. She added that if the proposed plant by Tractebel is sited in this area it needed to be the best plant that it could possibly be, without exception.

5. **Resolution No. 7-2000, First Reading – Extending the Cable Television Franchise with TCI Cablevision of Washington, Inc., Until May 1, 2001.** Dave Campbell informed the council that the city's current cable television franchise with TCI Cablevision, Inc., (now AT & T Cable Services) expires May 1, 2000. He stated that staff was preparing to negotiate a new franchise, but it would not be done before the May 1 expiration date. The resolution would extend the existing franchise for up to one year.

Councilor Zylstra moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Venemon and carried unanimously. Councilor Galvin then moved to adopt Resolution No. 7-2000 on first and final reading. The motion was seconded by Councilor Zylstra.

Councilor Hatfield moved to amend the resolution to provide for an extension date of December 31, 2000. The motion was seconded by Councilor Pope and carried unanimously. The main motion, as amended, carried unanimously.

6. **Resolution No. 8-2000, First Reading – Supporting the City of Napavine's Application for IAC Funding to Develop a Park.** Dave Campbell indicated the city received a letter from a Napavine council member asking for the city's support in their application for IAC funding to develop a park facility. He felt that having more facilities in the area would also benefit Chehalis.

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. 8-2000 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

7. **Agreement with Lewis County PUD No. 1 concerning Installation of Limited Fiber Optic Cable Network.** Dave Campbell reported the city received a request from Lewis County PUD to install fiber optic cable to serve the community. PUD planned to install the fiber to serve their own needs, as well as that of the Chehalis school district. He indicated that city staff was not completely up to speed on what fiber optic opportunities could do for the city, but it was believed it could have substantial savings and also provide a benefit in terms of staff work. He went on to say that staff was also not sure of what the city could expect in terms of what would be a fair and reasonable use of the city's right-of-way in exchange for a franchise from PUD. Mr. Campbell indicated that staff would like to provide PUD with the opportunity to take advantage of the technology for themselves and the school district and begin working on a proposed franchise for them to extend that to other commercial/institutional purposes, if appropriate.

Steve Grega, PUD engineer, indicated that under the last legislature PUD was given the right to provide wholesale services to private businesses. He stated the fibers would provide electrical signals to provide communication services. Mr. Grega added there has been a lot of interest in fiber optics by cable companies, Internet service providers, businesses, and government agencies. He explained that the first phase would be to interconnect all the Chehalis schools together through existing overhead structures.

Councilor Galvin asked if they were proposing any kind of city interconnectivity.

Mr. Grega stated they were not at this time.

Councilor Galvin asked if they were going to provide routers and terminations.

Mr. Grega stated the first phase with the school district was called dark cable with no lighting equipment. He did say that PUD has joined the Northwest Open Access Network which provides access throughout Washington, Montana, and eventually Oregon. It would provide high-speed access to anywhere in the state.

Dave Campbell indicated that staff has begun developing a list of city facilities in case there is an opportunity in the future that fiber optics would be useful to the city.

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Councilor Hatfield moved to approve the agreement with PUD No. 1 of Lewis County and authorize the mayor to sign the agreement. The motion was seconded by Councilor Galvin and carried unanimously.

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

a. **First Quarter 2000 Budget Status Report.** Peggy Morant indicated that a report was included in the agenda.

Mayor Spahr pointed out that sales tax revenue was down about 3%.

Ms. Morant indicated that last year included some of Green Hill School's construction, but she would keep a watch on it.

b. **Tri-agency Meeting Reminder.** Mayor Spahr reminded the council about the tri-agency meeting scheduled for April 29 at Borst Park beginning at 8:30 a.m.

c. **Lewis County Historical Society.** Councilor Galvin reported that Barb Laughton was offered the job of permanent director at the last Lewis County Historical Society board meeting.

9. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 3:55 p.m. pursuant to RCW 42.30.110(i) regarding litigation for approximately 30 minutes and there would be no decisions following conclusion of the executive session

There being no further business to come before the council, the meeting was adjourned at 4:20 p.m.

May 8, 2000

The Chehalis city council met in regular session on Monday, May 10, 2000, 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; Peggy Morant, Assistant Finance Director; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle, and George Blomdahl of The Lewis County News.

1. **Proclamations/Presentations.**

a. **Swearing-in of Caryn Foley as New City Clerk.** Bill Hillier administered the oath of office to city clerk Caryn Foley.

b. **Proclamation – Mental Health Month.** Mayor Spahr read and presented a proclamation designating May as Mental Health Month. Brad Bell accepted the proclamation on behalf of Cascade Mental Health and expressed his appreciation to the city for the recognition.

c. **Proclamation – National Police Week, May 14-20.** Randy Hamilton and Dennis Dawes accepted a proclamation proclaiming May 14-20 as National Police Week. They thanked the council for their support of the police department throughout the years.

d. **Certificate of Achievement for Excellence in Financial Reporting to Finance Department.** Mayor Spahr indicated that Chehalis has always been blessed with having good financial reporting and recordkeeping and has been recognized many years for it. He stated that Peggy Morant has continued that tradition, and she accepted the plaque on behalf of the finance department.

Ms. Morant noted that less than one percent of cities nationwide, with a population of 10,000 or less, received the award in 1998.

e. **Historic Preservation Awards.** Hank Kirk, chairman of the historic preservation commission, recognized other members of the commission, including: Wayne Galvin, Donna Karvia, John McKerricher, Barbara Mason, Doris Tibbits, and Barbara Laughton. He also recognized community services director Joanne Schwartz and her staff for all their support. Awards were presented to: Frank and Barbara Mason for their building located at 120 NW Pacific Avenue (currently the Courtyard Salon & Spa); Gary and Kirsten Klein for their home at 675 NW St. Helens Avenue; Bob and Cindi Ross for their building located at 299 N. Market Boulevard (currently Brown Mortuary); Eric and Billie Melin for their home located at 764 SE Washington Avenue; and Hank and Jenny Kirk for their home located at 555 NE Jefferson Avenue.

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 24, 2000; and

b. April 27, 2000, Claims Vouchers No. 52526 - 52660 in the amount of \$98,473.76; April 28, 2000, Payroll Vouchers No. 13449 - 13585 in the amount of \$439,786.48; and Transfer Voucher No. 1470 in the amount of \$1,351.82; and

c. Agreement for engineering services with Gibbs & Olson, Inc., in the amount of \$3,300 for the Main Street BNSF railroad signal pre-emption project.

The motion was seconded by Councilor Galvin and carried unanimously.

Mayor Spahr asked if the signal pre-emption would align the signals.

Jim Nichols informed the council that it would coordinate the signal lights with the railroad crossing signals.

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3. **Public Hearing – Utilities Development & Annexation Agreement with Chehalis Power**. Dave Campbell explained that the proposed agreement was basically an agreement to agree regarding the future provision of water and sewer service to Chehalis Power (the proposed power plant south of the city limits). The agreement also addressed the eventual obligation for a petition for annexation by Chehalis Power contingent upon a subsequent agreement relating to details of where the water and sewer utility lines would run, how the costs would be shared, etc. Mr. Campbell indicated the agreement was desirable by Chehalis Power in its process of amending its site certification agreement through EFSEC later in the month.

Bill Hillier pointed out the agreement would be helpful in certifying that the city had capacity if and when an agreement was reached. He also stated that, in the wake of the county's GMA challenges to their comprehensive plan, the agreement would preserve the rights for entities to connect with the city's utilities if an agreement was adopted and recorded under the requirements of the statutes cited within the agreement.

Dave Campbell added the agreement had been reviewed by the council GMA committee.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:34 p.m.

John Mudge (190 Sanderson Road, Chehalis), addressed the council on behalf of the Critical Issues Council - an intervener in the EFSEC proceedings with Chehalis Power. He indicated one of their key issues was getting mitigation for the loss of wastewater treatment in the event Chehalis Power changed to an air-cooling system. If the plant was going to be built, they wanted the city to come out as well as it possibly could because the loss of the wastewater treatment would be at a cost of about \$35 million for the city. Mr. Mudge stated the Critical Issues Council had other problems with the agreement, including: 1) the site description in the agreement being different from the one in the site certification plan; 2) the \$75,000 cap on utility taxes pursuant to city Resolution No. 4-93; 3) the number of water and sewer ERUs Chehalis Power would actually require; 4) the fact that the property Chehalis Power was developing was not contiguous to the city; 5) the fact that the agreement assumes an air-cooling system would be used, and does not cover the possibility that Chehalis Power might change to a water-cooling system; and 6) the agreement has no provision for mitigation for the loss of wastewater treatment. They did not want the city to approve the agreement prematurely and asked that the issue be tabled until after the results of the EFSEC hearing.

Mark Giffey, representing the Port of Chehalis, spoke in favor of the agreement. He indicated it would be beneficial to all of Chehalis and would promote the economic future of the entire area. He felt it was an opportunity to increase infrastructure in the area, particularly relating to sewer line capacity along I-5. Mr. Giffey emphasized that an agreement was needed that would maybe help to create more jobs in the future than just this one because of the present shortage of line capacity. He added that the port was providing written testimony pertaining to annexation issues with the president of the industrial park for the council's review.

There being no further public comment, Mayor Spahr closed the public hearing and reopened the regular meeting at 3:45 p.m.

Kevin Finan, representing Chehalis Power, responded to Mr. Mudge's question about the difference in the site description in the agreement and the description in the site certification plan. He explained that Chehalis Power was approached by the Industrial Commission to buy an additional acre of property to provide for an additional buffer along Bishop Road.

Bill Hillier stated the discrepancy did not matter with regard to the agreement. The agreement generally defined the property that would be subject to a utilities development agreement once they got down to negotiating. If it was negotiated there would be a legal description that matched the EFSEC application word for word.

Mayor Spahr asked Jim Nichols to explain how ERUs were calculated on commercial businesses.

Jim Nichols explained that staff took Chehalis Power's numbers and used the city's ERU figure to calculate what their usage and discharges equaled in ERU terms.

Councilor Hatfield added that during the last meeting, Rose Spogen addressed the council regarding SB 6022, in which a gas-fired plant at Sumas was asking for relief of sales tax on construction. He indicated that bill was vetoed by the governor and it was his understanding that Chehalis Power would not try to delete the construction sales tax as it pertained to the city or county. Chehalis Power representatives concurred that was correct.

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John Mudge suggested the words “direct and/or indirect” be added to the agreement relating to the possibility of lobbying through a third party for tax relief.

Bill Hillier stated that Mr. Mudge’s point was well taken and should be included in the agreement.

Councilor Pope asked to what extent the agreement obligated the city.

Bill Hillier stated the agreement obligates the city to negotiate in good faith for an agreement if Chehalis Power pursues it, and establishes that the city has at least the amount of capacity as stipulated in the agreement.

4. **Ordinance No. 669-B, First Reading – Approving the Utilities Development & Annexation Agreement with Chehalis Power.** Councilor Hatfield moved to pass Ordinance No. 669-B on first reading. The motion was seconded by Councilor Pope and carried unanimously.

5. **Citizens Business – Timberland Regional Library.** William H. Lawrence (905 Spring Lane, Centralia), board member of the Timberland Regional Library District, addressed the council. He expressed his appreciation to Randy Hamilton for appearing before the board to discuss the porn issue currently before the board. He indicated that both he and Centralia chief Tony Breckel were very positive in their discussion with the board and offered a resource the board could call upon in dealing with the problem in the future.

Thelma Kruse, Timberland Regional Library director, added her thanks. She indicated the library would continue to study the issue because they want to be responsive to the community and also to personal rights.

6. **Ordinance No. 670-B, First Reading – Vacating of a Portion of NW Rhode Island Avenue Between West Main Street and NW Center Street.** Dave Campbell noted that a revised ordinance was distributed to each council member.

Jim Nichols stated that staff was recommending vacation of the property contingent upon a suitable access being provided to Time Oil. He felt the vacation could work for all parties with that contingency.

Fred Wildhaber, petitioner for the vacation, indicated he wanted the vacation to work because he was concerned about Harold Coleman, owner of Jackpot Food Mart located at 614 W. Main Street, and how the vacation would impact him. However, he felt there should be some restrictions to the vacation. He discussed the history of the property as he had during the public hearing on April 24, particularly the fact that Time Oil had not made many changes to their property since the last request for vacation twelve years ago. He reiterated he had no objection to granting Time Oil an easement for ingress and egress, although he felt Time Oil should have some burden of proof as to whether they use the property or not. He stated that Cenex representatives would testify they do not see trucks traveling on that property. He asked whether Time Oil would be entitled to a 30-foot right-of-way if they did not actually use the property. Mr. Wildhaber stated he attempted to buy the property in 1994, but was not able to because large amounts of soil contamination were found. At that time, Time Oil indicated they had plans to enlarge their existing building, move it back, and expand their public capacities, but they never did. Mr. Wildhaber reported that during the last two weeks he had been monitoring the traffic moving in and out of the subject property and he provided pictures of the area. He requested that if an easement must be granted to Time Oil, and they actually redeveloped their property, the easement revert back to him.

Ed Scheetz, general manager of Cenex, and abutting property owner, indicated they had done an extensive cleanup of the contamination since they purchased their property in 1988. He stated Cenex would expand the cleanup to the area that would be available to them by the vacation.

Loren Combs (PO Box 1317, Tacoma, WA 98401), attorney for Time Oil, informed the council that Time Oil had spent half-a-million dollars since the last vacation, including improving the access out to NW Rhode Island Avenue. He indicated the city’s attorney drafted the proposed ordinance and since it met the legal requirements, he had no objection to it.

Councilor Hatfield asked how the Jackpot store got deliveries before the old house that was on the property was torn down.

Harold Coleman indicated the street structure was not as it was today. There were no lights or no parking zones before.

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Councilor Hatfield felt the only difference was the installation of the new signal lights.

Mr. Coleman indicated there used to be parking on State Street and now there was not.

Loren Combs reiterated that Time Oil spent money to remove the old house and graveled the access out to NW Rhode Island Avenue.

Councilor Hatfield pointed out that deliveries were still made.

Mr. Combs agreed, but added it was a mess and was exactly the reason his client developed the alternate access. He stated that when the property was fully developed it would be even more reason that the access would need to be protected and was precisely the reason why the city's attorney drafted the ordinance as he had.

Councilor Hatfield moved to pass Ordinance No. 670-B on first reading. The motion was seconded by Councilor Zylstra.

Mayor Spahr asked if the ordinance provided for where the required easement for ingress and egress for Time Oil had to be.

Bill Hillier indicated the city would not get into negotiations with private property owners over specifics. He stated the city had development regulations in place that control how the city is developed. The parties needed to work through the public works department.

Mayor Spahr asked what would happen if there was impasse on the easement issue.

Bill Hillier indicated the vacation would not take place with the way the ordinance was currently drafted.

Mayor Spahr asked how that could be protected.

Bill Hillier didn't believe it would come to that if the property owner of the property affected by the easement worked through public works to determine what could be granted. At that point the property owner could arbitrarily designate where the easement was going to go. The property owner had the right to dictate where it went as long as it met public works requirements, and would have to probably be done at Time Oil's expense.

Fred Wildhaber indicated he received a letter from Time Oil in which they stated they had no desire to have NW Rhode Island Avenue vacated, but offered two proposals. The first proposal was that Wildhaber convey 39 feet of property to Time Oil for ingress and egress; underground storage tanks be removed; land be brought up in accordance with DOE standards prior to the land deal; and Wildhaber would not compete with Time Oil in a filling station or concession of any kind. He indicated the second proposal was basically the same, and he expressed concern that if he bought the property he would not be able to reach an agreement with Time Oil.

Bill Hillier reiterated the fact that the city could not become involved in a private party agreement.

Mayor Spahr indicated the city would like the vacation to take place and the area cleaned up. He did not believe the property was doing the city any good, although it was doing Time Oil some good and that had to be preserved. He thought that in the long run the vacation would be good for Time Oil because the more that could be done to clean up the area and make it look better would help everyone.

Jeremy Wildhaber asked that if an easement was granted who would pay for it.

Mayor Spahr informed him that all abutting property owners would be entitled to buy one-half of the vacated property. He noted that if one property owner did not want to buy their entitled one-half, another property would have the ability to buy it. The motion to pass Ordinance No. 670-B carried unanimously.

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

a. **Public Works Department Open House on May 22.** Jim Nichols reminded the council that the public works department would be hosting an open house on May 22 from 9:00 a.m. to 3:00 p.m. to celebrate public works week. He invited the council to stop in prior to the council meeting.



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b. **Cable TV forums on May 17.** Dave Campbell reminded the council about two forums the city would be hosting on May 17 at 4:00 p.m. and 7:00 p.m. at the V.R. Lee Community Building. The forums are the first public steps in collecting comments, ideas, and proposals for revisions to the city's existing cable television franchise with AT & T Cable Services.

c. **Letter Regarding Water/Sewer Rates, Deposits, Collection.** Dave Campbell informed the council the item would be deferred to the next council meeting because the agenda report was omitted from today's agenda.

d. **Reception for Steve Birley.** Dave Campbell invited the council to attend a reception for sergeant Steve Birley on May 12 beginning at 3:00 p.m. Steve was retiring after 30 years with the department.

e. **Downtown Cleanup.** Joanne Schwartz reported on the downtown cleanup that took place on May 7. She indicated the project went well and involved several city employees from various departments. Ms. Schwartz stated she would like to see the cleanup take place again before the music and art festival although there was a cost involved with the project

Councilor Hatfield felt the cleanup was important and was something the city couldn't afford not to do.

8. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 4:34 p.m. pursuant to RCW 42.30.110(i) regarding litigation for approximately 15 minutes and there would be no decisions following conclusion of the executive session

There being no further business to come before the council, the meeting was adjourned at 4:40 p.m.

May 22, 2000

The Chehalis city council met in regular session on Monday, May 22, 2000, 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; Dennis Dawes, Deputy Chief for Police Services; 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 Mai Ling Slaughter of The Chronicle.

1. **Historic Preservation Awards (Continued)**. Councilor Galvin, member of the historic preservation commission, recognized other members of the commission, including: Dr. Henry Kirk, Donna Karvia, John McKerricher, Barbara Mason, Doris Tibbits, and Barbara Laughton. Councilor Galvin and Mayor Spahr presented awards to those not in attendance at the last council meeting, including: Gary and Kirsten Klein for their home at 675 NW St. Helens Avenue; and Bob and Cyndi Ross, and Walter King, for their building located at 299 N. Market Boulevard (currently Brown Mortuary).

2. **Proclamation – National Public Works Week, May 21-27**. Jim Nichols accepted a proclamation proclaiming May 21-27 as National Public Works Week. He stated that public works hosted an open house today, and he distributed a year-end report on the accomplishments of the department.

3. **Consent Calendar**. Councilor Zylstra moved to approve the consent calendar comprised of the minutes of the regular city council meeting of May 22, 2000. The motion was seconded by Councilor Galvin and carried unanimously.

4. **Citizens Business – Community Outreach Recovery Effort (Needle Exchange Program)**. Kathleen Eussen, Interim Director of Lewis County Health and Social Services, and Andi Greek, HIV-AIDS Coordinator, addressed the council regarding the county's Community Outreach Recovery Effort (CORE). She explained that County Health Officer Dr. Diana Yu was proposing that the Board of Health consider a needle exchange program in response to the increasing number of Hepatitis B and C cases. Ms. Eussen reported a public meeting would be held on May 24 to help educate the public about the program. She added that the most successful exchange programs were ones that included multiple services, including referrals to drug treatment.

Andi Greek felt the program would build relationships and trust with intravenous drug users. She envisioned the needle exchange program as being one part of the community outreach program. The program would include referrals to drug treatment, medical, and social services. Ms. Greek shared current facts and figures relating to HIV cases, particularly the Washington State HIV names reporting law adopted in September 1999.

5. **Ordinance No. 669-B, Second Reading – Approving the Utilities Development & Annexation Agreement with Chehalis Power**. Councilor Hatfield moved to pass Ordinance No. 669-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously. The agreement was basically an agreement to agree on the provision of city water and sewer service to the power plant, and also obligated Chehalis Power to commence annexation proceedings for their site when requested to do so by the city.

6. **Ordinance No. 670-B, Second Reading – Vacating a Portion of NW Rhode Island Avenue Between West Main Street and NW Center Street**. Dave Campbell indicated the ordinance provided for the vacation of a portion of NW Rhode Island Avenue, subject to the benefiting property owner providing a 30-foot easement to allow Time Oil access to the property.

Councilor Pope moved to suspend the reading of the ordinance. The motion was seconded by Councilor Venemon and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 670-B on second and final reading. The motion was seconded by Councilor Zylstra.

Councilor Galvin asked if language in the ordinance would also accommodate L & E Bottling.

Bill Hillier indicated the easement would facilitate everyone.

Loren Combs, attorney for Time Oil, stated his client concurred with the ordinance.

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Fred Wildhaber stated it was his understanding that the easement was to facilitate Time Oil's delivery trucks. He expressed concern that if the easement was opened up to everyone, how could you distinguish between customers, the public at-large, etc.

Mayor Spahr indicated it could be beneficial to both Mr. Wildhaber and Time Oil because it could provide more exposure to their businesses.

Councilor Hatfield asked if it was illegal to cut through private property to bypass a signal light.

Dennis Dawes indicated you could potentially run into a failure to yield situation and he would therefore not recommend doing that, but it was not illegal.

The motion to pass Ordinance No. 670-B carried unanimously.

7. **Ordinance No. 671-B, First Reading – Establishing a Municipal Court and Repealing Ordinance No. 570-B.** Dave Campbell stated the ordinance would bring city code in line with state statute relating to the appointment of judges pro tem in municipal courts. Currently, the city manager is authorized to appoint judges pro tem when necessary. The ordinance would authorize the presiding municipal court judge to appoint judges pro tem.

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. 671-B on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

8. **Ordinance No. 672-B, First Reading – Adopting the Chehalis Criminal Code and Repealing Ordinance No. 643-B.** City prosecutor Dione Ludlow addressed the council regarding proposed changes to the Chehalis criminal code. She explained that the purpose of the ordinance was to bring city code up to speed with state law, specifically relating to domestic violence and firearms. Ms. Ludlow outlined the exact changes being proposed.

Following questions by the council regarding the carrying of concealed weapons, 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. 672-B on first and final reading. The motion was seconded by Councilor Hatfield and carried unanimously.

Bill Hillier announced that Ms. Ludlow was leaving his office effective June 1 to become a felony prosecutor for Mason County.

9. **Reorganization-related Reclassification and Salary Range Adjustments.** Dave Campbell presented recommendations regarding the administrative services director and city clerk positions affected by the consolidation and reorganization of departments in city hall. He recommended the deputy city clerk be reclassified as city clerk at a salary range of 23, and the present positions of finance director and human resources director be reclassified as administrative services director at a salary range of 31.

Councilor Hatfield moved to approve the reorganization and reclassifications as recommended by the city manager. The motion was seconded by Councilor Zylstra and carried unanimously.

#### 10. **Staff and City Council Reports.**

a. **Swearing-in of David Kelly as New City Treasurer.** Bill Hillier administered the oath of office to city treasurer David Kelly.

b. **Letter Regarding Water/Sewer Rates, Deposits, Collection.** Dave Campbell indicated that a letter was received regarding water/sewer rates, deposits, and collection. He stated staff did an evaluation of the suggestions included in the letter, but was not recommending any changes now to existing deposits or the way in which accounts are read and billed.

Councilor Hatfield asked why the city did not notify landlords about their tenants' delinquent bills.

Dave Campbell indicated the city does notify landlords when a bill becomes delinquent.

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Councilor Hatfield indicated he had misread the information, and he felt landlords had the ability to raise the deposits they collect from their tenants to cover the possibility of tenants who leave unpaid bills.

Dave Campbell noted that most of the cities surveyed didn't even charge a deposit and only allow accounts to be set up in the owner's name.

c. **Water Treatment Residuals Retention Basin (WTRRB) Status Report.** Mark Petrie reported that Gibbs & Olson was about 70% completed with the design phase and he expected a draft by the end of May. He stated that wetland mitigation was currently on hold pending completion of a biological evaluation/biological assessment (BE/BA) by Ecological Landscape Services. Mr. Petrie projected the project to be completed by year-end. He added that an informational public meeting would be held June 21.

Mayor Spahr asked what the purpose of the BE/BA was.

Mark Petrie indicated there are fish that spawn up the creek around the basin area. The Endangered Species Act (ESA) provides that if there is a stream bed with migrating fish you must make sure the project will not harm the fish.

d. **EFSEC Public Hearing On Wednesday, May 24.** Dave Campbell reminded the council about the hearing for Chehalis Power's proposed power plant in the Industrial Park vicinity on Wednesday, May 24 in Olympia, and the public hearing scheduled on May 24 at 7:00 p.m. at the Chehalis Middle School.

e. **Reception for Peggy Morant.** Dave Campbell invited the council to the reception for Peggy Morant on May 25 from 4:00 to 6:00 p.m.

f. **Cable TV Forums.** Dave Campbell reported that two forms were held on May 17 to kick off the community ascertainment phase of the gathering of public comments, suggestions, and ideas with respect to the cable television franchise renewal. He indicated there were about 8 to 10 people at each meeting, and added that staff would continue to collect comments from the public. The city's consultant would also be doing an engineering analysis of the current system within the next two to three weeks.

11. **Executive Session.** Mayor Spahr announced that the council would convene into executive session at 3:50 p.m. pursuant to RCW 42.30.140(4) regarding collecting bargaining for approximately 15 minutes and there could be a decision following conclusion of the executive session.

12. **Collective Bargaining Agreement with the International Association of Fire Fighters Local 2510.** Councilor Hatfield moved to approve the labor agreement between the city and IAFF Local 2510 for the years 2000-2002 with the proviso that an employee's salary, while working at a higher classification, shall not exceed the salary of the incumbent. 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 4:05 p.m.

June 12, 2000

The Chehalis city council met in regular session on Monday, June 12, 2000, 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; 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 Mai Ling Slaughter 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 May 22, 2000;
- b. May 15, 2000, Claims Vouchers No. 52661 – 52856 in the amount of \$340,672.04; and May 26, 2000, Claims Vouchers No. 52857 – 52965 in the amount of \$69,159.20;
- c. Change Order No. 1 in the amount of \$2,390 to Peterson Brothers, Inc., for the National and Kresky Avenues corridor hazard elimination safety project;
- d. Award bids for chlorine and sulfur dioxide to Pioneer Americas, Inc.; and
- e. Tourism fund budget amendment in the amount of \$500 for advertisement in the 2000 Centralia/Chehalis visitor information guide.

The motion was seconded by Councilor Galvin and carried unanimously.

2. **Citizens Business – Introduction**. Mai Ling Slaughter introduced Rashmi Puri, a summer intern for The Chronicle. She stated that Ms. Puri was from Centralia and would be a junior at the University of Washington next year.

3. **Resolution No. 9-2000, First Reading – Adopting the Lewis County Solid Waste/Moderate Risk Waste Management Plan Update Dated April 2000**. Dave Campbell noted that Councilor Ketchum was the city's representative to the solid waste advisory committee, which reviewed the document.

Pat Campbell of the Lewis County solid waste utility division, presented a brief overview of the update. She indicated there would be no major changes in solid waste management over the next 20 years, such as citing a new landfill or building an incinerator. It was simply a state requirement that plans be prepared and updated every five years. Ms. Campbell noted that the update was also incorporated into the county's comprehensive plan as required by the Growth Management Act. Acknowledgements were given to the solid waste advisory committee, solid waste utility staff, board of county commissioners, and consultants Parametrix, Inc., and Cascadia Consulting Group. Ms. Campbell outlined the overall goals of the plan and reviewed an overview of disposal in Lewis County based on the results of a waste characterization study done at the central transfer station between 1996-97. She noted that about 53% of the material disposed of had a high to medium recycling potential, and it was also determined that waste coming from residential and non-residential sources was about the same. She provided current figures and projections relating to the waste stream, noting that there was a lot of waste that was recycled that doesn't enter the system in any way. Finally, Ms. Campbell highlighted the accomplishments and recommendations relating to waste export and transfer, waste reduction and recycling, moderate risk waste, and solid waste enforcement.

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. 9-2000 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

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

a. **Yard Waste and Curbside Collection**. Dave Campbell stated he recently met with Paul Diaz of Waste Connections, the parent company of Superior Refuse. He indicated there was a possibility of backyard burning

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being prohibited in Lewis County by the end of this year. If that were to happen, Waste Connections may be interested in putting together a proposal for curbside yard waste pick-up.

Mr. Campbell mentioned that some time ago street superintendent Tim Grochowski suggested that collection of solid waste not be done in alleys, but on curbs in all residential neighborhoods. He stated that Mr. Diaz didn't think his drivers had any particular problems getting the trucks through the alleys, but Mr. Campbell indicated the heavy trucks did "beat up" the alleys somewhat.

b. **Downtown Business After Hours**. Dave Campbell reminded the council about the special downtown business after hours event June 15 between 4:30 and 6:30 p.m. He stated that many businesses and offices will have later hours than normal during that evening. He encouraged the council to participate.

c. **Downtown Partnership "Field Trip"**. Joanne Schwartz reported that several members of the downtown partnership committee recently traveled to Blaine, Mount Vernon, Renton, Auburn and Shelton. Ms. Schwartz gave a brief overview of what other cities were doing to revitalize their downtowns. She indicated the group came back with many good ideas, and will probably visit a few other communities.

Dave Campbell added he was the most taken with Shelton, particularly painting their street lights black. He thought it was a simple thing to do, but it had quite a visual impact and gave the city a more historical feel.

d. **Water Treatment Residuals Retention Basin (WTRRB) Public Meeting**. Dave Campbell reminded the council about the WTRRB public meeting scheduled for Wednesday, June 12 at 6:00 p.m. at the V.R. Lee Community Building.

e. **Business Licensing**. Dave Campbell indicated that Mayor Spahr and Councilor Hatfield requested that the issue of business licensing be discussed, specifically why city ordinance requires a business to obtain a new license when it re-locates within the city and/or when a business has more than one location within the city. He added that the revenue generated from business licensing was not a significant factor in the city's budget, and multiple business or new licenses for re-locating businesses was not something that happened real often. To eliminate those would certainly not cause a big financial problem for the city. He did note that it was important, from a public safety standpoint, that the city continue to have current information for emergency purposes when businesses re-locate or have multiple locations.

Councilor Pope asked if business licenses were established to generate income, or to provide information on where businesses were located.

Dave Campbell indicated the purpose was to generate a database to be able to contact businesses in an emergency, or for economic development-types of work.

Mayor Spahr added it was also established to keep outside businesses from operating within the city without a proper license.

Councilor Pope asked why the issue was brought up.

Councilor Hatfield indicated it had been the practice to charge people if they opened a second branch of their business, if they re-located their business, or if it changed ownership. He believed that was reflective of trying to be a revenue generator as opposed to being a data gatherer. Councilor Hatfield felt the initial \$35 fee and the \$15 renewal fee should be the only charges levied, and that part of the application process include instructions that business owners notify the city of any changes.

Councilor Pope believed that people usually had good intentions in following rules and regulations, but when you pay a fee and are penalized if you don't, you are more apt to follow rules and regulations. He also thought that if a business moved, the city needed to have the new location information, and if a person sold their business to someone else, the business license should be transferred from one name to the other. Councilor Pope indicated that tracking all those changes was work for staff and there should be some income to cover that work.

Councilor Hatfield thought the initial fee and renewal fee took care of that.

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Councilor Galvin didn't like the idea of subsidizing one business license with revenue from another business, and thought there needed to be some way of covering the paper work expense for the city when businesses re-located. He stated the \$35 business license fee was the deal of the century. In regard to multiple business locations, Councilor Galvin thought each location was a profit center for that business. He asked what others cities were doing.

Dave Campbell didn't believe the city had done a recent survey to find out what the practice was among other cities, but that could certainly be done.

Councilor Pope asked what staff's perspective was.

Dave Campbell reiterated that staff's biggest concern was making sure the city had up-to-date, accurate information as businesses changed location or ownership.

Councilor Pope felt the regulations were put into place for good reasons and should be left alone.

Mayor Spahr suggested that if a business changes ownership they could pay a renewal fee instead of a new license fee because the city should receive something for doing the paperwork.

Councilor Pope asked again why the issue was brought up.

Councilor Hatfield indicated that it came up in a discussion he was having with some people regarding business licenses and fees.

Bill Hillier suggested the ordinance could be amended to reflect that a business owner be required to file an amended business license application for the moving of their business at no charge. However, he thought the sale of a business should trigger a new license application with the current established fees. Mr. Hillier also indicated that one license may be appropriate for a person who owns the same business at multiple locations, but not for a business owner who has different types of businesses – each different business should have its own license.

A majority of the council concurred to direct staff to draft an ordinance to amend the current business license ordinance to provide that a business owner be required to file an amended business license application for the moving of their business at no charge, but to leave all other provisions the same.

f. **Employee Recognition**. Councilor Hatfield stated the council recently received letters from citizens expressing their appreciation for various departments of the city, specifically the fire department. He shared portions of the letters with the audience.

Councilor Hatfield also mentioned that the public works department was working on a sewer line project in front of his home. He stated they were most professional and courteous, and were doing a real good job.

5. **Executive Session**. Mayor Spahr announced that the council would convene into executive session at 4:05 p.m. pursuant to RCW 42.30.110(c) regarding collecting bargaining for approximately 15 minutes and there would not be a decision following conclusion of the executive session. Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:15 p.m.

6. **Vacation of a Portion of NW Rhode Island Avenue**. Dave Campbell requested that the council set a price for which a portion of vacated NW Rhode Island Avenue would be offered for sale. He noted the property was vacated by the council through passage of Ordinance No. 670-B on May 22, and an estimate of value had been received from the Lewis County Assessor's Office.

Councilor Pope moved to set a price of \$3 per square foot for the vacated portion of NW Rhode Island Avenue. The motion was seconded by Councilor Galvin and carried unanimously.

There being no further business to come before the council, the meeting was adjourned at 4:20 p.m.

June 26, 2000

The Chehalis city council met in regular session on Monday, June 26, 2000, 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, 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; Tim Grochowski, Street Superintendent; Ron Moeller, Lead Wastewater Treatment Operator; Mark Petrie, Water Superintendent; and Andy Sennes, Property Manager. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Agenda Revisions**. Mayor Spahr announced the item regarding an agreement with Steve Birley for police background investigations and polygraph examinations would be removed from the agenda.

2. **Presentation to Dominican Sisters**. Mayor Spahr stated a reception was held for Sister Perpetua Haughian last Thursday in honor of her retirement after serving Lewis County since 1949 in the health care system. Mayor Spahr reread the proclamation presented to her at the reception, along with a personal letter he wrote to her. In addition, a certificate of appreciation was presented to Sister Perpetua, Sister Barbara Bock, and Sister Miriam Kahl for their service in both the health care system and education. Mayor Spahr noted the Dominican Sisters had been involved in the Lewis County community for over 100 years, and the three retiring Sisters were the last of four in the community.

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 June 12, 2000; and
- b. May 31, 2000, Payroll Vouchers No. 13586 – 13725 in the amount of \$523,208.06; Transfer Voucher No. 1470 in the amount of \$1,626.54; Transfer Voucher No. 1465 to be voided; and June 15, 2000, Claims Vouchers No. 52966 – 53170 in the amount of \$204,847.76

The motion was seconded by Councilor Hatfield and carried unanimously.

4. **Public Hearing – 2001-2006 Six-Year Transportation Improvement Program (TIP)**. Dave Campbell reminded the council that the public hearing was an annual requirement in adopting an updated six-year transportation improvement program. He added that adoption of the six-year TIP was necessary to receive funding through the state and federal governments for transportation improvements.

Tim Grochowski informed the council the proposed six-year TIP included five projects that were listed in the agenda.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:13 p.m. There being no public comment, the public hearing was closed and the regular meeting was immediately reopened.

5. **Resolution No. 10-2000, First Reading – Adopting the 2001-2006 Six-Year Transportation Improvement Program (TIP)**. 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. 10-2000 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

6. **Resolution No. 11-2000, First Reading – Declaring City Property to be Surplus**. Dennis Dawes informed the council the city purchased a 1983 Kawasaki motorcycle from the Winlock police department for \$500, which Winlock had purchased from the Thurston County Sheriff's Office. He stated that Thurston County now wished to buy it back to refurbish it, along with others, that were a part of the original group when their motorcycle patrol was started. He stated the Chehalis police division was interested in getting a digital camera and Thurston County had agreed to purchase a camera for Chehalis in trade for the motorcycle.

Councilor Galvin asked if the city had specified the make and model of the camera.

Dennis Dawes indicated that staff found a camera to meet their needs and Thurston County agreed to purchase it if approved by the council.



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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. 11-2000 on first and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

7. **Award Bid for Public Works Utility Service Vehicle to Gilchrist Chevrolet in the Amount of \$37,502.02, and Approve Purchase of Associated Equipment with Budget Amendment.** Dave Campbell stated the bid involved the replacement of an existing vehicle authorized in the 2000 budget. He indicated the bids were such that a budget amendment of about \$2,500 was needed to purchase the equipment associated with the vehicle.

Mark Petrie informed the council three bids were received, and Gilchrist Chevrolet's bid, in the amount of \$37,502.02, was closest to the specifications (the two other bids received were from Uhlmann Motors in the amount of \$37,295.46, and InnoVan in the amount of \$40,028.82). He explained the \$2,000 budget amendment would be used for additional safety items for the vehicle.

Councilor Hatfield indicated that according to the agenda report the only specification that Uhlmann Motors was missing was the towing package for another couple hundred dollars.

Mark Petrie stated that was correct, but the city would have to provide the towing hitch at a cost of \$75.

Councilor Hatfield indicated he was not in favor of awarding the bid to Gilchrist Chevrolet because the local provider (Uhlmann Motors) met the bid specifications and the difference in price between the low bid and the next highest bid (Gilchrist Chevrolet) would probably cover the towing package. Councilor Hatfield went on to say that, more importantly, he had yet to see any youth athletic team with a Gilchrist Chevrolet uniform. He added that Uhlmann Motors was a long-time supporter of the community and because they were the low bidder, he moved to award the bid to Uhlmann Motors in the amount of \$37,295.46. The motion was seconded by Councilor Zylstra.

Mayor Spahr clarified that Uhlmann Motor's bid was actually lower than Gilchrist's bid, but the reason it was higher was because it took consideration into mileage over the life of the vehicle. He did not recall ever doing that before.

Mark Petrie stated he included the information for the council's information.

Councilor Hatfield indicated that mileage was not included as a specification of the bid.

Mark Petrie explained there was a specification on engine size and Uhlmanns submitted a larger size engine in their bid.

Mayor Spahr asked if the engine in the Uhlmann bid was a better engine for what it would be used for.

Jim Nichols indicated it was more powerful, but was not necessarily needed.

Councilor Galvin asked if the vehicle was available with the appropriate sized engine.

Jim Nichols indicated it was, but the bid process would have to start over.

Bill Hillier added the council had to accept the Uhlmann bid as submitted or begin the process again.

The motion carried unanimously. Councilor Zylstra pointed out he appreciated the thorough analysis provided by staff.

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

a. **Council Goals Status Report.** Dave Campbell provided a brief overview of work accomplished on the council's goals during the first quarter. The goals highlighted by Mr. Campbell included, improvement to the city's fire protection rating; implementation of the adopted water system plan; continuation of redevelopment of Recreation Park; promotion of revitalization of downtown; completion of overlay of State Avenue; storm drainage improvements; and implementation of TMDL consent decree requirements.

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b. **2000 Water Utility Consumer Confidence Report**. Mark Petrie distributed the 2000 water utility consumer confidence report. He indicated the report was a requirement of the Safe Drinking Water Act and had to be mailed to all Chehalis water customers. Mr. Petrie stated it was an informational report for the citizens indicating where their water comes from, what was in their water, and what the city was striving to do to keep their water safe.

c. **Vacation of a Portion of NW Rhode Island Avenue**. Councilor Hatfield asked if there had been any response from Fred Wildhaber regarding payment for the vacated NW Rhode Island Avenue property.

Dave Campbell indicated he didn't believe there had been any response to-date.

d. **Citizens Business - Chehalis Power Generation Facility**. Rose Spogen addressed the council about the proposed gas-fired plant by Chehalis Power, specifically the hearing regarding their amended air permit. Ms. Spogen read from a portion of her written testimony from the hearing.

Ms. Spogen wondered how long it would be before there would be a wood burning ban. She recalled that during the first adjudicated hearings in 1996 a chart showed that I-5 vehicles and wood burning were at the top for emissions. She questioned that, when the plant was up and running, would they eliminate the vehicles on I-5, the plant, or wood burning in Lewis County. She wondered how that would set with those still using wood for heat or an occasional fire in the fireplace. She stated that testimony given indicated that Lewis County ranked 23<sup>rd</sup> of the 39 for low-income and how a ban on wood burning would affect those people. Evidence was also given that showed that a constant lower level of emissions are less harmful to a person than larger bursts now and then that would result during start-up or shut-down of the plant. During a workshop in April, Ms. Spogen stated she asked the applicant's air consultant why they would allow the steam plant and this plant within the same ten-mile radius. He indicated it was because emissions were taken and evaluated from a larger regional area. She then asked if the gas-fired plant had already been sited would the steam plant be allowed. He said a plant like the steam plant would not be allowed. She remarked it did not make sense that if the steam plant had to install new equipment to lower its emissions why would another plant be allowed to bring the levels back up. She did not believe the people of the State of Washington taxed themselves for the steam plant or the gas-fired plant to be sited at the expense of the people's health. They taxed themselves so the steam plant would achieve lower emissions and continue operating for another 20 years, plus save 600-700 jobs and the economy of Lewis County, thus helping the state.

Ms. Spogen stated the gas-fired plant would provide 18-22 jobs and a witness for the applicant made it very clear that the objective was to replace coal-fired generation by 2010 and replace it with cleaner burning plants such as the gas-fired plant. She questioned how we know for sure that emissions from gas-fired plants are safer just because gas burns cleaner when CO2 emissions have not yet been regulated. On one hand the applicant gave testimony there was a problem with greenhouse gases so we must do away with over 400 coal and oiling burners throughout the country resulting in the loss of millions of jobs. But, in the next breath when asked to address the CO2 emissions that have been associated with global warming the applicant said it was both uncertain and controversial. She indicated that they couldn't have it both ways.

Ms. Spogen questioned how we could expect anything more from a company that told BPA and a community it would help solve their wastewater problems, sign an agreement to have 60% of their power sold before construction began, then three years later change their minds. She believed they made the commitments in order to get the site certification approval knowing they could later have it amended. They said it was because a change in the market was taking place. She wondered how a company that was a subsidiary of one of the world's largest energy owners could not have foreseen four years ago that there was a changing market.

Ms. Spogen also expressed concern about a newspaper article relating to wells. She asked where people would get their water if they had to give up their wells. Who would pick up the expense of supplying water? Would the county provide a water system? Would the city sell water to the county? Would there be enough water and from what source?

Ms. Spogen indicted she was left with many unanswered questions, but the city was still planning on selling enough water to supply a whole other town to a company that would occupy nearly 40 acres of prime land and would provide 22 jobs to sell their electricity to any state in the union while unregulated CO2 emissions spewed over our heads and still not even knowing if in fact there would be a \$3.5 million revenue. She asked where our priorities were.

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e. **AWC Annual Conference**. Mayor Spahr indicated there were several work sessions covering such topics as the Endangered Species Act and wastewater. He added he made some good contacts and thought it was one of the better conferences he had gone to.

Joanne Schwartz stated she attended sessions on economic development, downtown issues, and historic preservation.

Mayor Spahr added he also attended a session on court reform. He explained that Supreme Court Justice Phil Talmadge and a group are trying to do away with municipal courts and put them into the district court system. He stated all cities in attendance spoke against that move, and he felt it was something that should be watched.

f. **Handicapped Accessibility to City Hall**. Mayor Spahr stated a lady was just downstairs and she was handicapped. He indicated city hall had only one handicapped parking space and it was taken. Mayor Spahr thought about how difficult it is for handicapped people to access city hall. He realized that although the entire building could not be retrofitted, he asked staff to take a look at what could be done.

Randy Hamilton advised the council that handicapped parking holders could be used in any parking spot. He added the handicapped spot behind city hall was probably technically not legal.

Andy Sennes noted the drop box behind city hall was available and handicapped accessible.

9. **Executive Session**. Mayor Spahr announced the council would convene into executive session at 4:00 p.m. pursuant to RCW 42.30.110(c) – lease of real estate and RCW 42.30.110(i) – pending litigation, for approximately 15 minutes and there would not be a decision following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 4:15 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

July 10, 2000

The Chehalis city council met in regular session on Monday, July 10, 2000, 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; 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; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Mai Ling Slaughter 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 26, 2000;
- b. June 29, 2000, Claims Vouchers No. 53171 – 53263 in the amount of \$79,368.49; and
- c. Final acceptance of National Avenue flood repair project to Groat Brothers, Inc., in the amount of \$44,950 (less retainage of \$2,247.50).

The motion was seconded by Councilor Galvin.

Mayor Spahr pointed out the Washington State Department of Transportation allocated \$75,000 in funding for the National Avenue flood repair project and the cost turned out to be about \$45,000. He felt it was a good project and hoped it would take care of the shoulder and left travel lane damage caused by the 1998 flood. The motion carried unanimously.

2. **Public Hearing – 2001-2006 Six-Year Transportation Improvement Program (TIP)**. Dave Campbell reminded the council the public hearing was an annual requirement in adopting the updated six-year TIP. He added that adoption of the six-year TIP was necessary to receive funding through the state and federal governments for transportation improvements.

3. **Resolution No. 12-2000, First Reading – Amending the Employee Rules and Regulations**. David Kelly explained the current process for meal reimbursement. The state auditor requires that all meals be reimbursed only upon the submission of itemized receipts. The accounting staff must then ensure that meals were reasonable and gratuities were no more than 15%. At times, staff must chase down receipts, or employees simply forget to get a receipt or lose a receipt. He stated a lot of staff time was spent doing all of that. Mr. Kelly proposed the city change to a per diem system based on IRS guidelines. The current rate at \$38 per day was broken down at \$8 breakfast; \$11 lunch; and \$19 dinner. He indicated the per diem system would streamline and simplify the process.

Councilor Galvin asked if an employee could spend more for lunch and less for dinner.

David Kelly indicated it would be the employee's choice.

Councilor Pope stated he had used the per diem system and the only time he was required to submit receipts was when he exceeded the daily-allotted amount.

David Kelly pointed out that if there were extraordinary circumstances, exceptions could be made, but he hoped those would be limited.

Councilor Zylstra asked if there was an average of what was being spent now per day per employee.

David Kelly indicated he did not have those figures.

Councilor Zylstra moved to adopt Resolution No. 12-2000 on first reading. The motion was seconded by Councilor Galvin.

Councilor Pope indicated a question came up the last time he wanted to go to a conference. He wanted to drive his own vehicle, but was told if he did so, and a city vehicle was available, he would not be eligible for mileage reimbursement.

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David Kelly stated it was because of current city policy, but could certainly be discussed.

Dave Campbell indicated that in that particular case he was prepared to issue a memo to the council and staff that in cases where traveling by some other carrier was less expensive than the reimbursement would be for mileage it would make sense to allow employees to take their own vehicles. The motion carried unanimously.

4. **Water Treatment Facility Emergency Repairs.** Mark Petrie informed the council the water treatment plant was experiencing problems with its backwashing valves and controls. He stated one valve was constantly failing and others were starting to react. He asked the council to approve the emergency repair.

Councilor Pope moved to authorize emergency funding to design and install four new backwash-operating valves and controls at the water treatment facility at a cost not to exceed \$40,000. The motion was seconded by Councilor Venemon and carried unanimously.

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

a. **Council Budget Committee Meeting.** Dave Campbell reminded Councilors Hatfield, Ketchum, Zylstra about the council budget committee on Monday, July 17, at 3:00 p.m.

b. **Downtown Clean-up.** Joanne Schwartz informed the council that another downtown clean-up would take place on Sunday, July 23 prior to the Music & Art Festival.

c. **South Chehalis Drainage Study.** Jim Nichols advised the council the south Chehalis drainage study was completed by Brown and Caldwell Engineers and staff plan to conduct a neighborhood meeting in the next of couple of weeks to inform the citizens of the results. He indicated that following the neighborhood meeting, the report would be presented to the council.

There being no further business to come before the council, the meeting was adjourned at 3:15 p.m.

July 24, 2000

The Chehalis city council met in regular session on Monday, July 24, 2000, 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, and Bob Venemon. Councilors Tony Ketchum, Dr. Isaac Pope, and Dave Zylstra were absent (excused). Staff present included: Dave Campbell, City Manager, Caryn Foley, City Clerk; Mark Scheibmeir, 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; Sharon Ferrier, Community Services Office Manager; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Dale Miller, Police Sergeant; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Kitty Schiltz, Librarian; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Mai Ling Slaughter 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 10, 2000;
- b. July 14, 2000, Claims Vouchers No. 53264 – 53461 in the amount of \$314,140.67;
- c. Award bid for the street resurfacing project to Lakeside Industries in the amount of \$271,921.58; and
- d. Replacement of city manager's office computer.

The motion was seconded by Councilor Venemon and carried unanimously.

2. **Employee Service Award**. Mayor Spahr presented a ten-year service award certificate to Recreation Manager Lilly Wall.

3. **Resolution No. 12-2000, Second Reading – Amending the Employee Rules and Regulations**. Dave Campbell stated the resolution pertained to how the city would pay for meal expenses incurred while people were traveling on city business.

Councilor Hatfield moved to adopt Resolution No. 12-2000 on second and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

4. **Ordinance No. 673-B, First Reading – Providing for the Regulation and Licensing of Businesses and Repealing Prior Ordinance**. Dave Campbell indicated the ordinance was in response to council discussion last month regarding how the city enforced its business license ordinance. The council directed staff to prepare an ordinance to provide that when a business license holder changed their address they would not be charged for a subsequent license, but would be required to complete an amended license application.

Councilor Hatfield moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Venemon and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 673-B on first and final reading. The motion was seconded by Councilor Venemon.

Councilor Hatfield thanked David Kelly and the city attorney's office for the rapid turn-around on the issue, and for the brevity and clarity of the ordinance.

Dave Campbell noted that Caryn Foley actually worked on the ordinance quite a bit, doing some of the revisions. The motion carried unanimously.

5. **Ordinance No. 674-B, First Reading – Providing for a Budget Amendment**. Dave Campbell stated the ordinance provided for a budget amendment to take care of a number of things the council had acted on during the first six months of the year, along with some that had not yet come before the council.

Councilor Hatfield moved to pass Ordinance No. 674-B on first reading. The motion was seconded by Councilor Galvin and carried unanimously.

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6. **Resolution No. 13-2000, First Reading – Setting the Date and Time of August 28, 2000, at 3:00 p.m. for a Public Hearing Regarding a Petition for Vacation of a Portion of NW St. Helens Avenue.** Dave Campbell indicated the resolution was a housekeeping item relating to the proposed vacation of a portion of NW St. Helens 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. 13-2000 on first and final reading. The motion was seconded by Councilor Galvin.

Mayor Spahr indicated that in looking at the vicinity map, it appeared an alley was located between the parcels of property being requested for vacation. He asked if the alley was included in the request.

Jim Nichols stated staff had concerns that the vacation could cut off access.

Mayor Spahr asked if notices would be sent to surrounding property owners.

Jim Nichols indicated notices would be mailed to area property owners. The motion carried unanimously.

7. **Resolution No. 14-2000, First Reading – Adopting an Official City Nickname, Motto, and Symbol.** Joanne Schwartz indicated the request came from the Chehalis Community Marketing Committee (CCMC), and she informed the council that all members of the CCMC, the Downtown Partnership, and the Historic Preservation Commission were notified about the proposal. She indicated that in order to move forward with marketing of the community, the CCMC thought it was appropriate to establish a nickname, motto, and symbol. Ms. Schwartz indicated the rose was being proposed as the official city symbol since it had already been used for a long time. The proposed official nickname was “The Rose City” and the official proposed motto was “*Chehalis* A Heritage to be Proud of . . .” She noted the rose garden between city hall and the library was actually a public garden and not a test garden as previously thought. She noted John Smith, a community service employee, maintained the garden.

Councilor Hatfield moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Venemon and carried unanimously.

Councilor Venemon asked if the Rose Society had been contacted.

Joanne Schwartz indicated she did not contact the Rose Society, but she did not believe they would have any objections.

Councilor Hatfield then moved to adopt Resolution No. 14-2000 on first and final reading. The motion was seconded by Councilor Venemon.

Councilor Galvin asked if the motto currently on city letterhead would be replaced.

Dave Campbell indicated the Chehalis 2000 Strategic Planning Committee recommended approval of the language, which was actually considered a mission statement, and would therefore remain on the letterhead. The motion carried unanimously.

8. **Reorganization-related Reclassification and Salary Range Adjustment.** Dave Campbell stated the issue was a continued step in implementing the consolidation of the finance and human resources departments into the administrative services department. It addressed the creation of a new position of finance manager with a recommended salary range.

Councilor Hatfield asked how much more it would cost the city per year.

Dave Campbell explained that compared to the former position of assistant finance director it would be a savings.

Councilor Hatfield stated the assistant finance director position was gone. He asked how much more the person would be paid per month than before.

Dave Campbell stated that compared to the current budget there would be a savings in this particular year.

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Councilor Hatfield indicated he understood that, but he wanted to know how much more the employee would be making per month.

David Kelly stated she would be making 10% more.

Councilor Hatfield asked what the dollar amount per month was.

Dave Campbell stated she would be making about \$282 more per month.

Councilor Hatfield moved that the present assistant finance director position be reclassified as finance manager at a salary range of 23. The motion was seconded by Councilor Galvin and carried unanimously.

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

a. **Budget Status Report.** David Kelly noted sales tax revenues were \$122,000 lower than anticipated halfway through the year. He also mentioned that water and sewer operating revenues were lower than last year. He thought people were probably being more conservative because of the increased utility rates.

Mayor Spahr stated \$54,000 was budgeted for state-shared revenues, but only \$18,799 was received to-date. He asked if any other revenues were expected.

Dave Campbell explained there were a number of state-shared revenues received during the year, and, although the motor vehicle excise tax (MVET) had been received for the year, he was not concerned about that revenue at this point.

Councilor Hatfield pointed out that in 1999, state-shared revenues were under budget and that was before I-695 came into play. He asked why that was.

Dave Campbell indicated that, in part, the MVET revenues started declining from what had been projected because some people were not purchasing their new licenses when they "should have" in order to save the amount of money I-695 was going to give them.

Councilor Hatfield asked if the MVET was the lion's share of the state-shared revenues.

Dave Campbell believed it probably was, but he would have to look at the other line items that were a part of that particular area of the budget.

b. **2001 Budget Preparation Guidelines, Projections, and Issues.** Dave Campbell stated the report followed up on the budget committee meeting held August 17, at which Councilors Hatfield and Zylstra were in attendance. He indicated the report included guidelines and assumptions for preparing the 2001 budget, along with budget issue papers that were discussed in some detail by the committee and their recommendations with respect to whether or not those items were high, medium, or low priorities. Mr. Campbell explained that in following the recommended assumptions, maintaining the current year's existing services, and projecting an inflation rate of 3.2%, revenues were estimated to be about 6.3 million in the general fund, with expenditures projected at about 6.6 million, resulting in a shortfall of around \$308,000. He noted the shortfall did not include the potential impacts of I-722. Mr. Campbell then asked the council to review the budget issue papers included in the agenda.

Councilor Hatfield indicated he wanted to hold off reviewing the budget issue papers until the full council was in attendance, and also because there was not much use in going through \$486,000 of additional spending when the city was \$300,000 in the hole to start with, not including I-722. He stated the budget committee did rank the issue papers and proposed that at a later date, maybe the latter part of August or first part of September, the full council review them when the budget picture was a little clearer. He reiterated it just didn't make much sense to cut the existing budget and replace it with a budget issue item because you would still be \$300,000 out of balance. The budget committee's recommendations were for staff to prepare one budget showing the estimated shortfall of \$300,000, another budget showing the effects of I-722, and yet another budget showing what cuts were going to be made to present a balanced budget. He indicated there was a lot of work to be done by department heads, and, if any significant cuts were to be made, they would probably have to be in employees, and salaries and benefits.

Mayor Spahr noted the \$50,000 the city would receive from the state for the MVET was only a one-time "fix."



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In regard to I-722, Councilor Hatfield believed the section relating to the rolling back of tax increases would be a moot point because he thought the Supreme Court would find that part of I-695 unconstitutional. He did believe the section of I-722 about limiting the amount of property tax increases to 2% or the rate of inflation, whichever was lower, would pass. Councilor Hatfield added that in the 16 years he had been on the council, 2001 would be the most unpleasant budget process the city had faced.

Councilor Galvin moved to confirm the 2001 budget preparation guidelines and schedule as presented. The motion was seconded by Councilor Hatfield and carried unanimously.

c. **Gibbs & Olson Golf Tournament**. Councilor Hatfield stated Gibbs & Olson hosted its first charity golf classic last Friday. The team consisting of Mark Scheibmeir, Bill Hillier, Michael Hatfield, and himself tied for first place. He added that Mr. Hillier, Mr. Scheibmeir and he donated their winnings to Pope's Kids Place.

d. **Downtown Clean-up**. Councilor Hatfield thanked those departments involved in the downtown clean-up. He stated the streets and sidewalks looked very nice.

Joanne Schwartz stated the employees that helped with the clean-up were Jerry Boes, Mark Petrie, Tim Grochowski, Rick Sahlin, Greg Fischer, Dave Vausilaskas, Stan Zydek, Dan Chitwood, Derek Pedersen, Derrick Paul, Scott Werden, and Jeff Vanasse. She went on to say that how a community looks, sets a tone for what people think of it. Ms. Schwartz stated the Chehalis Kiwanis Club, to which she was a member, participates in the county's adopt-a-road program, and in thinking about that, she questioned why a Chehalis club was not sponsoring a road within the city limits. She came to the conclusion Chehalis was probably too small for such a program, but she did come up with the idea of establishing an "I Belong to the Keep Chehalis Clean Brigade." She invited the council to be its first members and distributed garbage bags so everyone could keep Chehalis clean.

e. **Lewis County Historical Museum Website**. Councilor Galvin informed the council the Lewis County Historical Museum now had a website.

f. **Gibbs & Olson Golf Tournament**. Councilor Hatfield stated he was remiss in noting that Chehalis had two teams. The other team consisted of Jim Nichols, Tim Grochowski, Patrick Wiltzius, and Mark Petrie.

g. **Timberland Regional Library Pornography Issue**. Mayor Spahr reported he received a letter from the Lewis County Pediatric Society supporting the city's position regarding the unrestricted internet access to pornography at the public libraries. He indicated he would provide copies to the rest of the council.

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

August 14, 2000

The Chehalis city council met in regular session on Monday, August 14, 2000, 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; Andy Sennes, Acting Community Services Director; Dennis Dawes, Deputy Chief for Police Services; Mark Petrie, Water Superintendent; Kitty Schiltz, Librarian; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Mai Ling Slaughter of The Chronicle.

1. **Presentations**. The council honored Jim Cook upon his retirement from KELA Radio after 29 years. Mr. Cook was recognized for his contributions to the community in outstanding reporting of news, issues, and events. Mr. Cook was not in attendance. Mai Ling Slaughter was also presented with a certificate of appreciation for her accurate and objective reporting and coverage of numerous city activities in The Chronicle.

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 July 24, 2000;

b. June 30, 2000, Payroll Vouchers No. 13726 – 13903 in the amount of \$449,203.83; Transfer Voucher No. 1472 in the amount of \$888.32; July 28, 2000, Claims Vouchers No. 53462 – 53563 in the amount of \$221,849.35; July 31, 2000, Payroll Vouchers No. 13885 – 14069 in the amount of \$460,481.27; Transfer Voucher No. 1473 in the amount of \$56,000; and Transfer Voucher No. 1474 in the amount of \$1,835.20; and

c. Appointments of Maggie McCarthy and Natalie Ketchum to the lodging tax advisory committee.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Ordinance No. 674-B, Second Reading – Providing for a Budget Amendment**. Councilor Hatfield moved to pass Ordinance No. 674-B on second and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

4. **Ordinance No. 675-B, First Reading – Creating and Establishing the Department of Administrative Services and Ordinance No. 676-B, First Reading – Creating and Establishing Revolving Cash Funds and Repealing Prior Ordinance**. Dave Campbell indicated both ordinances would officially provide for legislation to recognize the recent reorganization of departments and functions within city hall. Ordinance No. 675-B would create and define the powers and duties of the administrative services department. Ordinance No. 676-B would rename the imprest cash fund maintained in city hall.

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 Nos. 675-B and 676-B on first and final readings. The motion was seconded by Councilor Galvin and carried unanimously.

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

a. **South Chehalis Drainage Basin Engineering Report**. Jim Nichols provided a history of the issue. The report was the result of citizen concerns in the SW 20<sup>th</sup> Street area about regular flooding in that neighborhood. Brown and Caldwell was contracted with to analyze the area to see what could be done to resolve the situation. The scope of the project was later expanded to account for the fact that whatever was done to the basin around SW 20<sup>th</sup> Street would have an impact downstream. Brown and Caldwell met with residents prior to starting the analysis to obtain first-hand accounts about the flooding situation. Next, Brown and Caldwell, along with city staff, conducted an inventory of the drainage system and used all that information to model it. The model allowed them to replicate how runoff would act and react in the basin, which gave them the ability to analyze different alternatives and recommendations. Another public meeting with the residents was then held to explain the results of the study. Mr. Nichols pointed out the report did not supplement or take the place of the city's 1990 stormwater management, but would only replace any project within the report pertaining to this particular basin.

Mr. Nichols reviewed the various alternatives recommended by Brown and Caldwell. Alternatives 1 and 1A recommended system upgrades within the basin to improve the amount of flow that could be carried. It also

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recommended improvements to the city's ditch maintenance program. He thought a good majority of the projects recommended under Alternatives 1 and 1A could be performed by in-house staff, although some of the projects were a bit longer and would potentially need some outside contractor services. Alternatives 2A and 2B addressed the concept of detention ponds. The detention ponds were not currently located in any specific site. They would store additional stormwater that would reduce flooding to a greater level and hold backwater from even higher levels of storms. Alternative 3 would allow the system to carry the stormwater from the greatest flood of record and would require major upgrades of the entire system; however, Brown and Caldwell have indicated the cost-benefit to the city was not there and therefore recommended that Alternative 3 not be considered.

Mr. Nichols stated that other recommendations included enforcement of the 1992 DOE stormwater management regulations. He noted the city currently utilized those regulations in its stormwater management techniques. Another was evaluating the possibility of utilizing the 2000 DOE stormwater management regulations because they are more stringent and would have a much bigger impact on the community, particularly developers. It would ensure that new development would follow city ordinance requiring no additional stormwater to be generated by any particular project. Mr. Nichols indicated public works had been doing that for the past year or so by requiring on-site stormwater management to be undertaken by new projects. Another recommendation included obtaining easements for ditches on private property that actually served citywide functions.

Mr. Nichols indicated about 40 residents attended the public meeting to explain the results. One of the biggest concerns was over the county's lack of participation in any projects or remediation when it appeared that county development and land was contributing to part of the problem. He committed to the residents he would pursue that issue with the county. He noted most residents were very happy the city was pursuing solutions.

Mr. Nichols stated the steps being recommended by staff were to review the city's ditch maintenance practices; evaluate Alternatives 1 and 1A to determine which ones could be done in-house and which ones required additional outside services, funding, etc.; review property ownership issues and easement requirements for maintaining some of the ditches that appeared to be on private property, but are serving citywide needs; and finally to look at developing a timeline for implementing some, if not all, of the recommendations.

Councilor Hatfield asked about the public meeting minutes where the person who installed a check-valve said nothing was done to solve their problem. He asked if the wastewater superintendent contacted the person as was reflected in the minutes.

Jim Nichols indicated that Patrick Wiltzius did contact the person and they were comfortable with the information provided by the city. He explained the problem related to residents who were having sewer backup problems and were instructed by the city to install check-valves at their own expense.

Councilor Hatfield moved to approve the South Chehalis Drainage Basin Engineering Report as prepared by Brown and Caldwell. The motion was seconded by Councilor Zylstra.

Mayor Spahr thought it was a good report and asked if the city could force the county to implement the city's stormwater regulations as long as they were in the city's UGA.

Jim Nichols stated it would depend. He felt the issue would be if the county's stormwater would be entering the city's system. He indicated there were some county stormwater management districts that didn't lead into the city's system and he was a little sketchy as to what authority the city would have, but, it would probably be like the city's water and sewer systems in the UGA. The city had the right to request that they be installed according to city standards. If the county was going to be contributing stormwater to the city, he believed it was the same thing – the city could enforce its standards if it was going to end up eventually owning or maintaining that particular piece of infrastructure.

Mayor Spahr asked what kind of timetable staff was looking at to implement the recommendations.

Jim Nichols explained that ditch maintenance would be immediate. The projects, such as culverts and storm line, probably wouldn't be done until next year since it was getting late in the year and crews were being used for street projects.

Councilor Hatfield asked how receptive people were to a local improvement district (LID).

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Jim Nichols indicated he did bring up that issue. Some people did not want to be included within an LID and some indicated that if would help, and everyone paid for it, they might be willing to consider it.

Councilor Hatfield asked if the people not experiencing flood problems could opt out of participating in an LID.

Bill Hillier stated they could be compelled to participate if the percentages equated to the statutory requirements. He did note that if there was a varying degree of benefit received they could be assessed at different levels.

Mayor Spahr wondered if something could be done relating to the stormwater charges paid by residents. If the residents would be willing to give the city "instant" money to complete some of the work, perhaps the city could reduce their stormwater utility charges. There being no further discussion on the issue, the motion carried unanimously.

b. **Tri-agency Meeting.** Dave Campbell informed the council that the county would like to hold a tri-agency meeting on October 7 in Packwood.

c. **Sales Tax.** David Kelly provided information about the status of the city's sales tax receipts this year. During the first two quarters of the 2000 budget year concerns were identified about trends in sales tax revenues received by the city. Not only were they below what was budgeted, but they were below where they had been for the last 2-3 years. He explained that staff reviewed all the revenues the city was receiving and staff found that most large retailers were reporting increases in sales tax collections, yet the city was receiving lower revenues. He then contacted the State Department of Revenue and found out that in 1995 a law was passed that allowed businesses buying industrial machinery and equipment to claim an exemption from sales tax. At that time, the logging industry was not included in that group. The logging industry therefore lobbied the legislature and was able to be included in the exemption that was made retroactive back to 1995. He reported the city had lost about \$85,00 so far this year in sales tax revenues.

d. **Meeting and Activity Reminders.** Dave Campbell reminded the council about the council budget committee meeting on August 17, at 3:00 p.m. at city hall. He also reminded the council about various activities taking place during the week the Inasa, Japan, delegation would be here.

e. **TMDL.** Mayor Spahr reported he received a letter from the State Department of Ecology regarding a fecal coliform TMDL and non-point dischargers.

Patrick Wiltzius stated he ordered a copy of the TMDL.

There being no further business to come before the council, the meeting was adjourned at 3:45 p.m.

August 28, 2000

The Chehalis city council met in regular session on Monday, August 28, 2000, 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; 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; Bob Nacht, Community Development Manager; Kitty Schiltz, Librarian; Andy Sennes, Property Manager; and Lilly Wall, Recreation Manager. Members of the news media in attendance included Marty Toohey of The Chronicle.

1. **Presentations**. A Certificate of Culvert Repair Class Completion was presented to John Chenoweth of the public works department.

Officer Neil Marsh was recognized for 20 years of service with the police services division. Officer Marsh was not in attendance.

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 14, 2000;
- b. August 15, 2000, Claims Vouchers No. 53564 – 53733 in the amount of \$152,098.07; and
- c. Agreement with Steven C. Birley for provision of technical services (police background investigations and polygraph examinations).

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Citizens Business**. Les Miller, 1562 SW Snively Avenue, Chehalis, addressed the council about possible 2001 budget cuts in the police services division. He thought law enforcement could not afford to be cut any more than it already had. He felt other items like the swimming pool were nice, but could not replace law enforcement. Mr. Miller stated speeding was a problem in his neighborhood and the officers had been good about responding.

4. **Ordinance No. 677-B, First Reading – Providing for Various Position Title and Department Name Changes to Reflect the Reorganization of Certain Departments Within the City; and Deleting Unnecessary Definitions and Language**. Dave Campbell indicated the ordinance continued the legislative action with regard to the consolidation of departments and services at city hall, specifically finance and human resources. The ordinance would provide for title and department name changes, and would delete unnecessary definitions and language.

Councilor Galvin moved to pass Ordinance No. 677-B on first reading. The motion was seconded by Councilor Pope and carried unanimously.

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

a. **Budget Committee Review of Potential 2001 Budget Expenditure Reductions**. Dave Campbell indicated the issue was being brought to the council from the budget committee following their meeting on August 17. He reminded the council that in order to maintain existing service levels and reserves there would be a revenue shortfall of about \$300,000. Mr. Campbell indicated staff was in the process of reviewing line-item budget requests and revenues. He reiterated the \$300,000 shortfall was to maintain existing services, and it could be much worse if sales tax projections didn't turn around and continued to lag as they had this year. And, if I-722 passed, it would make it significantly worse – possibly doubling the \$300,000 shortfall. Mr. Campbell explained that staff was asked to identify areas where they could, if they had to, reduce their 2000 budgets by 10%, and a list of those potential expenditure reductions was included in today's agenda. The members of the budget committee had a number of questions, comments, and observations, and those were also summarized in the agenda report. Mr. Campbell indicated the purpose of today's meeting was for the full council to discuss the budget committee's recommendations.

Mayor Spahr asked if the sales tax revenue shortfall was included in the \$300,000 deficit.

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Dave Campbell indicated it was not.

Councilor Pope thought the full council would receive an itemized list of recommended cuts from the council budget committee.

Dave Campbell noted the budget committee identified the swimming pool as an item they would prefer not to cut, but they did not itemize or prioritize any other items.

Mayor Spahr asked if the budget committee's recommendation regarding the pool was a preference or was it actually off the table.

Councilor Zylstra indicated nothing was sacred, but the budget committee felt the dollars to keep the swimming pool open were pretty well spent in terms of the cost-benefit ratio to the community.

Mayor Spahr indicated he questioned it because there was a lot of what Les Miller said that he agreed with, especially in looking at the city manager's comment about keeping the fire services division at a three-man engine company to meet the requirements of the Washington Surveying and Rating Bureau in order to get the city's rating back down. Mayor Spahr did not think any item should be off the table, and he suggested that if training and travel needed to be stopped right now it should be. Mayor Spahr asked about funding for the cable television franchise consultant.

Councilor Ketchum explained that funding for the consultant was only for the current year and no funding would be requested in 2001.

Mayor Spahr asked if the recent reorganization of departments in city hall would actually save an additional \$70,000 in 2001.

Dave Campbell indicated the \$70,000 savings represented what was done this year, but it would be a savings in 2001 based on what was budgeted in 2000.

Mayor Spahr asked if the \$70,000 was included in the \$300,000 shortfall.

Dave Campbell explained the savings from the reorganization was already reflected in the 2001 projections.

Mayor Spahr asked what was included in cuts to supplies, equipment, and communications in the police & fire services department totaling \$74,500.

Randy Hamilton indicated the department would have to operate with existing inventory or very low inventory, for such items as fire hose, firearms, and ammunition. He hoped they would not run out of anything, but that was an unknown. Chief Hamilton noted they may have to come back to the council for a budget amendment for more supplies. He added the department's budget was 80% personnel costs.

Councilor Pope asked how that might increase the city's liability.

Randy Hamilton stated the department currently had the supplies, but if they had to cut, the department would not be able to do certain things, such as keeping up with the yearly hose replacement plan. He indicated if it was a one-year thing they could probably squeak by, but if it was going to be the future then it would have an impact on how the department operated. He explained communications included telephone, postage, etc., and they would just be cut back. Chief Hamilton added he had no other place to cut and he could not cut any more personnel. He noted there was a savings this year under the communications budget by switching to the scan phone system.

Councilor Pope indicated that unforeseen things could happen and he wondered how those issues would be taken care of.

Dave Campbell stated that was what reserves were for and that was why they should not be cut.

Councilor Galvin asked if the DARE and UNET officers were full-time.

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Randy Hamilton indicated they were. He also noted the school district was going to increase their contribution from \$15,000 to \$20,000 for the DARE program and that revenue would be lost if officers were cut. He reiterated he could not cut patrol officers. The department was cut in 1999 and it was hard to keep officers on the street to cover for illnesses, vacations, and training. He indicated overtime costs were also going up every year.

Councilor Pope asked Randy Hamilton how he would take care of coverage if the officers were cut.

Randy Hamilton stated they would be short-handed and he would have to look at putting officers out on the street by themselves and that was not a business he wanted to get into. He stated he would like to have three officers on per shift, but currently there was an average of two.

Mayor Spahr indicated the council budget committee directed staff to prepare one budget to account for the \$300,000 shortfall and one budget in case I-722 passed. He wondered if a third budget should be prepared with the idea of presenting a ballot measure to the voters to keep the current property tax levy in place that was going to be reduced because of the money the city received for relief from the state for lost motor vehicle excise tax (MVET).

Dave Campbell estimated it would cost between \$5,000 to \$10,000 to place a measure on the ballot.

Councilor Ketchum stated that one suggestion that was brought up before was that the money possibly be rebated back to the citizens would come from the unreserved balance.

Mayor Spahr indicated more public input was needed. He did not want to lose any employees because the city had worked to develop the manpower base it had by living within its means. He stated the city had been criticized for living on reserves and not raising taxes. He did not want to go backwards. Mayor Spahr stated the city provided many services to the community and he wanted to maintain those service levels. But, at the same time, everyone had to remember there were a myriad of problems and they would have to be dealt with somehow. He thought some full council work sessions should be held.

Dave Campbell stated that staff intended to meet with the budget committee next month once staff went through line items in detail and found out exactly where we were in terms of balancing. Staff would provide recommendations on what initial steps would be taken from the staff perspective, but if the full council wanted to be involved in that, he did not believe the budget committee would object.

Councilor Zylstra indicated it was a serious situation and warranted the full council's attention.

Dave Campbell stated staff also had a desire to have specific work sessions with the council regarding the swimming program and parking enforcement.

The council agreed that the work sessions were a good idea, and Mayor Spahr noted that work sessions were open public meetings.

b. **Retrospective Rating Program for Worker Compensation Insurance.** Dave Campbell stated the issue dealt with the city's annual review of what level of risk it wanted to take for the workers compensation insurance the city had been purchasing through the state's retro rating program for almost ten years now.

David Kelly indicated the city had a good track record over the last few years, other than two years ago. He stated the city received a refund in premiums every year except for that one year. He added that employees had been doing a real good job in keeping claims down. He recommended the city stay on the conservative level.

Councilor Galvin pointed out the agenda report indicated in one paragraph that the city did not receive a refund, but in another paragraph it stated the city did receive a refund.

David Kelly explained that the years lag. Last year the city had to pay additional premiums for the bad year that occurred two years ago. This year the city received a refund for the previous year. He added the retro year runs from October 1 to September 30.

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 Galvin and carried unanimously.

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c. **Chehalis River Basin Partnership**. Mayor Spahr reported the group met last Friday and he felt that, as time went on, people would be hearing more and more about the organization and their planning. He stated they are talking about forming a legislative caucus to talk with legislators about environmental laws. He hoped that would provide a little more control on how they are impacted by DOE, if that was possible.

There being no further business to come before the council, the meeting was adjourned at 3:35 p.m.



September 11, 2000

The Chehalis city council met in regular session on Monday, September 11, 2000, 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 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; Jerry Boes, Deputy Chief for Fire Services; Mark Petrie, Water Superintendent; Andy Sennes, Property Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Marty Toohey of The Chronicle.

1. **Presentations**. Eric King of Twin Transit accepted a proclamation from Mayor Spahr proclaiming September 10-16 as Try Transit Week. Mayor Spahr commented the community was very fortunate to have Twin Transit, and the way in which it was run should be an example to other people. He noted the system operates on a tax rate of one-tenth of one percent.

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 28, 2000; and
- b. August 30, 2000, Claims Vouchers No. 53734 – 53841 in the amount of \$84,617.88.

The motion was seconded by Councilor Galvin and carried unanimously.

3. **Ordinance No. 677-B, Second Reading – Providing for Various Position Title and Department Name Changes to Reflect the Reorganization of Certain Departments Within the City; and Deleting Unnecessary Definitions and Language**. Dave Campbell stated the ordinance was associated with the recent reorganization of departments in city hall, and also eliminated some words and phrases that were duplicative.

Councilor Hatfield moved to pass Ordinance No. 677-B on second and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

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

a. **Budget Committee**. Councilor Hatfield asked when the next budget committee meeting would be.

Dave Campbell indicated one had not yet been scheduled, but it would be before the end of September.

Councilor Hatfield noted he would not be available the last week of September.

Dave Campbell indicated they would work around that schedule.

b. **Rail Corridor Project**. Mayor Spahr reported he received a mailing from the Washington State DOT on the Amtrak-Cascades plan for Washington State. He explained it was an update on the rail corridor going between Vancouver, BC and Portland, Oregon, and was available if anyone wanted to review it.

5. **Executive Session**. Mayor Spahr announced that the council would convene into executive session at 3:10 p.m. pursuant to RCW 42.30.140(4) regarding contract negotiations for approximately 10 minutes and there would not be a decision made following conclusion of the executive session.

Following conclusion of the executive session, Mayor Spahr reopened the regular meeting at 3:30 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

September 25, 2000

The Chehalis city council met in regular session on Monday, September 25, 2000, 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; Kitty Schiltz, Librarian; Andy Sennes, Property Manager; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Julie Graham of The Chronicle.

1. **Presentations**. Service awards were presented to Recreation Manager Andy Sennes for 15 years, Engineering Technician Monte Marine for 20 years, and Officer Neil Marsh for 20 years.

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 September 11, 2000; and

b. August 31, 2000, Payroll Vouchers No. 14070 – 14574 in the amount of \$491,477.82; Transfer Voucher No. 1475 in the amount of \$1,109.50; and September 15, 2000, Claims Vouchers No. 53842 – 54016 in the amount of \$179,460.98;

c. Reconciliation Change Order No. 2 in the amount of \$750 and Pay Estimate No. 2 (final) in the amount of \$5,000 (less retainage of \$250) to Peterson Brothers, Inc., and final acceptance of the National and Kresky Avenues corridor hazard elimination safety project;

d. Local agency agreement supplement with WSDOT in the amount of \$33,560, and Change Order No. 3 in the amount of \$9,960 to TransTech Electric for the Main Street signalization/Main Street pre-empt project; and

e. Quit Claim Deed to the city of Napavine for property located on Rush Road (sewer pump station).

The motion was seconded by Councilor Pope and carried unanimously.

3. **Ordinance No. 678-B, First Reading – Creating and Establishing Revolving Cash Funds and Repealing Prior Ordinance**. Councilor Hatfield asked why the item required passage of an ordinance and could not just be a management decision.

Bill Hillier explained that the state auditor suggested it was a good practice to put it in ordinance form so they knew what funds had been established by the city council.

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. 678-B on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

4. **Preliminary Report of Ascertainment Findings for Cable Television Franchise Renewal Process**. Dave Campbell reminded the council the city was preparing to enter into negotiations with AT & T Cable Services for a new cable television franchise. He stated that earlier in the year, the city hosted community forums. During those meetings and since then, the city has had survey forms available for people to provide comments, proposals, ideas, and suggestions about what might be included in a new franchise. Mr. Campbell indicated the report included four recommendations in terms of what new provisions or modifications ought to be made to the franchise, information about the past few years worth of revenues and subscribers, and a summary of the findings with regard to the technical/engineering evaluation of the current cable system. Generally, the findings were that the system was in compliance with FCC standards, but it could stand to be upgraded in a number of different ways. It also included information about the potential for finding noncompliance with the current franchise by the current franchise holder. To-date nothing had been found seriously out of order, but if anything was detected in the coming weeks it was supposed to be dealt with. He asked the council to review, amend if necessary, and adopt the report. Mr. Campbell noted that the four recommendations included negotiation for an upgraded cable system, PEG access support, institutional network facilities, and strong customer service standards. He indicated one response was received from

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Tim Fuller, a member of the city's cable television citizens advisory committee, pointing out that anything the city wanted to negotiate with AT & T Cable Services would ultimately effect the bills that customers receive.

Councilor Pope thought Mr. Fuller wrote an exceptionally good letter and felt it was prudent that the council keep it in mind when making a decision with regard to the four recommendations.

Councilor Hatfield moved to adopt the preliminary report of ascertainment findings prepared by Stephen Jolin. The motion was seconded by Councilor Galvin.

Mayor Spahr asked if the council was setting anything in concrete by adopting the preliminary report.

Dave Campbell indicated the four general areas would be ones staff would propose in the new contract.

Councilor Hatfield stated the council would still have the option of modifying the language; adopting the preliminary report just established ground rules to go to the negotiating table. The motion carried unanimously.

5. **Lease Agreement with Veterans Memorial Museum for Use of City Property.** Dave Campbell indicated the lease agreement was for property the city owned that was donated about five years ago by the Weyerhaeuser Company on the west side of I-5. He noted the particular piece of property was at one time the site for a fire training facility. The proposed lease would run for a 30-year term initially with an option for three additional 30-year terms at \$1.00 per year. At the end of the lease, if there was a permanent improvement that had been constructed on the property, it would remain with the property and turned over to the city at that time. The museum would be responsible for paying all utilities for the facility.

Councilor Hatfield indicated he was 100% in agreement with the proposal. He thought it was probably one of the best uses for the area, coupled with the fact the steam train was also at that location, and added he would be proud to have the museum located in Chehalis. He moved that the council approve the proposed real property lease agreement with the Veterans Memorial Museum and authorize the city manager to sign it. The motion was seconded by Councilor Ketchum.

Mayor Spahr indicated there was one museum board member and two other members on the council. He asked if that was a conflict.

Bill Hillier advised the council it would be inappropriate for the board member to vote on the issue, but he did not believe there was a conflict if someone was simply a member or had an affiliation with the group.

Lee Grimes, President of the Veterans Memorial Museum, presented a drawing of the proposed 14,000+ square foot facility. He thought it was a beautiful facility and would be a great asset to the area, and added the museum was very pleased to be working with the city on the project. He stated a building campaign was kicked off and had raised quite a bit of money. In addition, a professional grant writer (Mr. Robert Okey) was hired to secure the remaining funding. He projected construction would begin in one year and the grand opening in two years, if not sooner.

Councilor Pope asked how the facility would be maintained.

Mr. Grimes explained an endowment fund was being established and they were close to collecting half of the \$200,000 goal. He noted their annual budget maintained about \$60,000 for the current facility. He indicated the \$1,000 per month rent being paid now would also go to maintaining the new facility.

Councilor Pope asked if the museum would be coming back to the city for any additional funding.

Mr. Grimes indicated the museum was currently receiving tourism funds, but beyond that he saw no reason the museum would request any additional funding. He felt the new location next to the freeway would bring in much more tourism, but it was difficult to project exactly how much more. If funding became good enough to operate they would not even have to seek tourism funding from the city.

Councilor Galvin indicated that membership was 600+.

Mr. Grimes stated it was actually over 700 members from 38 states and one foreign country.

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Councilor Pope asked if members paid a membership fee.

Mr. Grimes stated the annual membership fee was \$20.

Dave Campbell noted there did not seem to be sufficient water or fire flow for a commercial structure, so those improvements would also need to be made by the museum. The motion carried unanimously. Councilor Galvin abstained from voting.

6. **Tourism Fund Budget Amendment.** Joanne Schwartz indicated she was requesting \$250 to pay for the printing of a Chehalis insert in the Lewis County Activities Guide. She stated that 60,000 guides were originally printed and the Chehalis inserts have run out. She recommended the council approve the request for printing 18,000 additional inserts.

Councilor Galvin asked if the inserts were physically stuffed into the guides.

Joanne Schwartz indicated that work parties were scheduled to do that and the guides were then returned to The Chamber for distribution.

Councilor Hatfield moved to approve a budget amendment in the amount of \$250 from the tourism fund for the printing of 18,000 Chehalis inserts for the Lewis County Activities Guide. The motion was seconded by Councilor Venemon and carried unanimously.

7. **Lodging Tax Advisory Committee Report.** Joanne Schwartz reminded the council the city used to receive 2% from the hotel/motel tax, but the rate was changed to 4% a couple of years ago. As a result, it was anticipated that the 2001 beginning fund balance would be about \$50,000 in the tourism fund. Ms. Schwartz indicated the lodging tax advisory committee met to review the requests for tourism funds from various community entities, and was recommending all requests be funded as requested.

Councilor Hatfield pointed out that, even by granting the requests, there would still be 30% placed in reserves.

Councilor Galvin moved to approve the committee's recommendations. The motion was seconded by Councilor Ketchum.

Mayor Spahr clarified that the recommendations would be incorporated into the 2001 budget.

Councilor Pope stated funding was for the promotion of tourism, and he asked why money was being allocated to the historical museum for operations.

Joanne Schwartz indicated the city had been funding operations of the historical museum for quite a while. She added that state law provided it could be done.

Councilor Hatfield stated the funding of operations and promotions of the museum was directly linked to attracting tourism.

Councilor Pope stated The Chamber was receiving close to \$18,000. He asked about their regional marketing plan.

Mary Kay Nelson of The Chamber explained that over the last couple of years they had attempted to put together a plan to address tourism on a regional basis, including all of Lewis County, and partnering with the state as well as surrounding counties. She indicated they are proposing to proceed with the marketing plan and a regional/countywide plan. Ms. Nelson stated the requested funding would help with the plan.

Councilor Pope asked if other entities were contributing funding.

Ms. Nelson reported the state was contributing \$5,000, and Lewis County and the city of Centralia had been approached about funding.

Councilor Pope asked why the city was giving The Chamber \$12,000.

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Ms. Nelson indicated it was an increase over what the city had given in the past in that they were trying to establish a full-time tourism position to take more of a lead in and enhance tourism.

Councilor Galvin asked if there was a budget for the regional plan, and he asked what would happen if funding was not received from a particular agency.

Ms. Nelson indicated they would have to go back to the drawing board and a decision would have to be made as to whether they would proceed with only doing a part of the plan or simply just not do it at all, or they would have to determine whether the remaining entities would want to put up more money if funding was not received from all entities.

Councilor Galvin asked if it was all or nothing.

Ms. Nelson indicated it was basically all or nothing.

Joanne Schwartz added that if not everybody came forward the tourism committee would probably get together to see if there were other options, and then come back to the council with a recommendation.

Councilor Hatfield asked if it would be known by the first of the year if everyone was participating.

Ms. Nelson indicated she hoped so.

Councilor Pope asked if the businesses that collected the tax had any input in funding recommendations.

Councilor Hatfield stated they were part of the advisory committee. The motion carried unanimously.

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

a. **Council Goals Status Report.** Dave Campbell reviewed the activities that took place during the second quarter relating to the council's 2000-2001 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; and storm drainage improvements.

b. **Recreation Program and Swimming Program.** Dave Campbell explained the reports were being presented at the request of the council budget committee for additional information about the specifics, in terms of costs, revenues, and services for the recreation program and operation of the swimming pool.

Bud Hatfield commented that Dave Klovdahl was giving golf lessons and interested persons should contact the Chehalis community services department. He indicated that was usually a county recreation program.

Lilly Wall stated the city had provided golf lessons in the past, but Mr. Klovdahl was a new instructor. It had nothing to do with the fact that the county ceased its recreation programs.

Joanne Schwartz stated that Councilor Hatfield requested a more definitive breakdown of expenditures and revenues for the recreation program, and she distributed and reviewed a copy of the information, including figures from 1999 and projections for 2000.

Councilor Galvin asked if there was one program in particular that contributed to the revenue shortfall.

Joanne Schwartz explained it was not any of the programs themselves.

Lilly Wall indicated all of the programs were self-supporting; it was the administrative costs that caused the shortfall.

Councilor Hatfield stated the fact was, that if no programs were offered at all, the city would save about \$41,000.

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Joanne Schwartz indicated that was correct, but she added that she could also sing the praises of recreation in the community as a parent who had lived in the community for 40 years and whose kids participated in the recreation programs, as someone who had been involved in the economic development of the community with the understanding of what recreation had to do with tourism, and the fabulous programs the city provided and the numbers of people that participated in those programs. She felt the recreation programs provided a serious, major component to what made the city a very desirable place to live. Tracey Cox was introduced as the city's recreation assistant.

In regard to the swimming pool, Councilor Hatfield noted 60% of pool users lived outside the city limits.

Lilly Wall stated that residency was not currently tracked for open swim and everyone paid the same price for open swim admission.

Councilor Hatfield thought staff should be recommending that non-city residents pay a higher fee for open swim since those residents were 60% of the utilization of the facility and did not pay city taxes.

Andy Sennes indicated it was difficult to determine residency during open swim because kids were allowed to come on their own. If you asked a younger child where they lived and they had a Chehalis address they would say Chehalis, but they may not actually live in the city limits. He stated it was different with swimming lessons because a parent must actually sign up their child for the lessons.

Councilor Hatfield realized it was not an easy thing to do, but if they wanted to keep the pool open he thought that all avenues should be explored.

Joanne Schwartz stated she contacted Municipal Research & Services Center for information on forming a recreation district.

Dave Campbell noted that because of the age and condition of the swimming pool a number of improvements had been made to it over the last ten years, and a consultant has identified a number of improvements that would probably have to be faced during the next ten years or so in order to keep the facility in swimming condition. He indicated the particular information and costs were included in the agenda.

Mayor Spahr asked if these kinds of reports would be forthcoming from other departments.

Dave Campbell stated the budget committee also asked for information about the parking program and that would be presented on October 9. He indicated staff would present other information as requested by the council.

Councilor Hatfield asked why the reports were being made to the full council instead of the budget committee.

Dave Campbell explained that during the council's last meeting it was suggested that the full council be involved because it was a difficult budget year.

Councilor Hatfield thanked Joanne Schwartz, Andy Sennes, and Lilly Wall for their work on getting the additional information he requested on such short notice.

c. **Tri-agency Meeting**. Dave Campbell informed the council about a tri-agency meeting scheduled for October 7 in Packwood.

d. **Chehalis River Flood Executive Committee**. Councilor Galvin reported that he and Dave Campbell attended a meeting of the flood executive committee. A report was given on the hydrologic model and some of the financial aspects of the situation. He stated the hydrologic model was 100% completed and was able to produce very impressive line graphs and reports that document the flood levels, stages, and maximum water heights. Councilor Galvin stated some have asked why they had to go to that much detail and what the next step would be. He explained they had to account for every river, stream, etc., in order to analysis the seven proposed flood solution alternatives. The best alternative had to be documented in order to qualify for federal funding. In regard to federal funding, Councilor Galvin reported that bills are working their way through Congress, and if the project didn't make it this year, it would be another two years before any federal funding would become available. He added that the \$500,000 request for funding from the state was also not funded, but a supplemental budget is going in for that. On

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a positive note, some test drilling is taking place at the Skookumchuck Dam is taking place. He noted the committee would hear an update from the Corps of Engineers at their next meeting.

e. **Parking Enforcement**. Councilor Hatfield indicated he had received positive comments from downtown merchants about the new parking enforcement officer.

f. Mayor Spahr reported he attended a meeting with other Lewis County mayors to discuss mutual problems, concerns, and issues, including district and municipal courts. Mayor Spahr stated he and Tim Grochowski also attended a meeting regarding highways of significance.

There being no further business to come before the council, the meeting was adjourned at 4:05 p.m.

October 9, 2000

The Chehalis city council met in regular session on Monday, October 9, 2000, 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 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; Dennis Dawes, Deputy Chief for Police Services; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Andy Sennes, Property Manager; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Julie Graham of The Chronicle.

1. **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 25, 2000;

b. September 29, 2000, Claims Vouchers No. 54017 – 54125 in the amount of \$100,142.53; September 29, 2000, Payroll Vouchers No. 14575 – 14740 in the amount of \$440,831.90; and Transfer Voucher No. 1477 in the amount of \$2,041.29; and

c. Award contract to PWE Construction, Inc., in the amount of \$69,502.97 for the Sturdevant Road loop water main project.

The motion was seconded by Councilor Venemon.

Councilor Hatfield asked for more detail in regard to the Sturdevant Road loop water main project.

Jim Nichols explained the project was a 900-foot water line identified in the city's water system plan to complete a loop for increasing the reliability of the system in the event of fireflow. He noted it did not add new services, provide more water, or increase pressures. It would allow water, in the event of a fire in one location, to come from two different directions of the loop rather than just one. The motion carried unanimously.

2. **Proclamation – Fire Prevention Week, October 8-14**. Mayor Spahr read and presented a proclamation proclaiming October 8-14 as fire prevention week. Randy Hamilton highlighted some of the activities taking place in recognition of fire prevention week. He also recognized Captain Brian Slater for his leadership role in fire prevention education.

3. **Ordinance No. 679-B, First Reading – Providing for Parking Regulations and Repealing Prior Ordinance**. Dave Campbell indicated there were problems with the city's existing parking ordinance relating to the towing and impounding of vehicles. He stated it had, at times, resulted in the court overturning the city's ability to tow and impound, and ordered refunds to vehicle owners.

Bill Hillier further explained there were only four circumstances under which vehicles could be towed, unless the municipality had an ordinance that went beyond that. He stated the city's current ordinance did not provide for towing off the street, but only dealt with towing from public and private parking lots. Mr. Hillier reviewed the circumstances that would allow officers to tow vehicles off the street, and he also explained some of the problems the city had come up against that prompted a revision to the current ordinance. He added the officers would use their discretion and would first try to reach the vehicle owner to see if they could get them to move the vehicle, but if all else failed the proposed ordinance would authorize the towing of the vehicle.

Councilor Zylstra moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Galvin and carried unanimously. Councilor Zylstra then moved to pass Ordinance No. 679-B on first and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

4. **Resolution No. 15-2000, First Reading – Setting the Date and Time of November 13, 2000, at 3:00 p.m. for a Public Hearing Regarding a Petition for Vacation of a Portion of NW State 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. 15-2000 on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.



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5. **Resolution No. 16-2000, First Reading – Approving the Issuance of Nonrecourse Revenue Bonds of the Industrial Development Corporation of the Port of Chehalis for the Benefit of Cascade Hardwoods.**

Bill Hillier informed the council the city was involved in the issue due to the fact it was the planning agency for the subject area because it was within the city's urban growth area. Mr. Hillier indicated state law provided that the jurisdiction in charge of planning had the opportunity to review the request for issuance of said bonds and to make a recommendation. He added that Cascade Hardwoods was planning to make significant improvements to their plant.

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. 16-2000 on first and final reading. The motion was seconded by Councilor Galvin and carried unanimously.

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

a. **Parking Program.** Dave Campbell stated the report was requested from the budget committee to answer questions about the program, including enforcement in the downtown area, budget revenues and expenditures, and ideas about possible changes to how the program was financed and budgeted.

Dennis Dawes stated that off-street parking lots were overseen by the parking commission. Typical agenda items could include requests to use off-street parking lots for community events, or maintenance needs for lots. He indicated that in 1994, permit fees were increased to provide for a parking enforcement officer (PEO).

Deputy Chief Dawes stated he was asked by the budget committee to explore several alternatives, including adding on-street parking to the parking commission's duties, doing away with the parking commission altogether and placing the off-street lots under the police division's jurisdiction, or leaving things the way they were. He informed the council that the PEO position used to be filled by a police officer, but was currently filled by a civilian at a savings of about \$24,000. The new PEO was now checking the permit-only lots to ensure that only people with permits were using the lots, and placing reminder notices on vehicles that have expired permits. He reported they have collected a number of back-rents by doing that. He noted there were about 161 parking spaces and all but a few were rented. He stated that in the past, funding for the PEO position was 70% from the general fund and 30% from the parking commission fund. He proposed that that be reversed in the 2001 budget. He thought the parking commission fund could handle the change because there were sufficient revenues raised from off-street parking permits, and any tickets generated with revenues coming from the court, would go back into the general fund. The change would also leave enough funds to be set aside should the time come where the city was able to purchase additional off-street parking spaces. Deputy Chief Dawes stated he had reviewed the same information with the parking commission and recommended that the council leave the parking program the way it was because it appeared the program was working well. He added that the new PEO was doing an excellent job and had received many positive comments.

Mayor Spahr stated that when a sworn officer was the PEO the city had access to that officer, but a civilian PEO can only do parking.

Dennis Dawes stated her main duty was the downtown area, but after learning those duties, she has been able to handle parking issues in other areas of town, which then allows the officers to handle other calls that only an officer can respond to.

Mayor Spahr thought people that do have reserved parking downtown appreciate the fact they can come to town to go to work and don't have to fight to try to find a parking spot.

Dennis Dawes noted the city leases 50 spots from Burlington Northern and the amount of money generated from those spaces takes care of the lease, plus a little going to reserves.

Councilor Hatfield still thought the parking commission should be abolished. He stated his biggest concern when the issue was discussed in August was the restriction on the funds, but according to today's report the funds could be used at the discretion of the city council. If the council decided to fund the PEO position 100% from the parking commission fund that could happen.

b. **Community Rating System Annual Recertification.** Bob Nacht announced the city was able to reduce flood insurance premiums for citizens, including the city itself, by another five percent, however, it would not take effect until October 2001.

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Councilor Hatfield moved that the council adopt the updated repetitive loss plan and recertification package for the CRS program, and authorize the city manager to sign it. The motion was seconded by Councilor Zylstra.

Mayor Spahr asked if this was work that Bobbi Boone had been doing.

Bob Nacht indicated it was an important part of her job duties. He stated that Bobbi had identified and put in place activities she had initiated to gain the city additional credit points in the program.

Mayor Spahr stated the agenda report indicated the city could reach a lower class next year.

Bob Nacht indicated it would take a significant amount of staff time to reach a class six rating. He stated the question was whether the city was going to dedicate that amount of staff to the program. He also mentioned the county was considering a regulatory standard of two feet above the 100-year flood level versus the current one-foot above. He indicated there would be pros and cons to that, but if it was implemented, it would save a tremendous amount of flood insurance premium costs. The motion carried unanimously.

c. **Conceptually-balanced Recommended 2001 General Fund Budget.** Dave Campbell stated that because of the projections for next year, and the potential cuts, reductions, and elimination of spending, he wanted to give the council and public an idea of the kinds of things the city was looking at for next year, and for that matter, what the city was not looking at. Mr. Campbell indicated that staff would also like to hold public meetings over the next few weeks to collect public comment about the recommended budget.

Mr. Campbell indicated that general fund revenues and expenditures were projected to be \$6,270,000, which were about \$170,000 or 2.6% less than the 2000 budget. The primary reason for that included anticipation of the passage of I-722 that would require the city to roll back taxes and fees adopted after I-695 was presented for placement on the ballot last year. He noted that a number of other things also caused next year's budget to be a little less than it is for this year, but overall about \$170,000.

Mr. Campbell stated that the inflationary costs of "doing the same thing" next year would cause the city to look somewhat deeper than that in terms of potential cuts or reductions in general fund expenditures. He referred to a list of potential general fund spending cuts identified by staff if they had to reduce this year's budget amounts by 10% per department. He explained that in putting together the 2001 recommended budget, staff did not have to resort to all of the listed potential cuts at this point, and he identified the items that would be included in the recommended budget. He noted that some were not cuts from the overall budget, but were the shifting of expenditures or costs to other funds where appropriate, and at least saved the general fund money compared to the 2000 budget. One additional reduction in spending would be a substantial reduction (about \$70,000) in seasonal community services property maintenance hires, which would have an impact on parks, athletic fields, downtown landscaping, and other properties around the city.

Overall, Mr. Campbell stated there were about 6 to 6.5 fewer FTEs than in the 2000 budget; most of those in the areas of administrative services, and parks and street maintenance. The reductions could be made without any actual layoffs by taking advantage of currently vacant positions and heavily reducing or eliminating seasonal and temporary employees.

Mr. Campbell stated the budget assumed the passage of I-722 and that it would be upheld in legal challenges. If it didn't pass, or if it was overturned at some point and taxes did not have to be rolled back and returned to taxpayers, there would be an opportunity to add money back into the budget. He reiterated that staff would like to conduct some public meetings to let people know what was happening. He also noted that after November 7, staff would have more information about the city's legal position with respect to the initiatives.

Councilor Zylstra asked how much the reserves were being relied on to help balance the budget.

Dave Campbell expected next year's unreserved general fund beginning fund balance to be about \$600,000, which was about what was budgeted for this year; but, this year came in substantially higher than that, and the beginning fund balance as of January 1, 2000, was actually about \$775,000.

David Kelly added that assuming I-722 passed, the ending fund balance would be about \$425,000 at the end of next year.

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Councilor Hatfield asked if staff was proposing to use \$350,000 out of the fund balance for the 2001 budget.

Dave Campbell stated that about half of that amount would come from the 2000 budget. The other half would be used from the 2001 budget if the city had to rebate/refund monies due to the passage of I-722. He reiterated that if the city did not have to make those rebates/refunds, the 2001 budget could reflect an ending fund balance of the same amount that the beginning fund balance was projected at.

Councilor Zylstra indicated the bottom line was that they would be relying on drawing down on reserves to balance the budget if I-722 passed.

Dave Campbell indicated that was correct. How that would be done administratively would be something else, but they would figure it out when the time came, with respect to how the refunds of property taxes, and other fees/charges would be done.

Councilor Hatfield stated the list of potential cuts included in the agenda amounted to about \$375,000, and if the seasonal maintenance cuts at \$70,000 were added to that, it was roughly \$450,000. He asked if the \$450,000 would provide a balanced budget assuming the worst case scenario.

Dave Campbell indicated it would, along with the ability to use reserves if I-722 passed.

Councilor Hatfield thought it was a bit incongruous if the city continued with its downtown revitalization project, and then turned around and cut property maintenance. He requested funding alternatives for not cutting any seasonal help and for cutting half of it, or simply forgetting about the downtown revitalization project.

Mayor Spahr stated it was not just the downtown area, but also included ballfields.

Councilor Hatfield thought ballfields would still get cut, but maybe the leagues would have to line them.

Mayor Spahr asked if the \$12,000 for street sweeping was a reduction or elimination.

Dave Campbell indicated it was elimination of the contract the city has with a private company, but the city would still perform the work in-house.

Councilor Zylstra asked why the UNET position was funded when it was vacant for 15 months.

Dave Campbell indicated it was proposed to be funded because staff didn't have to go to that level of cutting in public safety. The position could continue to be filled with the other cuts that were proposed.

Randy Hamilton added it wasn't really vacant. The officer was filling a vacancy in a patrol shift, but was now back in UNET.

Councilor Hatfield asked what was done to pick up the slack so the officer could go back to UNET.

Randy Hamilton explained the division was back to fully trained staffing. All officers had completed academy and field training and were able to be out on their own.

Councilor Hatfield asked if the county, state, and Centralia had their UNET positions filled.

Randy Hamilton stated they currently did, but the State Patrol was vacant for about a year.

Councilor Zylstra asked if the school district had been approached about funding the DARE officer position at a higher percentage.

Dave Campbell indicated staff would contact the school district.

Councilor Pope stated the national statistics for the DARE program indicate that it does not work. He asked why Chehalis was so adamant about advocating the program.

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Randy Hamilton stated national statistics were national statistics, and thought they had to go on the statistics here. He stated that drug use is not going down. Contact is only made at the 5<sup>th</sup> Grade level with follow-up work at the 6<sup>th</sup> Grade level, along with pre-work at the grade school level. He indicated they were losing the kids at the middle and high school levels. He believed the DARE program made a difference. He stated he couldn't say what would happen if the program was not done at all, but he did know it was making a difference, by parents' comments and support of the program. He thought that if three or four kids were saved, or prolonged their abstinence from drugs and alcohol, then maybe the program made a change in their lives.

Mayor Spahr asked what success meant. He thought if one child was saved the investment was worth it.

Councilor Hatfield indicated the cost of the DARE officer position was about \$50,000 a year, and the school district contributed \$15,000 per year. He thought the school district should be contacted and told that if they wished the program to continue they should be contributing to half of the \$50,000 cost.

Councilor Pope asked if the sister city program was funded through the tourism fund.

Dave Campbell indicated the program was funded through the general fund.

Councilor Pope asked why it could not be funded through the tourism fund.

Dave Campbell was not sure that the kinds of things that are done through the sister city program really result in additional tourism in the community.

Councilor Hatfield thought it should still be looked into.

Councilor Zylstra added a lot of the ballfield usage was through tournaments that bring in people for the weekend and they certainly use the motels.

Mayor Spahr asked if the yard waste site was included in the 2001 budget.

Dave Campbell indicated it would be financed in part by the garbage fund. The portion of the time spent by the Hedwall Park caretaker overseeing the RV Park would remain financed out of the general fund, but the time spent dealing with people dropping off waste at the site would be financed by the garbage fund.

Mayor Spahr asked about the annual financial shortfall in the yard waste program, and where that difference was picked up.

Dave Campbell stated the costs of the yard waste program that aren't covered by user fees were paid out of the garbage fund.

Mayor Spahr thought the number of users would increase when the burn ban becomes effective at the first of the year.

d. **Street Resurfacing Project.** Due to the rain, the street surfacing projects were delayed. Tim Grochowski reported the contractor would try to begin the project on Wednesday, but it again depended on the weather. He reviewed the tentative schedule of the streets to be resurfaced, and noted that he was staying in contact with the news media to keep the public informed.

e. **Japanese Governmental Intern.** Joanne Schwartz reported that she and her husband were hosting a visitor from Japan, as part of a three-month governmental internship program. She stated she was in the process of setting up times for the intern to meet with city staff and other businesses/agencies.

f. **Historic Preservation.** Councilor Galvin reported that some members of the historic preservation commission had an opportunity to attend a historic preservation conference in Vancouver last week. He thought the speakers were good and covered their subjects well.

7. **Executive Session.** Mayor Spahr announced that the council would convene into executive session pursuant to RCW 42.30.110(1)(b) – acquisition of real estate, at 4:10 p.m. for about 15 minutes and no decisions would be made following conclusion of the executive session.

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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 immediately adjourned at 4:30 p.m.

October 23, 2000

The Chehalis city council met in regular session on Monday, October 23, 2000, 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; Tim Grochowski, Acting Public Works Director; Bob Nacht, Acting Community Services Director; Jerry Boes, Deputy Chief for Fire Services; Mark Petrie, Water Superintendent; Kitty Schiltz, Librarian; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Julie Graham of The Chronicle.

1. **Employee Service Award**. Mayor Spahr presented a 10-year service award to Dave Vasilauskas, water distribution specialist.

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 9, 2000; and
- b. October 13, 2000, Claims Vouchers No. 54126 – 54283 in the amount of \$274,968.32.

The motion was seconded by Councilor Zylstra and carried unanimously.

3. **Citizens Business**. Merle and Grace Stratton, 87 SE Spring Street, addressed the council about the poor condition and vegetation growing over some portions of sidewalks in the city, particularly at the corners of South Market Boulevard and SW 18<sup>th</sup> Street, and SW McFadden Avenue and SW 13<sup>th</sup> Street. They stated they filed a complaint at the community services department in July, but nothing had changed. Mr. Stratton asked what else they could do to see some improvements made.

Bob Nacht explained the procedure for complaints once they are filed with the community services department. He indicated he would check on the status of the Stratton's complaint.

Mr. Stratton suggested an article be put in the newspaper to inform residents about what their specific responsibilities were with regard to maintaining the sidewalks since some may not know.

Mayor Spahr stated Bob Nacht would check on the status of the complaint and then contact Mr. and Mrs. Stratton. He also asked Bob to report back to the council. Mayor Spahr told Mr. and Mrs. Stratton they should come back to the council if they did not see any improvements in the next couple of weeks.

Mr. Stratton stated they attend the Methodist Church on Market Boulevard, and he reported that the alley running between the church and its parking lot had seen increased use since the signal lights were installed on Market Boulevard. He stated there were two speed bumps in place and asked if they could possibly be made larger.

Tim Grochowski indicated he would take a look at the situation.

4. **Employee Service Award**. A 15-year service award was presented to police officer Neil Hoiium.

5. **Ordinance No. 680-B, First Reading – Establishing a Gambling Ordinance and Repealing Prior Ordinance**. Dave Campbell stated the proposed ordinance incorporated changes that were necessary as a result of recent state legislation regarding gambling, and also proposed to lower the rate on certain types of gambling.

Bill Hillier indicated the state modified the law to not tax certain charitable organizations as they related to bingo. He noted that that was something the city was currently doing.

Randy Hamilton stated that since 1997 the city had been taxing punch boards and pull-tabs at 10% of the gross receipts from the operation of the games less the amount awarded as cash or merchandise prizes. He provided a brief history of the methods the city had used over the years to tax businesses on punch boards and pull-tabs. At the time the taxing method was changed in 1997, the city told the business owners they would look at the situation again to see how it impacted them. He informed the council he was contacted earlier in the year by some of the business owners asking if the city would take another look at the current tax rate. As a result, meetings were held with the business owners. They expressed that they liked the current method of taxation, but they asked if the city would consider reducing the tax rate so that they could be more competitive with tribal gaming. Chief Hamilton

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provided a chart detailing the amount of tax the city had collected since 1995. He noted that the numbers showed a decline in the amount of revenue that businesses were making, and he recommended that the council look at reducing the rate from 10% to 7.5% to allow the local businesses to be more competitive with the tribal gaming. He also mentioned that the businesses wanted to move some of their games to a higher-paying board which costs them more money. Chief Hamilton noted there was quite a difference in the collection amounts for the various businesses. He explained that could be due to a change in ownership or perhaps a more aggressive way in which individual owners manage their gambling operations.

Mayor Spahr stated the charts provided information showing that revenues had fallen, but did not show the total revenues taken in by the individual establishments. He stated he attended one of the meetings with the business owners. The concern related to the amount of actual percentage of revenues the city was taking off the top. Under the new taxing system the city was actually taking a little more revenue off the top than it was with the old taxing system. The city was trying to make it a more equitable playing field for the owners, but in fact, it took more of their net. Mayor Spahr indicated that was why the business owners wanted the city to consider reducing the tax rate, but without seeing their actual revenues you can't tell what their net is.

Randy Hamilton stated the charts only show what the businesses actually paid in taxes, but it was 10% of the net.

Councilor Galvin noted the city did not know if business for the establishments had actually dropped off overall. If they had half as many customers, the revenue from the games would fall no matter what the city did.

Randy Hamilton stated the owners did indicate that their revenues had gone down in general.

Councilor Hatfield asked why two establishments (Garbe's and Guido's) paid no taxes for certain periods.

Randy Hamilton explained that Garbe's did not operate gambling in 1997 or 1998 because it was in the process of changing ownership. Guido's is currently in an enforcement action with both the State Gambling Commission and the city itself for not paying their gambling taxes in 2000. He stated that payment of taxes for 1999 was received by the city in June of this year. He added that he could not take their gambling license away; that was up to the Gambling Commission.

Councilor Pope asked why the tax for card rooms was not being proposed to be reduced.

Randy Hamilton indicated there were currently no cards rooms in the city because of the current tax rate, but there had been some interest expressed about opening one. In talking to other law enforcement agencies, card rooms were not particularly a problem if managed properly. He proposed no change in the tax rate, however, because there were currently no card rooms.

Councilor Pope thought gambling was gambling and if you were going to adjust the percentage for one type of game you should adjust the others to be uniform.

Councilor Hatfield agreed with Councilor Pope with regard to the tax rates being uniform, but he couldn't imagine how the city could entertain a proposal to reduce the gambling tax rates and take an \$8,000 hit in a budget that had already been hit hard enough.

Councilor Pope moved to pass Ordinance No. 680-B on first reading. The motion was seconded by Councilor Ketchum.

Councilor Ketchum asked how reducing the tax made it more competitive. He thought it would just give more revenue to the business owners, and he agreed with Councilor Hatfield that the tax should not be lowered.

Councilor Galvin agreed that the tax rate should be uniform. With regard to card rooms, Councilor Galvin stated it was mentioned that people were using the current 20% tax rate as an excuse for not opening card rooms. He asked how much of an excuse it was.

Randy Hamilton stated there were card rooms when the tax was lower, but they went away because of tribal gaming.

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Councilor Hatfield noted that the Lucky Eagle Casino does not have card games right now.

Mayor Spahr suggested that if the tax rate for card games was the same rate as punch boards and pull-tabs it might encourage someone to open a card room and would bring in more revenue to the city.

Bill Hillier indicated it made sense from the staff perspective that if the council was trying to elicit businesses in the area of cards, they should reduce the rate now to make it consistent with the rates for punch boards and pull-tabs, rather than waiting for someone to come in and adjust it at that time.

Councilor Pope moved to amend the main motion to provide that the tax rates for punch boards, pull-tabs, and card rooms be set at the rate of 10%. The motion was seconded by Councilor Zylstra and carried unanimously. The main motion, to pass Ordinance No. 680-B as amended, carried unanimously.

#### 6. Staff and City Council Reports.

a. Residential Burning Ban. Randy Hamilton stated the Washington Administrative Code (WAC) 173-425 requires no burning within Chehalis effective January 1.

Jerry Boes stated that residents would have to be educated about the law that was passed in 1991, and they would also have to be given alternatives as to what to do with their yard waste, including residential composting and the city's yard waste disposal site at Hedwall Park. He introduced Bob Elliott from the Southwest Clean Air Agency, formerly the Southwest Air Pollution Control Authority, who was in attendance to explain about enforcement of the law, and who would act as the enforcement agency. Deputy Chief Boes indicated the Southwest Clean Air Agency would be the agency to enforce the law, but the police & fire services department would cooperate with them.

Councilor Pope commented that he did not want to see the police force tasked with any more work than they already were.

Bob Elliott stated the Southwest Clean Air Agency was a five-county clean air agency. He stated that equivalent measures were implemented in south Clark County eight years ago, and he believed the feelings of the residents were that it was implemented reasonably, fairly, and successfully. He thought it could be a similar process in the Chehalis and Centralia areas, although he knew there would be difficulties. He wanted to work cooperatively with the police & fire services department, but if the department wanted to defer enforcement to the Southwest Clean Air Agency they would work with that. Mr. Elliott stated they had field staff that would respond to complaints and issue violations. He explained that the burn ban pertained to areas within urban growth areas of cities with a population over 5,000. Cities with a population under 5,000 still had six more years to burn.

Councilor Hatfield asked about rural areas not within an urban growth area.

Mr. Elliott explained that the Clean Air Act dealt with urban growth areas. He stated that the Washington Administrative Code contained language providing that outdoor burning should be ceased as soon as reasonable alternatives were developed in all areas of the state, but did not contain language associated with areas not within an urban growth area. Mr. Elliott noted that he had to first successfully implement the law in urban growth areas before he could implement it in the other areas. He stated it would be a progressive process, including the issuance of warning letters for a period of time, followed by implementation of a standard civil penalty. He added that penalty amounts for repeat violators would escalate.

Mayor Spahr indicated he had a real problem with the law. He stated he did not own a truck and would have to go out and buy one for \$2,000 to \$4,000, plus insure it. He felt he would be ahead of the game if he continued to burn a couple of times per year and just paid the fines.

Mr. Elliott stated the penalty amount would probably be set at a higher level than the cost if the material had been disposed of legally.

Mayor Spahr asked if the actual Clean Air Act stated specifically that you could not burn in cities of certain populations.



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Mr. Elliott reviewed the deadlines for prohibiting burning in certain areas and he distributed a chart outlining the same. He stated the timelines for implementation in areas within an urban growth area were contained in the Clean Air Act.

Mayor Spahr stated that if people are unhappy with the law they should contact their local representatives to make a change.

Councilor Pope asked who was going to reimburse the city for any expenses it might incur in working with Mr. Elliott's agency.

Mr. Elliott indicated the law encouraged urban growth communities to find alternative methods. It was assumed that the fees charged for the alternative methods would offset any costs.

Councilor Galvin asked how long the program had been in Clark County, and how much improvement had there been in measurable air quality.

Mr. Elliott stated that the phase-out began in 1992. He indicated it was hard to give all the credit to that one activity because Clark County had about an 80,000 population increase. They had clean air in 1992 with a pretty good margin, and they currently have clean air with almost no margin.

Councilor Galvin commented that they didn't really know then if the ban made any improvement or not. He added he had never burned, but he didn't like the idea that he couldn't if he wanted to.

Mr. Elliott acknowledged that their air quality had worsened in the last few years, but they had been able to keep it from getting to an unhealthy stage.

Councilor Hatfield didn't think people would use the alternative methods proposed by Mr. Elliott. He envisioned people in Lewis County using Weyerhaeuser property and other county roads as dumping sites. Councilor Hatfield stated the law was not in the best interests of the people of Lewis County.

Mr. Elliott encouraged the council to contact their state representatives.

Rose Spogen, 174 Yates Road, stated she believed in clean air, but had a real problem with the burning ban when the community was going to be bringing in a gas-fired plant that would have so many bad emissions. She felt the law was all about making room for the plant.

Bill Hillier asked where violators would be prosecuted.

Mr. Elliott stated it was a civil penalty, and he explained the process from issuance of the violation to appeal or nonpayment.

Jerry Boes explained that when a call comes into the dispatch center and the dispatcher determines it is a non-threatening fire, they will refer the caller to the Southwest Clean Air Agency. If the fire is threatening, the fire services division will respond and put the fire out. They would then be required to make out an incident report and the Southwest Clean Air Agency would take it from there.

Councilor Galvin was concerned that people would use the 9-1-1 system to report any open burn.

Randy Hamilton stated the department would respond to any threatening fire just as they currently do. There would be an education process that included the distribution of stickers with a toll-free number for the Southwest Clean Air Agency. Chief Hamilton added that the department would cooperate with the agency, but they would not become involved with enforcement.

Councilor Hatfield moved to designate the Southwest Clean Air Agency as the enforcement agency for the burn ban effective January 1, 2001. The motion was seconded by Councilor Ketchum.

Mayor Spahr asked if any ordinances would need to be revised.

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Randy Hamilton stated that burning permits were handled administratively, and the department would simply suspend all permitting effective January 1, 2001, and all permits from that point on would have to go through the Southwest Clean Air Agency. He noted that the ban did not apply to recreational fires.

Mayor Spahr stated the city currently pays a per capita fee to the Southwest Clean Air Agency. He asked if there would be any fee increases.

Mr. Elliott indicated there would be no increases. He added it was a county decision whether to be in the agency or not, and if a county decided to withdraw from the agency, the Washington State Department of Ecology would become the enforcing agency. The motion carried by a vote of 6 to 1. Councilor Pope voted against the motion.

b. **City's Fire Protection Classification by Washington Survey and Rating Bureau (WSRB).** Randy Hamilton informed the council that the city's fire protection classification was improved from a Class 6 to Class 5 effective February 1, 2001. He thanked the council, the citizens who participated on the fire master plan committee, and the fire services staff for their work in successfully obtaining a Class 5 rating. He indicated the rating could have a great impact on commercial fire insurance premiums. Chief Hamilton added there was a change in the grading system between the time of the rating ten years ago and today.

Jerry Boes stated he had questions about the new rating because he thought there were areas in which they should have done better than what they did. It was explained that in 1996 the WSRB totally changed their process for grading, and the criteria became more stringent. He reviewed the new rating as compared to the 1990 rating.

Bill Hillier asked why they expected a city the size of Chehalis to have more than one chief.

Randy Hamilton indicated it referred to chief officers, including the chief and deputy chiefs. The city picked up some points because the former fire department used to have one full-time chief and two deputy chiefs. When the police and fire departments merged, the department lost one deputy and the chief position was considered half-time.

c. **2000 Budget Third Quarter Status Report.** David Kelly reported that revenues in the general fund looked good, except for sales tax. Revenues were down about \$145,000 from the same time last year, and the city would have to collect \$264,000 every month the remainder of the year to make up the difference.

Mayor Spahr asked what the projections from the Department of Revenue were with regard to the sales tax rebates to the logging industry on industrial machinery and equipment purchases that was retroactive to 1995.

David Kelly thought the city would take a large hit this year, but the Department of Revenue was not making any projections. He estimated it would impact the city by about \$150,000 this year, but he believed sales tax revenues would come back up next year because sales are generally good in the city.

Councilor Hatfield asked how much the rebates amounted to.

David Kelly indicated the last time he checked was in April, and it was \$85,000.

d. **Time for Council Work Session On November 6 to Review Recommended 2001 Budget.** Because of the potential unavailability of the council chamber on November 6, the council agreed to meet on November 7, at 5:00 p.m. to review the 2001 recommended budget.

e. **Freak Night.** Councilor Galvin stated he received several calls and inquiries about Freak Night, both positive and negative. He indicated it was his understanding that the city did not have any permit jurisdiction since it was taking place at the fairgrounds. He asked about public safety preparations.

Randy Hamilton stated that with this kind of event you never know what might take place, so you have to look at worst case scenarios. He indicated the city was notified a couple of weeks ago that the PDA had signed a contract with promoters to do a teenage music festival at the fairgrounds that could attract 5,000 to 10,000 people. He stated that staff had attended several meetings with the promoters. Chief Hamilton explained that when the fairgrounds is used in total it is considered a county event, even though a small portion of the fairgrounds is technically in the Chehalis city limits. He indicated however that the city would be involved in the event because it has a contract with Lewis County for fire investigations and fire safety inspections. He stated Jerry Boes would be

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responsible for the inspections, and the city would be compensated at \$49 per hour for his time. He added that the event was providing 45 security people, and the promoters were required to put up a \$15,000 deposit with the PDA for public safety. Chehalis would have six extra officers on duty from about 6:00 p.m. on Saturday until 7:00 a.m. on Sunday, and their overtime costs would be paid by the promoters. He noted that 1,400 tickets had been sold to-date. Chief Hamilton stated he had also spent some time surfing the net to find out if the event could possibly turn into a rave. He stated that both Centralia and the Lewis County sheriff's office would have extra staff on duty. He stated that he made it very clear to the PDA that they need to talk with the surrounding communities about the potential impacts events like this bring.

f. **New Shorelines Management Act Rules**. Councilor Hatfield stated a letter was received from AWC about the adoption of a new set of Shorelines Management Act rules by the State Department of Ecology, and one city's contemplation about filing suit against the state for failure to provide any funding to support mandated local update responsibilities.

Dave Campbell indicated that after discussing the matter with Bob Nacht and Bill Hillier, the city would lend its moral support, but would not contribute any financial support.

g. **D.A.R.E. Funding from School District**. Councilor Hatfield asked if the school district had responded to the city's request for additional funding for the D.A.R.E. officer position.

Dave Campbell reported that he received a phone call from Superintendent Kirsch in which he indicated additional monetary support was a possibility.

h. **Budget Meetings**. Dave Campbell stated that staff held a budget public meeting for interested citizens on October 19, and one citizen was in attendance, but did not live in the city limits. He stated that three more meetings were scheduled for October 23, October 26, and October 30 at 7:00 p.m.

i. **Street Resurfacing Projects**. Dave Campbell reported that the street resurfacing projects have been delayed until spring because of the bad weather.

Tim Grochowski added that the weather had been making it hard to schedule the work. All of the funding for the project is secured and will be carried over to 2001. He stated that he still needed to talk to Lakeside Industries to confirm that their bid would stand.

7. **Executive Session**. Mayor Spahr announced that the council would convene into executive session pursuant to RCW 42.30.110(1)(c) – lease of real estate, at 4:40 p.m. for about 15 minutes and there may be a decision 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 immediately adjourned at 4:45 p.m.

November 7, 2000

The Chehalis city council met in special session on Tuesday, November 7, 2000, in the Chehalis city hall for the purpose of reviewing the recommended 2001 annual budget. Mayor Bob Spahr called the meeting to order at 5:00 p.m. with the following council members present: Wayne Galvin, Bud Hatfield, Tony Ketchum, Dr. Isaac Pope, and Dave Zylstra. Councilor Bob Venemon was absent (excused). Staff present included: Dave Campbell, City Manager; 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; Steve Buzzard, Municipal Court Judge; Tim Grochowski, Street Superintendent; Barbara Lovelady, Fire Services Administrative Assistant; Bob Nacht, Community Development Manager; Mark Petrie, Water Superintendent; Andy Sennes, Property Manager; Judi Smith, Public Works Office Manager; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Julie Graham of *The Chronicle*.

1. **Review of Recommended 2001 Annual Budget**. Dave Campbell provided an overview of the recommended 2001 annual budget, and each department head presented information on their respective budgets.

Mayor Spahr noted that a public hearing on the recommended budget was scheduled for November 13, and budget ordinances would be presented on November 27 and December 11.

Dave Campbell stated that the outcome of I-722, and the potential challenges to it, and interpretations of it, over the next few weeks could alter the schedule.

There being no further business to come before the council, the meeting was adjourned at 6:45 p.m.

November 13, 2000

The Chehalis city council met in regular session on Monday, November 13, 2000, 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; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Dale Miller, Police Sergeant; 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 Julie Graham and Brian Mittge of *The Chronicle*.

1. **Employee Service Awards**. Mayor Spahr presented service awards to Administrative Services Director David Kelly and Finance Manager Judy Schave for 5 and 15 years, respectively.

2. **Presentation of Gifts from Inasa, Japan**. Pam Siemers, representing the Boots-N-Buckles country western dance group, and Jim Nichols spoke about their recent trip to Inasa, Japan, to participate in the 10<sup>th</sup> anniversary celebration of the city's sister city relationship with Inasa.

Ms. Siemers stated the welcoming reception was outstanding and the entire trip was wonderful. She added that the host families were great, too, and they made some lasting friendships. She indicated that she plans to go back. Ms. Siemers thanked Dave Campbell for his hard work in helping them arrange the trip.

Jim Nichols stated the trip was one of the best experiences he had ever had. They were treated like royalty, and the Japanese did all they could to make their stay fun and enjoyable. He added he was also looking forward to another trip to Inasa. He and Joanne Schwartz represented the city on the trip and both read speeches at the anniversary celebration. He presented an authentic set of Samurai swords from the town of Inasa to the city of Chehalis. Jim then read his speech. He noted that at the celebration he read one portion of his speech in Japanese, while Joanne Schwartz read her entire speech in Japanese.

Dave Campbell announced that a short video of the celebration would be shown following adjournment of the regular meeting.

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 October 23, 2000; and
- b. October 30, 2000, Claims Vouchers No. 54284 – 54415 in the amount of \$65,241.66.

The motion was seconded by Councilor Zylstra and carried unanimously.

4. **Public Hearing – Petition for Vacation of a Portion of NW State Avenue**. Jim Nichols stated a petition was received from Tim Saylor for the vacation of property located at the corner of Sitka Street and State Avenue. Mr. Saylor would like to develop the site and construct a new business; however, an exceptionally wide right-of-way in that particular area was infringing on his ability to develop the property completely. Mr. Nichols also explained there was an unusual aspect of the request because the Washington State Department of Transportation (WSDOT) was involved because the right-of-way was originally quit claimed to the city from the state. The quit claim deed included stipulations/requirements that if the city ever did anything with it, WSDOT would have involvement in the process and would receive some reimbursement for whatever monies were received by the city. The vacation was therefore conditioned on getting all of the details worked out with WSDOT.

Councilor Hatfield asked if WSDOT had to grant approval in addition to merely having a fiduciary interest.

Jim Nichols indicated that staff interpreted it to mean both.

Councilor Pope asked what purpose it served for the council to pass the ordinance without first receiving WSDOT's approval.

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Jim Nichols explained it allowed the city to continue working on securing WSDOT's approval, rather than holding the process up for a month or two, and it would also allow Mr. Saylor to proceed.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:15 p.m. There being no public comment, the public hearing was closed and the regular meeting was reopened.

5. **Ordinance No. 681-B, First Reading – Vacating a Portion of NW State Avenue.** Councilor Hatfield moved to pass Ordinance No. 681-B on first reading. The motion was seconded by Councilor Galvin.

Mayor Spahr asked where it stated in the ordinance that the vacation was subject to the state's approval.

Bill Hillier indicated the ordinance provided that the street would be vacated upon payment to the city, “. . . or as otherwise mandated by prior agreements.” The quit claim deed not only provided for approval, but for compensation to the state. The motion carried unanimously.

6. **Public Hearing - 2001 Recommended Budget and Revenue Sources, Including Consideration of Possible Increases in Property Tax Revenues.** Dave Campbell indicated the public hearing was required by state law with respect to the 2001 budget; specifically potential revenue sources for next year, including “consideration of possible increases in property tax revenues.” He noted it had only been since 1995 that the legislature passed a new law that that specific aspect had to be advertised for a public hearing sometime during the budget process. Chehalis has combined the two hearings into one, and the city could actually conduct the hearing, with respect to property tax revenue, at any time prior to the property tax levy ordinance being voted on.

Mr. Campbell stated the council met on November 7 to review the 2001 recommended budget. Staff publicized and offered four informal meetings last month to receive citizen comments and provide answers to questions about the recommended budget. One city resident and one non-resident appeared at those four meetings. He also noted that the council receives comments and questions from citizens throughout the year, either at council meetings or on the street. Mr. Campbell then addressed questions that came up during the November 7 meeting relating to concerns about property maintenance staffing for athletic tournaments. Staff was recommending that the council consider reallocating at least \$10,000 from the community services custodial/janitorial services contract to the line item pertaining to the hiring of seasonal property maintenance help. Management staff discussed the possibility of effecting some savings in what was budgeted for custodial/janitorial services by reducing various service levels, or by doing some things differently than in recent years. It was concluded that \$10,000 could reasonably be saved per year by implementing some of those ideas. He noted it would be sufficient to provide adequate property maintenance support for the paid athletic tournaments discussed during the November 7 meeting.

With respect to revenue sources and consideration of property tax increases, Mr. Campbell stated that the budget included no property increases in either the rate or in the levy. He indicated that was consistent with the council's direction and guidance provided earlier in the year for preparation of the 2001 budget.

Mayor Spahr indicated the city was reassessed last year. He asked if the proposed levy rate would take those reduced assessments into consideration.

Dave Campbell stated it would have to under the theory that the city would have to comply with I-722.

Mayor Spahr stated the city did not know for sure how they would go about reducing the levy rates. The city was allowed a 2% increase under I-722, but no one knows yet if the initiative will be upheld.

Dave Campbell indicated the city would work closely with the Lewis County Assessor's Office.

Mayor Spahr asked if the city would provide a dollar amount and let the assessor set the levy.

Dave Campbell indicated that was what the city always did. The city refers to a levy rate, but the assessor's office actually calculates the levy rate based upon the dollar amount.

Councilor Pope stated that some cities had already filed injunctions against the initiative, and he asked if Chehalis would do the same.

Dave Campbell informed the council that that process had started, and presumably there would be some response to the court cases that were initiated.

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Councilor Pope asked Bill Hillier if an injunction could be filed within the county from which it was implemented.

Bill Hillier didn't believe so.

Mayor Spahr noted that the council planned to pass the budget-related ordinances on first reading on November 27, with second and final readings on December 11.

Dave Campbell stated the schedule might be adjusted depending upon the outcome of the initial challenges to I-722.

Mayor Spahr closed the regular meeting and opened the public hearing at 3:25 p.m. There being no public comment, Mayor Spahr closed the public hearing and reopened the regular meeting.

Mayor Spahr stated that I-722 allowed for a 2% property tax increase, but the council had elected not to take it at this point.

Councilor Hatfield moved to approve the reallocation of \$10,000 from janitorial services to seasonal property maintenance. The motion was seconded by Councilor Zylstra.

Councilor Galvin asked what the downside was, if there was one, to reallocating the funds.

David Kelly indicated it would be \$10,000 less service that the city would receive from its janitorial services contract.

Joanne Schwartz added it would include the elimination of carpet and window cleaning, except on an as-needed basis, and, as a result, the carpets would probably wear out sooner. Rental building floors would only be cleaned six times per year instead of 24 times per year. All Sunday janitorial services would be eliminated, and public restrooms would be opened by city staff, rather than by the janitorial staff. She thought they were cuts the public wouldn't see, but would probably be seen and felt by city staff. The motion carried unanimously.

Councilor Pope asked if the revenue received from athletic tournaments would go back to cover part of the \$10,000 cut from the janitorial budget.

Councilor Hatfield noted it was all a part of the general fund.

**7. Ordinance No. 680-B, Second Reading – Establishing a Gambling Ordinance and Repealing Prior Ordinance.** Dave Campbell reminded the council that during their last meeting, they amended a proposed ordinance to reflect that the tax on punch boards and pull-tabs would remain at 10%, and also that the tax on social card rooms would be reduced from 20% to 10%.

Randy Hamilton added he had not heard from any of the business establishment owners.

Councilor Pope moved to pass Ordinance No. 680-B on second and final reading. The motion was seconded by Councilor Hatfield.

Councilor Hatfield asked about the status of Guido's nonpayment of gambling taxes.

Randy Hamilton stated that enforcement action was started and would have to work its way through the court system. He indicated the city was working with the Washington State Gambling Commission.

Councilor Hatfield asked if the city was precluded from taking action on its own.

Randy Hamilton stated the city could take action on its own, but he indicated it was preferable to work with the Gambling Commission. He added that the city still has not received payment from Guido's. The motion carried unanimously.

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8. **Ordinance No. 682-B, First Reading – Amending Ordinance No. 670-B by Correcting the Legal Description Relating to the Vacation of a Portion of NW Rhode Island Avenue.** Dave Campbell indicated that Ordinance No. 670-B needed to be corrected with regard to the legal description of the property involved. The legal description included a reference to “195” feet instead of “170” feet.

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. 682-B on first and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

9. **Resolution No. 18-2000, First Reading – Approving the 2001 Budget for the Chehalis-Centralia Airport.** Dennis Dawes, one of the city’s representatives on the airport board, reported that the budget for the airport was also provided to Lewis County and the city of Centralia. The budget was \$1,544,036 - \$463,779 in estimated revenues, and \$1,080,257 currently in different funds for investment. With regard to expenditures, Mr. Dawes indicated the board was estimating operating expenditures to be \$331,144 and capital expenditures in the amount of \$341,425, including a contingency fund. He noted that the contingency fund was something suggested by the state auditor to cover unexpected issues that weren’t budgeted. He stated that operational and capital expenditures, added with an estimated investment balance of \$871,467, provide for a balanced budget.

Councilor Pope asked how much the airport administrator was paid.

Dennis Dawes indicated it was a part-time position with a salary of \$2,500 per month.

Councilor Pope asked if the salary had been increased.

Dennis Dawes stated the salary included a 3% cost of living adjustment. He believed that was the first time the salary had been increased since the position was created four years ago.

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. 18-2000 on first and final reading. The motion was seconded by Councilor Zylstra.

Councilor Pope thought that approving the airport budget was more than a housekeeping item, and the council should know more details about the budget. The motion carried by a vote of 5 to 1. Councilor Pope voted against the motion.

10. **Resolution No. 17-2000, First Reading – Authorizing the Execution of a Cleanup Action Plan Consent Decree Regarding Centralia Landfill Closure.** Dave Campbell indicated the consent decree addressed the activities and monitoring that are necessary until the landfill is no longer considered a threat to the environment. He noted that all members of the Centralia Landfill Closure Group (CLCG) need to approve the consent decree that was negotiated with the State Department of Ecology (DOE). Mr. Campbell indicated there were legal differences between the city’s attorney and Liz Thomas, the attorney who represents the city through the CLCG.

Bill Hillier believed there was an inconsistency between the intent of the CLCG agreement and what it bound the city to. He indicated he would only execute the agreement as to form. He wanted the council to be aware of the fact that when the city first joined the CLCG, the city was not named as a party to any litigation. The landfill needed to be closed, and in support of that, most of the cities in Lewis County joined together and formed the CLCG. The negotiated agreement forming the CLCG provided that each city that signed the agreement would have the ability to “opt out” if there was a dispute as to an economic consequence to any jurisdiction. Even with that provision, three jurisdictions chose not to be a part of the group. He stated that closure of the landfill had been a long process, and he thought Liz Thomas was doing an excellent job representing the CLCG. Mr. Hillier went on to explain that a disposal district was also formed as a method for funding the costs of closing the landfill, and every jurisdiction in the county was a member of the district. With regard to the proposed consent decree, he noted that the state wanted the cities to be personally liable for all expenses. He explained that the consent decree didn’t just require the signature of the CLCG, nor did it require the signature of the disposal district. It went beyond that by requiring the signatures of all of the participants in the CLCG, to which Chehalis is listed, so anywhere in the agreement where it refers to the CLCG as being liable for costs, it means the city of Chehalis is liable for costs. Mr. Hillier thought it was important to point out to the council that the city was in a position that could ultimately and individually name the city liable for all costs of cleanup if every other jurisdiction walked away. He didn’t believe that would happen, but the possibility was there.



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Councilor Hatfield asked if the other jurisdictions signing the agreement were liable.

Bill Hillier indicated that was correct, but he still believed the consent decree should be signed by the CLCG as a whole.

Mayor Spahr was concerned about a statement in the agenda report indicating the CLCG could run out of money in two years, and tipping fees would have to be increased at the central transfer station. He wondered how that would work with the possibility of future initiatives that might require a ballot measure to increase fees.

Bill Hillier believed the state would probably work with the city to look for alternate sources of funding if the restriction on the funding came from an initiative source. He was more concerned about going down a road that was directly contrary to what the city's original position was.

Councilor Hatfield asked what would happen if the city did not sign the agreement.

Liz Thomas indicated she agreed with everything Bill Hillier said about the interlocal agreement and the consent decree not mirroring one another. Under the interlocal agreement, cities have the ability to "opt out" when certain costs reach \$13 million, but the costs were nowhere near that threshold. Under the consent decree, cities do not have that opportunity. She recommended that the city sign the consent decree because even if the council didn't the city would still be "on the line" for the previous three consent decrees signed in 1991, 1993, and 1994. She stated the city was on the hook because it was a municipal generator of solid waste. Under the state superfund law, DOE named all Lewis County municipalities as potentially liable parties (PLPs). Ms. Thomas indicated the CLCG tried to get the state to allow the CLCG to sign as a group, but they wouldn't allow that because the group was an unincorporated association. She did not believe the consent decree changed the legal status of the city with respect to the landfill, but merely continued it. The consent decree puts in place, as a permanent solution, the landfill cover that is already on the landfill, and requires ongoing monitoring for 30 years.

Mayor Spahr asked what would prevent DOE from placing other demands/mandates on the city.

Liz Thomas stated that DOE was also signing the consent decree and is approving it as a final cleanup action plan. The document says the final cleanup action for the landfill is the cover, which is already there, and certain monitoring. Unless the monitoring shows problematic results, DOE has agreed to the consent decree.

Dave Campbell stated that costs are running around \$300,000 per year.

Councilor Pope asked what the city's share of the costs were.

Dave Campbell indicated the city's share was around 13%.

Liz Thomas added it should be a little less than that because the solid waste disposal district broadened the revenue base by collecting funds through a tipping fee on all solid waste generated in Lewis County.

Councilor Hatfield asked about Bill Hillier's statement as to why he was willing to execute the resolution as to form, but not content.

Liz Thomas indicated it seemed fair to her that Bill Hillier should be able to toss it over to her since she was representing the CLCG.

Councilor Hatfield moved to adopt Resolution No. 17-2000 on first reading. The motion was seconded by Councilor Pope.

Dave Campbell stated there was a CLCG meeting tomorrow and he would bring the council up to speed at their next meeting as to the status of other entities' actions. The motion carried unanimously.

11. **2001 Sister City Program Funding.** Dave Campbell reminded the council that the report followed up on council discussion in early October with respect to the budget, specifically the tourism fund. The council asked for consideration by the lodging tax advisory committee for including within the tourism fund budget, funding for the sister city program that was deleted from the general fund portion of the 2001 budget.

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Joanne Schwartz stated the lodging tax advisory committee felt it was worthwhile to continue the program, and there was a substantial amount of money in the tourism fund to support it.

Councilor Hatfield moved to approve the allocation of \$4,000 from the tourism fund to the general fund to support the sister city program. The motion was seconded by Councilor Galvin and carried unanimously.

## 12. Staff and City Council Reports.

a. **Introduction.** Julie Graham introduced Brian Mittge. She stated that Brian was a graduate of W.F. West High School and joined *The Chronicle* today. He would be the new reporter covering city news for Chehalis.

b. **GMA Meeting.** Dave Campbell reported that the council GMA committee would meet on November 15 at 2:00 p.m. to review a proposed agreement with respect to water and sewer utility service for Tractebel.

c. **ESA Workshop.** Jim Nichols stated that an ESA workshop was being held in Olympia on November 18 from 9:00 a.m. to 1:00 p.m., and it appeared to have definite applicability to elected officials. He added that the ESA would impact a majority of public works projects, and was the cause of the water treatment residuals retention basin project being delayed a year.

d. **I-722 Workshop.** Dave Campbell stated he would be attending a workshop on I-722 on December 12, sponsored by AWC and the Washington State Association of Counties.

e. **Abatement of a Dangerous Building.** Bob Nacht informed the council the city initiated an abatement action against a house on NW Rhode Island Avenue. A notice of violation was issued on October 26 in order to abate a nuisance building. Two persons were found living in the building without water, sewer, or power service. They were provided with the right to appeal and an order to vacate. No appeals were filed and the abatement process was initiated, and would eventually include demolition of the building. During the course of investigation a travel trailer was located in the backyard and was found to be occupied by a third party. He explained that phase 1 took place today, and city staff from numerous departments removed and impounded multiple hulk vehicles and the travel trailer. Phase 2 would include demolition of the building and would probably occur in about two weeks. All of the monies spent on the project would be billed against the property owner, although there is no legal property owner of record because the person who owned the property passed away, and no one will probate the estate. Mr. Nacht indicated a budget amendment would more than likely be necessary. The process will probably cost more than the \$5,000 currently in the abatement fund.

Councilor Hatfield asked if the residence being abated was visible on the right going north on I-5.

Bob Nacht indicated it was not the same residence.

Councilor Hatfield asked why that residence was not on the list to be abated.

Bob Nacht indicated it was not on the list because there were currently no violations or complaints filed.

Bill Hillier added that the residence the city was abating had a significant DSHS lien for care, so the city would most likely not see any return.

With regard to the house that Councilor Hatfield asked about, Bob Nacht recalled there had been two abatement processes initiated against that building for security, but were accomplished by the owner.

Councilor Galvin asked if the city would end up with a vacant lot.

Bob Nacht stated there would be a vacant lot in the city, but it would not be the city's per se.

Bill Hillier thought the estate would probably go to a tax sale, and doubted that DSHS would start a foreclosure to gain possession. He stated the city could start a foreclosure as a lien-holder, but would have to pay liens that were superior to the city's.

Councilor Galvin asked if the city would at least file a lien to recover the city's costs of abatement and demolition.

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Bill Hillier indicated the city could file a lien, but they are usually extinguished in a tax sale.

Councilor Pope stated he did not look at it as the city losing money. If there was a dangerous building that the city knew about it and didn't take care, there could be a potential for someone to get hurt.

Joanne Schwartz added it was also about the ambiance of the community. The city continues to raise the standard from where it was a number of years ago prior to the hiring of a code enforcement officer.

With respect to the ambiance of the community, Councilor Hatfield then asked why the city could not address the house that can be seen from the freeway.

Bob Nacht reiterated that the house was not technically in violation of the housing code.

f. **D.A.R.E. Funding from School District**. Councilor Hatfield asked if the city had received anything definite from the school district with respect to additional funding for the D.A.R.E. officer position.

Dave Campbell stated he had not received anything further than a letter from the superintendent indicating that he would pass the city's request on to his staff/school board.

Councilor Hatfield asked the city manager to continue contact with the school district for a commitment.

g. **Chehalis Basin Partnership Meeting**. Mayor Spahr stated the partnership would hold a meeting at 9:00 a.m. on November 17.

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

13. **Video of the 10<sup>th</sup> Anniversary Celebration of the Sister City Program**. Following adjournment of the regular meeting, a video was shown of the 10<sup>th</sup> anniversary celebration of the sister city program.

November 27, 2000

The Chehalis city council met in regular session on Monday, November 27, 2000, 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, and Dave Zylstra. Mayor Bob Spahr and Councilor Bob Venemon were 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; Becky Fox, Court Administrator; Tim Grochowski, Street Superintendent; Bob Nacht, Community Development Manager; Andy Sennes, Property Manager; and Lilly Wall, Recreation Manager. 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 special city council meeting of November 7, 2000, and the regular city council meeting of November 13, 2000; and

b. October 31, 2000, Payroll Vouchers No. 14741 – 14879 in the amount of \$434,779.77; Transfer Voucher No. 1478 in the amount of \$1,091.49; and November 15, 2000, Claims Vouchers No. 54416 – 54608 in the amount of \$218,205.60.

The motion was seconded by Councilor Hatfield and carried unanimously.

2. **Citizens Business – Twin Cities Sport Court**. Sandy Seeger, coordinator for the Twin Cities Sport Court, informed the council that a volunteer group of adults and leaders from the community are trying to build a park for bikes, skateboards, and roller blades. It would be a world-class park that would bring in people from other communities and could hold world-class competitions. The group recently visited different parks in Portland to get some ideas. Ms. Seeger introduced Tyson Lane and Brandon Seeger, two of the youngsters involved in the project. A video was shown featuring local children and adults explaining the need for a park. The group has a site consisting of 8½ acres along Gold Street in Centralia (the site of the old drive-in movie theater). She described what the park would be constructed of and indicated it would withstand flooding. Ms. Seeger stated the kids would be participating in the upcoming parade, and, as a fundraiser, they would be at various locations over the holiday season selling cement for \$25 for a half-yard.

In regard to the sport injury statistics distributed by Ms. Seeger, Councilor Hatfield thought the numbers should be per 1,000 participants rather than just raw data of the number of injuries since a lot more kids are involved in baseball, softball, t-ball, and basketball. He thought that just listing the injuries skewed it in favor of skateboarding.

Councilor Zylstra asked what the total cost of the project was, and how far they were towards that goal.

Sandy Seeger estimated the total cost would be around \$500,000. She hoped it would be a place where kids could have concerts, hang out, watch videos, and have a clubhouse. The kids would also like to have laser shows on one of the old movie screens.

Councilor Galvin asked who would have ownership and liability for the park.

Ms. Seeger indicated the city of Centralia would have ownership and liability, and will lease the property from the Southwest Washington Public Development Authority (PDA) for a dollar a year.

3. **Citizens Business – Telecommunications Service Access**. Dave Campbell indicated the city had been contacted by organizations interested in installing new types of telecommunications equipment facilities inside the city. He reminded them that a few months ago the council provided a limited extension of the Lewis County PUD's electrical service franchise to do some fiber optic installation for their own purposes, as well as the Chehalis school district. Mr. Campbell stated that Richard Finnigan from Rainier Connect, and Dave Muller from the PUD, were in attendance to talk about their plans for installing telecommunications facilities.

Bill Hillier stated that he prepared a draft telecommunications ordinance, but staff was still in the process of reviewing it. He added that he had met with Mr. Finnigan, and he explained that his company, Rainier Connect, and the PUD, are on a faster timetable than the city. He did not anticipate having the ordinance for council's

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consideration until sometime in December, and Rainier Connect would like to enter into an interim agreement with the city to allow them to begin work with the PUD in getting a system up and running.

Richard Finnigan indicated his company was currently operating in Pierce County providing telecommunications and cable television service in competition with Qwest and AT & T. Rainier Connect is a sister company to Michelle Telecom, and has grown to provide service in rural areas. Here in Lewis County, they are working with Local Access and have formed Local Access Prime to provide advanced telecommunications and Internet services to people throughout the county, starting in Centralia and Chehalis. They have a switch that is light years ahead of what Qwest has here now and was currently being installed just inside the city of Centralia. In order to get the advanced services out, they need to access a backbone network. They are working with the PUD to try to connect to NoaNet, the Bonneville Power Administration's (BPA) backbone. The BPA has fiber that they would make available at their point of presence at their Newaukum site. They are also working with the PUD to get fiber from their switch to the Newaukum site. Mr. Finnigan indicated there was a backlog for fiber and the earliest that the PUD could get fiber was not until next June or July, but Rainier Connect has several miles of fiber. He stated they would like to obtain an interim franchise agreement with the city so permits could be obtained to install the fiber along PUD poles.

Councilor Galvin asked if they planned to put a loop in the city.

Mr. Finnigan indicated the point of presence would be at the Newaukum site, and would go through the city. It would be a combination of providing their own loops and having a point of presence in Qwest's central office where they would use their switch and some of Qwest's distribution plant. He stated that they have an interconnection agreement with Qwest that would allow them to do that.

Bill Hillier preferred that the agreement be call an interim license agreement instead of an interim franchise agreement. Staff would present a proposed agreement to the council as soon as one could be drafted, but he did not want to rush the telecommunications ordinance process. He added that the agreement and ordinance would be mirrored so the requirements were consistent.

Councilor Galvin asked if the city could keep allowing people to add cable to the poles.

Bill Hillier informed the council that the poles were within the exclusive purview of the PUD.

Dave Muller stated that a number of companies had cable attached to the poles in the past, but they are pretty much underground now. He explained that fiber was a lot smaller so the loading on the poles was much less than it used to be. Because of the unavailability of fiber to the PUD, they may have to do some joint sharing or trading of fiber. He asked that the council consider including the PUD in the interim agreement, along with Rainier Connect, because of the sharing/trading of fiber.

Dave Campbell indicated that Rainier Connect and the PUD were requesting that the city draft an interim agreement allowing them to begin work within the city's rights-of-way prior to the passage of a comprehensive telecommunications ordinance.

Dave Muller suggested that the agreement should provide for the right for the PUD or Rainier Connect to install fiber on PUD poles within the city rights-of-way, and to operate as a service provider.

Councilor Hatfield asked if the city could collect any fees for the use of its right-of-way.

Bill Hillier indicated the city probably couldn't do that, but if problems occur while work was being done within the right-of-way, the company would be responsible.

Dave Muller added that maybe there could be some assistance to the city in improving telecommunications relating to emergency services.

Councilor Hatfield moved to direct staff to prepare a short-term, interim agreement with Rainier Connect and the PUD to allow them to continue with their plans for providing telecommunications services through Chehalis. The motion was seconded by Councilor Galvin and carried unanimously.

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4. **Citizens Business – Water and Sewer Charges Outside the City Limits**. Dr. Simon Elloway addressed the council about base water and sewer charges for his property at 146 Wallace Road. He indicated a bill for base charges from 1997, was \$47.02, and his current bill for base charges was \$107.90. He noted that was over a 200% increase.

Councilor Pope asked if the property was outside the city limits.

Dr. Elloway indicated it was just outside the city limits.

Councilor Hatfield stated it was his understanding that the bill from 1997 was a reflection of Dr. Elloway being billed at the inside the city limits rate, and the current bill was a reflection of his being billed at the outside the city limits rate.

Dave Campbell noted that the rates for both inside and outside the city limits increased in early 1999.

Councilor Hatfield asked what the reason was for the big difference in Dr. Elloway's bills.

David Kelly explained that Dr. Elloway was mistakenly being billed the inside rate for base charges since the meter was installed. The error was recently discovered by staff and Dr. Elloway was now being billed the base rate charges for service outside the city limits, and those rates are much higher than the inside rates.

Dr. Elloway stated there was no consumption being used. The house that was on the property was used for a practice burn by the city. He asked if an empty lot inside the city was billed at the same rate that he was.

Councilor Hatfield stated it would be billed at the inside the city limits base rate.

Dave Campbell added that the base fee, whether inside or outside the city limits, is similar to other utilities like telephone or cable television. If you have a telephone, but you don't use it, you still get charged a base fee. The base fees cover the fixed costs for the service, debt service, capital improvements, etc.

Dr. Elloway asked if there was a way that the city limits could be pushed further out.

Councilor Hatfield indicated it would require annexation.

5. **Ordinance No. 681-B, Second Reading – Vacating a Portion of NW State Avenue**. Councilor Hatfield moved to suspend the rule requiring the reading of the ordinance. The motion was seconded by Councilor Zylstra and carried unanimously. Councilor Hatfield then moved to pass Ordinance No. 682-B on second and final reading. The motion was seconded by Councilor Zylstra and carried unanimously.

6. **Resolution No. 17-2000, Second Reading – Authorizing the Execution of a Cleanup Action Plan Consent Decree Regarding Centralia Landfill Closure**. Dave Campbell stated that additional information was provided in the agenda report regarding the revenue and expenditure history of the landfill closure group since 1991. He noted that at least three of the group's members have approved the consent decree, and a couple besides Chehalis have not yet taken final action.

Councilor Hatfield moved to adopt Resolution No. 17-2000 on second and final reading. The motion was seconded by Councilor Ketchum and carried unanimously.

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

a. **Ramifications of Budget Reductions for Community Services Property Maintenance Temporary Staff Hiring**. Dave Campbell informed the council that the budget and property tax levy ordinances would be presented for consideration on first reading at the December 11 council meeting. One of the big differences between the 2000 budget and the 2001 recommended budget was the substantial reduction in funding for temporary/seasonal staff hiring in the community services property maintenance area.

Joanne Schwartz indicated that until they got into the year they wouldn't know what they would be facing, or how they would deal with issues as they came up. She stated that the agenda report laid out what would and would not be done.

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Councilor Hatfield thought the reallocation of \$10,000 from the janitorial services contract to the hiring of seasonal property maintenance help was supposed to allow for field maintenance for athletic tournaments. He stated the agenda report indicated it would not.

Joanne Schwartz stated it would include field maintenance for tournaments. The leagues would be asked to mark their own fields and do their own garbage pickup. She added that information about the proposed reductions was sent to the downtown people and leagues asking them to come to this meeting if they had any comments to make. No one was in attendance.

b. **December Council Meetings.** Dave Campbell stated there would be a need for two council meetings in December on the 11<sup>th</sup> and Tuesday, the 26<sup>th</sup> because of the Christmas holiday. He indicated that if the council would prefer to have another meeting date rather than one on the day after Christmas, staff could arrange for that.

8. **Executive Session.** Mayor Pro Tem Pope announced the council would convene into executive session pursuant to RCW 42.30.140(4)(b) – labor contract negotiations, and RCW 42.30.110(1)(b) – acquisition of real estate, at 3:45 p.m. and there would be no decisions 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 4:05 p.m.

December 11, 2000

The Chehalis city council met in regular session on Monday, December 11, 2000, 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; 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 Brian Mittge of *The Chronicle*.

1. **Employee Service Awards**. Rich Trotter, community services property maintenance worker II, was recognized for 15 years of service to the city, along with police & fire services administrative assistant Barbara Lovelady, for 20 years of service.

2. **Certificates of Appreciation to National Frozen Foods Employees for Installation of Downtown Holiday Decorations**. Mayor Spahr, Bob Nacht, and Joanne Schwartz presented certificates of appreciation to National Frozen Foods and several of its employees for their efforts in installing the downtown holiday decorations. Doug Fletcher, Dennis Blake, Mark Fletcher, Berry Fletcher, Mike Young, John Norman, Danny Bonagofski, and Dave Roberts were recognized.

Bob Nacht stated that the downtown holiday decorations program would not be discontinued. The holiday decorations cut from the 2001 budget were from the parks program because of decreased staffing levels.

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 November 27, 2000;
- b. November 30, 2000, Claims Vouchers No. 54609 – 54713 in the amount of \$153,808.91; November 30, 2000, Payroll Vouchers No. 14880 – 15017 in the amount of \$430,972.81; and Transfer Voucher No. 1479 in the amount of \$1,544.14;
- c. Award contract to W.M. Smith and Associates, Inc., in the amount of \$21,486.15 for the swimming pool sand filter replacement project;
- d. Re-appointments of Judy DeVaul and John McKerricher to the planning commission to four-year terms expiring December 31, 2004;
- e. Pay Estimate No. 1 in the amount of \$52,541.55 (less retainage of \$2,439.26) to PWE Construction, Inc., for the Sturdevant loop water main extension project; and
- f. Correction of a city utility easement: amended easement no. 9405258.

The motion was seconded by Councilor Galvin and carried unanimously.

4. **Ordinance No. 683-B, First Reading – Determining and Fixing the Amount of Revenue to be Raised by Ad Valorem Taxes; Ordinance No. 684-B, First Reading – Stating the Dollar Amount and Percentage of Change for a Property Tax Increase; and Ordinance No. 685-B, First Reading – Adopting the 2001 Budget**. Dave Campbell stated that the agenda report explained how the property tax levies for 2001 were calculated, given the state of Initiative 722, as well as the council's direction about taxes, tax rates, and tax increases. He explained that Ordinance No. 683-B established the property tax levies; Ordinance No. 684-B was required by the terms of Referendum 47 and restates the dollar amounts of the property tax levy, as well as the amount of change in terms of dollars and percentage from the previous year; and Ordinance No. 685-B would adopt the budget itself. Mr. Campbell noted there were a number of changes to the recommended budget, including ones the council had already approved, and others that were the re-budgeting of capital projects that wouldn't be completed in 2000 and needed to have appropriations for next year.

Councilor Pope asked if the council had to pass the budget amendment ordinance, which was listed later on the agenda, before it passed the budget ordinance.



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Dave Campbell stated the changes were a part of the 2001 budget ordinance. If the council approved the budget ordinance, they were in effect approving those changes.

Councilor Hatfield moved to pass Ordinance Nos. 683-B, 684-B, and 685-B on first readings. The motion was seconded by Councilor Zylstra

Councilor Hatfield hoped that Jim Shouse, who writes a column in *The Chronicle*, would take note that the budget was being passed in both the spirit and within the law of I-722. It would reduce the amount of property tax by \$0.34/\$1,000, and it made the city's budget quite lean. It forced city staff to come up with a lengthy list of items to cut, change, and reprioritize, in order to make the budget balance. The motion carried unanimously.

5. **Ordinance No. 686-B, First Reading – Providing for a Budget Amendment.** Dave Campbell stated this was the third budget amendment this year to catch up with new revenues or changes in expenditures.

Councilor Galvin moved to pass Ordinance No. 686-B on first reading. The motion was seconded by Councilor Pope and carried unanimously.

6. **Resolution No. 19-2000, First Reading – Extending the Franchise with TCI Cablevision of Washington, Inc., until June 30, 2001.** Dave Campbell stated the resolution was proposed to once again extend the termination of the city's current franchise with AT & T Cable Services (he noted that at the time the franchise was approved it was known as TCI Cablevision). He stated that staff was in the process of putting together a proposed new franchise document for AT & T to consider. He expected the document to be ready for the council's review at their next meeting, and staff would be asking the council to make some policy decisions before taking the document to AT & T. He hoped the face-to-face negotiations would begin sometime at the beginning of the year.

Councilor Pope 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. 686-B on first and final reading. The motion was seconded by Councilor Zylstra.

Councilor Hatfield thought that work expanded to fit the time allocated to it, and he moved to amend the main motion to provide that the extension terminate on March 31, 2001. The motion was seconded by Councilor Pope.

Councilor Pope asked why Councilor Hatfield wanted the extension to be March 31 instead of June 30.

Councilor Hatfield explained that it had already been extended once, and he wanted to see the issue put to bed.

Dave Campbell stated he was not sure how long it would take once they got down to the face-to-face meetings since staff had not been through these types of negotiations before. He added that the draft document was over 90 pages, so he expected it would take a certain amount of time just to go through it.

Councilor Pope asked if there was any legal maneuvering that went along with the process.

Bill Hillier indicated there was not, but he noted that the city's consultant indicated the average time for negotiating these types of contracts had been 12 to 18 months. He thought it would probably take until June.

The amendment to the main motion failed by a vote of 5 to 2. Councilors Hatfield and Venemon voted in favor of the motion. The main motion, to adopt Resolution No. 19-2000 on first and final reading, carried by a vote of 6 to 1. Councilor Hatfield voted against the motion.

7. **Municipal Services Agreement with Chehalis Power Generating Limited Partnership (CPGLP).** Dave Campbell explained that the document was designed to provide an agreement that CPGLP could use to take to their lenders/financiers regarding construction and operation of the proposed power plant south of the city limits, but within the city's urban growth area. It was also designed to explain exactly what new facilities would be necessary to provide water and sewer service to the plant, and whose responsibilities those would be, and to lay out a process for having the city reimbursed/compensated for those new public utility lines. The agreement would lead to the elimination of the "bottleneck" in the industrial park vicinity, and it would provide for an option to increase the level of service/capacity there, where there was currently a limited capacity for growth or service as far as wastewater was concerned.

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Kevin Finan stated that a CPGLP board of directors meeting was held last week in Houston, Texas and they unanimously reaffirmed their commitment and enthusiasm for the project. They are processing an amendment to their permit to the Washington State Energy Facilities Site Evaluation Council (EFSEC), and a draft order of the amendment was issued, and CPGLP was in the process of reviewing it. With the approval of the municipal services agreement, they would virtually have the entire contractual package needed to present to a financial institution to obtain construction financing for the project. They would be prepared to commence construction in the spring, including site preparation work, construction of an administration building, and the pouring of foundations for the gas turbines. Then, in the next building season, the construction phase would begin and continue for the next 18 months. He estimated the commercial operation date would be late 2003.

Councilor Hatfield stated he received telephone calls from representatives of the Port of Chehalis and the Industrial Commission expressing concerns that: 1) the agreement was not available to them to review prior to today; 2) latecomer fees; and 3) CPGLP's lobbying efforts in Olympia to try to get legislation passed which would allow them to avoid paying sales tax on construction. He asked how the agreement addressed the last two issues.

Kevin Finan explained that, in regard to latecomer fees, CPGLP would fund the construction of all improvements, and in return for the city taking on the obligation for doing the construction, CPGLP would reimburse the city and would provide for management and oversight of the construction. He stated that CPGLP would waive all latecomer fees for improvements they fund.

Councilor Pope stated that the information just given by Mr. Finan was presented to the council's GMA committee, and he asked Councilor Hatfield why he did not share that information with the representatives of the Port of Chehalis and the Industrial Commission.

Councilor Hatfield indicated he did share that information with them, but he also wanted everyone else to hear it from CPGLP itself.

Bill Hillier added that CPGLP agreed to waive all latecomer fees they could conceivably collect in the construction of the plant, but that didn't have anything to do with existing latecomer agreements that would continue to be honored by the city in development of the industrial park area, or other areas where developers have come in, created infrastructure for the benefit of the city with the understanding they would be reimbursed. So, to the extent that CPGLP used any of those improvements, they would be obligated to pay those latecomer fees, which was part of the proposed agreement.

Mayor Spahr asked if the question could have been aimed at the city and any latecomer fees it might have.

Bill Hillier indicated the city would only be involved in the upsizing of the new lines to provide greater capacity than the needs of CPGLP alone. Preliminary engineer estimates indicate it might cost the city about \$100,000 in an otherwise project that exceeds \$4.5 million. That \$100,000 could be recouped through latecomer agreements that the city may have with the specific areas that are benefited by that upsizing.

Councilor Pope did want the Port or the Industrial Commission to even think about collecting latecomer fees on work done by Chehalis Power.

Heidi Pehl, executive director of the Port of Chehalis, indicated that was not the issue.

Councilor Zylstra asked where latecomer fees were addressed in the agreement.

Bill Hillier explained that the proposed agreement was one of two agreements. The agreement before the council today sets up the city's obligation to provide services for a certain period of time – a 30-year agreement with ten additional five-year extensions. It provides that the city would be in a position to provide a certain amount of water to be available for the entire term of the agreement, as well as the ability to provide for their sewer needs. CPGLP, in turn, agreed to pay all of the expenses, and part of the agreement for paying for those expenses will be a second document that sets up the vehicle for how CPGLP would fund the project, how those funds would be used and controlled by the city to pay for the project improvements, and CPGLP's commitment that they would not be reimbursed in any fashion whatsoever.

Councilor Zylstra asked what the time frame was for the second agreement.

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Kevin Finan estimated it would be probably be presented to the city in late-January.

Bill Hillier noted that the second agreement was being worked on hand-in-hand with the agreement before the council today.

Councilor Zylstra asked where the issue of the sales tax exemption was addressed in the agreement.

Mr. Finan indicated it was not addressed in the agreement.

Dave Campbell stated the issue of sales tax exemption was part of the utility development annexation agreement the council approved last May, and was included in the agenda on page 212. In the agreement, CPGLP committed not to seek state legislative relief.

Councilor Hatfield indicated that the applicable section provided that, "In consideration of the full performance by Chehalis of the obligations set forth in Paragraph 3(a) hereof, CPGLP agrees not to seek legislatively enacted tax benefits from the legislature of the state of Washington any greater than that actually allowed to any competitor of CPGLP engaged in the independent power production business in the state of Washington." He went on to say that as it stood now, no other competitor had received any tax breaks.

Councilor Zylstra asked if the steam plant was considered a competitor.

Kevin Finan indicated it was not because it was not a new plant. He stated that the lobbying effort was really being driven by their competition.

Councilor Hatfield stated the paragraph included in the agreement on page 212 spoke to the situation last year with the Whatcom County Power Generation Facility seeking sales tax relief. He reported that that legislation did not pass.

Rose Spogen, 174 Yates Road, Chehalis, indicated it was her understanding that the Whatcom County plant was still trying to seek the sales tax relief and CPGLP was a part of it.

Kevin Finan stated that CPGLP did not want to be left out, and would represent their interests. He stated that last year, the legislation was designed to exclude them; the threshold for the size of the plant was specifically designed for one of their competitors. CPGLP has an effort to make sure they are not left behind, or competitively disadvantaged. He stated they were talking about a \$20 to \$25 million difference, which would make their competitors much more difficult to compete with.

Councilor Zylstra asked why an exemption was necessary given the nature of the power market these days.

Mr. Finan indicated it was a temporary situation, and stated they simply did not want to be competitively disadvantaged. The power project they envision was a very expensive undertaking, and if they could lower the cost of the project, they would lower their risk and would have a greater safety factor for making it a successful project.

Councilor Hatfield indicated he could appreciate their position, but he did not want the city to be tax revenue disadvantaged, either. He wanted to see something, other than verbal assurances. He wanted something in writing stating that CPGLP would not avoid paying sales tax to Lewis County on the construction of the plant.

Mayor Spahr explained what happened to the city with regard to lost sales tax revenue after legislation was passed last year that rebated sales tax back retroactively five years to certain industries. He indicated he was concerned that the same thing could happen again with regard to CPGLP.

Councilor Hatfield reiterated that he wanted to see something that spelled out in writing that they would not seek sales tax relief.

Councilor Zylstra asked how much sales tax revenue they were talking about.

Mayor Spahr estimated the local share was about \$3 million to Lewis County.

Dave Campbell recalled that when the potential annexation agreement was being put together last spring, the potential local share of the total sales tax on construction was \$2 million over a two-year period.

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Councilor Pope asked if the county would allocate the sales tax revenue.

Bill Hillier indicated he didn't know how the county handled that, but it would go to the county because the plant is in the county.

Mayor Spahr asked Mr. Finan what their time schedule was.

Kevin Finan indicated they expected to get the governor's signature on their final, amended permit around the end of February or beginning of March.

Mayor Spahr then asked if it would interfere with their schedule if the city gave other entities and individuals a chance to review the document.

Mr. Finan stated that would not put them behind schedule.

Rose Spogen asked if CPGLP would be paying union scale wages.

Mr. Finan stated that that had not yet been determined.

Bill Hillier indicated that in a public contract, which this would be, they would be mandated to pay prevailing wage rates, which are the highest and best rates in the state.

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

a. **Water Effects Ratio (WER) Study Status Report.** Patrick Wiltzius reported that the project was started earlier this year to help with future NPDES limits for metals for the wastewater treatment plant. Three metals were identified as problems, including copper, silver, and zinc. The cost to do a comprehensive testing of each metal was about \$150,000 to \$200,000. Before that, preliminary background work was done, and it was determined that zinc could be removed from further testing, if approved by the Department of Ecology, although copper and silver would probably have to have comprehensive testing done. The tests would run concurrently and he outlined the time frame for the study. He stated that a couple of the days would involve gathering 110 gallons of water, putting the samples in coolers, and delivering it to Kirkland, which would require the rental of a U-haul truck. For each test they would be doing hundreds of tests/analysis, and will be using water fleas and rainbow trout to determine toxicity. He hoped that after all the testing, the numbers would show that DOE should give the city more relaxed limits in the river for the metals. He noted that about \$143,000 was spent to-date, and the city would be submitting claims for reimbursement for the work from a grant from DOE.

b. **Abatement of a Nuisance at 981 NW Rhode Island Avenue.** Bob Nacht stated that during the November 13 council meeting he informed the council about an abatement project at 981 NW Rhode Island Avenue that involved the demolition of a dangerous building under the Uniform Code for the Abatement of Dangerous Buildings. The code specifies how the city can recover the costs of the project. Part of the process requires the council to conduct a hearing regarding the list of charges the city intends to file as a lien against the property, and to provide all persons of interest with an opportunity to object to the list of charges. He requested that the council set a hearing date for December 26, at 3:00 p.m.

Councilor Hatfield moved to set December 26, at 3:05 p.m. for the hearing. The motion was seconded by Councilor Zylstra and carried unanimously.

Bob Nacht added that the list of charges totaled approximately \$11,165.18, and the vast majority of those charges were from tipping fees.

c. **Burn Ban.** Mayor Spahr asked if any ordinances needed to be repealed with regard to the upcoming burn ban as they relate to fire permits.

Randy Hamilton informed the council that the city did not have any ordinances relating to burning permits. He explained that it was done administratively, and staff was in the process of notifying permit holders that the burn ban becomes effective January 1.

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d. **Christmas Parade**. Councilor Hatfield thanked all of the city staff involved with the Christmas parade on December 2. He added that it was a great parade.

e. **Construction Standards**. Mayor Spahr stated he had received calls about the city construction standards. He informed the council that the planning commission would be reviewing construction and development standards during the next few weeks, and they would then be forwarded to the council for review. He stated there was a lot of concern in the community about issues such as curbs, sidewalks, gutters, lights, and water flow.

9. **Executive Session**. Mayor Spahr announced the council would convene into executive session pursuant to RCW 42.30.140(4)(b) – labor contract negotiations, at 4:00 p.m. and there would be no decisions 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.

December 26, 2000

The Chehalis city council met in regular session on Tuesday, December 26, 2000, 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, and Bob Venemon. Councilors Bud Hatfield and Dave Zylstra were 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; 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. **Consent Calendar**. Councilor Galvin moved to approve the consent calendar comprised of the following items:

- a. Minutes of the regular city council meeting of December 11, 2000; and
- b. December 15, 2000, Claims Vouchers No. 54714 – 54857 in the amount of \$150,232.26.

The motion was seconded by Councilor Pope and carried unanimously.

2. **Citizens Business – Municipal Services Agreement with Chehalis Power Generating Limited Partnership (CPGLP)**. Mr. Dave Spogen, 174 Yates Road, Chehalis, addressed the council regarding the proposed agreement. He stated that an 80-year agreement was more than most people's lifetimes, and most would agree that the gas-fired electric business was certainly not the best use of precious water and natural gas resources, and, that one could only project that the technology would be old in 20 years at best. He asked if there was language in the agreement addressing a provision that the plant must operate as a gas-fired electric plant, and if that ceased to be the case, would the 80-year agreement be null and void? Would a new contract have to be considered for any new proposal? What criteria was the city using for the dismantling of the plant? How specific was the plan as compared to the EFSEC restoration language? Did the city (beyond county or state regulations) have specific language stating that when and if a water shortage occurred, the residents would be served first (without question), then all businesses who have previously been established? If water shortages cause the gas-fired plant to use their on-site water storage, would the water from the city's reservoir be used for the plant? If the above scenario was played out, where would the city get their water to refill the reservoir? Mr. Spogen stated that he had watched this issue for about seven years and was very skeptical about the way CPGLP approached certain things. He thought the 80-year lease was a way for CPGLP to avoid site restoration. Prior to the agreement with EFSEC, CPGLP was supposed to have a site restoration plan in place, but he was not sure the council was privy to that. He also expressed concern about the gas pipeline.

3. **Hearing – Recovery of Demolition Costs for the Abatement of a Dangerous Building at 981 NW Rhode Island Avenue**. Bob Nacht stated the Uniform Code for the Abatement of Dangerous Buildings (UCADB) required that the only testimony to be given at the hearing must be relevant to any filings made with the city clerk prior to the hearing. Mr. Nacht confirmed with the city clerk that no timely filings or protests were received, and in that case, there was no need for the hearing. Mr. Nacht stated that the total cost of the project was \$11,422.88, and the next step was to instruct the city attorney to file a lien on the property. He noted there was already a tax foreclosure being started on the property.

Mayor Spahr asked if the city would basically be out the money if the property went to a tax foreclosure.

Bill Hillier indicated that was correct – the city's lien would go away with the tax sale. Any encumbrances on the property, other than federal, would be gone when the tax sale took place. He added the city could be a bidder at the tax sale.

Bob Nacht stated there might be a provision in the UCADB that the city's lien may be on a parody with the federal or state tax lien.

Bill Hillier doubted that a court would hold the city's lien in as high esteem as the city would like to see it.

Councilor Galvin asked what the zoning of the property was.

Bob Nacht indicated it was an industrial-zoned lot. It had previously had a single-family residence on it, but that usage was now discontinued.

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Councilor Pope moved to instruct the city attorney to file a lien on the subject property in the amount of \$11,422.88, plus interest. The motion was seconded by Councilor Galvin and carried unanimously.

**4. Ordinance No. 683-B, Second Reading – Determining and Fixing the Amount of Revenue to be Raised by Ad Valorem Taxes; Ordinance No. 684-B, Second Reading – Stating the Dollar Amount and Percentage of Change for a Property Tax Increase; and Ordinance No. 685-B, Second Reading – Adopting the 2001 Budget.** Dave Campbell stated the ordinances were connected with the adoption of the city's budget and establishment of property tax levies for 2001. He informed the council that on December 15, 2000, a Thurston County superior court judge extended the preliminary injunction to cover all cities and counties in the state with respect to I-722. He added that Lewis County would continue to collect the increased real estate excise tax enacted by the city, and the city could collect the higher building user fees that were established about a year ago. He noted that those actions did not affect the budget. The budget did not provide for those revenues for 2001, and, in fact, provided funding for the potential rebates/refunds of those fees if and when a final court action determined it was necessary.

Mayor Spahr asked if the revenues, if received by the city, would be placed into reserves to be used for potential rebates/refunds.

Dave Campbell stated the real estate excise tax was a revenue of the public facilities reserve fund.

Councilor Ketchum moved to pass Ordinance Nos. 683-B, 684-B, and 685-B on second and final readings. The motion was seconded by Councilor Galvin.

Dave Campbell indicated that until there was a final court ruling on I-722, he wouldn't recommend budgeting the money, other than allowing it to accumulate in reserves. The motion carried unanimously.

**5. Ordinance No. 686-B, Second Reading – Providing for a Budget Amendment.** David Kelly informed the council of a change since first reading of the ordinance. In regard to the demolition costs of the building at 981 NW Rhode Island Avenue, \$5,000 was originally budgeted and another \$5,000 was added, and now that the actual cost had been determined, the supplemental \$5,000 was adjusted to \$6,500.

Councilor Ketchum pointed out that the agenda report still referenced \$5,000.

David Kelly indicated he forgot to make the correction on the agenda report, but the correct figure was \$6,500.

Councilor Galvin moved to pass Ordinance No. 686-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

**6. Ordinance No. 687-B, First Reading – Establishing New Sewer Rates and Repealing Prior Ordinance.** Dave Campbell stated the issue pertained to increased rates for the city of Napavine and Lewis County Sewer District No. 1 pursuant to the city's interlocal agreement with them. The new rates were also a result of flow monitoring work done by the city over the last year for discharges to the interceptor, which was shared by the three entities.

Patrick Wiltzius indicated the rate change did not set the rates for the individual citizens in connection with the sewer district or Napavine. The ordinance would change the rates for service that the city charges Napavine and the sewer district. It would be up to them to adjust their rates as necessary to cover their expenses. He stated that the interlocal agreement was not really being followed with regard to how the city established rates because flow monitoring was not in place at the time the agreement was signed. Flow monitoring had now been in place for about a year-and-a-half, and the sewer operating board felt comfortable with the rate change. He explained that the new rates took into account inflow and infiltration (I&I), and would give the sewer district and Napavine some incentive to take care of their I&I because it would lower their rates. He stated that flows were used from the previous two years to calculate the new rates, and rates would be recalculated every year.

Councilor Ketchum moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Pope and carried unanimously. Councilor Ketchum then moved to pass Ordinance No. 687-B on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

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

a. **2000-2001 Council Goals Quarterly Report.** Dave Campbell reported on activities taking place during the last quarter relating to the 2000-2001 council goals. Those items 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; completion of overlays of State Avenue; storm drainage improvements; implementation of TMDL consent decree requirements; adoption of a new capital improvement plan; and cable television franchise renewal negotiations.

b. **Alleged Harassment.** Councilor Pope stated he was approached by some kids in the community that feel they have been harassed by some members of the police department. He indicated to Randy Hamilton that if that were happening he would like to see it stopped.

Randy Hamilton indicated it had also recently been brought to his attention, and he was in the process of gathering specific reports. He also stated he had a conflict with one of the parties that made a complaint because they were a family member, and he would probably refer the situation to an outside agency. He estimated it could be wrapped up within 30 days, and a report would be provided to the council.

8. **Executive Session.** Mayor Spahr announced the council would convene into executive session pursuant to RCW 42.30.140(1) – legal matters, at 3:30 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 4:00 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.