

| 2017 Meeting Date | Duration | Harris | Ketchum | Lund | Pope | Dawes | Spahr | Taylor |
|-------------------|----------|--------|---------|-------|-------|-------|-------|--------|
| Jan 9 | .75 | P | P | P | P | P | P | P |
| Jan 23 | .25 | P | P | P | P | P | P | P |
| Feb 13 | 1.00 | P | P | P | P | P | P | P |
| Feb 27 | 1.25 | P | P | P | P | P | P | P |
| Mar 13 | 2.50 | P | A(ex) | P | P | P | P | P |
| Mar 27 | .75 | P | P | P | P | P | P | P |
| Apr 10 | 1.5 | P | P | A(ex) | P | P | P | P |
| Apr 24 | 2.00 | P | P | P | P | P | P | P |
| May 8 | 2.00 | P | P | P | P | P | A(ex) | P |
| May 22 | 2.25 | P | A(ex) | P | P | P | P | A(ex) |
| Jun 12 | 2.75 | P | P | P | P | P | P | P |
| Jun 26 | 1.00 | A(ex) | A(ex) | P | P | P | P | P |
| Jul 10 | 1.75 | P | P | P | A(ex) | P | P | P |
| Jul 24 | 1.75 | P | P | P | P | P | P | A(ex) |
| Aug 14 | .50 | P | A(ex) | P | P | P | P | P |
| Aug 28 | 1.50 | P | P | P | P | P | P | P |
| Sept 11 | .50 | P | P | P | P | P | P | P |
| Sept 25 | 1.00 | A(ex) | A(ex) | P | P | P | P | P |
| Oct 9 | 1.75 | P | P | P | P | P | P | P |
| Oct 23 | 1.00 | P | P | P | P | P | P | P |
| Nov 13 | 3.00 | P | A(ex) | A(ex) | P | P | P | P |
| Nov 27 | 1.5 | P | P | P | P | P | P | P |
| Dec 11 | .75 | P | A(ex) | P | P | A(ex) | P | P |
| Dec 25 (canceled) | | | | | | | | |

P = Present
P(ph) = Present (telephonically)

A = Absent
A(ex) = Absent (excused)

R = Resigned
S = Special

January 9, 2017

The Chehalis city council met in regular session on Monday, January 9, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Daryl Lund, Chad Taylor, and Tony Ketchum. Councilors Dr. Isaac Pope and Bob Spahr arrived at 5:02 p.m. Staff present included: Jill Anderson, City Manager; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; and Lilly Wall, Recreation Manager. Members of the media included Justyna Tomtas from *The Chronicle*.

1. **Citizens Business.** Julie Balmelli-Powe (PO Box 341, Chehalis) addressed the council regarding water at the home she purchased at 891 NW Ohio Street through a tax sale through Lewis County. Ms. Powe presented a letter from the Public Works Department regarding the amount necessary to establish water service at the home, which totaled \$6,812.79 through September 7, 2016. She stated she did a title search and found no liens against the property, nor was there any mention of additional liens at the time of sale. She bought the house and has put quite a bit of money into fixing it up and went to hook up the water and found out there was a \$6,800+ water bill. She thought it was crazy to get hit with a water bill in this amount when trying to fix up a derelict home. Had she known about the water bill, she would not have bid the amount she did. She understood that current city ordinances allowed this, but thought some process needed to be put in place to notify people.

Mayor Dawes stated he assumed Ms. Powe received the explanation that when a meter is pulled the chose is either to pay the reconnection fee or the amount due, whichever is less.

Ms. Powe stated she tried to find out how much it would be. She was told she would have to provide proof of ownership and request a new installation and not until then would they provide a quote on what it would be to reestablish service.

Mayor Dawes stated they should have been able to provide the cost of a hookup for a single-family residence.

Mr. Hillier stated the confusion might be that everyone knows what the connection fee is, but what they don't know is what the lower figure might be without going through the calculation process. He assumed that public works doesn't provide that calculation until someone provides proof of ownership.

Ms. Powe stated beyond having to pay the back charges, the price per day charge also seems high when no water is being used. She hoped the council could do something.

Mayor Dawes stated that a lot of the reason this is done is to pay for the new sewer plant that the state forced the city to build a number of years ago. He added that staff is discussing a process for notifying the public of pending utility charges.

Mr. Hillier stated staff's intention is to start the process of recording a notice of unavailability of utilities to put a person on notice if they do a search. He stated most of the time, title companies advise people to check with utilities because there could be unrecorded obligations.

Ms. Powe stated she also spoke with the county and they are going to look at adding language to their auction materials to notify people.

Mayor Dawes appreciated the fact that people are willing to purchase old properties and turn them into nice additions to the neighborhoods. He noted staff will continue to work on the situation to reduce potential surprises.

Councilor Harris asked why the base charge for sewer was three times more than water. Councilor Spahr indicated there was more debt load with the sewer plant.

2. **Consent Calendar.** Mayor Dawes stated that item 6 – First Amendment to Interlocal Agreement Regarding Lewis County Solid Waste Disposal District and Flow Control would be moved to New Business later on the agenda.

Councilor Spahr moved to approve the consent calendar comprised of the following:

a. Minutes of the regular meeting of December 12, 2016;

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b. December 30, 2016 Payroll Vouchers No. 39309 through 39314, Direct Deposit Payroll Vouchers No. 7805 through 7901, and Electronic Federal Tax Payment No. 167 in the amount of \$774,836.19; December 15, 2016 Claim Vouchers No. 117716 through 117852 and Electronic Funds Transfer No. 1120161 in the amount of \$1,491,803.22; and December 30, 2016 Claim Vouchers No. 117853 through 117943 in the amount of \$574,906.84.

c. Revised 2017 Salary Schedule; and

d. Change Order No. 2 in the amount of \$30,214.52 for the Airport Apron Rehabilitation Project.

The motion was seconded by Councilor Pope and carried unanimously.

3. Administration Reports.

a. **City Manager Update.** City Manager Anderson will attend the Port of Chehalis meeting on January 12 to speak in favor of the renewal of the Port's general permit before the Corps of Engineers. This is a permit the Port needs to do their wetland fill activities to prepare sites for development. An informational meeting on the Transportation Benefit District funding proposal to increase the sales tax .2% for transportation improvements will be held January 26 at 5:30 p.m. in the council chambers. City Manager Anderson welcomed two new staff members to the city. Trent Lougheed has accepted the position of Community Development Director, and Denny Peace, the City Manager's new Administrative Assistant.

b. **Update from Councilor Harris.** Councilor Harris stated the council subcommittee on Recreation Park met recently to receive a status briefing. Everything is still in an information stage.

c. **Update from Mayor Dawes.** Mayor Dawes reported he attended the entrance conference with the state auditors, and a mayors' meeting where they discussed unfunded mandates.

4. New Business.

a. **First Amendment to Interlocal Agreement Regarding Lewis County Solid Waste Disposal District and Flow Control.** City Manager Anderson stated there were some minor changes over the weekend to the agreement before the council that would continue the interlocal agreement for the solid waste district.

Erik Martin, Lewis County Public Works Director and County Engineer, stated county staff addressed the council about the need to renew the agreement. They spoke with all parties to the agreement and what they heard was that the agreement is working, so please don't change much. He believed the agreement before the council accomplished that. The agreement provides for another 25-year term. Changes include updated dates and a little bit of wording. The original agreement was to create the disposal district and when legal counsel reviewed the document they stated that that was not really how it was functioning. It was created and then it was maintained, so that language should be added to the agreement.

He understood there was a question about the section which addressed the responsibilities of the cities, and the cities having to pass a flow control ordinance. Ms. Anderson stated the city does have a flow control ordinance, which was passed when the original agreement was signed back in 1992.

Councilor Harris stated the agreement provides that the agreement can be amended from time to time, but that would require approval by all parties, including Chehalis.

Councilor Lund commented that he uses the transfer station quite a bit and everyone is always really courteous and friendly, which he appreciated as a citizen.

Councilor Spahr moved to approve the First Amendment to Interlocal Agreement Regarding Lewis County Solid Waste Disposal District and Flow Control and authorize the mayor and city manager to sign the same. The motion as seconded by Councilor Lund and carried unanimously.

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5. **Condolences.** Mayor Dawes offered condolences to the family of Lukah Herren who was involved in a fatal accident on Friday evening. Lukah was the 16-year-old daughter of Mark Herren and sister of Nichole Paulis, both employees of the city's public works department.

6. **Executive Session.** Mayor Dawes announced that following a short recess, the council would convene into executive session pursuant to RCW 42.30.119(1)(c) to Consider Minimum Price at Which Real Estate Will Be Offered for Sale or Lease not to exceed 20 minutes and there would be no action taken following the executive session. The regular meeting was recessed and the council convened into executive session at 5:30 p.m.

The regular meeting was reopened at 5:50 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved: 1/23/2017

Initials:

January 23, 2017

The Chehalis city council met in regular session on Monday, January 23, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director, Glenn Schaffer, Police Chief; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Justyna Tomtas from *The Chronicle*.

Mayor Dawes stated that the item under Special Business (Flood Authority Update) would be rescheduled to a later meeting.

1. **Citizens Business.** Lewis County Commissioner Edna Fund distributed information about two upcoming events. The "Project Homeless Connect" will take place January 26 from 10:00 am to 3:00 pm in the 4-H Building at the Fairgrounds. The annual Point-in-Time national homeless count will be held, and several agency and service representatives will be on hand to offer services for free. A meal and transportation is provided. The second event is a public meeting to discuss what the Fair means to the community. "Let's Talk Fair – 2017" takes place January 31 from 6:00 to 8:00 pm in the Community Events Building at the Fairgrounds.

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

- a. Minutes of the regular meeting of January 9, 2017;
- b. January 13, 2017 Claim Vouchers No. 117944 – 118059 and Electronic Funds Transfer Nos. 122016 and 1220161 in the amount of \$357,779.81; and January 13, 2017 Claim Vouchers No. 118060 – 118098 in the amount of \$413,763.95.
- c. Accept Basin 1022 I/I Rehabilitation Project as complete and release retainage to Michels Corporation after the City Clerk ensures all statutory requirements have been met;
- d. Award bid for the Airport Pump Station Rebuild Project to Rognlin's, Inc., in the amount of \$885,600; and
- e. Increase maximum billable amount from Skillings Connolly, Inc., in the amount of \$75,000 for engineering services for the Airport Pump Station Rebuild Project.

The motion was seconded by Councilor Harris and carried unanimously.

3. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson noted a special community open house is being conducted this Thursday from 4:30 to 6:30 pm regarding the Transportation Benefit District. It is an opportunity for people to get information about the ballot measure that will be on the February 14 ballot.

4. **Councilor Reports/Committee Updates.**

a. **Update from Councilor Harris.** Councilor Harris thanked Patrick Wiltzius on the Basin 1022 I/I project for coming in under budget.

b. **Update from Councilor Spahr.** Council Spahr echoed Councilor Harris' comments on the Basin 1022 I/I project. He also attended the chamber banquet, which was a nice event.

c. **Update from Mayor Dawes.** Mayor Dawes stated he and City Manager Anderson attended the January 12 Port of Chehalis meeting to lend the city's support for their permit renewal process through the Corps of Engineers. Presentations on the Transportation Benefit District have been occurring this month. Mayor Dawes attended the ones made to the Industrial Commission and Sertoma Club.

January 23, 2017

5. **Condolences.** Mayor Dawes stated the community lost a gem last week in Donna Karvia. Donna's husband is part of the city's extended family having retired as one of our police officers in 1986. Donna was one of those people that did a lot of things in the community that a lot of people didn't know about because she was the type of person that did it because it was the right thing to do, not because it was a way to get notoriety. Her passing leaves a big hole in the volunteer community. Services for Donna are February 4 at the Bethel Church in Napavine beginning at 1:00 pm.

There being no further business to come before the council, the meeting was adjourned at 5:11 pm.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:
Initials:

February 13, 2017

The Chehalis city council met in regular session on Monday, February 13, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; Don Schmitt, Street Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Justyna Tomtas from *The Chronicle*.

1. Citizens Business. Chris Rohr of Flood Valley Brewing (434 NW Prindle Street) addressed the council regarding a requirement to install a fire suppression system in his building by April. Mr. Rohr stated he is trying to work with the building owners, but they are not willing to do anything. The codes requiring the system are using the 5,000 sq. ft. footprint of the building, but he only occupies a portion of the building. The system costs about \$30,000 for a building space that he is leasing. He asked if there was a way to extend the timeline so he does not get shut down because he has invested everything in trying to make his business successful. He would like to have until the end of the year to meet the requirement.

Mayor Dawes stated if laws on the books are not enforced there is potential liability to the city. He asked Mr. Rohr if he's tried working with the fire department. Mr. Rohr stated he was told there should be no problem with a variance and he's already been given five months, but with trying to start his business, he hasn't been able to meet the requirement.

Mayor Dawes wondered if the portion of the building being occupied by Mr. Rohr could be permanently separated from the rest of the building to make the area smaller to meet the criteria.

Councilor Lund believed there was always a way to make things work and he hoped that would happen in this case.

Councilor Ketchum suggested that Mr. Rohr meet with city staff to discuss potential options.

Mayor Dawes stated the city was happy to see Mr. Rohr bring his business back to Chehalis and wanted to see him flourish, but at the same time protect the city's interests.

2. Special Business. David Hartz and Annalee Tobey provided an update on CCRT (Chehalis Community Renaissance Team) activities. Mr. Hartz recognized that the CCRT would not be a successful organization without the support of the city council and the city manager. The CCRT's membership in the Main Street Program is driving some organizational changes. In order to take advantage of Main Street B&O (business & occupation) funds, the CCRT needed to hire a paid executive director. As a result, they are looking at combining the CCRT and the Friends of the Chehalis Community Renaissance, which is the non-profit and funding mechanism for Renaissance projects. He provided a handout outlining the four committees of the CCRT, which include Design, Economic Restructuring, Promotion, and Organization. In the past, the city manager appointed the chair of the CCRT, but with the changes being made, that appointment went away. They want the city to have a permanent spot on the Board of Directors (the Organization Committee), so the city manager will be a voting member. In the past, the city manager was a non-voting member. Mr. Hartz asked for the council's "blessing" on the changes before they are put into place. Mr. Hartz introduced Annalee Tobey, the newly appointed Main Street Executive Director.

Ms. Tobey updated the council on Renaissance activities, including new banners on Market Boulevard; the Lewis County Visitor Guide and Chehalis brochure will be sent to print soon; and an empty building inventory of for sale/lease properties was created and is available on the Renaissance page of the city's website. The CCRT now has a physical location at 60 NW Boistfort Street thanks to Daryl Lund. One of the biggest projects currently underway is the remodeling of the downtown public restrooms, which have been closed for quite a few months. In speaking with downtown businesses, the need to reopen the bathrooms was very important. The Renaissance has committed \$25,000 toward the project. The goal is to complete the project before the Farmers Market opens in June. Ms. Tobey also thanked the city for its contribution to the B&O Tax Incentive Program toward Renaissance projects. Between the city's donation, and donations from Callisons, Book 'N Brush, and Security State Bank, the Renaissance received \$71,000. She specifically thanked Finance Manager Judy Pectol for making the city's contribution just after 12:00 am on New Year's Eve. All donation money was spoken for by 6:00 am on January 1, so Judy's willingness to get the city's donation submitted was truly appreciated.

Mayor Dawes expressed his appreciation of the work done by the CCRT. Ms. Tobey noted the bus stop will also be moved within the coming weeks closer to the Colony House, and they are looking at making that space as storage.

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

a. Minutes of the regular meeting of January 23, 2017;

b. January 31, 2017 Payroll Vouchers No. 39359 – 39402, Direct Deposit Payroll Vouchers No. 7902 – 7997, Electronic Federal Tax Payment No. 168 in the amount of \$708,728.30; and January 31, 2017 Claim Vouchers No. 118099 – 118227 in the amount of \$761,402.23;

c. Interlocal Agreement for Riverside Fire Authority to provide fire marshal services to the city of Chehalis; and

d. Intergovernmental Cooperative Purchasing Agreement with Lewis County.

The motion was seconded by Councilor Taylor and carried unanimously.

4. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson introduced Denny Peace, the new administrative assistant to the city manager, a position vacated by the promotion of Caryn Foley to city clerk. Ms. Anderson acknowledged the fire department for the support given to Riverside Fire Authority in a very serious fire in Centralia that resulted in three individuals being airlifted to Harborview in Seattle and two children who were hospitalized locally. It shows the cooperation between the fire agencies to better serve the public. She also noted that public works crews, along with police and fire, were out in the snow and rain – plowing snow at the beginning of the week and on flood watch by the end of the week.

5. **Councilor Reports/Committee Updates.**

a. **Councilor Ketchum.** Councilor Ketchum stated he has a sister city committee meeting tonight. He thanked Caryn Foley for providing support to the sister city program. Denny Peace will take over the duties. A delegation from Inasa, Japan will be visiting Chehalis March 23-28.

b. **Councilor Lund.** Councilor Lund attended the EDC banquet on February 9 and the monthly meeting with Fire District No. 6 on February 8. He wondered what the council thought about having staff really push to get volunteers to help the city's career firefighters. He thought it might be an opportunity for young people to volunteer. Mayor Dawes didn't think anyone on the council would be against that and he agreed with Councilor Lund's suggestion.

c. **Councilor Spahr.** Councilor Spahr also attended the EDC banquet and meeting with District No. 6. He stated a potential merger with the District will take time and really comes down to dollars and how we can make it work.

Councilor Spahr addressed the recent letter to the editor talking about the city's Transportation Benefit District (TBD) ballot measure. The letter stated the city had received \$1 million since 2010, and although a fact, it was not the total story. In 2008 the city collected \$5,111,171 in sales tax and property tax. In 2009, it was \$4,413,323. In 2010, it was \$4,175,730, so at that point in time, there was a deficit of \$2,533,517. He agreed that police and fire still came when called, but today, neither department is at full staffing capacity. Also during that time, staff was cut and management staff took reductions in pay. Parks and recreation was almost gutted, and roads were basically not done for several years. 2016 was the first year the city collected more sales and property taxes toward the general fund than it did in 2008. \$5,289,948 was collected, which provided a \$178,777 plus after nine years. Altogether, the city is down \$4,368,203 since 2008 and that was made up through cuts, cuts, and more cuts. The purpose of the TBD is not only to try and catch up, but to allow for long-range project planning for the city's 54 miles of roads. A portion of National Avenue was recently improved at a cost of \$550,000. Councilor Spahr stated the funds would also be used as grant match money.

d. **Councilor Pope.** Councilor Pope supported Councilor Spahr's comments. He added that the council made a decision as to what would be the best avenue to raise funds for the TBD. Rather than raising property taxes, the council decided on sales taxes because it would be more equitable to our citizens. He stated that 20,000 to 30,000 people come into the city to shop and those purchases would help pay for improvements to roads that they also use.

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It appeared to Councilor Pope that on a couple occasions, the council has been courted to create special tax privileges for one or two business industries in the community. It now appears that the council is being told that it will cause a business to lose a great deal of money. Councilor Pope stated that when he was elected to the city council he believed that he was supposed to represent everyone in the community and do what was in the best interest of everyone. Are we going to make some mistakes? Yes. He stated the city is also a business, and the council has to make the best decisions regarding the city. He stated things don't get done without money, and the city needs to maintain its infrastructure. He thought the sales tax option was the best decision and not geared toward any particular business, and he hoped the community also supports it.

Councilor Spahr stated the amount of tax is 0.02%. As an example, if someone makes a \$35,000 purchase, the additional tax on that amount would be \$70.

e. **Councilor Harris.** Councilor Harris also spoke to the issue, stating it was sometimes difficult to sit on the council. As council members, they have fewer rights than the public. For example, it would be unethical for a council member to call the street department and notify them of the pothole. They have to go through the proper channels to make sure they aren't abusing their position to make it look like they are getting something done more rapidly. However, he stated that council members are allowed to express their opinions. He explained that his problem with the letter was that he's not prone to be a fear monger. The letter states that the proposed sales tax increase would cost hundreds, if not thousands, of dollars to people each year. He stated that if a person spent \$500,000 in one year on retail goods, the additional sales tax it would cost them would be \$1,000. That's after they've spent the other \$40,000 from the rest of the sales tax that they would have to spend. He also had a problem with the part of the letter that stated, "The city wants to raise sales tax and my question this whole time has been why." He stated the issue was not without explanation. The sales tax increase was one of only two possible ways to work on street infrastructure. If the writer of the letter had done his homework, he'd know why the money was needed.

Councilor Taylor stated the "why" wasn't because he didn't know what the increase would be used for. The "why" was why raise taxes? He thought the council members were using a bully pulpit to support the increase. Each council member could have done what he did by telling people why they supported the increase. He stated his opinion and each council member has every right to do that. Councilor Taylor believed there were other ways to raise money besides raising taxes. He stated that just because he has a difference of opinion on how to raise the money doesn't make his opinion invalid or wrong. He stated the council knows how he feels about not raising taxes. A smaller sales tax is a competitive advantage for all businesses in Chehalis, not just a select few. He believed the council thinks he's doing this because of one of his clients or a few of his clients, but the sales tax affects every business, not just the ones he represents. It's a big deal to businesses. All of the council members had the opportunity to inform anybody in any way they wanted. He stated presentations were made and the council had another government entity publicly support it. Councilor Taylor stated he had businesses come and talk to him about it.

f. **Mayor Dawes.** Mayor Dawes attended the TBD open house on January 26, the February 3 mayors' meeting, the February 7 Business Showcase ribbon cutting, and the EDC banquet on the 9th. It was nice to see J. Vander Stoep receive the Gail & Carolyn Shaw Industry Award, the Port of Chehalis received the Golden Shovel Award, Johnny Garcia received the Russ Mohney Recreation Stewardship Award, and Trevor Elliott and Amanda Hubbert received the Economic Development Leadership Award.

Mayor Dawes asked staff to look at the tree hanging down over the street right-of-way on 9th Street.

With regard to the TBD, Mayor Dawes stated the last thing he wanted to do is raise taxes. While he respects opposite opinions, he wanted the whole story told if information is given out. He reiterated that the city lost \$1 million in sales tax between 2008 and 2010, which is 25%. It was finally up in 2016 by a little over \$100,000. To leave out the first two years (2008 and 2009) in the drop and bring in the last years is not right. It's not the full story. He stated he would obviously accept the end result, but there is no one in the room that wants local businesses to survive and do better than the seven council members. He was disappointed with the fact that if there are other ways to raise revenue, he hasn't heard one suggestion from council members. He stated the council members are leaders and elected to represent the people. The streets are not getting in better shape. He noted the city of Lacey is doing the same thing. They are a lot bigger than Chehalis, but both cities rely a lot on sales tax. Lacey provided an example that a family that makes \$50,000 to \$60,000 a year would pay an extra \$25 in sales tax per year. If they were to raise tabs, that's \$40 and just applies to the people that live in the city limits. People come into Chehalis to shop, so is it fair to just burden our own taxpayers? Mayor Dawes stated these were the reasons he supported this. The city had to lay off several personnel and is still not back to the same staffing levels. While he doesn't like to pay more, he needs to

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drive on roads. He asked that if any council member had an idea as to how to otherwise raise the funds, we owe it to staff to give them those ideas. It's easy to say to staff to look at other ways, but sometimes the council needs to take the bull by the horn. He stated the council can disagree and leave it at the table.

Mayor Dawes announced at 5:49 p.m. that the council would take a short recess before going into executive session.

6. **Executive Session.** At 5:51 p.m., Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation not to exceed 20 minutes and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 6:07 p.m. and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved: 2/27/2017

Initials: _____

February 27, 2017

The Chehalis city council met in regular session on Monday, February 27, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; and Lilly Wall, Recreation Manager. Members of the media included Justyna Tomtas from *The Chronicle*.

Mayor Dawes noted there would be no executive session.

1. Special Business.

a. **Employee Service Awards.** Police Chief Glenn Schaffer was presented a certificate for 10 years of service, while Public Works Director Rick Sahlin was recognized for 35 years of service.

b. **Chehalis Basin Strategy Update.** Mayor Dawes congratulated Mr. J. Vander Stoep on receiving the Gail & Carolyn Shaw Industry Award at the EDC banquet held earlier this month.

Mr. Vander Stoep stated the process is focused on two challenges – the decline of the fishery in the Basin and flood damage reduction. Predictions of continued increasingly hot summers over the next 100 years will create a significant decline in the four main salmon runs in the Basin if nothing is done. On the flood side, the five highest flows at the Grand Mound gauge since 1928 have all been since 1986, which results in two problems – floods are getting worse and the fisheries are in decline.

He explained that when an Environmental Impact Statement (EIS) is done, alternatives have to be offered, including a “no action” option. The draft Programmatic EIS released by the Department of Ecology (DOE) in October indicated that the “no action” option would result in \$3.5 billion in additional flood damage over the next 100 years, and that is without any factoring of climate change. Additionally, if there is an endangered species listing in the basin that will also cost many businesses, local governments, and land owners a lot of money.

Mr. Vander Stoep reviewed some of the habitat projects, including local projects, either completed or underway. He stated people think the process is taking a long time and he agreed, but noted that most of the projects have been completed under budget and under time. Mr. Vander Stoep showed a visual of flood level reductions from Pe EII to Cosmopolis that water retention would bring in a 2007 flood and a 100-year flood.

Mr. Vander Stoep stated an Aquatic Species Enhancement Plan with landowners with the Conservation District was created in response to the question of what happens to the fishery if you do all this work, and what happens if a dam is built? He stated that the information shows that you can have a dam and still have a very dramatic increase in the fishery. A visual was also shown that shows the difference in flood depths from the 2007 flood compared to how they would be different if the dam had been in place. It showed that the area of flooding would have been greatly decreased.

Mr. Vander Stoep stated the Programmatic EIS would be finalized in June. The Governor’s Work Group took Alternative 1 and a piece of Alternative 4 to the Governor for \$50 million in the next biennium. The Governor included it in his capital budget and it is now before the Legislature. The Work Group will go away in July when the Office of Chehalis Basin is funded and underway. It will be a seven-member board of directors and a director under the office within the Department of Ecology. The key difference of the new department is that it will be an action agency, not a regulatory agency. The office is charged with aggressively pursuing flood damage reduction and aquatic species enhancement, which is a good step forward. If the \$50 million is passed by the Legislature, \$13 million will go toward project permitting on the dam, and the Programmatic EIS will shift to a Project EIS.

Councilor Harris asked Mr. Vander Stoep if he would accept one of the appointed positions to the board of the Office of Chehalis Basin, if asked. Mr. Vander Stoep stated he would be willing to serve on the board for at least the first two years.

Councilor Harris expressed appreciation to Mr. Vander Stoep for all the work he’s done on this project. Councilor Harris noted that Kahle Jennings has also thrown his hat into the ring to be on the board.

February 27, 2017

Councilor Lund expressed his support for Mr. Vander Stoep to be on the board of directors, as well.

Councilor Spahr noted that there are several projects in the local area, the lower basin has about 10 or 11 projects. When this was started it didn't seem like the communities in the lower basin had much to do, but it turned out they have a lot to do, and a dam would help them tremendously.

Councilor Harris stated that if it comes down to a dam project, he wanted to make sure that all of the local projects get done through the Flood Authority. Mr. Vander Stoep stated that the local projects will take well over a decade.

Councilor Harris asked what Mr. Vander Stoep thought about Hoquiam joining the membership. Mr. Vander Stoep thought it was good – the more communities that have a stake in it, the better.

Mayor Spahr asked why there has to be two EISs. Mr. Vander Stoep stated a Programmatic EIS looks at the whole project, while a Project EIS looks at individual-specific projects. If someone were to sue, the court has to focus on the specific project, not the project as a whole.

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

- a. Minutes of the regular meeting of February 13, 2017;
- b. February 15, 2017 Claim Vouchers No. 118228 through 118406 and Electronic Funds Transfer No. 12017 in the amount of \$545,975.12;
- c. Change Order No. 1 in the amount of (\$15,424.56) for the Airport Pump Station Project;
- d. Resolution No. 1-2017, first and final reading – declaring property to be surplus; and
- e. Reappoint Sue Carmick, Denny Clark, and Etsuko Holmes to the Sister City Committee for 4-year terms expiring December 31, 2020.

The motion was seconded by Councilor Lund and carried unanimously.

3. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson announced that the Transportation Benefit District (TBD) election was certified February 24, and the electors approved an increase in sales tax for the TBD.

b. **Finance Report.** Finance Manager Judy Pectol reviewed financial reports for November, December and 4th Quarter 2016 and January 2017. The city is doing well financially. The General Fund and Dedicated Street Fund had lower fund balances at the end of 2016, primarily due to the timing of grant revenues. One surprise was the Airport Fund, which ended the year fine, but there were some expenses that were not budgeted and that will be dealt with. This year will be interesting for the Airport Fund as it is the year the county makes the last payment on the GO Bond, including interest, and the city will be totally responsible for operating the airport financially. The county will pay approximately \$1.5 million for the GO Bond and about \$15,000 above that amount in interest.

For January 2017, the biggest difference for the General Fund is how it appears because the Community Development Department was broken into three separate funds – parks, facilities, and building and planning. It looks like some departments are spending too much. For example, the Finance Department had already spent 23.7% of its budget at the end of January, which is due to some one-time payments. As the year goes along, that evens out. Ms. Pectol thanked the Public Works Department for lending the help of an employee that was assigned to light duty work. She was very helpful and much appreciated.

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4. Councilor Reports/Committee Updates.

a. **Councilor Harris.** Councilor Harris stated the presentation made by J. Vander Stoep at the last Chehalis Basin Partnership meeting was well received. He attended the Chehalis Wedding Show at The Loft and it was very busy. He looked forward to how many weddings would result in the event and how many heads it put into our local hotels.

Mayor Dawes stated he saw information in the latest AWC bulletin about a Senate bill that impacts lodging tax. The City Clerk indicated she would look into it.

b. **Councilor Spahr.** Councilor Spahr stated a letter was received from Janet Rowley regarding Amtrak eliminating staff from the Centralia station. Mayor Dawes stated he asked staff to draft a letter to Amtrak in opposition to leaving the station unattended. Councilor Lund noted that the Olympia station eliminated staff, but volunteers formed a non-profit to help people with their travels. He suggested that letters also be written to our Congressional representatives.

c. **Mayor Dawes.** Mayor Dawes attended the Chamber's Business After Hours at the Chehalis Theater on February 23.

5. **Recreation Park Improvement Project.** City Manager Anderson stated an update was prepared for the council and the community on some of the work that has been done on Recreation Park and asked for direction in regards to the timeframe for moving forward with the park and authority to spend approximately \$85,000 to complete the 30% design, which is needed to get a better cost estimate for construction of the park.

Trent Lougheed stated staff is looking for direction for proceeding with the 30% design, scheduling, and funding. He provided a brief history of the project, which began in 2015. Some of the projects discussed included additions to parking, site drainage, improvements to ball fields, and remodeling of the community buildings. The council agreed with the potential improvements in order to make the park a "first class facility." Skillings Connolly was hired to provide project management.

City Manager Anderson noted that a subcommittee of the council was created who have provided direction on the project. She thanked Councilors Harris, Lund, and Dr. Pope.

Tom Skillings discussed development of the plan to-date. Extensive public outreach activities were conducted, and specific improvement elements were identified. Those elements included improved ball field drainage, increased safety, security, and maintenance of the current characteristics of Penny Playground, a new community building, additional parking and access around the park, and added walking trails and perhaps on amphitheater. As a result of all the comments obtained, a Recreation Park Master Plan was drafted, which included:

- Community Building
- Outdoor Event Space
 - * Temporary Stage
 - * Grass Lawn Seating
- Ballfield Maintenance
 - * Drainage Improvements
 - * Minor Improvements
- Penny Playground
 - * All-Weather Play Surfacing
 - * New Play Structures
 - * New Drainage
- New Parking Area
- Drop Off Area
- RV Parking
- Bus Parking/Drop Off
- Rose Garden to be Relocated
- Frontage Improvements along Williams & 13th
- Greenhill Parking
- Picnic Shelters
- Existing Trees to Remain
- Proposed Trees
- Open Lawn
- Pathways

Mr. Skillings noted that increasing parking has been completed through an agreement with Green Hill School for about 100 parking stalls. The estimated cost for completion of all elements ranged from \$7 million to \$8 million, with the first phase costing about \$2.4 million with \$400,000 being allocated for ball field drainage. Additionally, if Penny Playground was removed from the project, the cost would be \$1.36 million for phase 1.

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City Manager Anderson noted that removing Penny Playground from the project scope related to discussions about having city staff manage the project and be a little closer to the community because of the emotion and ties to the playground that the community invested so much into making it happen. There is also a group of people that want to raise money for the project.

Mr. Skillings stated he and his staff met with the city's park committee to develop a Phase 1 plan to address the highest identified priorities:

- Safer parking
- Better drainage
- Improved accessibility
- Improved ball field drainage
- Other components included:
 - * Drainage improvements around the perimeter of the park
 - * New parking area along park access road
 - * One-way connector drive between the new parking lot along the park access road and the existing parking lot
 - * New parking area in the existing Green Hill parking lot (accomplished)
 - * Ball field improvements
 - * Minor renovations to the existing restrooms
 - * Improved lighting
 - * Improved accessibility
 - * New Penny Playground
 - Completed as part of a community design/build process
 - Penny Playground Committee responsible for leading fundraising efforts
 - Skillings Connolly design team will design connection points only
 - City will work directly with a playground manufacturer to design/construct new playground facility

Mr. Skillings stated that additional activities identified on the master plan can be accomplished, but they can be done in phases for:

- A new community building
- New parking
- Walkways
- Landscape improvements

Councilor Pope stated that he has been asked about the safety of Penny Playground. If the playground is unsafe and does not meet code, what is the city's liability if we continue to let people use it? Should it be closed? City Manager Anderson stated that has not been a question that has been discussed. While she had heard there were issues with the playground, she has never heard it put that directly in terms of liability. If it is determined to be unsafe, we would need to close it.

Mayor Dawes didn't recall liability ever being a concern. He noted they don't make playgrounds out of wood any more, and it may be extended past its useful life, but because of ongoing maintenance it's in the shape it is.

Mr. Loughheed stated there are concerns with the playground not meeting current codes for ADA and fall protection, but those are considered existing, nonconforming uses. There has been nothing presented to the city that indicates that anything is unsafe and nothing has been proven unsafe. The plan is to upgrade the playground with more modern equipment and one that meets compliance with ADA and safety requirements.

Mr. Skillings stated a condition assessment was done and conditions were found that do not meet standards, but there were no issues identified as safety hazards. The city's parks maintenance staff do a great job keeping the park usable. Mayor Dawes stated that things that were code years ago may not be code now. Ms. Anderson stated there is a fine line between safety and risk, and even with a brand new playground, someone can still have an accident.

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Councilor Spahr asked how much of the new playground had to be ADA accessible. Mr. Lougheed stated it was up to the city. The playground needs to be accessible as far as the surfaces getting to and from. Portions of each of the features will be accessible, but he noted that some cannot (e.g., a climbing rope).

Mr. Lougheed stated staff recommended the council approve a plan that would complete the project in phases:

Phase 1 would address the highest priority needs, including safer parking, better drainage, a new playground, and improved ball fields:

- New playground area (community design and build)
- Drainage improvements around the perimeter of the park
- New parking area along the park access road
- One-way connector drive between new parking lot along the park access road and the existing parking lot
- Grading and drainage improvements to the ball fields
- Minor renovations to the existing restrooms
- Improved lighting
- Two (2) new picnic shelters
- Improved accessibility

Design to be completed in phases:

- 30% Preliminary Design and Estimate would provide the first opportunity to evaluate the cost of the project based on a design
 - * 30% design will allow the City to evaluate the total anticipated cost of Phase I, less Penny Playground, picnic shelters, and restroom upgrades.
- 100% Design and Estimate:
 - * Authorize the engineer to proceed with final design, or
 - * Reduce the scope of the work to fit within budget

Mr. Lougheed stated that if they can get the 30% design stage and go forward with what we want to see built in Phase 1, and get 100% bid documents ready, that scores a lot higher in the grant cycles they are looking to potentially apply for, which refocus the construction part of the project into 2018 instead of this year.

City Manager Anderson stated the main question tonight was to ask for the council's authority to spend \$85,000 using Real Estate Excise Tax money to do the 30% design, and to get some direction as to the timing. The project has been in the works for about two years and there was discussion of getting it built this year, which is possible, but it would require the city to fund the entire \$2 million up front, which means getting a loan, less the \$400,000 committed by The Chehalis Foundation for ball field drainage, which they plan to contribute over a period of years. If construction is deferred to 2018 for construction, we can do a 100% design, have a shovel-ready project, use the enthusiasm of the community to do a fundraiser for Penny Playground, and also apply for lodging tax money and grants. This would help reduce the amount of money the city would need to put forth.

Councilor Spahr moved that the City Council authorize the City Manager to execute a professional services contract to Skillings Connolly, Inc., in an amount "Not-to-Exceed" \$85,000 to complete the 30% design level documents for Phase I of the Recreation Park Project. The motion was seconded by Councilor Pope.

Councilor Lund stated that waiting until 2018 was wise, so that lodging tax money can be used.

Councilor Ketchum stated that .09 money may also be a possibility.

Mayor Dawes also wondered about the potential for using Tourism Promotion Area monies.

The motion carried unanimously.

There being no further business to come before the council, the meeting was adjourned at 6:14 pm.

February 27, 2017

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

March 13, 2017

The Chehalis city council met in regular session on Monday, March 13, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Tony Ketchum was absent (excused). Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Trent Loughheed, Community Development Director; Dale McBeth, Municipal Court Judge; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; Mark Scheibmeir, Assistant City Attorney; Don Schmitt, Street Superintendent; and Dave Vasilauskas, Water Superintendent. Members of the media included Justyna Tomtas from *The Chronicle*.

1. Swearing In of Abraham Meyer as Firefighter and Derrick Paul as Fire Captain. New Firefighter Abraham Meyer and newly promoted Fire Captain Derrick Paul were sworn into their new positions by Municipal Court Judge Dale McBeth. Family members and fellow firefighters were on hand for the event. Mayor Dawes congratulated Firefighter Meyer and Captain Paul.

2. Chamber Update. Alicia Bull updated the council on happenings at the chamber. She thanked the council for their dedication to the chamber by allocating lodging tax revenue for the visitor center at the chamber. The money is used to have the chamber open on Saturdays; 25% of the facility is set up for tourism promotion materials; and an 800 telephone number is available for out-of-area callers interested in visiting our area. The chamber keeps track of all calls, along with visitors to the chamber. The chamber provides a relocation guide, the chamber directory, and all sorts of information about the community. The chamber promotes the Choose Local First campaign with radio spots. Ms. Bull distributed the new chamber directory and pointed out the new insert, which included recognition of businesses that support the chamber. The city is listed as a platinum sponsor, which includes recognition and promotion of Chehalis events on the chamber's electronic reader board. The insert includes a calendar of chamber-sponsored events, including many in the Chehalis. One of the events is the Seattle to Portland Bicycle Classic (STP), and Ms. Bull indicated that they are really trying to "beef up" the STP within the city of Chehalis, including a celebration at Penny Playground last year. The chamber takes care of private housing, luggage, and the food for the one-day riders. They want people to enjoy the space so visitors will want to come back. She stated all of those events are on top of the activities funded by lodging tax. She stated these events are important and the chamber wants to support the city and businesses as best they can.

Mayor Dawes stated there was a recent Senate bill, that died, that would have had an impact on the Chehalis Wedding Show and the city's ability to fund that event, which hoteliers have identified as one of the biggest things that brings people in. The Wedding Show itself may not bring in many visitors, but the resulting weddings do.

Ms. Bull stated she and Chamber president Todd Chaput discussed that, and they definitely want to see the money stay at the local level. She stated they were happy to see the bill go that way and they will continue to stay involved. She stated the chamber's goal is to get people here and help them stay longer, spend more money, and want to come back. When the chamber talks tourism they look at how the communities can be sold together to get people here. They also worry about workforce and education – making sure our schools are strong. She reiterated how much the chamber appreciates the long-term lease the city has given the chamber for the property where the chamber is located. They value the relationship with the city and want to see that relationship grow.

Councilor Pope shared the history of housing in private homes for the STP. The grange had a big convention here and they needed housing. At the same time an effort was underway to have a performing arts center here. That group developed the private housing for the grange convention and from there, he and his wife set it up for the STP. He stated they had riders stay with them each year and even though they don't ride anymore, they still come and stay with them each year, which is really nice. Ms. Bull stated they also see that; people have formed long-term relationships and friendships.

Councilor Lund thanked Ms. Bull for the great job she's done for the chamber, and as a member he appreciates the information that gets out to the members. Ms. Bull stated they have a lot going on and now have four employees.

Councilor Lund asked Ms. Bull to tell the council about the upcoming fundraiser for the Boys & Girls Club facility that is under construction. Ms. Bull stated that *Brews, Brats and Wine – First Pitch* will be held March 25 at 4:00 p.m. at the Pacific Athletic Center. Tickets are available on-line or through her.

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Mayor Dawes agreed that bringing people into the area requires cooperation, not amongst the chamber and the city, but amongst all groups. We need to recognize that the competition is not amongst us in Lewis County. The competition is amongst those around us that want the same things that we do. We've got to learn that there is enough for all of us, so let's be supportive of each other. Ms. Bull concurred and stated what's good for one community is good for all of us.

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

- a. Minutes of the regular meeting of February 27, 2017;
- b. February 28, 2017 Claim Vouchers No. 118407 – 118515 in the amount of \$204,125.25; and February 28, 2017, Payroll Vouchers No. 39403 – 39443, Direct Deposit Payroll Vouchers No. 7998 – 8094, and Electronic Federal Tax Payment No. 169 in the amount of \$726,322.84;
- c. Approve bids for rock, gravel, and asphalt;
- d. Approve engineering services contract with RB Engineering in the amount of \$19,100 for fill and grade of Tract 5A at the Airport;
- e. Approve final acceptance of Salzer Creek Bridge Scour Project and authorize release of retainage in the amount of \$14,951.01 to JamesCo Pro, Inc., after statutory requirements are met;
- f. Approve final acceptance of National Avenue TIB Arterial Preservation Project and authorize release of retainage in the amount of \$16,037.45 to Granite Construction Company after all statutory requirements are met;
- g. Approve amendment No. 4 in the amount of \$35,500 to the professional services agreement with Parametrix, Inc., for SCADA services; and
- h. Authorize City Manager to sign the Chehalis River Basin Flood Authority Interlocal Agreement for Study, Analysis, and Implementation of Flood Hazard Reduction Solutions in the Basin.

The motion was seconded by Councilor Lund.

Councilor Spahr noted the National Avenue TIB Arterial Project came in about \$45,000 under bid. With regard to the High Level Reservoir Project, he asked why the original estimate did not foresee the needed SCADA services? Water Superintendent Dave Vasilauskas stated that when they went to bid for the project they did not know the magnitude of what needed to be upgraded, and the radio frequency needed to be changed. Not knowing all of that, they had to wait until all engineering was done and then implement what was needed.

The motion carried unanimously.

4. **Councilor Reports/Committee Updates.**

a. **Councilor Lund.** Councilor Lund attended a fair commission meeting and the Pope's Kids Place Gala, which was a wonderful event.

b. **Councilor Spahr.** Councilor Spahr attended the EDC board meeting and also Pope's Gala.

c. **Councilor Harris.** Councilor Harris attended the CCRT meeting. He was also busy relating to the Senate bill on lodging tax that Mayor Dawes mentioned earlier in the meeting. It appears that some places in the state are using the funds incorrectly and so we're all having to pay the price. He wished common sense would prevail and that they would realize that communities know what is best for them. The reporting requirements that were in the bill were unattainable. They were asking for exact information about how many heads were put into beds for every single program and that is just not possible. Councilor Harris is now the chair of the Chehalis Basin Partnership. They have lots going on and he wants to look at the 100% consensus

March 13, 2017

requirement that the organization has to deal with. He stated that when you have 20 to 25 members, and the only way you can get anything done is if not a single person says no, you are handcuffed.

With regard to the lodging tax bill, Mayor Dawes agreed that somewhere, someone is upset over the way funds are being spent, so rather than address that particular group, they take the first grade approach and punish everybody.

d. **Mayor Dawes.** Mayor Dawes attended the Mayors' meeting where they discussed the Corps of Engineers and our community being in the Seattle district. He suggested that a letter be drafted to be signed by all mayors and Lewis County commissioners asking that we be put back under Portland's district. A letter was also sent to Senator Braun regarding the lodging tax bill. He suggested that if there are concerns from the hoteliers maybe they need to be the ones that take over the sponsoring of events and manage them because that's what we're trying to do to bring visitors in. A letter also went out to maintain the staffing at the Centralia Amtrak station. They will keep it staffed until the end of this year and it looks fairly promising to keep it staffed the following year, too.

5. **Executive Session.** At 5:42 p.m., Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate; RCW 42.30.110(1)(i) – Litigation/Potential Litigation; and RCW 42.30.140(4)(a) – Collective Bargaining not to exceed 60 minutes and there would be no decisions following conclusion of the executive session. The regular meeting was reopened at 6:43 p.m. and the Mayor announced the council would be in executive an additional 20 minutes. He again reopened the regular meeting at 7:02 p.m. and announced the council would be in executive session an additional 30 minutes. Mayor Dawes closed the executive session at 7:19 p.m. and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: cf

March 27, 2017

The Chehalis city council met in regular session on Monday, March 13, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Justyna Tomtas from *The Chronicle*.

1. Special Business.

a. **Welcome and Recognition of Chehalis Boy Scout Pack 301.** Mayor Dawes welcomed Brian Cummings, one of the leaders of Pack 301, and pack members Will Cummings, Hayden Steele, Braden Newman, and Nathan Baine. The pack was in attendance to learn about city government, how to be good citizens, and conservation.

b. **Chehalis Wedding Show Report.** Matt Shannon and Lori Kahn of Premier Broadcasters reported on the Chehalis Wedding Show held February 18 at The Loft. Verified attendance, the number of vendors, and the number of registered brides were all up. It was noted that many vendors return year after year and were happy with the event. Many had bookings at the event and following the event. Attendees were lined up at the door for the 10:00 am opening.

Mayor Dawes asked if there was any way to know how many folks may book weddings in town because of the Wedding Show. He noted a bill in the legislature could have had the potential of severely impacting the hotel-motel tax dollars and the organizations that receive funding. He stated the bill is dead at this time; however, he asked if that was something that could be tracked in the event the bill reappears.

Councilor Harris noted he has some ideas that he will work with Premier on.

c. **Welcome and Presentation of Certificates to Visiting Sister City Delegation, and Recognition of Host Families.** Mayor Dawes and Councilor Ketchum welcomed eight members from the city's sister city of Inasa, Japan. Each member was recognized with a certificate and photos from the week. Mayor Dawes also recognized and thanked all of the host families that opened their homes to the visitors, including Steve and Sue Carmick; Denny and Bonnie Clark; Terry and Etsuko Holmes; Tom, Carrina, Monica and Ruby Stanton; Paul and Val Rasku; and Mike and Di Morgan. He also recognized the work of Councilor Ketchum, Caryn Foley, and Denny Peace for their work in making the visit possible.

Mr. Fumiaki Kuroyanagi presented the city with a gift of a beautiful scroll. He expressed gratitude for the city's kindness and hospitality. Mayor Dawes thanked Mr. Kuroyanagi for the gift. The group was brought forward for a photo with the council.

2. Consent Calendar. Councilor Lund moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular meeting of March 13, 2017;
- b. March 15, 2017 Claim Vouchers No. 118516-118675 and Electronic Funds Transfer No. 22017 in the amount of \$300,034.08;
- c. Supplemental Grant Agreement with WSDOT in the amount of \$3,965.08 for the Airport Apron Project;
- d. Award bid for the Kresky Avenue Sewer Repair Project to DJ's Plumbing in the amount of \$68,963.40;
- e. Resolution No. 2-2017, first and final reading – declaring property to be surplus; and
- f. Set date and time of April 10, 2017 at 5:00 p.m. for a public hearing regarding an application to rezone property at 1856 SW Hubbard Lane.

The motion was seconded by Councilor Spahr and carried unanimously.

March 27, 2017

3. Administration Reports.

a. **Finance Report for February 2017.** Finance Manager Judy Pectol noted that everything is looking as predicted for this time of the year.

b. **City Manager Update.** City Manager Anderson stated a water line was impacted by a contractor earlier today in the neighborhood of 16th and Market. It should be restored between 6:00 and 7:00 p.m. this evening. Additionally, Airport Manager David Fleckenstein provided support for a bill in the legislature that would potentially help small airport revitalization.

4. Councilor Reports/Committee Updates.

a. **Councilor Taylor.** Councilor Taylor stated that the city manager would be meeting with Rob LaFontaine of Twin Transit to hear an update on a potential project for a transit center in Centralia. He hoped to have Mr. LaFontaine update the council on that and other happenings going on with the Transit.

b. **Councilor Pope.** Councilor Pope stated Gonzaga is in the final four!!

c. **Councilor Harris.** Councilor Harris thanked the city manager for attending the Chehalis Basin Partnership meeting last week.

d. **Mayor Dawes.** Mayor Dawes attended the March 21 state auditor's 2015 exit conference, and thanked Judy Pectol and staff for their work. A meeting of city staff was held March 22 to discuss the next steps in continuing to work with Fire District 6 relating to a possible consolidation of services. Finally, he attended the welcome reception for the sister city delegation on March 28.

Councilor Harris echoed Mayor Dawes' comments on the exit interview. He stated there has been a good working relationship with the auditor's office and they really are there to help.

Councilor Pope noted that Black Hills High School is having their senior prom at the Red Barn and are looking for places in Chehalis to have dinner.

5. **Downtown Restroom Renovation Project.** City Manager Anderson stated the restrooms have been closed for a period of time. The Chehalis Community Renaissance Team (CCRT) approached the city about the importance of having them open again and graciously offered \$25,000 to renovate the facilities. Bid estimates were sought and received. Staff was recommending that the council accept the \$25,000 donation and award the bid for the project.

Public Works Director Rick Sahlin stated four bids were received with the lower bidder being JP&KP Enterprises, Inc. It is projected that the restrooms will be opened prior to the beginning of the Farmers Market, which opens in June. A meeting with the CCRT and Twin Transit is scheduled to talk about the project, including the hours that it is open.

Councilor Taylor asked if the work would address any of the concerns expressed by the police department. Mr. Sahlin stated it will include blocking up the existing bus shelter to make it a storage area. The brush around the back side, where people were getting behind, was previously removed.

Councilor Spahr moved that the City Council accept a \$25,000 donation from the CCRT; award the bid to JP&KP Enterprises, Inc., in the amount of \$28,362.56; authorize the City Manager to execute the contract agreement; authorize an additional 10% project budget contingency of \$2,836; and authorize the City Manager to execute change orders that do not exceed the total project budget of \$75,349.40 for the Downtown Restroom Renovation Project. The motion was seconded by Councilor Ketchum.

Mayor Dawes questioned how the total budget could be \$75,349.40. City Manager Anderson stated it was a "cut and paste error" and should be \$31,198.56.

March 27, 2017

Councilor Spahr amended the main motion to include a total project budget of \$31,198.56. The motion was seconded by Councilor Ketchum and carried unanimously. The main motion, as amended, carried unanimously.

There being no further business to come before the council, the meeting was adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

April 10, 2017

The Chehalis city council met in regular session on Monday, April 10, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Tony Ketchum, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Councilor Daryl Lund was absent (excused). Staff present included: Jill Anderson, City Manager; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; and Dave Vasilauskas, Water Superintendent.

1. Public Hearing – Application to Rezone Property at 1856 SW Hubbard Lane. Mayor Dawes recessed the regular meeting and opened the public hearing. Community Development Director Trent Lougheed stated all of the parcels fronting Market Boulevard are zoned Commercial General, but the subject parcel is zoned residential. If the parcel was developed to be a residential lot you would want access off of Hubbard Lane and not between businesses in a commercially-zoned area. He stated the lot is more at level with Market Boulevard than it is with Hubbard Lane. He believed that when the area was originally zoned for the subject lot, they looked at what was adjacent to the lot instead of where the lot would be accessed from, and it makes sense that the lot would be accessed from the commercial side. The request was originally reviewed by the city's Development Review Committee (DRC) and they recommended approval of the rezone with conditions:

- 1. The rezone is feasible, however, the storm water system shall be corrected to meet the minimum requirements of the Chehalis Municipal Code; specifically Chapter 15. This will require a storm water master plan to be submitted and approved incorporating storm water management of all land within this parcel. The storm water master plan shall address the existing non-conforming and/or failing storm water facilities at the site. This shall be fully implemented prior to any other permits being issued for this parcel.*
- 2. Access for ingress/egress shall be allowed only from Market Boulevard and not through the residential neighborhood on SW Hubbard Lane. Easements shall be recorded by the owner of record.*
- 3. Due to the proximity of the parcel to residential lots, it is recommended that a fence be constructed to separate the parcel from residential uses to the south. This fence should be a minimum of five (5) feet in height. It is also recommended that landscaping be required to be installed to visually separate the two land uses and create a buffer between them.*
- 4. It is not clearly demonstrated that this rezone meets the intent of the code. Therefore it shall be up to the reviewing bodies (Planning Commission and City Council) to decide if this rezone should be granted.*

Mayor Dawes asked if access to Market Boulevard would have to be through an agreement with an adjoining property owner. Mr. Lougheed stated the applicant owns the property adjacent to Market. He stated it was likely that a boundary line adjustment or lot consolidation would be requested if the rezone is approved. He stated the property is landlocked and the owner would probably have to seek a legal determination to access the property if the rezone was denied.

Councilor Spahr stated the agenda item included letters from area property owners who don't object to the rezone, but do object to what has been done to the property in the past, which has created problems for them. The rezone wouldn't fix their problem today, but when a project is proposed, it will be addressed.

Councilor Harris asked why the storm water issue can't be addressed until a development application is submitted. He also wondered what type of business might end up being there that could potentially create noise near a residential area. Mr. Lougheed believed the property owner plans to use the property in a similar fashion as it is being used now, and any use would have to comply with the zoning designation.

Mayor Dawes asked if anyone wished to speak on the proposed rezone. There being no public comment, Mayor Dawes closed the public hearing and reopened the regular meeting at 5:13 p.m.

2. Ordinance No. 967-B, First Reading – Rezoning Property at 1856 SW Hubbard Lane from R-2 Medium Density Residential to CG Commercial General. Councilor Ketchum moved to accept the recommendation of the Chehalis Planning Commission, including the conditions recommended by the City Development Review Committee, and pass Ordinance

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No. 967-B on first reading to approve the rezone of 1856 SW Hubbard Lane from R-2 Medium Density Residential to CG Commercial General. The motion was seconded by Councilor Taylor and carried unanimously.

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

- a. Minutes of the regular meeting of March 27, 2017;
- b. March 31, 2017 Claim Vouchers No. 118676-118804 in the amount of \$303,766.69; and March 31, 2017, Payroll Vouchers No. 39444-39491, Direct Deposit Payroll Vouchers No. 8095-8192, and Electronic Federal Tax Payment No. 170 in the amount of \$811,073.90.
- c. Change and Field Orders in the amount of \$51,252 to Prospect Construction, Inc., for the Redundant Flocculation Basin Project;
- d. Contribute \$15,000 to the Lewis Economic Development Council for continued flood mitigation work; and
- e. Resolution No. 3-2017, first and final reading – declaring property to be surplus.

The motion was seconded by Councilor Taylor and carried unanimously.

4. **Agreement with Lewis Economic Development Council (EDC) to Provide Economic Development Services.** City Manager Anderson stated this was a review of the agreement the city has with the EDC and is essentially a continuation with minor changes of the work already being done by the EDC. The city has enjoyed a good partnership with the EDC.

Councilor Taylor moved that the council authorize the City Manager to execute the agreement between the city and the EDC to provide economic development and recruitment services to the city of Chehalis. The motion was seconded by Councilor Harris and carried unanimously.

Matt Matayoshi, Executive Director of the EDC, thanked the council for its continued support and he sees the relationship between the city and the EDC as a good one to move forward job creation and retention. The EDC is appreciative of Councilor Spahr's participation on its board of directors. The EDC is currently working with a number of companies that add up to about 1,000 potential jobs to be created in the city's urban growth area, and they are working closely with the Port of Chehalis to move those projects forward, as well as some smaller projects.

5. **Councilor Reports/Committee Updates.**

a. **Mayor Dawes.** A meeting is tentatively scheduled for Wednesday with Fire District No. 6. City Manager Anderson will confirm the meeting with the district and inform the council subcommittee. Mayor Dawes stated one of the next steps is to have a facilitator determine the facts and figures needed to go to the next step. The council subcommittee asked for the council's consensus on splitting the cost of a facilitator with the District. The council concurred. Any agreement with a facilitator would require council approval.

6. **Executive Session.** At 5:22 p.m., Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.140(4)(a) – Collective Bargaining not to exceed 60 minutes and there would be no decisions following conclusion of the executive session. Mayor Dawes closed the regular and the council convened into executive session at 5:25 p.m. The regular meeting was reopened at 6:20 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

April 10, 2017

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

April 24, 2017

The Chehalis city council met in regular session on Monday, April 24, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, and Bob Spahr. Councilor Chad Taylor arrived at 5:31 p.m. Staff present included: Jill Anderson, City Manager; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; and Dave Vasilauskas, Water Superintendent.

1. **Proclamation – Sexual Assault Awareness Month.** Mayor Dawes read and presented a proclamation designating April as Sexual Assault Awareness Month to Councilor Ketchum, a board member for the Human Response Network (HRN). Councilor Ketchum stated that the HRN provides 24-hour services to victims of sexual assault and domestic violence in Lewis County.

2. **Well City Award Recognition.** Mayor Dawes stated this is the fourth year the city has received the Well City designation through the efforts of the committee and the participation of employees. Among other things, the designation affords the city a two percent reduction in health insurance premiums. He recognized committee members Betty Brooks, Tracey Cox, Larry Dobyns, David Fleckenstein, Lloyd Gruginski, Julie Hampson, Judd Riddle, and Judy Schave.

David Fleckenstein thanked everyone involved with the program.

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

- a. Minutes of the regular meeting of April 10, 2017;
- b. April 14, 2017 Claim Vouchers No. 118805-118962 and Electronic Fund Transfers No. 32017 and 320171 in the amount of \$598,456.21.
- c. Set date and time of May 8, 2017 at 5:00 p.m. for a public hearing regarding an application to rezone property at 0 SW Armstrong Court; and
- d. Designate the City Manager to be the official signer on all grant-related documents.

The motion was seconded by Councilor Pope and carried unanimously.

4. **Ordinance No. 967-B, Second and Final Reading – Rezoning Property at 1856 SW Hubbard Lane from R-2 Medium Density Residential to CG Commercial General.** Trent Lougheed stated there had been no changes since the public hearing and first reading of the ordinance at the last city council meeting. He reminded the council of the condition of having a master storm water plan prior to any development permits issued on the property.

Councilor Harris moved to pass Ordinance No. 967-B on second and final reading to approve the rezone of 1856 SW Hubbard Lane from R-2 Medium Density Residential to CG Commercial General. The motion was seconded by Councilor Pope and carried unanimously.

5. **Newaukum Heights Water Agreement.** Rick Sahlin noted this had been a fairly long process to update the 1973 agreement. The original agreement had no limit on the amount of water that the city would provide, no kind of penalties for excess water usage, and there were only 82 connections compared to 208 today. He noted that both parties are happy with the agreement that is being presented to the council. The agreement includes an expiration date of December 31, 2025, and allows for a maximum of 10 million gallons per year. If that amount is exceeded, the Association would receive a 100% surcharge on any amount over 10 million. Mr. Sahlin noted the Association would be charged the same rate that is charged to commercial customers outside the city limits.

Mayor Dawes noted the agenda report indicated there was no fiscal impact, so he assumed there were no connection fees involved if the number of connections went from 82 to 208. Mr. Sahlin stated there were no connection fees. He added the Association had never gone over the usage for the 82 connections. He stated the city was not their only supply of water, as they have wells. The concern was if their system started having issues (wells drying up) and they wanted more water from the

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city. He stated the area was not within the city's Urban Growth Area (UGA) and the city is not supposed to provide services outside its UGA unless it was existing service in place when the UGA was adopted, which Newaukum Heights is.

Mayor Dawes asked why they are not charged connection fees. Mr. Hillier stated it is an agreement to provide water to that area, pre-UGA. The same requirements were not in place in 1973 that are there now. A connection fee is to help the city support the infrastructure of the city, but the city doesn't own the infrastructure for that area.

Mayor Dawes didn't want there to be a chance that the amount of water consumed by the Association would impact the city's ability to do anything in areas where the city wants to grow. Mr. Sahlin indicated that was why a limit was included in the agreement.

Councilor Ketchum moved that the City Council authorize the City Manager to sign the water use agreement with Newaukum Hill Water Association. The motion was seconded by Councilor Lund and carried unanimously.

6. Ordinance No. 969-B, First Reading – Adding Section “B” to Chapter 17.86.090 of the Chehalis Municipal Code Relating to Off Premises Signs. David Fleckenstein stated the ordinance was the result of a WSDOT request for the city to add supplemental directional signs to the “blue signs” on I-5 that direct travelers to various services. Once you get off the freeway there is no further signage, and WSDOT will not put up any additional blue signs on the freeway unless the city agrees to supplement with directional signs. The ordinance would allow the city manager, through the review of the Development Review Committee, to approve the signage. All signs would have to meet current city codes and the process would eliminate having to go through the city's hearings examiner for approval. The ordinance also addresses safety by allowing the city manager to authorize temporary road closures, etc.

Councilor Harris stated the ordinance states it is important to regulate the use of signs in order to prevent their overuse. He wondered what parameters would be used to determine overuse. Mr. Fleckenstein stated the limiting factor is probably the number of people willing to pay for the signs that WSDOT installs and he expected the case would be the same for the city.

Councilor Spahr moved to pass Ordinance No. 969-B on first reading to add Section B to Chapter 17.86.090 of the Chehalis Municipal Code to authorize the City Manager to approve the placement of signs on city-owned property or right away when it is deemed to be in the best interest of the public or for public safety. The motion was seconded by Councilor Lund and carried unanimously.

7. Ordinance No. 968-B, First and Final Reading – Changing the Position Title of Airport Manager to Airport Director. City Manager Anderson stated that since the city has taken over the airport the position's responsibilities have changed dramatically, particularly in regard to the commercial and development activities, as well as the interaction with state and federal agencies. It seems that the title “director” has more power and influence to opening doors and getting returned phone calls than the title “manager.” The change would have no budget impact.

Councilor Harris moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Pope and carried unanimously. Councilor Harris moved to pass Ordinance No. 968-B on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

8. Administration Reports.

a. **Finance Report.** Judy Pectol noted the city had not received much property tax yet, but expect to receive the bulk of it this month and in May. Some budget amendments will be coming to the council next month. She will also be bringing a number of account numbering changes to the council for approval as a result of changes made by the State Auditor's Office. Overall, things look good.

Councilor Lund commented that he was glad to see that someone had been brought in to help the Finance Department.

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b. **City Manager Update.** City Manager Anderson thanked the council for their support in getting the Finance Department some additional assistance. Judy Pectol has been putting in very long hours. She added that the entire management team is an outstanding group. City Manager Anderson stated a team from the city would be speaking at a State Transportation Commission on Wednesday about some of the issues Chehalis is facing.

9. Councilor Reports/Committee Updates.

a. **Councilor Pope.** Councilors Pope and Harris attended the groundbreaking for the STEM wing at W.F. West High School, which is going to do a lot for the school and the city. One of the students of the STEM program is Ashlyn Gallagher, a junior, who is participating in the International Science and Engineering Fair, May 15-19 in Los Angeles. Ms. Gallagher's project focusses on molecular genetics. Councilor Ketchum stated that when the Inasa sister city delegation was visiting they toured the STEM program and Ms. Gallagher did a demonstration.

b. **Mayor Dawes.** Mayor Dawes attended the ribbon cutting for Flood Valley Brewing on April 18, and the annual Firemen's Pension Board meeting on April 20. He asked staff to look into the pedestrian bridge that is currently closed on National Avenue near the EDC office to get it repaired. He also asked if the city's utility billing software would allow email notification that would allow people to sign up for notifications when they are out of town. He thought it would be a good service to the citizens and would potentially reduce paper bills. Mayor Dawes stated it was time to conduct a six-month evaluation on the city manager. He distributed an evaluation form to each council member and asked them to return it to the City Clerk by May 1.

10. **Executive Session.** At 5:42 p.m., Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate, RCW 42.30.110(1)(i) – Litigation/Potential Litigation, and RCW 42.30.140(4)(a) – Collective Bargaining not to exceed 7:00 p.m. and there would be no decisions following conclusion of the executive session. Mayor Dawes closed the regular meeting and the council convened into executive session at 5:45 p.m. The regular meeting was reopened at 6:57 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

May 8, 2017

The Chehalis city council met in regular session on Monday, May 8, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, and Chad Taylor. Councilor Bob Spahr was absent (excused). Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; David Fleckenstein, Airport Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Don Schmitt, Street Superintendent; and Dave Vasilauskas, Water Superintendent. Members of the news media present included Susan DeLaire of Business to Business.

1. **Proclamation – Police Week.** Mayor Dawes read and presented a proclamation designating May 14-20 as Police Week to Police Chief Glenn Schaffer.

2. **Twin Transit Update.** Rob LaFontaine, General Manager of Twin Transit, updated the council on several projects:

- The Centralia Regional Transit Center is progressing despite funding challenges; however, the Transit Board provided direction to take initial steps to demolish the existing building on the site.
- Property at 2364 Jackson Highway is being purchased as an anchor point that will enhance the Transit's fixed route service.
- The Transit should be receiving an electric bus this month, which will take some time to prepare for service.
- The Transit Board is discussing the boundary of the Lewis Public Transportation Benefit Area (LPTBA) as a result of Lewis Mountain Highway Transit announcing their intent to end bus service in probably 2019 due to funding challenges. The Transit Board and the Board of County Commissioners are in discussions with outlying communities to see about their interest in joining the LPTBA. An expansion of the LPTBA would require an annexation through a ballot measure. Mr. LaFontaine noted the discussions would not immediately impact the cities of Centralia or Chehalis since both cities are already in the LPTBA boundary.

Mayor Dawes noted there could be a direct issue with the two cities because they are paying the freight through sales tax. If that sales tax was extended to different areas it would be interesting to know if enough would be collected to justify the increased costs and would the two cities see a reduction in service? He noted Chehalis pays more, but our service is less. He thought the service should be commensurate with the amount going in or at least 50/50.

Mr. LaFontaine stated the Transit is seeking proposals from consultants to provide revenue forecasts for what they could likely expect depending on various scenarios. He added that he would never put forth a recommendation to the Transit Board to reduce the level of service in the existing LPTBA in order to "subsidize" service into newly annexed areas. If the boundary were to expand, the composition of the Transit Board would have to change to reflect the changes in boundary.

3. **Public Hearing Regarding an Application to Rezone Property at 0 SW Armstrong Court.** Mayor Dawes recessed the regular meeting and opened the public hearing at 5:14 pm.

Trent Loughheed stated the request was to rezone 0 SW Armstrong Court (tax parcel #017535003000) from CG Commercial General to R-2 Medium Density Residential. Mr. Loughheed explained that the parcel is part of an original land donation, and only has access off of residential streets, so it makes sense that it be zoned commercial so it can be accessed through residential streets without causing an adverse impact on existing development.

Councilor Pope recalled that the property where the parcel would be accessed was at one time considered wetlands, and the water was redirected from that area to another area. Once that was cut off, the water started backing up. He thought the city had done some work in that area not too long ago.

Mr. Loughheed stated that any future development on the site would be required to have a storm water design and report indicating there were no adverse impacts to neighboring properties.

Mayor Dawes asked where access would be.

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Mr. Lougheed stated that 17th Street was the most reasonable access point.

Mayor Dawes asked if there was a right-of-way existing there now.

Mr. Lougheed stated it abutted the property, so they would be required to dedicate right-of-way, or some type of interior roads. He noted staff has received no comments to-date.

Councilor Harris thought the school district development had to address drainage work on their site. He wondered if there had been any communication with the school district.

Mr. Lougheed stated the school district, in their storm water design, had some pass-through drainage they had to deal with, and their work might have actually cleared up part of the problem. He reiterated that whatever hasn't been corrected would be required to be corrected with any future development.

Mayor Dawes stated the city was going to require the school district to divert drainage toward Interstate Avenue, but he stated there is still drainage coming down 19th Street.

Don Schmitt stated the city has received complaints about dirty water and staff met with the school district on site to investigate it. Part of the problem was that they physically couldn't get to some areas to create storm water retention facilities. He stated Mayor Dawes was correct, drainage will be diverted to Interstate Avenue.

Councilor Pope stated he had a similar situation at his former clinic on Market Street. When a large facility was constructed, his building started getting water underneath it. He didn't want to see that happen in this situation.

There being no public comment, the public hearing was closed and the regular meeting was reopened at 5:24 pm.

4. Citizens Business. Jay Downey (1202 Broadway Street, Longview, WA 98532) addressed the council regarding zoning of tattoo shops in the downtown. Mr. Downey would like to locate a tattoo business in the 400 block of Market Boulevard, but current zoning won't allow it. He stated the Community Development Department told him to come before the council to request a change. Mayor Dawes asked Mr. Downey to schedule an appointment with Trent Lougheed to discuss his request.

Councilor Lund asked who told Mr. Downey to talk to the council. Mr. Downey stated the lady at the city zoning office. Councilor Lund stated that should not have happened. Staff should have walked Mr. Downey through the process of how a rezoning request is addressed.

5. Consent Calendar. Councilor Ketchum moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular meeting of April 24, 2017;
- b. April 28, 2017 Claim Vouchers No. 118963-119084 in the amount of \$175,037.68; and April 28, 2017, Payroll Vouchers No. 39492-39539, Direct Deposit Payroll Vouchers No. 8193-8291, and Electronic Federal Tax Payment No. 171 in the amount of \$780,313.37.
- c. High Level Reservoir Project change orders; and
- d. Set May 22, 2017 at 5:00 p.m. to conduct a public hearing on the city's 2018-2023 Six-Year Transportation Improvement Program.

The motion was seconded by Councilor Harris and carried unanimously.

City Manager Anderson stated she heard Councilor Lund's concern about customer service and it would be addressed.

6. Ordinance No. 969-B, Second and Final Reading – Adding Section “B” to Chapter 17.86.090 of the Chehalis Municipal Code Relating to Off Premises Signs. City Manager Anderson stated the ordinance would allow, in certain

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circumstances, the city manager to approve requests after they've gone through the DRC process and meet the standards set forth for signs. This action will reduce the step of going through the hearings examiner.

Councilor Ketchum moved to pass Ordinance No. 969-B on second and final reading to add Section B to Chapter 17.86.090 of the Chehalis Municipal Code to authorize the City Manager to approve the placement of signs on city-owned property or right away when it is deemed to be in the best interest of the public or for public safety. The motion was seconded by Councilor Lund and carried unanimously.

7. Ordinance No. 970-B, First Reading – Rezoning Property at 0 SW Armstrong Court. Councilor Harris moved to pass Ordinance No. 970-B on first reading to approve the rezone of tax parcel #017535003000 ("0" SW Armstrong Court) from CG Commercial General to R-2 Medium Density Residential. The motion was seconded by Councilor Lund and carried unanimously.

8. Capital Facilities Plan Update. City Manager Anderson stated a working group was put together by former city manager Merlin MacReynold to look at the city's capital facilities and some issues that the city might be looking at having to deal with in the coming years. The presentation will provide a brief overview of some of the findings of the group and some preliminary recommendations that the administration will discuss further as the 2018 budget is developed. A couple items will be more specific because of the nature and extent to which they will require an investment or planning of alternatives.

Mr. Fleckenstein stated the mission statement of the working group is, "Identify infrastructure related issues pertaining to City buildings. Inform the City Council and make recommendations regarding ongoing infrastructure projects, required deferred maintenance, and projects for consideration." Mr. Fleckenstein reviewed the following:

Ongoing Infrastructure Projects

- Analysis of the condition of the fire station and development of a work plan.
- Community Development building roofing (\$12,500) **Completed**
- Parks and Facilities maintenance shop roofing (\$10,500) **Completed**
- Downtown bathroom facility (CCRT providing \$25,000); contract awarded for \$28,362.56 with added 10% for contingencies; completed by mid- to late-May

Required Deferred Maintenance

- Stan Hedwall Park / RV Park building restorations (multi-year project starting 2018)
- Restoration of the Library fountain in 2018 (estimated \$2,500 - \$3,000)
- Repairs to the City Hall parking lot wall (pressure wash/paint summer 2017 with minor repairs possible)

City Manager Anderson noted an additional project that will come before the council is to connect the sewer system at Stan Hedwall Park to eliminate manual pumping and transport of raw sewage. Councilor Ketchum thought that project had previously been completed. Ms. Anderson stated her understanding was that the sewer line goes passed the freeway, but doesn't connect into the sewer system at the park, and it was delayed because the city didn't actually own the property.

Councilor Pope asked if the city was responsible for restoration of the fountain. Mr. Fleckenstein stated the library building/property is city infrastructure. Councilor Pope stated he would like to talk with Mr. Fleckenstein further.

Projects for Consideration

- Stan Hedwall Park sewer system (look to execute in 2nd half of 2017 – pending RB Engineering design)
- Public Works building roof replacement (w/in Public Works combined budget); leaking; replacement prior to winter 2018 – estimated at \$45,000
- Concrete flooring poured in two maintenance shops - \$20,000 (unfunded); currently does not meet DOE regulations – estimate CY 2020 for construction but will look for opportune funding
- Backup generator wiring for City Hall (wired for basement only); seeking estimate to reestablish phone lines and internet service to the basement for emergency use.

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Additional Observations

- Shaw Aquatics Center requires a budget and funding to replace equipment. Currently needs a new vacuum (\$5,000) and possibly a new pool heater in the near future (\$30,000). Equipment schedule prepared to capture future requirements. It was noted that the pool heater was not upgraded during construction of the Aquatics Center.
- Safety/function of the overall facilities
- City Hall parking options

Fiscal Impacts

- Current maintenance expenditures for 2017: \$23,000
- Budgeted: \$40,000 (2017 budget)
- Shortfall: Estimated \$23,000
- Projected maintenance requirement 2018: Unknown
- Budget: TBD during the upcoming budget process
- Shortfall: Unknown
- Recommendations:
 - Continue to prioritize work (health and safety first)
 - Utilize budget amendments as required
 - Reevaluate maintenance needs through the budget process

City Manager Anderson stated the two roof repairs will require a budget amendment, but they could not continue to let them leak. Overall, the situation is not that bad and the projects are relatively manageable, with one huge exception being the fire station.

Councilor Lund was happy to see the report and added that preventive maintenance pays off in the long run.

Councilor Ketchum moved that the City Council authorize the City Manager to approve the mission statement and recommendations derived from the Capital Facilities Working Group. The motion was seconded by Councilor Taylor. Councilor Lund didn't believe the motion was proper because it was not the council's duty to tell the city manager how to run the city. He asked that the motion be stricken. The council agreed and Councilor Ketchum withdrew his motion and Councilor Taylor withdrew his second to the motion.

9. City Representative to the Chehalis River Basin Flood Authority. City Manager Anderson stated that Julie Balmelli-Powe resigned her position as the city's representative on the Flood Authority. She asked that the council accept the resignation and discuss how the council would like to fill the position.

Councilor Ketchum stated the council has never formally accepted a resignation. The council agreed. Mayor Dawes stated he sent a letter to Ms. Balmelli-Powe thanking her for her time and efforts, and for representing the city well. Following discussion about the options for filling the vacancy, Councilor Lund moved to appoint Councilor Harris as the city's representative. The motion was seconded by Councilor Taylor. Councilor Harris asked that someone from the public first be sought. If the position could not be filled that way, he would then step in as the city's representative.

Councilor Pope moved to appoint Trent Lougheed as the city's interim representative on the Flood Authority, and in the meantime find someone from the public to represent the city. The motion was seconded by Councilor Harris. It was noted that a motion was already on the table. Councilor Lund withdrew his motion and Councilor Taylor withdrew his second to the motion. The motion carried unanimously.

Councilor Pope recalled that Dr. John Henricksen was the city's alternate representative on the Flood Authority. He suggested that Dr. Henricksen be contacted to see if he was still interested in serving in that capacity.

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10. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson stated the city is still looking for individuals to serve on the Civil Service Commission and the Planning Commission. Interested individuals should contact City Clerk Caryn Foley for additional information. She noted that for the Civil Service Commission, there is not a huge time commitment. The Planning Commission time commitment varies depending on what projects come before them.

Ms. Anderson also recognized Public Service Recognition Week. She thanked the council for their work, as well as every member of the city staff. She said Chehalis has a great staff and they do a lot of hard work every day.

11. **Councilor Reports/Committee Updates.**

a. **Councilor Ketchum.** Councilor Ketchum asked if the city was set up to take credit card payments for utility bills. Rick Sahlin stated that credit card payments are through a third party. Councilor Ketchum stated he was told by public works staff that they couldn't take a credit card payments over the phone. He was told he had to come into the office.

Councilor Lund stated that needed to be addressed. Staff should have told Councilor Ketchum how he could make a credit card payment. He wanted to see better customer service.

As mentioned at the previous council meeting, Mayor Dawes also wanted staff to look into the ability to email bills to customers. Rick Sahlin stated customers can call and request a bill, but the utility billing software is not set up to send emails.

b. **Councilor Lund.** Councilor Lund attended the Southwest Washington Fair Commission meeting last week.

c. **Councilor Harris.** Councilor Harris attended the Chehalis Basin Partnership meeting where a couple presentations were given. One was the aquatic species restoration plan from the Washington Department of Fish and Wildlife (WDFW) and both the Quinault and Chehalis Tribes. It appears to be some form of development body that can designate different jobs that are done as far as aquatics species restoration. He needs to do more research to determine what their impact and credibility is, who they answer to, how they were created, how they're funded, etc. He questioned how a state agency could be a voting member of a body. The second presentation was provided by Mark Hayes, the senior research scientist from WDFW. He spoke about the red-legged frog and how it breeds in ponds and it migrates out of the ponds about four to eight miles to breed. It seemed that if these are found there could be restrictions on development.

d. **Mayor Dawes.** Mayor Dawes attended the mayors meeting last week where WSDOT spoke about Transportation Improvement Board grants for changing over street lights to LED. He has asked the city manager to explore it.

12. **Executive Session.** At 6:14 p.m., Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation and RCW 42.30.110(1)(g) – Review Performance of a Public Employee not to exceed 45 minutes and there would be no decisions following conclusion of the executive session. Mayor Dawes closed the regular meeting and the council convened into executive session at 6:18 p.m. The regular meeting was reopened at 7:05 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

May 22, 2017

The Chehalis city council met in regular session on Monday, May 22, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Daryl Lund, Dr. Isaac Pope, and Bob Spahr. Councilors Tony Ketchum and Chad Taylor were absent (excused). Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; Don Schmitt, Street Superintendent; and Lilly Wall, Recreation Manager. Members of the news media present included Natalie Johnson from *The Chronicle*.

1. Public Hearing – 2018-2023 Six-Year Transportation Improvement Program (TIP). Mayor Dawes recessed the regular meeting and opened the public hearing at 5:01 pm.

Don Schmitt stated most of the items listed in the TIP are shown as future items, which will change as projects become more defined. A new listing includes the "Citywide Preservation Program," which includes chip sealing, pre-leveling, and patching projects. They will not seek outside funding for those projects, but felt they should be part of the TIP. Mr. Schmitt stated that when the Transportation Benefit District (TBD) workshops were held, it was proposed to allocate funds for street repairs, so an additional \$75,000 to \$100,000 is reflected in the TIP. The proposed TIP shows two projects (Chehalis Avenue from Main to John Streets, and Market Boulevard downtown parking) for completion in 2018. These are small projects that staff would prefer to move up to this year, and could be completed in-house at less cost. Mr. Schmitt noted that the last time there was a pavement management system in place was 2003 when city streets were rated. He stated that arterial streets need to be re-rated because a lot of grant funding required street ratings. He believed the state provides such a service on a limited basis. Additionally, the Coal Creek pedestrian bridge on National Avenue needs to be repaired. The project is not listed as a separate item, but is included as part of some larger projects.

Councilor Spahr asked how the asphalt over concrete on Chehalis Avenue would be fixed. Mr. Schmitt stated that staff would dig down to the concrete. He suspected that the concrete below is damaged and would need repaired before new asphalt could be reinstalled. He noted these would be isolated repairs.

Mayor Dawes asked if it would be a simple repair or complex. Mr. Schmitt stated it could be simple if the slabs of concrete are intact, but they will need to explore options once the extent of the damage is identified.

Mayor Dawes commented that the revenue projections for a full year of the sales tax increase would generate about \$800,000. He hoped a number of the smaller projects could be completed to show the public results of the tax increase. Mr. Schmitt agreed. He added that the list before the council was not prioritized.

Mayor Dawes asked when staff would be coming back to the council with a more prioritized list and some potential dates for completing projects. Mr. Schmitt stated a resolution to adopt the TIP will be on the council's next agenda. He hoped to have something to the council in July as far as potential projects.

There being no public comment on the proposed TIP, Mayor Dawes closed the public hearing and reopened the regular meeting at 5:14 pm.

2. Citizens Business.

a. **Edna Fund.** Commissioner Fund provided copies of new brochures to the city council, including a *Lewis County Farm Guide* and *Lewis County's Historic Places*. She noted both publications include Chehalis businesses and historic sites. She invited everyone to a remembrance day event to pay tribute to Japanese-descent residents who boarded a U.S. Army train at the Chehalis Depot 75 years ago, for their final destination at a War Relocation Authority camp in Tule Lake, California. The event is June 3 from 10:00 am to 2:00 pm at the Historical Museum.

b. Jenna Crouse (163 NE Division Street, Chehalis) and Emily Ponyah (135 NE Division Street, Chehalis) addressed the council regarding a home on Franklin Street that has become a group home for registered sex offenders. Ms. Ponyah stated it kind of popped up overnight, and they live in a residential neighborhood with many children.

May 22, 2017

Ms. Crouse stated that when her family purchased their home they knew of one sex offender in the neighborhood. They recently received a flyer from the Sheriff's Office notifying them of another sex offender in their neighborhood and more notices were probably to come, and every week or two they receive more flyers. She stated that as much as you can watch out for your kids and explain to them how to keep safe, they are still kids.

Ms. Ponyah stated they did not receive notice on two of the offenders until a week after they had been seen in the neighborhood. She stated they hang out and travel in a group. They found out about the group home from an article in *The Chronicle*, but read that the property owner didn't discuss their plans with the city. She stated it's a two-bedroom house with additions that were not permitted. She stated there is no supervision, and when she called the police department to see if they would at least patrol a little bit more, she was told that could not be done. She was told they are supposed to move because of the zoning issues, and asked how long the situation would drag out. She asked if the State Department of Corrections (DOC) would be in more contact with the city on future plans for placing these individuals.

Ms. Crouse stated she spoke with Heath McGee, the property manager for the home. She thought he had "changed his tune" now knowing how many people were unhappy and said he is doing what he could to get them into a more suitable location. She wanted to make sure there was going to be follow-through and that this did not drag on. She thought it was pretty common sense that a residential neighborhood for this type of house was not right.

Mayor Dawes thanked Ms. Ponyah and Ms. Crouse for sharing their concerns. He stated he first heard about the home when he received a call from a *Chronicle* reporter. He explained that the city has to follow certain processes, and he asked staff to look into the situation, which they started addressing immediately.

City Manager Anderson stated that when the city became aware of the situation, they looked into the zoning for the area, and the home does not meet the requirements. It is a use that requires a conditional use permit and the property owner did not go through that process before placing the individuals in the home. There are also unpermitted additions. The concerns have been communicated to the property owners and they have until May 31 to respond. The property manager and property owner have indicated they are planning to move the individuals and staff will be following up on the situation. Ms. Anderson stated the situation is of grave concern to the city. She stated Police Chief Glenn Schaffer, along with the Centralia Police Chief, have communicated with the DOC their concern that they are placing so many offenders in this area.

Mayor Dawes stated he held the position of Police Chief 13 years ago and the department is operating at the same staffing levels today. There were many times that people requested the police to be in certain areas at certain times, but that cannot be guaranteed. He thought there must have been a misunderstanding because he didn't want anyone to think that the Police Department would flat-out say no.

Chief Schaffer stated he met with the DOC last week. He stated he was caught off guard about the notification process. He requested the local DOC directly notify local agencies in the future. He noted the city could not tell the DOC what to do, but the city can make suggestions, (e.g., why a certain location may not be appropriate, or improper zoning).

Ms. Ponyah stated the person that owns the home on Franklin owns several houses around Chehalis and she was concerned more of these homes would be slapped in residential areas. Chief Schaffer stated that the city would be in communication with DOC to help stay ahead of that happening, although that doesn't offer any promises.

Councilor Harris asked what kind of due diligence is done by the DOC. Chief Schaffer stated that when offenders come out of prison and they are placed, that information goes through the local DOC office. In some cases, the local supervisor has the ability to refuse. In other cases, the local supervisor gets overridden. He did not know if research is done on neighborhoods where people are placed, other than the offender cannot be placed in the same communities as their victims.

Councilor Pope asked if the person who owns the home should have a license of some kind? Chief Schaffer didn't believe it was a requirement of the DOC.

Mayor Dawes stated the property owner has until May 31 to respond, but it appears that they are looking at relocating the offenders. He asked that the council be updated at their next meeting, or notified before if the matter is resolved.

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City Manager Anderson stated the city has the ability to "red tag" the home after June 1, if they continue to use the home in a way that has not been properly permitted and gone through the proper process. While there is no state licensing requirement, they do have to go through the conditional use permit process.

Mayor Dawes noted that homes cannot be made into group homes for any kind of other activity in a residential area.

Ms. Ponyah asked what would happen if the owner does decide to go through the process to be able to run the home as a group home. City Manager Anderson stated the process would include having to go before a hearing examiner, which would include an opportunity for people to comment.

Ms. Anderson believed that the use of a property continues with the property regardless of the ownership. Bill Hillier added there are a number of issues with the home that include construction that was unpermitted. He couldn't see, without spending a considerable amount of money, how they could get the home up to the required standards for a group home.

Councilor Spahr stated this wasn't the first time the council had a discussion regarding this issue; however, it's always been one person coming into a neighborhood and neighbors being concerned. He didn't recall ever having a group home of sex offenders. He stated that if a person does the crime and does their time, they have the right to try to get back into society, which he believed to a certain degree. He read that some communities have local ordinances relative to sex offender housing. He asked staff to research what other cities were doing to address this. Bill Hillier stated he would do some research to see if there was a model the city could use.

Councilor Pope asked who would be responsible if one of the individuals reoffends. Bill Hillier stated the perpetrator would be responsible, along with state by creating the situation. The city may also have some responsibility (e.g., zoning). He stated the city has moved very quickly to solve the problem so there will be no liability.

Mayor Dawes asked who the point person would be on this matter. Ms. Anderson stated Chief Schaffer. Mayor Dawes asked that Ms. Ponyah and Ms. Crouse be updated as the process moves along.

Councilor Lund asked if Ms. Ponyah and Ms. Crouse have been informed as to how long it would take to resolve the zoning problem. City Manager Anderson stated if they don't do anything it's an unpermitted use and an appeal process would follow. It was her understanding that the home can be red-tagged in the meantime if the owner does not respond by May 31.

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

- a. Minutes of the regular meeting of May 8, 2017;
- b. May 15, 2017 Claim Vouchers No. 119085-119226 and Electronic Funds Transfer Nos. 42017 & 52017 in the amount of \$279,228.48;
- c. Set date and time of June 12, 2017 at 5:00 pm for a public hearing on the Chehalis Comprehensive Plan update;
and
- d. Interlocal agreement with Washington State Department of Social & Health Services for Fire and EMS Services provided to Green Hill School.

The motion was seconded by Councilor Lund and carried unanimously.

4. **Ordinance No. 970-B, Second and Final Reading – Rezoning Property at 0 SW Armstrong Court.** Trent Loughheed stated this was the second reading of the ordinance to rezone the property from CG Commercial General to R-2 Medium Density Residential. He noted no changes were made to the ordinance since first reading and no additional public comments were received.

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Councilor Spahr moved to pass Ordinance No. 970-B on second and final reading to approve the rezone of tax parcel #017535003000 ("0" SW Armstrong Court) from CG Commercial General to R-2 Medium Density Residential. The motion was seconded by Councilor Pope and carried unanimously.

5. Coal Creek Sewer Project Funding. City Manager Anderson stated this was a project the council was well aware of and Rick Sahlin would provide an update and discuss project funding. She stated the city received about \$300,000 from the Department of Ecology, and \$25,000 from Lewis County. Bids came in slightly above the estimates, so how to fund the gap needs to be discussed to make sure the project is done.

Rick Sahlin stated there are nine septic systems between National Avenue and the city limits on Coal Creek Road that have been failing for years. A grant was received through the Department of Ecology to fund a large portion of the project and the county contributed \$25,000. The city has spent close to \$19,000 for design work and administration. Currently, there is about a \$59,000 shortfall. He stated there is \$10,000 in contingency money, and another \$10,000 for administrative costs. Staff is recommending that the council approve reduced connection fees not to exceed \$25,000 to complete the project.

Councilor Pope asked if the costs could be recouped. Mr. Sahlin stated the costs would be recouped through the sanitary sewer fees that owners will be charged.

Mayor Dawes noted the property owners will maintain the grinder pump that will be installed, so that will provide reduced maintenance costs.

Councilor Harris moved that the City Council approve financial participation by the city toward the Coal Creek Sewer Extension Project in an amount not to exceed \$25,000. The motion was seconded by Councilor Lund and carried unanimously.

6. Award Bid from Barcott Construction in the Amount of \$281,856.69 for the Coal Creek Sewer Extension Project. Councilor Spahr moved that the City Council waive Barcott Construction's bid informality and award the contract for the construction of the Coal Creek Sewer Extension Project to Barcott Construction for \$281,856.69 and authorize the City Manager to execute the contract agreement. The motion was seconded by Councilor Lund and carried unanimously.

7. Ordinance No. 971-B, First and Final Reading – Revising Appendix Chapter "A" (Schedule of Fees and Charges of the Uniform Development Regulations). Lilly Wall reviewed recommended fee changes and hours of operation for the Aquatics Center. Monday-Thursday open swim hours have been different from the hours on Friday-Sunday. She recommended that the Monday-Sunday schedule be consistent and also that the cost be the same. That fee would be \$5 per person every day. Open swim hours are 11:30 to 2:30 and 3:00 to 6:00. Before and after those times, swim lessons take place. She stated they tried an open evening swim on Friday-Sunday, but it was not well attended.

Mayor Dawes asked why the entrance fee is the same for children and adults. Ms. Wall stated anybody that enters the facility is counted as a body and they can only have 201 participants in the facility at any given time. She stated they are full to capacity any time the sun is out.

Ms. Wall stated the next recommendation includes a military discount of \$1, which is the same discount senior citizens receive. She stated they receive requests for the military discount on a daily basis. The final recommendation is to initiate a season pass for \$40 per person. It would be a pilot program and could be used on an unlimited basis offered to Chehalis school district residents. She thought it would be a nice thing to do for local residents because they have found that about 75% of participants using open swim time are outside the 98532 area. Pass holders would receive priority entrance if they are there at the time open swim starts. If they are not there when the doors open, they would have to get in line and stand just like anyone else. The pass can also be used for adult lap swims.

Councilor Pope asked if pass holders would be identified. Ms. Wall stated the pass would have a picture on it so it could not be used by multiple people.

Mayor Dawes asked what age qualified for the senior discount. Ms. Wall stated the age is not included in the proposed ordinance, but they have used 55 years.

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Councilor Lund moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Harris and carried unanimously. Councilor Lund moved to pass Ordinance No. 971-B on first and final reading to amend Appendix Chapter "A" (Schedule of Fees and Charges) of the Uniform Development Regulations, and that the age to qualify for the senior discount be 55 years. The motion was seconded by Councilor Harris and carried 4 to 1. Councilor Pope voted against the motion because he thought the age of the senior discount should be 65 years.

8. Administration Reports.

a. **Finance Report.** Judy Pectol stated the city is doing fine. It looks a little scary, especially the General Fund, but this is typical this time of year. The county has \$531,000 in property taxes that the city would receive at the end of this month. Additionally, there are other revenues that don't come in equally during the year.

Mayor Dawes pointed out the city does have finances in reserve for daily cash flow issues to meet its obligations.

Ms. Pectol stated capital outlays for the Wastewater Fund exceed the budget, but that will be addressed with a budget amendment. The budget amendment will include \$541,100 for the I & I project.

Mayor Dawes stated that for those involved in the construction of the wastewater plant, it is halfway paid off. It is well within capacity and he congratulated those involved. He thought the decision to build the plant was the right one.

Ms. Pectol stated the Storm/Surface Water Fund shows miscellaneous income of \$6,750. That will be corrected to the proper category next month to reflect its actual use of services rendered for work done by the public works department to clean out some catch basins. It appears that interest income is not coming in as budgeted in the Airport Fund, but that is due to the county holding interest income on the final payment on the GO Bond for the airport until they make the final payment on June 1.

b. **City Manager Update.** City Manager Anderson asked Trent Lougheed to update the council on a flood storage program that is being worked on with the Chehalis River Basin Flood Authority.

Mr. Lougheed stated the Flood Authority granted the city \$25,000 for phase 1 of a master plan for a flood storage mitigation and wildlife habitat enhancement project. The area includes about 150 acres between Highway 6 and Airport Road, and Louisiana Avenue and the river. The city has wanted to demolish the old wastewater treatment plant. In looking at that project, Mr. Lougheed noticed that more storage would reduce the 100 year flood level, and the city owns many parcels in that area adjacent to the old plant. With additional fill needed at the airport, and looking at compensatory excavation and the zero rise policy, he envisioned the city would provide the land it has, and request funding to buy additional properties. The first phase would create temporary storage that could be slowly released and could also make floodwaters go down a little faster. Mr. Lougheed stated there a few homes, businesses, and the treatment plant would remain. Overall, it could mean the removal of 1.5 to 2 million cubic yards of material. Mr. Lougheed stated a compensatory excavation fund could be developed where someone needing fill would pay into the account, which the city would then use to fund further improvements to help the basin as a whole. He anticipated that when the fund is formed, the city would receive compensatory excavation credits, which could be used for city projects. It could provide a very large sum where the city would not have to worry about the zero rise policy. He stated the Flood Authority liked the plan and put \$25,000 toward the project.

Mayor Dawes asked if he was talking about the area where the city bought out several properties through FEMA. Mr. Lougheed indicated that was correct.

Mr. Lougheed stated that eventually most, if not all, of Shoreline Drive could be abandoned. Mayor Dawes thought there were still homes in that area, and the removal of Shoreline Drive could impact those homes. Bill Hillier recalled there were about three hold outs through that buy-out program that would have to be worked around. Mr. Lougheed stated there was a large section of the road that could be abandoned without impacting the remaining homes.

City Manager Anderson stated at this point the \$25,000 would be used for a feasibility study. She expressed appreciation to Mr. Lougheed for his idea and to the Flood Authority for the funding. She noted it wasn't a done-deal, but a first step worth exploring.

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City Manager Anderson stated the annual hanging baskets are going up downtown and they look great. The CCRT has been taking sponsorships for the downtown plantings, and recently installed bike racks throughout downtown.

9. Councilor Reports/Committee Updates.

a. **Councilor Lund.** Councilor Lund stated he was getting pressure from the economic development community about why a new interlocal agreement with the county, relating to the city's Urban Growth Area (UGA), hasn't been completed. He suggested the council direct the city manager to have the city attorney draft an agreement and present it to the commissioners.

City Manager Anderson stated she has a meeting tomorrow with Lee Napier from the county and Trent Loughheed to discuss the agreement. Bill Hillier cautioned that whatever the agreement looks like, it should be solid and protect the city.

Mayor Dawes agreed with Councilor Lund and didn't see why the city couldn't draft a proposal and have it ready to address our interests.

Trent Loughheed stated the Lewis County Planned Growth Committee discussed the agreement. The county is in the process of redoing all of their interlocals, starting with Chehalis to take over the UGA area as was done previously. He expected a draft from the county in the near future, which would trigger negotiations between the two jurisdictions.

City Manager Anderson stated the permitting section would be carefully addressed by the city attorney.

Mayor Dawes stated a former county commissioner told the city that the interlocal would be renegotiated, but here it is two years later.

Councilor Lund wanted the council to direct the city manager to direct the city attorney to draft an agreement and take it to the courthouse. He believed people wanted to spend money in the city's UGA and he wanted something done.

City Attorney Hillier advised he should update the council in executive session for the council to provide direction in what they would want to see included in an agreement and that shouldn't be discussed in an open public meeting.

City Manager Anderson stated she would put forth the council's desire at tomorrow's meeting with the county and will then update the council.

Councilor Spahr asked at what point the commissioners would become part of the discussion. City Manager Anderson stated at this point it had been a staff-to-staff level. The next step would be to bring it to the council and the commissioners.

Councilor Lund asked if anything had been done about the property between 2nd and 3rd Streets. City Attorney Hillier stated the city is waiting on a response from the school district. Once that is received it can move forward.

b. **Mayor Dawes.** Mayor Dawes attended the Business After Hours at the Sports Hub prior to the Home & Garden Show. He also sent a letter to the CCRT thanking them for the installation of the bike racks.

10. **Executive Session.** At 6:31 p.m., Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate; RCW 42.30.110(1)(i) – Litigation/Potential Litigation; and RCW 42.30.140(4)(a) – Collective Bargaining not to exceed 7:15 pm and there would be no decisions following conclusion of the executive session. Mayor Dawes closed the regular meeting and the council convened into executive session at 6:32 p.m. The regular meeting was reopened at 7:11 p.m., and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

May 22, 2017

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

June 12, 2017

The Chehalis city council met in regular session on Monday, June 12, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; David Fleckenstein, Airport Director; Caryn Foley, City Clerk; Andrew Hunziker, Property Maintenance Technician II; Randy Kaut, Deputy Police Chief; Brian Kelly, Assistant City Attorney; Trent Lougheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Judy Schave, Human Resources/Risk Manager; and Don Schmitt, Street Superintendent. Members of the news media present included Graham Perednia from *The Chronicle*.

1. **Proclamation – W.F. West Lady Bearcats Fastpitch Team.** Mayor Dawes read and presented a proclamation to Head Coach Mike Keen, assistant coaches, and several members of the Lady Bearcats Fastpitch team in recognition of their recent 2A state championship.

2. **Public Hearing – Chehalis Comprehensive Plan.** Trent Lougheed stated the proposed changes are considered minor updates that are required every six years, and include census-related data; references to other planning documents; city's population allocation and projections; maps and photos; and capital improvement plans. Normally, he would be presenting the previous version showing track changes; however, at the beginning of revising the document, it was found that the digital files were not compatible, so the document needed to be retyped. The planning commission previously held a public hearing, as well.

Mayor Dawes recessed the regular meeting and opened the public hearing at 5:12:33 pm. There being no public comment on the proposed Comprehensive Plan, Mayor Dawes closed the public hearing and reopened the regular meeting at 5:13:05 pm.

3. **Special Business – Chehalis Community Renaissance Team (CCRT) Update.** Annalee Tobey, Main Street Executive Director, provided an update on CCRT activities:

Design: Installed six bike racks on Market Boulevard and Chehalis Avenue; additional banners to be displayed; non-profit organization displays in empty storefronts ongoing; and downtown plantings – thanks to city parks crew, Kaija's, and sponsors.

Economic Restructuring: Public restroom improvement project completed – mural to be painted on front of building; empty building tour to take place later this summer; available space inventory posted on city website; and researching the idea of creating a co-working space.

Promotion: Preparing for ChehalisFest July 29; and Chehalis Downtown Business Relocation Guide being designed

Organization: Received a \$10,000 anonymous donation from a local business; and working with the Department of Revenue and Puget Sound Energy to accept a \$2,000 B&O tax donation, which PSE previously pledged to another Main Street community that dropped from the program.

Ms. Tobey thanked all the volunteers who make this all possible. She stated it is a huge team effort between the CCRT and all of its partner organizations, and they are pleased to be working on behalf of the city of Chehalis.

Mayor Dawes noted he received positive comments on the bike racks.

4. **Consent Calendar.** Mayor Dawes stated that item "g" would be addressed separately. Councilor Spahr moved to approve the consent calendar comprised of the following:

a. Minutes of the regular meeting of May 22, 2017;

b. May 31, 2017 Claim Vouchers No. 119227-119348 in the amount of \$1,000,721.55; and May 31, 2017, Payroll Vouchers No. 39540-39592, Direct Deposit Payroll Vouchers No. 8292-8392, and Electronic Federal Tax Payment No. 172 in the amount of \$742,956.37;

c. Approve 2017-2019 Teamsters Local #252 (Non-Uniformed Personnel) Collective Bargaining Agreement;

d. Appoint City Manager as City representative to Chehalis Community Renaissance Team Board of Directors;

June 12, 2017

- e. Approve Third Amended Interlocal Agreement regarding Centralia landfill closure; and
- f. Award janitorial services contract to Mrs. Klean Janitorial.

The motion was seconded by Councilor Lund and carried unanimously.

- g. Approve purchase and installation of temporary apparatus bay from Central Pierce County Fire and Rescue.

City Manager Anderson stated the administration is continuing to look at options for a temporary fire station in light of the fact that the existing fire station has outlived its useful life and needs some significant repairs. The temporary site would probably be needed for three to five years. Options are being looked at to house equipment and the most cost effective way to do that. The administration believes the temporary apparatus bay is a very good buy and something to take advantage of. City Manager Anderson noted that because they continue to look for cost effective options, in the event that a more cost effective option becomes available, the purchase may not be executed.

Councilor Harris moved to approve the purchase and installation of a temporary apparatus bay not to exceed \$30,000 from Central Pierce County Fire and Rescue. The motion was seconded by Councilor Pope and carried unanimously.

5. Ordinance No. 972-B, First Reading – Amending the Chehalis Comprehensive Plan Dated 2011. Trent Lougheed noted that with development of the Five-Year Management Plan, the administration does plan to have a significant update to the comprehensive plan before the next required six-year update.

Councilor Spahr moved to pass Ordinance No. 972-B on first reading to amend the Chehalis Comprehensive Plan Dated 2011, recognizing that certain additions could be made to the final version of the Plan. The motion was seconded by Councilor Taylor and carried unanimously.

6. Resolution No. 4-2017, First and Final Reading – Adopting the 2018-2023 Six Year Transportation Improvement Program (TIP). City Manager Anderson stated a public hearing was conducted at the last council meeting on the proposed TIP. Don Schmitt noted no public comments were received; however, the council requested a schedule for projects that could be financed with Transportation Benefit District (TBD) funds for the foreseeable future. Mr. Schmitt provided an overview of some of those near term projects:

- Replace foot bridge on National Avenue – 2017
 - Look at temporary and permanent fixes
- Grind and repave downtown parking stalls -- 2017, if possible
 - Eliminates present safety hazard
 - Short term plan until a long range downtown revitalization project can be secured to include necessary utility and lighting improvements, and hopefully multiple funding sources
 - Specifications required
- Repair pavement failures on Chehalis Avenue between Main Street and John Street – 2017
 - Contract out due to size and timing
 - Specifications required

Councilor Ketchum asked about potential funding partners, like Lewis County and Darigold, who have facilities in the area needing improvement. Mr. Schmitt stated they could have those discussions. He noted Darigold has also been using John Street, which is a residential street, and it has been destroyed.

Councilor Harris stated that when Rite Aid was constructed it was determined that large delivery trucks could not use 5th Street because it is not designed to handle those kinds of loads. Mr. Schmitt thought the city could probably post the road as "no truck traffic" since the road is not made to handle trucks.

- City-wide Preservation Program
 - Additional funds allocated each year for smaller repairs
 - Contracted repairs and in-house repairs

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- Examples include concrete panel repairs on concrete streets, 2nd and 3rd Streets; pavement failures outside the normal chip seal rotation

Councilor Ketchum asked if the chip sealing done last year was the same method done in previous years. It seemed as though the gravel was gone in no time. Mr. Schmitt stated the process was the same, but staff saw the same issue. The roads that have open asphalt absorb the oil, so there were patches where there is very little rock. He stated the road has been sealed, but it does not maintain the rock coverage. An option to prevent that from happening is to fog-seal it first and then do the chip sealing.

- Secure consulting services for pavement management and project prioritization
- Secure consulting services for design/specs
 - National Avenue Improvements
 - Market Boulevard from Park Street to 13th Street
 - Newaukum Avenue (pavement repairs and extend sidewalk)
 - Kresky Avenue
 - Chehalis Avenue

Councilor Lund wanted the administration to make sure that any consultants and engineers were doing work on only those properties owned by the city. He clarified that the administration knows what it is doing, and the public works department has not done that, but he was referring to other situations and wanted his comments on the record so it doesn't happen again.

Mr. Schmitt noted some additional observations relating to the coordination of work with other projects underway, such as improvements on 13th Street with the Recreation Park upgrade; waiting until school construction is completed before scheduling any work on 20th Street; and holding off significant work to Louisiana/Airport until I-5 improvements are identified.

Mayor Dawes wasn't sure about improvements to I-5 by the state over the next 10 to 15 years, other than the Chamber Way Bridge replacement, so the city may be able to do some projects. He recalled that once the new school is constructed, the city was planning to move all truck/bus traffic off 19th Street. He noted that Fair Street has a large gouge in it, which he wasn't sure what happened since he didn't believe trucks used that street.

Mayor Dawes asked if the proposed projects were to be financed with TBD funds. Mr. Schmitt stated that, in large part, yes. Mayor Dawes stated the increase in sales tax starts July 1, but the city would not see any money coming in for about two months after that because of the lag time. He wanted to make certain that signs would be placed identifying those projects funded with TBD monies.

Mr. Schmitt encouraged council members to contact him when they see potholes that need to be addressed. Mayor Dawes pointed out that the alley on 4th Street between Market and McFadden needs attention. Mr. Schmitt reported he was aware of the problem and it had been addressed.

Councilor Ketchum moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Spahr. Mayor Dawes recalled that adopted council procedures provided for only one reading of a resolution. The City Manager indicated that she will check into that. The motion carried unanimously. Councilor Ketchum moved to adopt Resolution No. 4-2017 on first and final reading. The motion was seconded by Councilor Lund and carried unanimously.

7. Administration Reports.

a. **City Manager Update.** City Manager Anderson reported that the property at 684 NE Franklin was red-tagged by the city, which had been housing several sex offenders. The property owner failed to meet the statutory requirements for an appeal.

Councilor Ketchum asked if that meant the residents had to vacate the property. City Manager Anderson indicated that was correct and the house had been vacated. There is the possibility that the individuals may try to go back, so it will be monitored.

June 12, 2017

City Manager Anderson stated the administration has had meetings with county staff relating to the interlocal agreement for permitting in the Urban Growth Area. A meeting is scheduled next week and will include elected officials from both entities to move the process forward.

City Manager Anderson asked David Fleckenstein to update the council regarding an upcoming event. Mr. Fleckenstein stated the 2nd Annual Leap the Levee 5K Walk/Run is this Saturday at 9:00 am at the airport with all benefits going to Discover! Children's Museum. So far, 50 participants are registered.

Councilor Ketchum asked Mr. Fleckenstein how his presentation went today at the Chamber Forum where he spoke about the future of the airport and its associated commercial development. Mr. Fleckenstein felt it went well, with several questions afterward.

City Manager Anderson thought the presentation might be of interest to the council, as well as those citizens who watch the council meetings, so it will be scheduled for a future meeting.

8. Councilor Reports/Committee Updates.

a. **Councilor Spahr.** Councilor Spahr attended the W.F. West High School scholarship presentation and graduation. He was reminded of the generosity of the community and the money that is given through scholarships. About \$1.7 million was given out.

b. **Councilor Lund.** Councilor Lund attended the SWW Fair Commission meeting where they took a class on the State Open Public Meetings Act.

c. **Mayor Dawes.** Mayor Dawes attended the following: June 1 lunch portion of the flood basin tour group with the Governor where things appear to be heading in a forward progression; June 2 mayors meeting; June 6 Farmers Market ribbon cutting; June 8 EDC luncheon presentation on IPAT; and June 9 .09 Committee. While the steam train did not receive funding for their turntable installation, grants were awarded for a water protection district in the Randle area, and to IPAT to prepare property for shovel ready projects.

Councilor Harris asked if the seven appointments to the Governor's Work Group have been announced. City Manager Anderson believed they had. She will confirm the names and provide that information to the council.

9. **Executive Session.** At 5:58 pm, Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate; and RCW 42.30.110(1)(i) – Litigation/Potential Litigation not to exceed 6:45 pm and there would be no decisions following conclusion of the executive session. Mayor Dawes recessed the regular meeting and the council convened into executive session at 5:59 pm. Mayor Dawes reopened the regular meeting at 6:46 pm and announced the council would continue in executive session not to exceed 7:15 pm. Mayor Dawes reopened the regular meeting at 7:15 pm and announced the council would continue in executive session not to exceed 8:00 pm. The regular meeting was reopened at 7:52 pm, and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:
Initials: _____

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved: 6/26/2017
Initials: cf

June 26, 2017

The Chehalis city council met in regular session on Monday, June 26, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Councilors Terry Harris and Tony Ketchum were absent (excused). Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Rob Gebhart; Fire Captain; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Judy Pectol, Finance Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media present included Natalie Johnson from *The Chronicle*.

1. **Special Business – Chamber Way Bridge Update.** Frank Green, a project engineer with the Washington State Department of Transportation (WSDOT), stated the project was awarded to Quigg Bros., Inc. out of Aberdeen with a bid of just over \$10.9 million. A design-build delivery method is the process being used for the project, which process provides an accelerated schedule. Instead of WSDOT designing the project and then selecting a contractor, the contractor actually does the design, which allows them to start constructing elements of the project before design is completed. The construction plans minimize closures and construction impacts to the traveling public on I-5, Chamber Way, and the ramps. Closures will be limited to nighttime hours, generally 10:00 to 11:00 pm to morning. I-5 will be closed a maximum of eight times, Chamber Way three times, and the ramps four times throughout duration of the contract. Mr. Green stated that Quigg Bros. proposed constructing a detour bridge to again help minimize impacts to the traveling public. The detour bridge will be constructed north of the existing bridge, and then the new four-lane bridge will be constructed. He noted there will be no closures during the Seattle-to-Portland Bike Ride, Chehalis Garlic Fest & Craft Show, the Southwest Washington Fair, and some restrictions during the holiday season. The design will be very similar to the LaBree Road Bridge. The new overpass will include four lanes with five foot shoulders and an eight foot sidewalk on the south end of the bridge. The two inside lanes will be turn lanes onto the freeway ramps.

Councilor Spahr asked if the new bridge would accommodate six lanes on I-5. Mr. Green stated it would.

Mayor Dawes asked about the projected timeline for getting the third lane through Chehalis. Mr. Green stated that to replace Chamber Way, some Connecting Washington projects had to be moved, and he believed the widening project was around 2021.

Mr. Green noted construction will begin by July 31 this year and is to be completed by end of October next year.

Mayor Dawes wondered, somewhat tongue-in-cheek, what had more of an impact on getting the project moved forward – the bridge getting hit to the point that the temporary bridge had to be installed or within a few days of the temporary bridge going up, the other span being hit, but fortunately, not damaged.

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

a. Minutes of the regular meeting of June 12, 2017;

b. June 15, 2017 Claim Vouchers No. 119349-119506 and Electronic Funds Transfer No. 520171 in the amount of \$721,229.70.

c. Amendment 1 in the amount of \$24,210 from the Department of Ecology for Additional Funding for the Coal Creek Sewer Extension Project; and

d. Lewis/Grays Harbor County Ambulance Transport Contract with American Medical Response Ambulance Service, Inc., to expire September 1, 2019.

The motion was seconded by Councilor Lund and carried unanimously.

3. **Ordinance No. 972-B, Second and Final Reading – Amending the Chehalis Comprehensive Plan Dated 2011.** Trent Lougheed noted no public comments had been received on the update.

Councilor Spahr moved to pass Ordinance No. 972-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

June 26, 2017

4. **Ordinance No. 973-B, First Reading – Amending the 2017 Budget.** Judy Pectol noted most of the changes relate to requirements from the State Auditor's Office that change account numbers. As far as dollar values, the amendment includes increased estimated revenues and appropriations for things related to grants for projects not completed in 2016. Other changes include small things such as donations to specific items.

Councilor Spahr asked if there was a rational reason that the Auditor's Office made changes to account numbers. Ms. Pectol stated in her opinion, no.

Councilor Spahr moved to pass Ordinance No. 973-B on first reading. The motion was seconded by Councilor Pope and carried unanimously.

5. **911 Communications Center Feasibility Study.** City Manager Anderson distributed a proposal from ADCOMM Engineering Company that will complete the study. She stated the handout was not included in the agenda packet.

Chief Schaffer stated that approximately two years ago he addressed the council on matters pertaining to the Lewis County 911 Dispatch Center. Issues and challenges on both performance and equipment still exist today, which concerns have been widely publicized. Steve Mansfield is the third director in several years, and Chief Nielsen and Chief Kytta meet with Mr. Mansfield regularly on behalf of all the fire and police chiefs in the county. Some progress is finally starting and the jurisdictions still continue to be dedicated to working on improvements with the current Center. Back when these concerns were first expressed, and countless times since, the administration has been asked why the city doesn't just start its own 911 center. This would allow the city to have control of costs and decisions, and to be able to tailor the center to specific needs. It would also be costly. A feasibility study would determine if a 911 center could be created for Chehalis, Centralia, and Riverside Fire Authority. ADCOMM Engineering Company would conduct the study. Chief Schaffer noted they had done three studies for the county's 911 Center, so they are familiar with the jurisdiction's needs and services provided. The study would provide options to determine the best manner in which to proceed, will answer the question of whether a 911 center for Chehalis and Centralia is reasonable to pursue, and provide some idea of the cost. If it's not reasonable, the idea can be put behind the jurisdictions and they can then focus attention on the current system. The cost of the study is \$46,000 and is set to take six months to complete. The city's share is \$13,800.

Councilor Pope asked if the study would include a physical setting for a center. Chief Schaffer believed the study included everything.

Councilor Spahr asked about the prior studies completed by ADCOMM on the existing 911 Center, specifically whether there had ever been a rate study. Chief Schaffer stated the studies were done in 1981, 1998, and 2005.

Mayor Dawes stated the center once operated with an administrative and operations board, but those have since gone away. It seemed that was when the problems started multiplying. He stated it would be nice to make what we have work, but if we can't make it work, we owe it to our citizens to get something that is going to work and something we can have some definite influence on.

Councilor Taylor moved that the City Council allocate \$13,800 for the city's portion of the cost to complete a feasibility study of a combined 911 communications center. The motion was seconded by Councilor Lund.

City Manager Anderson asked the council to amend the motion to authorize the city manager to sign the agreement for services with ADCOMM. Councilor Taylor moved to amend his motion to include authorizing the city manager to sign the agreement for services with ADCOMM. The motion carried unanimously.

Councilor Taylor asked if there was or if there could be a document that authorized the city manager to have authority to sign documents for items approved by the council. City Manager Anderson stated that action is typically included in the motion. She stated she was probably being over-cautious in light of the state auditor's office reviewing the minutes of council meetings and comparing those to expenditures.

June 26, 2017

Bill Hillier stated the council-manager form of government implies that the city manager has the authority to sign documents, but the council could pass an ordinance saying any budgetary expenses authorized by the council can be signed by the city manager.

Mayor Dawes recalled that legal contracts based on council-approved funds have always been signed by the city manager. Bill Hillier agreed, noting the mayor's signature is usually only required on transferring real estate.

6. Administration Reports.

a. **Finance Report.** Judy Pectol indicated the city was doing fine. Various grant funds have been received from the Recreation Conservation Office, transportation grants, and a few small grants. The Wastewater Fund has spent more than 100% of what was budgeted, but again, that is due to grants started last year. She noted they are still awaiting the final GO Bond payment from the county that will go into the Airport Fund.

b. **City Manager Update.** City Manager Anderson reported she attended the Association of Washington Cities conference, which was well worth the time and investment. Topics ranged from the future of the world, civility, tips for how to issue financial bonds, and the fact that the state has yet to reach a budget agreement.

7. Councilor Reports/Committee Updates.

a. **Councilor Spahr.** Councilor Spahr stated an update would be coming from the fire consolidation subcommittee at another time. He attended an event in Eugene, Oregon. He was surprised and happy to see there was no protesting at the Saturday market like there usually is.

b. **Mayor Dawes.** Mayor Dawes stated at the last meeting they talked about the number of readings of resolutions. Caryn Foley stated there is a resolution that speaks to the order of business for council meetings. Changes were made by the council, but she thought those changes should be updated by resolution, which she will confirm with the city attorney. Ms. Foley will provide a more detailed update to the council through the weekly report.

Mayor Dawes and Councilor Pope attended a meeting with the city manager, and county staff and Commissioner Jackson regarding the interlocal agreement for permitting in the Urban Growth Area. It was a good conversation and he believed there would be an agreement in place by September. The council fire consolidation subcommittee met with District 6 representatives where they heard the results of a study about facilitating a citizen's task force on area fire and EMS services. Mayor Dawes also attended Business After Hours at Linex on Kresky Avenue.

8. **Executive Session.** At 5:39 pm, Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate; and RCW 42.30.110(1)(i) – Litigation/Potential Litigation not to exceed 7:00 pm and there would be no decisions following conclusion of the executive session. Mayor Dawes recessed the regular meeting and the council convened into executive session at 5:41 pm. Mayor Dawes reopened the regular meeting at 6:46 pm and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

July 10, 2017

The Chehalis city council met in regular session on Monday, July 10, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Bob Spahr, and Chad Taylor. Councilor Isaac Pope was absent (excused). Staff present included: Jill Anderson, City Manager; David Fleckenstein, Airport Director; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Judy Pectol, Finance Manager; and Glenn Schaffer, Police Chief. Members of the news media present included Natalie Johnson from *The Chronicle*.

1. **Passing of Chehalis K9, Reign.** Mayor Dawes acknowledged the recent, unexpected passing of the city's K9, Reign, and his service to the department. He recognized Officer Warren Ayers, Reign's handler, the entire department, as well as the community in this loss.

Chief Schaffer stated Reign is already missed by his police department family. They are still awaiting the results of the necropsy being performed at Washington State University. Initial examination didn't show any obvious signs as to why Reign died. Further toxicology and tissue biopsy tests will be completed to determine the cause of death. In speaking with Officer Ayers, something will be done to commemorate and recognize Reign's service. The future of the K9 program will also be discussed. The program provides a benefit and service to the community, not only as a crime-fighting tool, but also as a public service.

2. **Citizens Business – Commissioner Edna Fund.** Commissioner Fund addressed the council on several topics:

a. **Flood Control Zone District.** As a flood control zone supervisor, Commissioner Fund explained there are now two entities – the county commission and the new Chehalis River Basin Flood Control Zone District. A meeting was held last week and the Flood Control Zone District is seeking individuals to volunteer to serve on an advisory committee to advise the Board of Supervisors (the county commissioners) regarding solutions for reducing flood damage and to restore habitat for aquatic species within the basin. One of their first actions was a resolution to sponsor and apply for permits to construct a water retention facility and associated facilities on the upper Chehalis River south of the town of Pe Ell. There are five openings on the board. Interested individuals should call Lara Seiler at 360-740-2660 or lara.seiler@lewiscountywa.gov.

b. **Office of the Chehalis River Basin.** This group met last Friday. The office was created by the legislature to help resolve flooding issues and includes three representatives from the Flood Authority, two from the Governor's office (one of which is J. Vander Stoep), and Commissioner Fund represents as the Flood Authority Representative from the County Commissioners.

c. **2018 Lewis County Budget Process.** Commissioner Fund announced the County Commissioners are looking for county residents to serve on an advisory committee to provide input and guidance as the county sets its 2018 budget. They are looking for residents from each of the three districts. Applications are available on the county website, and questions should be directed to Commissioner Fund.

Mayor Dawes stated there are many groups looking at flooding, and it is confusing which group one should address.

Commissioner Fund explained that the Office of the Chehalis River Basin is located in the Department of Ecology, which is the over-arching entity related to flood mitigation and fish protection. As far as water retention, a sponsor is required to start the process of permitting, which is being done by the Lewis County Flood Control Zone District. There are several individuals on multiple groups and they are going to have to work together. She noted the Board of Supervisors (county commissioners) has to be very separate, having one attorney in the prosecutor's office who represents the Flood Control Zone District and another attorney that represents the commissioners. She added that all of these meetings are open to the public, and there are representatives from both the Chehalis and Quinault Tribes.

Councilor Harris stated he chairs the Chehalis River Basin Partnership that was formed in 1998, following the 1996 flood, to work on flooding. Most of the current entities stemmed from the Partnership, which group is struggling to figure out their role in all of these new programs and organizations. There's a fish mitigation committee within Ecology made up of the Quinault and Chehalis Tribes, and Ecology. He asked that this be taken back to the Governor's group because the wheel doesn't need to be recreated and he thought the six or seven groups currently out there were doing just that. He added that the Partnership had operated on consensus, but some of the other groups are not.

July 10, 2017

Commissioner Fund stated the Flood Control Zone District and the Office of the Chehalis River Basin will both operate on consensus, and will only vote should they come to a loggerhead. She agreed it would be good to list all the groups and what each is supposed to be doing. Councilor Harris thought it should include who each group answers to, and what their authority is.

Commissioner Fund noted the Flood Authority will continue to work on small projects within the counties. Councilor Harris hoped those small projects would receive mitigation credit for when the dam is built.

Commissioner Fund stated lots of studies will need to be done and they are looking at the Office of the Columbia River as an example to find out how they were able to get things done, including dams. She reiterated that everyone needs to work cooperatively and find out where each piece of the pie fits.

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

a. Minutes of the regular meeting of June 26, 2017; and

b. June 30, 2017 Claim Vouchers No. 119507-119661 in the amount of \$220,805.22; and June 30, 2017, Payroll Vouchers No. 39593-39685, Direct Deposit Payroll Vouchers No. 8393-8496, and Electronic Federal Tax Payment No. 173 in the amount of \$882,922.42.

The motion was seconded by Councilor Lund and carried unanimously.

4. **Ordinance No. 973-B, Second and Final Reading – Amending the 2017 Budget.** Judy Pectol noted the ordinance before the council at the last meeting was revised to include money for the 911 communications center feasibility study; a building abatement fund for fencing; expenses related to Flood Authority activities; and drug seizure revenues for training expenses.

Councilor Lund moved to pass Ordinance No. 973-B on second and final reading. The motion was seconded by Councilor Spahr and carried unanimously.

5. **Ordinance No. 974-B, First and Final Reading – Amending Ordinance No. 714-B Relating to Small Works Roster.** David Fleckenstein stated the ordinance realigns the city's current small works roster with what the RCW currently provides. Right now, the city is capped at \$200,000, but the RCW provides for \$300,000. The increase will allow the city to get work done quicker and meet the needs of construction projects.

Councilor Ketchum moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Taylor and carried unanimously. Councilor Ketchum moved to pass Ordinance No. 974-B on first and final reading. The motion was seconded by Councilor Taylor and carried unanimously.

6. **Ordinance No. 975-B, First Reading – Modifying Chehalis Municipal Code 7.04 Relating to Vapor Product Crimes and Cybercrime, and Parking.** Chief Schaffer stated the city has adopted many RCWs to be able to utilize in court. Two new ones developed by the state include vapor products that relate to purchase and possession of vapor products and where they are used. The other relates to the Washington Cybercrime Act dealing with computer trespassing and data security. The third part of the ordinance would adopt some new parking ordinances relating to the blocking or obstructing of alleys, driveways, sidewalks, and traffic.

Councilor Ketchum moved to pass Ordinance No. 975-B on first reading. The motion was seconded by Councilor Lund.

Councilor Spahr thought there were already laws on the books as far as obstructing sidewalks. Chief Schaffer stated those regulations pertained to the right-of-way. This ordinance would allow for violations to be brought into the municipal court.

The motion carried unanimously.

July 10, 2017

7. Ordinance No. 976-B, First Reading – Adopting the 2015 International Building Code Council Codes. Trent Lougheed stated this housekeeping item would update the adoption of the 2009 International Building Codes to the 2015 codes. The Washington State Building Code Council adopted the 2015 codes in January 2016. In order to keep in compliance with WACs and RCWs, the administration is recommending that the council adopt the 2015 codes.

Councilor Spahr wondered why it was called an international building code. Mr. Lougheed stated the codes are actually used in many nations in an attempt to standardize building codes.

Councilor Taylor asked if the adoption of the codes would create new things that building owners will have to deal with, such as residential sprinkling systems. Mr. Lougheed stated that in reviewing the itemized list of changes, he didn't see anything of significance.

Mayor Dawes asked if residential sprinkling systems were included in the 2015 codes. Mr. Lougheed stated the codes didn't change; the city is just adopting the master reference list of the codes the city is currently implementing.

Councilor Ketchum moved to pass Ordinance No. 976-B on first reading to amend Chehalis Municipal Code Title 17 Appendix Chapter E and Chapter 9. The motion was seconded by Councilor Taylor and carried unanimously.

8. Ordinance No. 977-B, First Reading – Amending Chehalis Municipal Code Chapter 17.78 Allowing Micro-Breweries and Micro-Wineries in Commercial General and in Central Business District Zones. City Manager Anderson stated the ordinance was prepared at the request of the council to address a growing segment of the hospitality market.

Mr. Lougheed stated the ordinance would add these types of uses as allowable under the zone use charts, so as not to require a conditional use permit in order to obtain this type of business license.

Councilor Lund moved to pass Ordinance No. 977-B on first reading to amend Chehalis Municipal Code Division VI, Use Chart/Zoning Map, Chapter 17.78, Use and Occupancy / Use Chart, and Definitions 17.78.010. The motion was seconded by Councilor Ketchum and carried unanimously.

9. Ordinance No. 978-B, First Reading – Amending Chehalis Municipal Code Chapters 17.42.020, 17.45.020, and 17.48.020 Relating to Adjacent Lot Setbacks. City Manager Anderson stated the ordinance would clarify the code and hopefully make it easier for the public to understand and for staff to administer in terms of clarifying adjacent lot setbacks. Mr. Lougheed provided samples of lot configurations to explain the current problem. He stated he understood the intent of the current regulations, but they are very confusing. The ordinance would standardize the requirements.

Councilor Lund was happy to see this recommendation and moved to pass Ordinance No. 978-B on first reading to amend Chehalis Municipal Code Chapters 17.42.020, 17.45.020, and 17.48.020 Bulk Regulations. The motion was seconded by Councilor Ketchum and carried unanimously.

10. Administration Reports.

b. City Manager Update. City Manager Anderson reported the city had been working with the Friends of the Library and The Chehalis Foundation in regards to ongoing maintenance at the library. The city is responsible for maintaining the building, which is a very costly building to maintain, and some of the design features make it a bit challenging. In recognition of that, the Friends of the Library is offering to help with some of the landscaping activity to prepare for an event in August. The city is working to replace the doors and the flag.

Councilor Ketchum thought the Friends of the Library were to provide maintenance funds for the landscaping and the city provide the maintenance. Bill Hillier stated The Chehalis Foundation did not commit to providing maintenance funding, but the city has come back to The Foundation and the organization is looking into the request to see what they can do to help.

City Manager Anderson reiterated the fact that the city is trying to maintain the landscaping and creating a structure for the ongoing maintenance cost. She stated it was a very cooperative effort. Mayor Dawes asked the city manager to bring this issue to the city budget committee, as well, to see what can be addressed.

July 10, 2017

City Manager Anderson announced the resignation of Airport Director David Fleckenstein effective August 4. David has served the city well and has developed a reputation of an outstanding professional in his field. That was noticed by WSDOT and they have offered him the position of Director of Aviation for WSDOT. Trent Loughheed, the city manager, and the city attorney will oversee airport activities until a new director is selected.

Mayor Dawes wished David the best, and he thought it was a testament when the state and other agencies pluck city staff. It's a testament of the quality of individuals in the employ of the city. He thanked David for what he's done for the airport.

City Manager Anderson wished Mayor Dawes a happy birthday, along with happy anniversary wishes to the Mayor and his wife for over 40 years of marriage.

Councilors Lund, Spahr, and Harris acknowledged David Fleckenstein's service to the city.

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

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved: 7/24/2017

Initials: _____

July 24, 2017

The Chehalis city council met in regular session on Monday, July 24 in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, and Bob Spahr. Councilor Chad Taylor was absent (excused). Staff present included: Jill Anderson, City Manager; David Fleckenstein, Airport Director; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Brandon Rakes, Airport Administrative Assistant; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief, Judy Schave, Human Resources/Risk Manager; Don Schmitt, Street Superintendent; and Patrick Wiltzius, Wastewater Superintendent.

Mayor Dawes stated item 13 (Resolution No. 5-2017, First and Final Reading – Establishing an Order of Procedure for City Council Meetings) and item 14 (Parking Lot Leases and Parking Fines) would be pulled from the agenda and would be presented at future meetings.

1. **Recognition of David Fleckenstein, Airport Director.** Mayor Dawes and City Manager Anderson presented an award to David Fleckenstein, outgoing Airport Director. David is leaving the city to become the Director of Aviation for the Washington State Department of Transportation. Mayor Dawes stated this is a tremendous opportunity for David. City Manager Anderson stated David would be leaving a huge hole to fill, but certainly wished him well.

Mr. Fleckenstein thanked everyone for the opportunity to work for the city. He stated that working for WSDOT will allow him to still serve in a capacity that benefits the Airport and this community and he looked forward to continuing that relationship.

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

- a. Minutes of the regular meeting of July 10, 2017;
- b. July 14, 2017 Claim Vouchers No. 119662-119819 and Electronic Funds Transfer No. 62017 and 72017 in the amount of \$688,662.83;
- c. Amendment No. 1 in the amount of \$20,000 to the Engineering Services Agreement with Gibbs & Olson for the Coal Creek Sewer Extension Project;
- d. Reject bids for chip spreader; and
- e. Reject bids for Airport Tract 5A Fill and Grade Project.

City Manager Anderson explained why the bids for the chip spreader and the Tract 5A project were being rejected. When bids are prepared, specifications are prepared based on information available at the time, and can vary and create additional costs. The bids for the fill and grade project came in higher than anticipated due to high specifications and there is a lot of work out there right now, so bids are coming in really high. With regard to the chip spreader, the bids were high and through the process it was realized that we could potentially get the same quality of product with a different type of engine. Both bids will be rebid.

The motion was seconded by Councilor Pope and carried unanimously.

3. **Ordinance No. 975-B, Second and Final Reading – Modifying Chehalis Municipal Code 7.04 Relating to Vapor Product Crimes and Cybercrime, and Parking.** City Manager Anderson stated no changes were made to the ordinance since first reading. Councilor Ketchum moved to pass Ordinance No. 975-B on second and final reading. The motion was seconded by Councilor Lund and carried unanimously.

4. **Ordinance No. 976-B, Second and Final Reading – Adopting the 2015 International Building Code Council Codes.** City Manager Anderson noted there were no changes to the ordinance since first reading. Councilor Harris moved to pass Ordinance No. 976-B on second and final reading. The motion was seconded by Councilor Lund.

July 24, 2017

Councilor Spahr asked that if the council finds something it doesn't like after the codes are adopted, can the council amend what was adopted. Mr. Loughheed stated that was correct, as long as it didn't interfere with public health and safety. The motion carried unanimously.

5. Ordinance No. 977-B, Second and Final Reading – Amending Chehalis Municipal Code Chapter 17.78 Allowing Micro-Breweries and Micro-Wineries in Commercial General and in Central Business District Zones. Councilor Lund moved to pass Ordinance No. 977-B on second and final reading. The motion was seconded by Councilor Harris. Mr. Loughheed noted there were no changes to the ordinance since first reading. The motion carried unanimously.

6. Ordinance No. 978-B, Second and Final Reading – Amending Chehalis Municipal Code Chapters 17.42.020, 17.45.020, and 17.48.020 Relating to Adjacent Lot Setbacks. City Manager Anderson stated the ordinance had no changes since last reading. Mr. Loughheed added the ordinance would make setbacks consistent for everyone. Councilor Ketchum moved to pass Ordinance No. 978-B on second and final reading. The motion was seconded by Councilor Lund and carried unanimously.

7. Administration Reports.

a. **Finance Report.** Judy Pectol stated the city is doing fine. The general fund looks on track compared to what was budgeted. A few revenues are coming in under budget estimates, but other items are coming in better than expected so, overall, things are fine. Ms. Pectol noted that marijuana enforcement revenue is at \$12,230, which is more than the \$7,500 that MRSC suggested we budget. There are still some general fund expenditures making it look higher than it will at year-end, like insurance that is charged early in the year. There are also expenses that haven't been paid, like the \$50,000 to the Main Street Program and the estimated \$37,000 that will be paid to Fire District 6 for the property taxes collected in 2017 for the property annexed south of town in 2016. The city will not pay the actual property tax receipts this year, but will pay estimates because Lewis County has determined that the amount of work required to determine exactly how much property tax we received for the annexed areas is enough work that they are only going to do it once. They will wait until 2017 is over to calculate exactly how much the city owes the district.

Mayor Dawes asked where marijuana enforcement is budgeted. Ms. Pectol stated it's not a specific line item and is the equivalent of sales tax revenue. Mayor Dawes noted the city does not receive a portion of all the other revenues collected by the state for marijuana.

Ms. Pectol confirmed that Lewis County paid off the airport's GO Bond and that will be reflected next month. The county also paid \$11,841, which was the balance of the airport fund after they paid principal and interest on the bond. No future monies will be received from the county for the airport.

Councilor Ketchum asked where the money came from to pay for the bond. Ms. Pectol explained that when the county was part owner of the airport and they controlled things, part of it was leftover money from when they obtained the GO Bond, they didn't spend all of it, and then revenues from the airport went into the fund while it was operated by the county. The first two years the city solely owned the airport, the city sent to the county money to pay the principal and interest payments. The county retained the last payment of \$1.5 million to pay that off when the city took over operating the airport.

Mayor Dawes clarified that was done when the Airport Board existed and was jointly owned by the county and the city. That is what got the county into the thinking that they wanted out of the airport business and part of the agreement to have them release their interest was that they were going to keep that amount of money within their budget so the bond could be paid off.

Mr. Fleckenstein stated the airport has been paying the principal and interest on the bond. The money the city is getting in interest was the money being retained by the county to pay off the bond.

Councilor Ketchum also questioned the county providing an estimate for property taxes for the newly annexed areas. By not calculating the exact property taxes and paying the city on time, they can collect the interest off the money they are not paying the city. He asked if the city should be getting the interest, as well. Judy Pectol stated the county is paying it to the city as it is received. The city has a contract with the Fire District that for 2017 the city will pay the district 100% of the property tax the city received on the annexed properties. At this time, the city does not know how much of the total received in property taxes

July 24, 2017

is for the annexed areas. The city wants to pay the district the exact amount owed, but we will not know that number until after December 31 when 2017 is closed out. City Manager Anderson clarified that the city didn't want the district to have to wait until the end of the close of the year, so we're making estimated payments to the district.

b. **City Manager Update.** City Manager Anderson received good news today from WSDOT about the Chamber Way project. Their operating budget was approved by the Legislature and they do not expect any delays to the project. There will be an open house for the community at the Holiday Inn from 4:00 to 6:00 on July 26.

Chief Schaffer reminded the council about the memorial service for Reign, the K9 officer, tomorrow at 11:00 am in the commons of W.F. West High School.

8. Councilor Reports/Committee Updates.

a. Councilor Spahr attended the last EDC meeting.

b. Councilor Lund attended the Fair Commission meeting last week. He stated he's had several positive comments from Rotarians about City Manager Anderson and all the projects the city has going on.

c. Mayor Dawes attended a flood update on July 12 presented by J. Vander Stoep; the ribbon cutting for the first Friday night Farmers Market. He stated the Market is working with downtown business to get Market attendees to visit downtown businesses. He also attended the Business After Hours held at the Visiting Nurses golf fundraiser.

9. **Executive Session.** At 5:28 pm, Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate; RCW 42.30.110(1)(i) – Litigation/Potential Litigation; and RCW 42.30.140(4)(a) – Collective Bargaining not to exceed 60 minutes and there would be no decisions following conclusion of the executive session. Mayor Dawes closed the regular meeting and the council convened into executive session at 5:33 pm. The regular meeting was reopened at 6:22 pm, and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

August 14, 2017

The Chehalis city council met in regular session on Monday, August 14, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Councilor Tony Ketchum was absent (excused). Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Randy Kaut, Deputy Police Chief; Brian Kelly, Assistant City Attorney; Judy Pectol, Finance Manager; Brandon Rakes, Airport Office Manager; and Dave Vasilauskas, Water Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. **Recognition of Chehalis Water Department.** Mayor Dawes presented Dave Vasilauskas with a Bronze Certificate of Achievement from the Washington State Department of Health Office of Drinking Water for attaining the filtered water turbidity optimization goal of 0.10 NTU or less for three continuous years, 2014-2016. Mr. Vasilauskas stated the award was earned by the good employees who work in the city water department.

Councilor Pope stated he was asked if any of the water going out to the Poplar Farm was anything other than gray water, and whether or not any water or sewer lines had been installed for future use. He was told that wells in that area are drying up. Mr. Vasilauskas stated the only water that goes to the poplars is treated wastewater, and no lines were installed for future use for either water or sewer.

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

- a. Minutes of the regular meeting of July 24, 2017; and
- b. July 31, 2017 Claim Vouchers No. 119820-119961 in the amount of \$270,858.06; and July 31, 2017, Payroll Vouchers No. 39686-39773, Direct Deposit Payroll Vouchers No. 8497-8602, and Electronic Federal Tax Payment No. 174 in the amount of \$821,254.05.

The motion was seconded by Councilor Lund and carried unanimously.

3. **Resolution No. 5-2017, First and Final Reading – Authorizing Application for Financial Assistance with the Community Economic Revitalization Board (CERB) for Airport Property Economic Revitalization Implementation Strategy.** City Manager Anderson stated the administration is requesting authorization to submit a grant to do some master planning at the airport, particularly the undeveloped properties to the north. CERB grants are on hold due to the lack of a state capital budget; however, the administration thought it was important to go ahead and submit an application so it would be ready to go when the capital budget is ultimately approved. The anticipated cost is a little under \$38,000 of which \$28,418 would be requested from CERB with a local match of just under \$10,000 from the Airport Fund. Among other options, .09 funding will be looked into.

Mayor Dawes stated the .09 committee is meeting in September, so the application should get turned in soon.

Councilor Taylor moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Spahr and carried unanimously. Councilor Taylor moved to adopt Resolution No. 5-2017 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

4. **Establishing an Order of Procedure for City Council Meetings.** City Manager Anderson stated this was a follow-up item to establish an order of procedure. The city council adopted a resolution in 1995 that set forth some rules with follow-up discussion to streamline those rules that were not codified.

Caryn Foley added that in drafting a new resolution, a question came up about a quorum and what constitutes a majority to pass a resolution or ordinance when less than six members are present. MRSC was contacted and they advised that RCW 35A.12.120 and RCW 35A.13.170 provide that the passage of any ordinance, the granting or revocation of a franchise or license, and any resolution for the payment of money requires an affirmative vote of at least a majority of the whole membership of the council. They went on to say that, beyond that, it's really just a matter of local procedure. To address the question, Bill Hillier put together a couple options for the council. Option 1 would be to require a vote of four or more members in the affirmative or the negative for any business regardless of how many council members were present. The second option would be to follow the state statutes that require the vote of at least a majority of the whole membership of the council for the items

August 14, 2017

mentioned earlier. Ms. Foley asked the council to discuss and consider the two options and then direct staff to prepare the necessary resolution that would incorporate all of the changes.

Councilor Harris was in favor of option 1 since the council has always worked by the four votes approach. Section 17, relating to voting to alter the rules, would need to be changed from a requirement of "two-thirds of the members present" to "four members of the whole membership" if the council selected option 1. He also suggested including language to make sure that in an extreme emergency situation, (e.g., if four council members cannot be present at a meeting) the council can't be crippled.

Mayor Dawes thought it should take four votes to pass anything. This would create no confusion in the future about the number of votes to pass something.

Councilor Spahr indicated either option worked for him, but thought option 1 would make it easier for staff.

Councilor Harris noted that the last sentence of Section 4, dealing with special meetings, was somewhat confusing and asked if that could be looked at. Mayor Dawes indicated the language probably follows the state statute.

Councilor Harris moved to choose option 1 regarding a quorum and voting, and direct staff to prepare a resolution to adopt the proposed changes. The motion was seconded by Councilor Lund and carried unanimously.

5. Administration Reports.

a. **City Manager Update.** City Manager Anderson stated the Chamber of Commerce took action by a vote of their board to launch an effort called One Lewis County to change the form of Lewis County government. As a non-voting member on the Chamber board, Ms. Anderson wanted to let the council know that as Chehalis city manager she was not involved in it in any way. In speaking with Centralia City Manager Rob Hill, he will also not be taking a position one way or the other in the effort.

Ms. Anderson stated while on vacation the last couple weeks, she was married in California. She reported that she will be keeping Anderson as her legal name, since her new husband's name is Rick Beitelspacher. She thought Anderson-Beitelspacher was a bit much (tongue in cheek). She thanked the council for their support and stated she was glad to be back.

6. Councilor Reports/Committee Updates.

a. Mayor Dawes stated the SWW Fair starts tomorrow. He attended the following events: service held for K9, Reign on July 25; Music in the Park on August 28; and helped cook breakfast at the Historical Museum on July 29 for ChehalisFest.

Mayor Dawes noted there would be no executive session as was listed on the agenda.

There being no further business to come before the council, the meeting was adjourned at 5:21 pm.

Dennis L. Dawes, Mayor

Attest:

Caryn Foley, City Clerk

Approved:

Initials: _____

August 28, 2017

The Chehalis city council met in regular session on Monday, August 28, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Rob Gebhart, Fire Captain; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Judy Schave, Human Resources Administrator; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. Port of Chehalis Update. Randy Mueller, CEO of the Port of Chehalis, provided an update on Port activities. Mr. Mueller stated the Port appreciates the city manager's continued attendance and participation in Port commission meetings. In an effort to build communication, the Port offered to begin providing the council with regular updates.

- "Made in Chehalis" – A list has been created to highlight products manufactured in Chehalis, which includes the company and their product(s).
- Comprehensive Scheme of Harbor Improvements – The 2017 draft comprehensive plan includes purpose of the plan; mission, vision, and goals; a five-year plan update summary; and port properties and plans of improvement. He stated the Port is seeking public comment and will hold a public hearing in the future. He encouraged council to review the plan and provide comment.
- Executive Sessions – A recent court case has changed the way executive sessions can be used to discuss real estate. All conversations must be held during an open public meeting, except for the actual price number. It's effectively eliminated real estate executive sessions.

Mayor Dawes stated that sometimes companies want to stay anonymous until details are agreed to. Mr. Mueller stated meetings are not the only way to communicate, including individual briefings with commission members. They don't say anything in closed session that they wouldn't say in open session, so it will make things a little harder.

- Fatality on Port's Rail Line – The accident occurred where the line crosses Highway 6 and unfortunately resulted in a fatality. All the information to-date shows the driver was cited and at fault, but the incident has prompted a comprehensive review of the rail line and systems, and insurance. He expressed sympathy for the family.
- Developments That Have Not Moved Forward – Project Desert, a biotech company, is staying in Arizona. Chehalis was one of the final two locations that were being considered. Project Site Hound, a large distribution center project, canceled all projects planned on the west coast. The work completed to ready the location for the project can be used in preparation for another project. Another project, through the State Department of Commerce that does industrial chemicals, determined Chehalis was unsuitable because of the proximity of residences and insufficient water supply.
- Good News – Wilson Oil (Wilcox and Flegel) is moving ahead with the proposed purchase of eight acres of Port property to construct an 80,000 sq. ft. rail service distribution facility. A co-working facility is being worked on in downtown Chehalis in partnership with the Chehalis Community Renaissance Team (CCRT). The Port will own the property and CCRT will manage it. The Port is working with PUD, ToledoTel, and Rainier Connect on bringing high-speed internet to the Port District and to the county. The big announcement is that the Secretary of Commerce and US EDA made it official that the Port is receiving \$2.8 million in grant funding for the Maurin Road industrial site 1 work. It is part of a \$3.5 million project to bring the site along.

Mayor Dawes expressed appreciation to the Port and the commissioners. The Port has been a very valuable partner to the City. Mr. Mueller indicated that the Port feels the same about the city.

2. Consent Calendar. Councilor Spahr moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular meeting of August 14, 2017; and
- b. August 15, 2017, Claim Vouchers No. 119962-120121 and Electronic Funds Transfer No. 720171 in the amount of \$886,385.08.

August 28, 2017

The motion was seconded by Councilor Lund and carried unanimously.

3. Ordinance No. 979-B, First Reading – Granting a Nonexclusive Franchise to Sprint Communications for Fiber Optic Communications System and Facilities. Bill Hillier stated the agreement is a renewal of the existing agreement, with very few changes. The major change relates to the franchise fee that was included in the original agreement. State law removed all franchise fees with telecommunications operations. The term of the agreement is 30 years. Insurance language was updated based on recommendations from WCIA.

Councilor Spahr moved to pass Ordinance No. 979-B on first reading. The motion was seconded by Councilor Pope and carried unanimously.

4. Resolution No. 6-2017, First Reading – Establishing an Order of Procedure for City Council Meetings. City Manager Anderson stated that during the last meeting, council reviewed some possible changes to the resolution outlining the order of meetings and some procedures that council wanted to see moving forward. A couple of things came up and the administration asked for council direction to the final resolution. One question was whether or not council wanted to have a requirement that any piece of business would require four votes. The RCW provides provisions that sometimes four votes would be required and sometimes it wouldn't. For clarity the council directed that an affirmative vote of four members would be needed for anything to be passed. During the course of that discussion, there was also a question raised about making sure that nothing in the resolution would prevent the council from meeting in the event of an emergency.

Bill Hillier stated that in an emergency meeting situation, there is usually enough time, that even if members of the council aren't available in person, they can be contacted in other ways. Historically, that has been successful through phone contact for voting purposes. He didn't believe additional language was need in the resolution to address this type of situation.

Councilor Taylor moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Lund and carried unanimously. Councilor Taylor moved to adopt Resolution No. 6-2017 on first and final reading. The motion was seconded by Councilor Lund and carried unanimously.

5. Resolution No. 7-2017, First and Final Reading – Surplus of Property in the Fire and the Airport Departments. City Manager Anderson stated items included old fire hose that because of its age can no longer be used. The administration plans to donate the hose to a fire department in Mexico where there is no age requirement for hose. The other item includes a service truck at the airport that has 187,000 miles on it and requires repair beyond its worth.

Councilor Spahr asked what was required to donate the hose to a department in Mexico. Bill Hillier stated that whatever approach is used it will be according to law.

Councilor Ketchum moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Taylor and carried unanimously. Councilor Ketchum moved to adopt Resolution No. 7-2017 on first and final reading. The motion was seconded by Councilor Lund and carried unanimously.

6. Administration Reports.

a. Finance Report. Judy Pectol reported revenues are strong and the sales tax is 14.3% higher than last year at this time. Revenues in the Water Fund look low, but that will look better next month because money from the state for the Redundant Flocculation Project and the High Level Reservoir Project will come in. One expenditure in the Airport Fund not yet recorded is the pay-off of the GO Bond. The county did pay it off, but they haven't submitted the documentation yet.

Councilor Ketchum stated the agenda reports indicates that ". . . Plan Checks was \$25,739 which is 85.8% of the annual budgeted revenue of \$30,000." He asked what that was. Ms. Pectol stated that it is revenue brought in by the Community Development Department for plan review.

Councilor Harris asked if the sales tax included the recent increase in the sales tax rate. Ms. Pectol stated the city will not see the increase until the end of September.

August 28, 2017

b. **City Manager Update.** City Manager Anderson congratulated Judy Pectol on her upcoming retirement effective October 1. She stated that Judy has worked tirelessly during her time with the city. A part-time, former finance director with the city of Lacey, will be coming on board in the interim of finding Judy's replacement.

Ms. Anderson thanked the council for the opportunity to attend the WCMA conference last week. Of particular interest was how the state is preparing their workforce and workplace for the next generation, specifically technology and the integration of work and life, which has been different than in the past.

The city has applied for .09 funds for planning at the airport. This was a suggestion made at the last council meeting regarding a resolution that was adopted to apply for CERB money, but is currently on hold due to the lack of the state capital budget not being passed.

7. **Tract 5A Fill and Grade Project.** Mayor Dawes asked if the City Manager would like to add discussion about the Tract 5A Fill and Grade Project to the agenda.

City Manager Anderson stated the city requested bids for the filling of a project site on Arkansas Way next to Sonic. The bids came in too high, so council directed staff to rebid the project using the Small Works Roster. Those bids are scheduled to be opened tomorrow. The administration had thought about bringing it to council tonight asking for authority for the City Manager to approve the lowest responsible bidder, but thought it would be better to hold a special meeting later this week to approve the award of bid.

Council discussed the need for a special meeting versus authorizing the City Manager to award the bid after review of the bids.

Trent Lougheed stated the contractors bidding on the project were selected from the Small Works Roster and were the contractors that previously bid the project.

Councilor Lund moved to authorize the City Manager to award the bid to the appropriate company. The motion was seconded by Councilor Taylor.

Councilor Harris asked if a not to exceed amount should be included in the motion.

Councilor Lund withdrew his motion. Councilor Taylor withdrew his second to the motion.

Councilor Lund moved to have staff open and review the bids and authorize the City Manager to award the Tract 5A Fill and Grade Project to the lowest responsible bidder not to exceed \$300,000. The motion was seconded by Councilor Taylor. The motion passed four to three. Councilors Pope and Spahr, and Mayor Dawes voted against the motion.

8. **Human Response Network Request.** Councilor Ketchum asked if they were going to bring up the street vacation request by the Human Response Network (HRN).

City Manager Anderson stated that issue was scheduled for the next meeting. Councilor Ketchum asked if it was possible to talk about it at this meeting.

City Manager Anderson stated it was a tad more complicated than vacating a street. The request is to change the zoning of a residential area outside of the normal period to request rezones to property. The vacation of the street is an additional request that HRN is asking for, which can be done at any time.

Mr. Hillier stated he hasn't had a chance to review any of this and it is significant because the city's procedural requirements under the RCWs need to be reviewed to determine if the city has the ability to waive the timing issue. Ms. Anderson reiterated the topic is scheduled for the next meeting.

August 28, 2017

9. Councilor Reports/Committee Updates.

a. Councilor Lund thanked Judy Pectol and although he is happy for her, he is sad to see her go. He also thanked Randy Mueller for his work at the Port. Councilor Spahr concurred with Councilor Lund's comments.

b. Councilor Harris stated that the city manager's comments about IT and technology is something he thinks needs to be addressed and he would like to have a workshop on it. In speaking with people that he knows that work for the state, it seems like new programs require more steps and paper than they take away. He thought the city needed education about planning for the future.

City Manager Anderson stated half the challenge is really being able to utilize the systems the city currently has as effectively as possible, and there is no plan to change any software systems at this time. One thing that she would like to see is the ability for customers to pay their bills on-line. Another subject that has come up is the public records law, which has not kept up with technology. Some cities have taken steps backward with technology because they can't keep up with Public Records Act.

Councilor Taylor asked if the city has a big issue with records requests and do they cost a lot of money. Ms. Anderson stated the big issue is the staff time they take. Usually it is one or two people that make it difficult to meet what they are getting at, and there really is very little in the law that allows a city to say we've done our best we've given you everything. The city isn't experiencing the situation that some have in terms of hundreds of requests coming from the same person over the course of a month, but there has been one situation where the city clerk spent the majority of almost two weeks working on a request. Ms. Anderson stated it's not really the dollar cost it's the lost productivity toward other things that the public might see as being more important.

Mayor Dawes stated it would have to be addressed at some point because all it's going to take is one controversial issue. He thought help from the Legislature would only come when the same is requested from them, because as far as he knew, they are exempt from public records requests. There is certainly nothing wrong with a legitimate request, fishing is another question and really hurts small towns.

c. Mayor Dawes attended the ribbon cutting at the opening of the Fair on August 15; the EDC luncheon on August 17; and the Business After Hours on the 17th at ToledoTel.

10. **Executive Session.** At 5:59 pm, Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate; and RCW 42.30.110(1)(i) – Litigation/Potential Litigation not to exceed 30 minutes and there would be no decisions following conclusion of the executive session. Mayor Dawes closed the regular meeting and the council convened into executive session at 6:02 pm. The regular meeting was reopened at 6:28 pm, and there being no further business to come before the council, the meeting was immediately adjourned.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

September 11, 2017

The Chehalis city council met in regular session on Monday, September 11, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Judy Pectol, Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; and Don Schmitt, Street/Storm Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. **Proclamation – Patriot Day.** Mayor Dawes presented a proclamation to Chief Schaffer and Chief Cardinale in recognition of the 16th anniversary of the September 11, 2001 attacks on the United States.

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

- a. Minutes of the regular meeting of August 28, 2017;
- b. August 31, 2017 Claim Vouchers No. 120122-120254 in the amount of \$244,796.34; and August 31, 2017, Payroll Vouchers No. 39774-39859, Direct Deposit Payroll Vouchers No. 8603-8707, and Electronic Federal Tax Payment No. 175 in the amount of \$799,718.60;
- c. Award bid for Tract 5A Fill and Grade Project to Sterling Breen Crushing, Inc., in the amount of \$260,762 and approve associated financing;
- d. Award bid for chip spreader to BearCat Mfg., in the amount of \$264,062.10 and approve associated financing; and
- e. Pass Ordinance No. 979-B on second and final reading, granting a nonexclusive franchise to Sprint Communications for fiber optic communications system and facilities.

The motion was seconded by Councilor Lund.

Mayor Dawes noted that the funding for the chip spreader is coming from 1/3 from the Street Fund and 2/3 from the 4% funding budget. No money from the Transportation Benefit District is being used to fund the purchase.

The motion carried unanimously.

3. **Renew Solid Waste Contract with LeMay Enterprises.** City Manager Anderson stated the city has been in contract with LeMay for many years, which contract has expired. The contract has been under review over the last year and the city council considered a variety of terms and proposals in July 2016. The contract being presented today reflects the direction given by the city council at that time. Ms. Anderson stated Tom Rupert, LeMay's District Manager, was in attendance to address the council. She stated the administration was recommending approval of the contract with any input from council.

Mr. Rupert stated LeMay has been providing services since 2009. Extension talks began in June 2016 at which time LeMay proposed two pricing options – fixed pricing or pricing based on the annual Consumer Price Index. The council favored fixed rate pricing, which is included in the proposed contract. Mr. Rupert noted the key terms of the contract include a five-year term; fixed pricing on the service portion of the rates; a defined calculation for disposal rate increases if tipping fees are increased; addition of temporary dumpster service for residential customers; and general language and rate clean-up from previous contract. Mr. Rupert provided examples of the most frequent monthly services provided by LeMay and how the rate increases would impact customers.

| Service | Pickup Frequency | Customers | Current Rate | Proposed Rate | Diff |
|------------------------------------|------------------|-----------|--------------|---------------|---------|
| Residential 1 regular can at curb | 1 time per week | 789 | \$ 14.32 | \$ 16.47 | \$ 2.15 |
| Residential 2 regular cans at curb | 1 time per week | 599 | \$ 20.34 | \$ 23.39 | \$ 3.05 |
| Commercial 2 regular cans | 1 time per week | 137 | \$ 17.76 | \$ 20.43 | \$ 2.66 |
| Commercial 3 regular cans | 1 time per week | 114 | \$ 23.44 | \$ 26.96 | \$ 3.52 |

September 11, 2017

Councilor Spahr clarified that rates would be fixed for the term of the contract, and the only increase that could happen would be an increase in tipping fees. Mr. Rupert noted that also included any other taxes or other pass-through increases.

Councilor Harris stated the Solid Waste Advisory Committee pays close attention to the budget. There was an increase to tipping fees for the first time in 2014. When the tipping fees were increased it was with a long-term projection, so that they wouldn't be increased every two or three years.

Mayor Dawes didn't see it addressed in the contract, but asked about yard waste service. He asked if a customer had the ability to discontinue yard waste pick-up during fall/winter months. Mr. Rupert stated it was a subscription service, which could be discontinued, but there would be a delivery fee if the service was reestablished.

Councilor Ketchum moved to approve the agreement for collection and disposal of solid waste with LeMay to expire August 1, 2022, and to authorize the city manager to sign said agreement. The motion was seconded by Councilor Lund and carried unanimously.

Councilor Lund commented that he appreciated LeMay's drivers. They are really good about pulling over and letting vehicles get around them.

4. Request from Human Response Network (HRN) to Rezone Property. Trent Lougheed stated the HRN submitted a request for a variance for the timing in which a zoning change application could be processed. City code allows council to approve such a request if "the proposed rezoning is necessary in order to provide land for a community-related use which was not anticipated at the time of the adoption of the comprehensive plan, and that such rezoning will be consistent with the policies of the comprehensive plan." Mr. Lougheed noted the request was just for the processing of the application and does not grant HRN an approval or not make it so they don't have to comply with any regulations as outlined in the code.

Councilor Spahr stated the code requires that an applicant for rezone must own at least one tax parcel of property within any area submitted for rezoning, but HRN does not own any of the property. Mr. Lougheed stated that was correct. A signature of a land owner will have to be on the application.

Mayor Dawes stated the request was because of the timing of a grant application that HRN is pursuing and has nothing to do with the process, which will have to go through the city's Hearings Examiner. If the council decides to approve the request it is with the understanding that it not set a precedent. Mr. Lougheed indicated that was correct. Any other requests would have to fall under the criteria within the city code.

Councilor Taylor moved to approve the request of Human Response Network to suspend Chehalis Municipal Code Section 17.09.140(B), allowing for processing of a rezone application and taking action prior to February 1. The motion was seconded by Councilor Lund and carried unanimously. As a board member of the Human Response Network, Councilor Ketchum abstained from voting.

5. Administration Reports.

a. **City Manager Update.** City Manager Anderson announced the city submitted an application for .09 grant funds, which are funds distressed counties receive for economic development. The .09 committee voted to recommend to the county commissioners a \$38,000 award to conduct a study and prepare a conceptual master plan for the airport.

Councilor Ketchum asked about the previous CERB grant that was recently submitted for this project. Ms. Anderson stated that will be addressed once the county commissioners, hopefully, approve the .09 award recommendation.

6. Councilor Reports/Committee Updates.

a. Councilor Harris attended the newly formed Chehalis Basin Board meeting. He stated it was an informative meeting where discussion was had about what to do since they have no money due to the lack of adoption of the capital budget. He also attended the CCRT meeting. He also stated he would not be at the next council meeting.

September 11, 2017

b. Councilor Ketchum stated the Sister City Committee will hold a fundraiser on September 16 at Applebee's from 8:00 to 10:00 am. The cost is \$10 for two pancakes, two eggs, two strips of bacon, two sausage links, coffee, and orange juice. Committee members will be serving guests, while Councilor Ketchum will be performing clean-up.

c. Mayor Dawes attended the August 31 grand opening of the Boys & Girls Club; the September 6 ribbon cutting at Pope's Kids Place; the September 7 state auditor's 2016 audit entrance conference; and the September 8 Mayors Meeting where legislative priorities were discussed. The group would like to see a capital budget passed on time, and a flat fee for being a legislator with the concept being that if legislators didn't get their work done on time, they wouldn't receive extra pay. Mayor Dawes reported the .09 committee also approved a \$125,000 grant request for a professional co-working facility in downtown Chehalis, which is a joint project between the Port of Chehalis and the CCRT. Mayor Dawes also attended today's Chamber membership BBQ, which was well attended.

d. Councilor Pope stated he sometimes gets asked about the council's decision to allow marijuana facilities in the city. He asked if the Police Department had seen an increase in crime since that decision. Chief Schaffer stated that aside from one burglary at one establishment a couple weeks ago, no.

e. Mayor Dawes expressed thanks to the Police Department and the Public Works Departments for addressing various concerns/issues in the community.

Mayor Dawes announced there would be no executive as listed on the agenda. There being no further business to come before the council, the meeting was adjourned at 5:29 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

September 25, 2017

The Chehalis city council met in regular session on Monday, September 25, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Councilors Terry Harris and Tony Ketchum were absent (excused). Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Judy Pectol, Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. **Coal Creek Sewer Extension Project.** Danette York, Bill Teitzel, and Commissioners Edna Fund and Bobby Jackson, representing Lewis County Public Health and Social Services, recognized the city, and in particular, Patrick Wiltzius, for working with the county on the Coal Creek Sewer Extension Project. The project allowed the connection of several homes with failing septic systems to the city's sewer system. Ms. York stated that Mr. Wiltzius helped in writing grants to help the home owners tie into the city's system. Mr. Wiltzius was presented with a certificate of appreciation. Mr. Wiltzius stated it was a great project and a real group effort.

Commissioner Fund also distributed informational cards about how to sign up for Lewis County Alert. Citizens can receive important notifications via email, text, or voicemail.

2. **Chehalis Community Renaissance Team (CCRT) Update.** Annalee Tobey, Executive Director, updated the council on recent CCRT activities:

- **Co-working Space:** Opening a co-working space in downtown Chehalis in partnership with the Port of Chehalis. \$125,000 in distressed county funds was awarded to purchase a building and make renovations.

Mayor Dawes stated he read an article in *The Chronicle* that indicated the Port commissioners had questions about the project. Ms. Tobey stated the Port commissioners would receive a presentation on Thursday that will hopefully smooth out any wrinkles.
- **“Opportunity Tour”:** An “Opportunity Tour” is scheduled for October 18 from 4:00 to 6:00 pm for the public to tour vacant building spaces in downtown. A location for where the tour begins is forthcoming.
- **Business Relocation Guide:** Working on developing a downtown Chehalis business relocation guide, which will be available for the “Opportunity Tour.”
- **Façade Improvement Program:** Four grant applications have been awarded totaling \$9,264, which has resulted in \$54,000 in private investments.
- **Benches:** The benches downtown are in disrepair. In partnership with Twin Cities Rotary, CCRT will be renovating the benches over the winter.
- **Historic Banners:** Additional banners will be going up on Pacific, Park, and Chehalis. Ms. Tobey thanked city parks crews for making the banner brackets.
- **Fiber Optic Installation:** Fiber optic will be installed downtown, which is great for local businesses and the new co-working space.
- **New Mural:** Local artist, Emily Von Flotow, was selected to paint a Chehalis-themed mural on the newly remodeled downtown restrooms.
- **2018:** The CCRT board is busy planning for 2018.

September 25, 2017

Ms. Tobey thanked the city council for their ongoing support. She acknowledged Jill Anderson, Andrew Hunziker, and Don Schmitt, stating they were all great to work with.

Councilor Lund asked when changes to parking lot F would happen, specifically changing it from a 24 hour lot to a four-hour lot. Ms. Tobey stated business owner signatures were submitted to the city to make the change, and the CCRT is working with the city.

Councilor Lund also asked about the two locations of former loading zones that need to be changed to add regular parking spaces. Ms. Tobey stated she is also working with the street department on this issue and she was assured it was in the process of being taken care of.

Councilor Lund didn't understand why the repainting wasn't completed.

Mayor Dawes agreed that both issues were reasonable requests.

City Manager Anderson stated both issues were moving in a positive direction.

3. Recognition of Judy Pectol, Finance Manager. Mayor Dawes and City Manager Anderson recognized Judy Pectol upon her retirement from the city. Mayor Dawes presented an inscribed vase to Ms. Pectol for her three years of service. He stated that finance is an integral part of the city and is a very hard job in this day and age. City Manager Anderson added Judy has given everything she has, and then some, which she very much appreciated. She wished Judy a very healthy and happy retirement.

Ms. Pectol thanked the council for being a wonderful and productive city council that works for the benefit of its citizens.

David Hartz, President of the CCRT Board, acknowledged and thanked Judy for her efforts in securing B&O tax dollars through the Main Street Program for the Renaissance. He stated that for two years in a row, Judy came into the office at midnight on New Year's Day to secure the funds for the CCRT.

4. Consent Calendar. Councilor Spahr moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular meeting of September 11, 2017;
- b. September 15, 2017 Claim Vouchers No. 120255-120389 and Electronic Funds Transfer No. 82017 in the amount of \$576,593.53;
- c. Accept Coal Creek Sewer Extension Project as complete and release retainage to Barcott Construction after all statutory requirements have been met;
- d. Authorize City Manager to sign renewal of agreements for lease of train engine and caboose with the Chehalis-Centralia Railroad & Museum;
- e. Resolution No. 8-2017, first and final reading – surplus of property in the Public Works Department; and
- f. Ordinance No. 980-B, first and final reading – establishing revolving cash funds.

The motion was seconded by Councilor Taylor.

With regard to the renewal of the lease agreements for the train engine and caboose, Mayor Dawes asked if all required paperwork had been received from the stream train organization. City Manager Anderson indicated the city did receive the required documentation, including proof of insurance.

The motion carried unanimously.

September 25, 2017

5. **R.E. Bennett School.** City Manager Anderson stated the city was approached by the school district regarding the possible purchase of R.E. Bennett School, and possibly Cascade School, which sit at very strategic locations in the city. Conversations occurred a couple years ago, but ended when there were issues about whether or not the school district could provide the buildings free of charge. The idea was to renovate R.E. Bennett for use as a city hall and community gathering center, utilizing the gym and the theater. In recent months, there has been a renewed interest in seeing those buildings be used for public use, and as a result, the school district again approached the city to casually start conversations about whether or not the city would be interested in pursuing it. She was speaking about it today to make the public aware. She noted the building is historic and beautiful, and has been well maintained, but to renovate it for a new use that meets today's codes would be incredibly expensive. She noted to renovate is sometimes more expensive than building new, adding more discussions would come that would include a dollar figure for the building.

Mayor Dawes stated the council did appoint a subcommittee, including Councilors Lund, Spahr, and Taylor. The Mayor agreed that while it is a beautiful building, the cost of renovation is something that concerns him, especially since there are currently city-owned buildings that either need to be extensively remodeled or new buildings constructed. He stated those buildings should be the council's first priority, but maybe something can be worked out that hasn't been thought of yet.

6. Administration Reports.

a. **Finance Report.** Judy Pectol reported the city is doing well, with a strong financial position, although the council has a lot of hard and expensive decisions to consider in the future. She noted the swimming pool is bringing in revenue, including a 49% increase (\$101,276) in pool admissions. Additionally, all pool revenues were up 32% to \$130,382. She noted the Airport Fund now includes the payment for the GO Bond that Lewis County was holding, and is why expenditures exceed revenues. The county did transfer to the city all remaining funds, which was around \$11,000.

Mayor Dawes asked how the Airport Fund would be entered so it wouldn't show as a negative balance by the end of the year. Ms. Pectol explained that it will not be shown as a negative fund balance because what is not shown are the assets that the airport has, so as far as assets and liabilities are concerned, the airport is doing fine.

City Manager Anderson noted there have been positive numbers in many revenue categories, particularly sales tax. However, as positive as the situation is, sales tax is cyclical and recessions typically occur every 10 years. The recovery from the last recession was very long and very slow and the city has just now gotten to the point where it was in 2007/2008. A lot of things were put off during the last recession to make the most of the dollars available and to live within the city's means. The bill for some of those things is now coming due, including the need for significant repairs at the fire station; the outcome of employee negotiations with two of city's three collective bargaining groups; the need to replace vehicles and equipment that are far beyond their useful life expectancy; and the need to invest in the city's buildings and facilities. Ms. Anderson stated some steps have already taken place to provide much needed improvements to city buildings, facilities, and grounds.

Mayor Dawes stated the city will begin seeing the sales tax numbers for the Transportation Benefit District and hoped those would be a separate line item. Ms. Pectol stated it would be separated out.

Ms. Pectol stated that since she is retiring her name will be removed from all city bank and investment accounts and she will no longer have authority for any of the websites for the city dealing with any banks or state accounts.

b. **Annual Debt Compliance Update.** Judy Pectol reported the financial information that has to be reported annually to the Municipal Securities Rulemaking Board has been reported in compliance with the conditions set forth when the 2011 limited general obligation bond was issued.

Mayor Dawes recalled that the budget includes the balance of obligations the city has. Ms. Pectol indicated that was correct. She also noted an error with a date on the annual debt compliance report, which she will correct.

c. **City Manager Update.** Trent Lougheed reported that the pedestrian bridge on National Avenue has arrived and public works is preparing the area for its installation.

September 25, 2017

City Manager Anderson stated that in light of Judy Pectol's retirement, an interim person has been hired to work part time. Applications are being accepted until October 12 to fill the position. Ms. Anderson also acknowledged city staff for their hard work.

7. Councilor Reports/Committee Updates.

a. Councilor Pope stated The Chehalis Foundation met last week where City Manager Anderson provided a report to the board, which he appreciated.

b. Councilor Spahr attended an EDC board meeting.

c. Councilor Lund thanked Annalee Tobey and David Hartz for their work on the CCRT. He stated he had a citizen approach him about naming 16th Street in front of the high school after Orin Smith for all the great things he's done for Chehalis. In speaking with Mayor Dawes, they talked about not changing the name so that residents have to change their addresses, but add a commemorative name to the street.

City Manager Anderson stated instead of having the Foundation submit the required application, city administration will place the item on the next council meeting agenda for council's consideration. The council agreed with Ms. Anderson's suggestion.

d. Councilor Taylor stated he has been using some of the community trails and thanked everyone involved for creating them. He also acknowledged Judy Pectol, especially the concise reports she's given the council over the years.

e. Mayor Dawes again wished Judy Pectol the best in her retirement. He also thanked city staff for their work, which is appreciated by the community.

Mayor Dawes announced there would be no executive as listed on the agenda. There being no further business to come before the council, the meeting was adjourned at 5:58 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

October 9, 2017

The Chehalis city council met in regular session on Monday, October 9, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 4:30 pm with the following council members present: Terry Harris, Daryl Lund, Bob Spahr, and Chad Taylor. Councilor Dr. Isaac Pope arrived at 4:46 pm and Councilor Tony Ketchum arrived at 4:54 pm. Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; Rick Sahlin, Public Works Director; and Patrick Wiltzius, Wastewater Superintendent.

1. **Executive Session.** Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation for approximately 30 minutes and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 5:04 pm and announced the council would take a short recess and reopen the regular meeting at 5:07 pm. Additional staff included: Ken Cardinale, Fire Chief; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; and Lilly Wall, Recreation Manager. Members of the media included Graham Perednia from *The Chronicle*.

2. **Proclamation – Domestic Violence Awareness Month.** Mayor Dawes read and presented a proclamation declaring October as Domestic Violence Awareness Month to Human Response Network Board Member Tony Ketchum. Mr. Ketchum shared some sobering statistics relating to domestic violence and he thanked the council for helping to raise awareness about domestic violence.

3. **Proclamation – Fire Prevention Week.** Fire Chief Cardinale accepted the proclamation on behalf of the Chehalis Fire Department proclaiming October 8-14 as Fire Prevention Week. This year's theme is *"Every Second Counts: Plan 2 Ways Out!"* to remind everyone to develop and practice a home fire escape plan.

4. **Citizens Business – Commemorative Naming of SW 16th Street in Honor of Orin Smith.** Mr. J. Vander Stoep (280 Brockway Road, Chehalis) spoke in favor of the naming. He stated Orin has done enormous things for this community and he believed there's more to come. He stated the Smith Family did not have money when they were growing up. Whatever Orin's made, he's made through his work and his talents.

Mr. Vander Stoep stated in doing research on Orin he came across a 2016 article from the University of Washington Foster Business magazine entitled, "Heart + Mind" that talked about Orin's growing up, becoming the CEO of Starbucks and taking it worldwide, to being appointed to the Boards of Nike and Walt Disney. He noted several quotes that he requested be included in the minutes:

- Phil Knight, Chief Shareholder of Nike: "When asked in 2010 who would I pick as chairman if I were hit by a bus, my pick was Orin Smith. He is outstanding in every way – as a businessman, as a leader, as a moral man."
- Bill Ayer, Chairman and CEO of Alaska Airlines: "Orin is simply one of the most thoughtful, collaborative and humble leaders I have ever known. His leadership style and clear-minded reasoning are legendary. His calm demeanor and deep understanding of issues and people make his advice and counsel highly sought after."
- Anne McGonigle, Starbucks Associate: "Earnest, compassionate, humble. A principled leader and man of exceptional integrity. That was and is the essence of Orin Smith. You can take the kid out of Chehalis and send him to the University of Washington, Harvard Business School and the heights of business success, but you can never take Chehalis out of the Kid."

The article concluded by saying, "Not bad for a kid from Chehalis. But then, maybe his humble beginnings have everything to do with all that Smith has accomplished, and how." Mr. Vander Stoep viewed the recognition beyond thanking Orin for all he's done for the community, but stated that it more importantly shows kids that you can come from a small town and with hard work and talent, you can rise as high as your ability will allow you to go. He noted that Orin says there is no limit – the sky is the limit.

October 9, 2017

5. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:

a. Minutes of the regular meeting of September 25, 2017;

b. September 29, 2017 Claim Vouchers No. 120391-120530 in the amount of \$289,776.47; and September 29, 2017, Payroll Vouchers No. 39860-39933, Direct Deposit Payroll Vouchers No. 8708-8808, and Electronic Federal Tax Payment No. 176 in the amount of \$829,268.18; and

c. Confirm appointment of Pat Soderquist to the Planning Commission for a four-year term expiring September 30, 2021.

The motion was seconded by Councilor Lund and carried unanimously.

6. **Commemorative Naming of SW 16th Street in Honor of Orin Smith.** City Manager Anderson stated the item follows a request from the last council meeting to consider naming a street after Orin Smith for some of the reasons outlined by Mr. Vander Stoep. Mr. Smith has contributed generously and has been a great example. Although Ms. Anderson has not met Orin, she stated she is struck by his great business acumen, but also his heart and his humility. A draft mock-up of a sign was distributed to the council members. The sign will be similar to the wayfinding signs around town that include the city's logo. It will take about three weeks to have the signs made, so she hoped to have them available for the first meeting in November. Multiple signs will be placed at strategic spots along SW 16th Street in front of W.F. High School.

Councilor Lund moved that the Chehalis City Council commemoratively name SW 16th Street to Orin Smith Commemorative Way – Preparing Students for a Brighter Future. The motion was seconded by Councilor Taylor.

Councilor Harris noted that Mr. Smith tries to do things under the radar, with no limelight, and to Councilor Harris that is ultimate graciousness.

The motion carried unanimously.

7. **Ordinance No. 982-B, First Reading – Amending the Zero Rise Policy.** Trent Lougheed stated that when the zero rise policy was originally adopted there was a section that mentioned a fee-in-lieu of compensatory excavation; however, no fee was calculated or identified in the ordinance. Based upon several reasonable assumptions, the estimated cost to remove excavated material from the floodplain to another site is \$8.72 per cubic yard. The fee will be added to the city's current fee schedule. He noted the rate would need to be adjusted periodically to meet future prevailing wage rate increases or other costs that may fluctuate.

Councilor Harris moved to pass Ordinance No. 982-B on first reading. The motion was seconded by Councilor Lund and carried unanimously.

8. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson asked Recreation Manager Lilly Wall to provide a brief update on the success of summer recreation programs.

Ms. Wall stated they had a great summer and the weather really cooperated. The Aquatics Center had 31,400 participants and 707 swim lesson registrants. The center was busy every day, just at capacity each day, which meant people didn't have to wait in long lines to get into the facility. Season passes were sold for the first time with 201 passes. The center employed 34 individuals that did a tremendous job. It was estimated that about 63% of open swim participants were from out of the area. About 62% of swim lesson participants were local. With regard to recreation programs, they were also very busy with a variety of offerings for both youth and adults.

Councilor Pope asked for a brief summary of future needs at the pool. City Manager Anderson stated they could certainly do that, but she was planning to discuss those items during the budget process and with the council park subcommittee.

October 9, 2017

City Manager Anderson stated the administration is working on preparing the proposed 2018 budget, which will be presented to council in November.

9. Councilor Reports/Committee Updates.

a. Councilor Lund thanked the Community Development Department staff. One of his contractors told him that the staff was so easy to work with, were very courteous, and made the process easy.

b. Councilor Spahr stated he has been participating in budget meetings.

c. Councilor Harris stated he is on the Lewis County Solid Waste Advisory Committee and is not available to attend their annual meeting on October 17. He asked if another council member could attend on his behalf.

d. Councilor Spahr asked about the missing fountain in front of the library. City Manager Anderson stated it was removed for repairs and restoration.

e. Mayor Dawes participated in the following: planning commission interview; Judy Pectol's retirement open house where the honoree hosted drawings for those who attended; department budget presentations; AWC regional meeting; mayors meeting and legislative roundtable where all representatives from the 19th and 20th districts attended, except Senator Braun who was out of town; and College Foundation gala. Mayor Dawes thanked Rick Sahlin and his crew for reinstalling the pedestrian bridge on National Avenue near Coal Creek Road that had been down for a while.

f. Councilor Lund mentioned the bell that used to be between the old city hall and library buildings. He said before the days of modern communication, the bell was used at the fire station that would ring a code to tell the firemen what part of town a fire was at. The mechanisms for the machine are on display at the fire hall. He thought it would be cool to get it reinstalled.

10. **Executive Session.** At 5:47 pm, Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate and RCW 42.30.140(4)(a) – Collective Bargaining Litigation/Potential Litigation not to exceed 7:00 pm and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting at 5:52 pm. Following conclusion of the executive session, the regular meeting was reopened at 6:40 pm.

11. **Commemorative Naming of SW 16th Street in Honor of Orin Smith.** Councilor Lund asked that the commemorative naming be done at the next meeting and have a mock-up of the sign since the actual signs will take around three weeks to make. City Manager Anderson stated staff would try to make that happen.

There being no further business to come before the council, the meeting was adjourned at 6:42 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

October 23, 2017

The Chehalis city council met in regular session on Monday, October 23, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Betty Brooks, Accountant; Ken Cardinale, Fire Chief; Tracey Cox, Administrative Assistant; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Derrick Paul, Fire Captain; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. Eagle Scout Project Community Service Award. Fire Chief Cardinale and Fire Captain Derrick Paul presented a community service award to Thomas Even. Fire Captain Paul stated the city's fire hydrants had not been painted in about 20 years. He stated Mr. Even was completing his Eagle Scout project, part of which requires a public service project. Mr. Even took on the painting of the fire hydrants and provided leadership, communication, and planning to get the project done. Captain Paul stated staff had previously budgeted the project over two years to paint the city's 350+ hydrants, but Mr. Even and his crew completed it in one month! Mr. Even thanked the city and stated it was an honor to accept the certificate.

2. Commemorative Naming of SW 16th Street and Proclamation Honoring Orin Smith. Mayor Dawes stated the next item was very special and he was privileged to read a proclamation on behalf of the city and the council honoring Mr. Orin Smith to commemoratively name SW 16th Street as "Orin Smith Commemorative Way ~ Preparing Students for a Brighter Future." Mayor Dawes then unveiled a mock-up of the street sign that will be going up in several locations along SW 16th Street. He stated that Mr. Smith sent an email that he wanted to share:

"It is with great regret that my medical condition does not allow me to be with you tonight. However, I want you to know how incredibly honored I am that you have decided to name 16th Street, "Orin Smith Commemorative Way." I have always believed much of the success I have enjoyed in life was due to the strength of the Chehalis community and its leadership. Accordingly, nothing is giving me greater joy than the opportunity I have had in recent years to work with the community and education leaders to provide current and future generations with the same opportunities that were made available to me. In every respect since the initial planning for the Vernetta Smith Chehalis Timberland Library through more recent educational initiatives, Chehalis has proven to be an incredibly generous community with outstanding leadership and broad community participation. What we have been able to accomplish together has been remarkable and I believe it is only the beginning. Thank you for allowing me to be part of the Chehalis Renaissance. The experience has been a great joy to me."

On behalf of the community, Mr. J. Vander Stoep thanked the council for taking this action. He spoke about Mr. Smith's story – the American dream. A kid from a poor family who grew up without a lot of material advantages and went to the very top of American and world-wide business. He had a strong mother who led the raising of her children. They could not afford going to expensive things, but they could go to the library, which they did every week. A small town boy that not only made good, but did good. During every stage of his career, he brought other people up with him, and when he got to the top, he gave back to Chehalis and many other places around the world. Chehalis was a community that reached up to a young man and supported him when he was growing up, and in turn, he has supported the community. Mr. Vander Stoep shared several stories about how the community watched out for and helped Orin as he was growing up.

Mr. Vander Stoep noted Orin's education included Centralia College, the University of Washington, and Harvard Business School. He was the budget director for the state of Washington twice, working under Governors Ray and Gardner. He was then hired by Starbucks as the Chief Financial Officer being promoted to Chief Operating Officer, and then to Chief Executive Officer and President. When he became the CEO, Starbucks was a Pacific Northwest coffee company. Orin led the expansion of the company into a world-wide enterprise. He stated that Orin will say that Starbucks has become the world-wide leader because of its relationship with its customers and its employees. When you walk into a Starbucks there is a feeling you have there, the heart of which are the employees. Orin created that culture world-wide, learning that if you treat people with respect and dignity, and support them in their job, they will then in turn support the company. Millions of us enjoy starting or ending our day with a Starbucks coffee and Mr. Vander Stoep believed that wouldn't have happened if Orin Smith hadn't done what he did. Additionally, hundreds of thousands of people have received good jobs to provide for their families around the world. After retiring, Orin went on to the board of Nike and Disney, where he is still today, and served on the board of regents for the University of Washington.

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Mr. Vander Stoep stated the story then comes back home to Chehalis, specifically to the library and the pool. The Smiths became involved and instead of repairing both facilities, new facilities were built. The library was a \$4 million project, with Orin being the lead donor. The same goes for the swimming pool. Chehalis now has a \$2.7 million first class facility. The Smith family has also been involved with the school district's student achievement initiative to ensure that all students receive a first class education. Mr. Vander Stoep cited an article about Orin called, "Heart + Mind" published by the University of Washington, which reads in part:

Kid from Chehalis

More than a decade after his amazing run with Starbucks, Smith remains both in highest regard and in highest demand. He continues to apply his unique balance of leadership – marrying vision and efficacy, ambition and principles, confidence and humility – toward furthering worthy causes and institutions. "Orin is simply one of the most thoughtful, collaborative and humble leaders I have ever known," says Bill Ayer (MBA 1978), the retired Chairman and CEO of Alaska Airlines and current chair of the UW Board of Regents. "His leadership style and clear-minded reasoning are legendary. His calm demeanor and deep understanding of issues and people make his advice and counsel sought after."

Not bad for a kid from Chehalis. But then, maybe his humble beginnings have everything to do with all that Smith has accomplished, and how.

"Earnest, compassionate, humble. A principled leader and man of exceptional integrity. That was and is the essence of Orin Smith," adds Anne McGonigle. "You could take the kid out of Chehalis and send him to the University of Washington, Harvard Business School and the heights of business success, but you could never take Chehalis out of the kid."

Mr. Vander Stoep noted that at the last council meeting, Mayor Dawes stated that what Orin does, he not only does right, he does it for the right reason, and it is not to glorify Orin Smith, and that is why it is so appropriate for the council to be taking this step. He stated Orin has been gone from Chehalis for over 50 years, but Chehalis continues to be his home.

Mr. Vander Stoep stated the word "humble" is used often to describe Orin. He shared a story relating to that. Just last month, Kevin Smith drove his brother to Chehalis. After spending time with Chehalis School District representatives, they went to Onalaska to meet with the school superintendent. He explained that there was an article this past summer in the Seattle Times about how all of the Onalaska Class of 2017 students had been accepted into college. Orin wanted to know how they did it. Orin wanted to meet with the superintendent because he thought he might have something to learn.

Mr. Vander Stoep concluded by saying he once heard Orin tell Mr. Gail Shaw that he inspired him. Mr. Vander Stoep thought we could all say back to Orin now, that he has inspired us. Orin has had an impact world-wide and he's had a tremendous impact on this community. Mr. Vander Stoep stated he was raised to believe that the American dream isn't just making more money than your parents so you can buy a nicer house, but it's the idea that you have a responsibility to the next generation and that is exactly how Orin has lived his life. So, if anybody asks why the school district is naming one of the new schools after Orin, or why the city is naming a street after Orin, the first answer is because this man has been so generous to our community and it is our way of saying thank you. But, the best reason is because given where he came from and understanding Orin's life, we can say to every kid that ever comes out of Chehalis, you can make it. You can rise in this world as high as your talent and hard work will take you. And, looking at Orin, it can even take you to the top.

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

- a. Minutes of the regular meeting of October 9, 2017;
- b. October 13, 2017 Claim Vouchers No. 120531-120677 and Electronic Funds Transfer Nos. 92017 & 920171 in the amount of \$471,523.57;
- c. Ordinance No. 982-B, Second and Final Reading – Amending the Zero Rise Policy;
- d. Accept the Redundant Flocculation Basin Project as complete and release the retainage in the amount of \$56,385.10 to Prospect Construction, Inc., after all statutory requirements have been met; and

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e. Accept the Kresky Avenue Sewer Repair Project as complete and authorize release of retainage after all statutory requirements have been met.

The motion was seconded by Councilor Lund and carried unanimously.

4. Approve Candidates and Funding Amounts of the Lodging Tax Advisory Committee (LTAC) for Use of Lodging Tax Funds for 2018; and Reappoint Committee Members. Councilor Harris briefed the council on the state statutes concerning the process for awarding lodging tax revenues. Nine requests totaling \$393,785 were received and reviewed by the LTAC with the following recommendations to the council. Three organizations either received no funding or decreased funding.

| <u>Organization</u> | <u>Request</u> | <u>Recommendation</u> |
|--|-------------------|-----------------------|
| 1. Chehalis-Centralia Railroad & Museum | \$ 35,000 | \$ 35,000 |
| 2. Lewis County Historical Museum | \$ 40,000 | \$ 40,000 |
| 3. Veterans Memorial Museum | \$ 30,000 | \$ 30,000 |
| 4. Lewis Co. Community Trails (Ride the Willapa) | \$ 22,750 | \$ 0 |
| 5. Friends of the Chehalis Community Renaissance | \$ 43,600 | \$ 40,000 |
| 6. Cent-Cheh Chamber (Visitor Center Services) | \$ 40,000 | \$ 40,000 |
| 7. Chehalis Wedding Show | \$ 12,435 | \$ 12,435 |
| 8. Athletic Tournaments | \$ 20,000 | \$ 20,000 |
| 9. Pool Liner | \$ 150,000 | \$ 100,000 |
| Total | \$ 393,785 | \$ 317,435 |

Councilor Ketchum stated the report also recommends that \$50,000 be placed in reserves for improvements to Recreation Park. He asked if 2018 would be the first year. Councilor Harris stated that was correct. He noted that the tournaments on the fields at Recreation Park, along with the adjacent pool, generate tourism revenue and the LTAC fully supports this recommendation and voted unanimously in favor of the annual contribution. The annual contribution toward the park would allow the city to pay back a council-matic bond.

Councilor Pope moved to accept the recommendation of the LTAC to put \$50,000 annually into reserves for improvements to Recreation Park. The motion was seconded by Councilor Lund and carried unanimously. Councilor Taylor abstained from voting.

Councilor Ketchum moved to approve, both individually and collectively, the candidates and funding amounts of the LTAC for use of lodging tax funds for 2018, and to set aside \$50,000 annually toward Recreation Park improvements. The motion was seconded by Councilor Pope and carried unanimously. Councilor Taylor abstained from voting.

Councilor Ketchum moved to reappoint Todd Chaput, Gloria Choi, Jena Sorenson, Alicia Bull, Rick Burchett, and Chip Duncan to the Lodging Tax Advisory Committee. The motion was seconded by Councilor Lund and carried unanimously.

Councilor Harris thanked the LTAC for working together, the presenters, and city staff, specifically, Jill Anderson, Caryn Foley, and Denny Peace.

5. Ordinance No. 981-B, First Reading – Amending the 2017 Annual Budget. City Manager Anderson stated this is the second amendment to the 2017 budget. Sales tax numbers continue to be strong, planning and building fees are coming in better than expected, Business & Occupation taxes are increasing, as well as grant reimbursements. Expenditures have been increased due to wage adjustments with one of the three collective bargaining groups. A one-time expenditure for the other two collective bargaining groups for retroactive wages has been included. Other unexpected expenses include professional services, strategic planning, temporary financial help, and equipment and facility needs. So, revenue projections for the General Fund have been increased by \$1.362 million since November 2016. The expenditure projections have increased \$665,000. The projected ending fund balance has increased by \$373,000, which brings the ending fund balance to just under \$1.4 million, or 13.7%, which exceeds the council policy of 10%. Even with increasing sales tax, City Manager Anderson stated it took several years to recover from the great recession and she is concerned that the next recession is coming. The sales tax increases we've seen over the last several years cannot be sustained long-term, so she is cautiously optimistic.

October 23, 2017

In addition to the General Fund, adjustments are proposed for several of the City's other funds, including the Dedicated Street Fund to account for the revenue and expenditure associated with the purchase of a new chip spreader; the Building Abatement Fund to purchase safety fencing; the Transportation Benefit District to add revenue and expenditures for planning and overlay project; and the Airport Fund for a loan and construction for the Tract 5A fill project. City Manager Anderson stated in summary, the fund balance has increased by about \$2.5 million. Of that fund balance, she noted it is primarily the city's restricted funds, which limits what can be done with those funds. Overall, she thought the city was in a good spot going into 2018.

Councilor Harris moved to pass Ordinance No. 981-B on first reading. The motion was seconded by Councilor Lund and carried unanimously.

6. Administration Reports.

a. **Finance Report.** City Manager Anderson provided a financial update as of the end of September. The numbers are solid and showing an increase in revenues.

b. **City Manager Update.** City Manager Anderson reported that there continues to be a vacancy on the city's Civil Service Commission.

7. Councilor Reports/Committee Updates.

a. Councilor Harris thanked staff for all their work on the budget.

b. Councilor Ketchum thanked staff for reinstalling the pedestrian bridge on National Avenue.

c. Mayor Dawes stated the final budget committee meeting is on Wednesday. He attended the Business After Hours event held at Reliable Enterprises last week. Mayor Dawes passed out city manager evaluation forms to complete and return to the city clerk by October 27. The review will be held in executive session at the next meeting.

There being no further business to come before the council, the meeting was adjourned at 6:09 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

November 13, 2017

The Chehalis city council met in regular session on Monday, November 13, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Councilors Tony Ketchum and Daryl Lund were absent (excused). Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Bill Hillier, City Attorney; Andrew Hunziker, Property Maintenance Technician; Trent Loughheed, Community Development Director; Dale McBeth, Municipal Court Judge; Tim McGuire, Interim Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources Administrator; Don Schmitt, Street/Storm Superintendent; Dave Vasilauskas, Water Superintendent; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. **Washington State 911 Update.** Lewis County Commissioner Bobby Jackson stated he sits on the state Enhanced 911 Advisory Committee. He stated Adam Wasserman, Coordinator of Washington State 911 would provide an update on ESInet, which is the next generation for 911 communications, which will come to Lewis County beginning in June.

Mr. Wasserman stated each county is individually responsible for 911 operations and the state is responsible for making sure there is statewide dialing. They also help support some smaller counties with operations and larger counties with training. Currently underway is the replacement of the ESInet to provide improved technology and the ability to send texts, pictures, video, and other types of media to 911. It will also have improved geo-spatial routing for calls, which will help improve the location accuracy of callers, make sure calls are directed to the correct 911 center, and transfer information that call-takers take if they transfer a call to another location. The transition portion of the new network is very costly because two parallel networks will have to be run for a period of time to make sure there is no loss of 911 services. The process should be totally completed by October 2019.

Mayor Dawes asked if the 911 tax that is collected on cell phones stays with respective counties. Mr. Wasserman stated that 70 cents goes to the county and 25 cents goes to the state.

Mayor Dawes asked if the State Patrol (WSP) was part of the program. Ms. Wasserman stated they were, noting four receive calls directly from the public, while the other four are secondary, which Lewis County is. Calls for WSP come to Lewis County and are transferred to WSP.

Mayor Dawes stated he was under the impression that location information was available on cells phone already. Mr. Wasserman stated using a cell phone is just like using a landline. He stated they are working to get the FCC to require all telephone manufacturers and carriers in the US to automatically require that location data be used for 911 services.

2. **Public Hearing – 2018 Proposed Budget and Revenue Sources, Taxes, and Levies.** Mayor Dawes recessed the regular meeting and opened the public hearing at 5:08 pm. He stated the council budget committee comprised of Councilors Harris, Spahr, and himself, spent a considerable amount of the time in several meetings going over each department in the budget. He stated the proposed budget was a little more “progressive, but not aggressive” to address some items on a one-time basis that have not been able to be addressed for a number of years.

City Manager Anderson highlighted the process to develop the 2018 budget. She noted a few minor changes were made to various funds since distribution of the budget on November 1. The projected beginning fund balance for the General Fund is just under \$1.3 million, with a projected ending fund of just over \$1 million due to some one-time expenditures. She noted this reflects an 11% ending balance, which is slightly above the council's policy of keeping 10% as a reserve. The estimated beginning fund balance for all funds is \$14,627,773 with an estimated ending balance of just over \$15 million.

Mayor Dawes noted certain funds are enterprise funds that have restricted uses that cannot be used for General Fund purposes. City Manager Anderson stated that was correct, noting about 90% of the city's funds are restricted by either law or city policy. She also noted that about 54% of General Fund monies go to police and fire.

Ms. Anderson stated the General Fund is used for most municipal operations – the basic core responsibilities, including police, fire, recreation, planning and development, etc. There are not a lot of restrictions on those funds, but there are huge demands on the funds. She stated the revenue picture is generally stable with small increases in sales tax, property tax,

November 13, 2017

and leasehold excise tax. Revenue reductions from 2017 are largely due to one-time grant revenues in 2017. Ms. Anderson noted the purchase of some new General Fund items in 2018:

- Tools for Planning and Building
 - Electronic cash register
 - Tablet for building inspector
 - New file cabinets
- 3 new vehicles (1 each in Police, Fire, and Community Development)
- Multiple one-time items to maintain facilities
 - Concrete floors for maintenance facilities
 - Landscaping at City Hall
 - Lease for new mowers
 - New commercial grade pool vacuum
 - Pool slide maintenance
 - Cleaning of library roof and window maintenance
 - Additional tree trimming
- Police radios
- Tazers
- Radio frequency for fire
- Salary increases for the non-uniformed employee group as agreed to in the collective bargaining process earlier this year.
- Outstanding salary issues related to other groups, including unrepresented employees
- Reclassification of the salary for Recreation Manager
- Reclassification of Finance Manager to Director
- Use of REET funds for building and pool maintenance and
 - Pool boiler
 - Pool liner (LTAC and REET funds)
 - Completion of Recreation Park design
 - Fire station repairs – completion of maintenance work started in 2017
- Public works roof and paint project includes a general fund allocation from multiple funds, including the General Fund

Ms. Anderson stated several items were not included in the 2018 budget:

- No new full-time staff positions
- No reductions in staff
- No raises for the City Council
- No reserve fund for future employee retirements
- No additional allocation building replacement fund
- No allocations for technology or vehicle replacement funds
- No funds for construction of Recreation Park improvements, including Penny Playground
- No funds for a new fire station
- No funds for new major general fund projects

Mayor Dawes stated that one of the things talked about by the budget committee was creating reserves for such things as retiring employee payouts if the projected ending fund balance comes in significantly higher than anticipated.

Councilor Harris commented that he would also like to see the reestablishment of a vehicle and equipment reserve fund.

Councilor Pope recalled that staff was looking at temporary arrangements for the fire department. City Manager Anderson stated that was correct. After reviewing a variety of options, including a temporary location, and additional testing of the building, a decision was made, in cooperation with the firefighters, that the city would put money into the building for the short term and focus efforts and resources to a long-term solution.

November 13, 2017

City Manager Anderson stated the budget includes regional partnerships with the Lewis EDC, ongoing flood work, and a B&O Tax contribution to the Renaissance Main Street Program. It includes strategic planning and provides a consistent level of service. She concluded that the budget represents professionalism, partnership, and responsibility.

Councilor Spahr reiterated that the city was not imposing any tax increases with the 2018 budget.

Councilor Harris stated the city's budget is sales tax driven. With the last recession, the city lost 30% of its sales tax revenue, plus continues to be impacted by the streamlined sales tax issue. He stated the city has not used any of its banked capacity for years, but when the city was "bleeding" and if we would have had some of that money we could have at least put a tourniquet on an arm rather than dying completely. He understood that when times are bad you can't go after the people who are hurting the most. However, he thought a conversation was needed about taking it occasionally when truly needed. He thought it was poor planning to expect one half of the city's revenue sources to continually pay the bills, but be so easily and readily destroyed.

Councilor Pope noted that the city manager spoke about various partnerships, some of which the city makes a contribution to. He asked that those be reviewed to determine the cost-benefit to ensure the city is receiving some benefit and that the city discontinue contributions to organizations that do not benefit the city.

Mayor Dawes called for any public comment on the budget. There being no comments from the public, Mayor Dawes closed the public hearing at 5:43 pm and reopened the regular meeting.

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

a. Minutes of the regular meeting of October 23, 2017; and

b. October 31, 2017, Claim Vouchers No. 120678-120801 and Electronic Funds Transfer No. 102017 in the amount of \$499,817.80; and October 31, 2017, Payroll Vouchers No. 39934-39980, Direct Deposit Payroll Vouchers No. 8809-8909, and Electronic Federal Tax Payment No. 177 in the amount of \$732,321.32.

The motion was seconded by Councilor Taylor and carried unanimously.

4. **Ordinance No. 981-B, Second and Final Reading – Amending the 2017 Annual Budget.** City Manager Anderson stated the proposed ordinance was amended since first reading. Revenue projections have been increased slightly, while projected expenditures have also gone up, primarily due to public facility costs and union contract negotiations. The projected ending fund balance has been increased by \$266,168 since the original adopted budget. The ending fund reserve for 2017 is estimated to be \$1,292,910, which is 12.6% of projected revenues. She noted cautious optimism about the sustainability of the revenues, particularly sales tax. Specific changes included:

- Additional project expenses incurred by Parks & Facilities Fund on deferred maintenance
- \$25,000 for additional negotiation expenses
- \$11,000 for Riverside Fire Authority for Fire Marshall Services
- \$3,000 to replenish imprest (petty cash) funds
- \$14,802 for pedestrian bridge
- Transfer out of \$100,000 from 1st Quarter REET Fund to Public Facilities Reserve Fund
- Public Facilities Reserve Fund expenditure of \$100,000 for the Library Roof Repair
- Revenues/Appropriations for Wastewater Fund's SRF Loan – I & I Project
- \$376,416 in the Water Fund to correct recording of contra expenses
- Airport Fund for Development Master Plan expenses, (will be reimbursed through a .09 Fund Grant)
- Airport Fund for Tract 5A Loan

Mayor Dawes stated that when the council subcommittee was reviewing the 2018 budget the subject of REET funds came up. They talked about not spending down the funds for emergency purposes.

November 13, 2017

Councilor Spahr stated the library roof is leaking and needs costly repairs. He asked if there would be a staff report to explain what was going on. He thought there could be questions from the public since the building is fairly new. City Manager Anderson stated there was no formal report planned, but she explained that there has been leaking for several years, potentially from a design flaw relating to the use of roof materials.

City Manager Anderson stated the total 2017 expenditures for all of the city's 20 funds have increased \$3,420,178. Total revenues have increased \$3,732,012, with a projected ending fund balance \$13,736,421, which is \$1,604,145 higher. The General Fund Ending Fund Balance is projected to be 12.6%. She stated the totals include the General Fund and legally restricted enterprise funds, which make up approximately 90% of the total fund reserve. She concluded by noting the city is fiscally sound, with reasonable and appropriate reserves.

Councilor Spahr moved to pass Ordinance No. 981-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

5. Ordinance No. 983-B, First Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2018.

6. Ordinance No. 984-B, First Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2018. Councilor Taylor moved to pass Ordinances No. 983-B and 984-B on first readings. The motion was seconded by Councilor Harris and carried unanimously.

7. Ordinance No. 985-B, First Reading – Adopting the Proposed 2018 Budget. Councilor Spahr moved to pass Ordinance No. 985-B on first reading. The motion was seconded by Councilor Harris and carried unanimously. Councilor Harris thanked everyone involved in putting the budget together.

8. Resolution No. 9-2017, First Reading – Declaring an Emergency Relating to the Repair of the Prindle Street Sewer Force Main. Rick Sahlin stated the Prindle Street sewer force main sprung a leak on October 31. Staff was able to get the main shut down in about 30 minutes of receiving the call. It was bypassed to a 10-inch force main, which is being used currently. Sterling Breen was hired to make the repair.

Patrick Wiltzius stated it was a very complicated repair. The 18-inch force main goes under I-5 from the Prindle Street pump station to the Shoreline/Louisiana area. It has a 36-inch casing with multiple materials and is 20 feet down. One repair was made, but there is another leak that is trying to be identified. It has to be on-line tomorrow because of the expected rainfall, but will require a long-term repair next year. He noted there were minimal environmental issues at this point. He estimated the emergency repair to be around \$200,000.

Councilor Taylor moved to adopt Resolution No. 9-1027 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

9. Contribution to the Community-Wide Homeless Severe Weather Shelter. City Manager Anderson stated there has been a community-wide effort to create a severe weather shelter for the homeless. Through a community partnership led by Bethel Church and the city of Centralia there has been the opening of a shelter at the fairgrounds when the temperature drops below 38°. A number of people and organizations have stepped up to participate. The city of Chehalis has been asked to participate with a \$3,000 contribution for the cost of the rental units for the months of January, February, and March.

Mayor Dawes asked if there would be a review of how the event goes – if it worked well, etc. City Manager Anderson stated it is being looked at as a pilot program to see if it works and then plan accordingly for future years.

Councilor Pope asked if children were included. City Manager Anderson stated it was her understanding that families are usually put up in hotels for safety reasons.

Councilor Harris stated he likes the idea of not comingling males and females. He heard that the facilities are nice and clean, and people can have their clothes washed and are able to shower.

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Councilor Spahr asked how they could prevent individuals coming from other areas and expanding the program into something that can't be maintained. City Manager Anderson stated that was a challenging question and many cities are dealing with this issue. She reiterated it is a pilot program to hopefully answer this and other questions.

Councilor Spahr asked how individuals would get from wherever they are to the fairgrounds. Mayor Dawes stated Twin Transit would be providing transportation.

Councilor Pope thought homeless issues should be dealt with by faith organizations, but on the basis of emergency, he thought the city should participate.

Councilor Taylor wondered if the homeless problem was really increasing or was there just more exposure of a problem that has always been there.

Mayor Dawes thought it was a good public-community partnership for the city to participate in.

Councilor Spahr moved to approve a contribution of \$3,000 to offset the costs of providing portable buildings for the community-wide severe weather shelter for the homeless. The motion was seconded by Councilor Pope and carried unanimously.

10. Administration Reports.

a. **City Manager Update.** City Manager Anderson stated the Port of Chehalis approached the city about purchasing the rail line used by the steam train. The Port has also approached the steam train group and they have indicated a desire to purchase it. City Manager Anderson asked if the council had any interest in the rail line. The council had several questions that needed to be answered before making any decisions. City Manager Anderson thought the Port was in the process of getting an appraisal and noted this is all very preliminary. She stated what she heard the council saying was to add this to the list of things to research.

City Manager Anderson stated a strategic planning had been scheduled for November 20, but the facilitator is very ill and not able to make the event. The facilitator plans to be back in operation in January and the session will be rescheduled at that time.

11. Councilor Reports/Committee Updates.

a. Councilor Harris is beginning to install Christmas decorations throughout the city.

b. Councilor Pope attended the Chehalis Renaissance meeting. He stated they are doing a lot of work and the networking going on in the group is fantastic. He expects to see a lot accomplished next year and is happy that the city is supporting the group through the Main Street B&O tax program.

c. Councilor Spahr attended an EDC board meeting. There is a lot going on and there is a need for commercial and industrial buildings in this area. He also participated in the Pope's Kids Place bowling tournament this past weekend.

d. Councilor Taylor thanked the budget committee for all their work. Councilor Taylor is the city's representative on the Twin Transit Board and they will be interviewing for a new manager this month. Eighteen applications were received.

e. Mayor Dawes visited the first grade class at St. Joseph School on October 27, which is really enjoyed. The class made him a book with thank you notes and drawings, and photos their teacher had taken. He stated he met one of Vivian Roewe's (former Chehalis mayor and council member) great granddaughters. He also attended the November 3 mayors' meeting and the November 11 Veterans Day parade.

12 **Executive Session.** At 6:34 pm, Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate; RCW 42.30.110(i) – Litigation/Potential Litigation; RCW 42.30.110(g) – Review Performance of a Public Employee; and RCW 42.30.140(4)(a) – Collective Bargaining

November 13, 2017

not to exceed 8:00 pm and there would be no decisions following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:37 pm. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 8:00 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

November 27, 2017

The Chehalis city council met in regular session on Monday, November 27, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Bill Hillier, City Attorney; Andrew Hunziker, Property Maintenance Technician; Trent Loughheed, Community Development Director; Tim McGuire, Interim Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; Don Schmitt, Street/Storm Superintendent; Dave Vasilauskas, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. Proclamation – Celebrating 22 years of “The Nutcracker” by the Southwest Washington Dance Center.

Mayor Dawes read and presented a proclamation celebrating 22 years of “The Nutcracker” by the Dance Center. Administrative Director Marcia Greenfield and several members of “The Nutcracker” cast were in attendance to accept the proclamation.

2. Citizens Business – Lewis County Senior Centers. Ron Averill, Glenda Forga, and Fred Rider, board members of Lewis County Seniors, addressed the council requesting the city’s financial support. It was explained that the continuation of local senior centers is being transitioned from Lewis County to the newly formed Lewis County Seniors – a non-profit corporation. Mr. Averill explained that the centers are very important to the community’s seniors. He stated that the city of Centralia recently contributed \$15,000 to help support seniors and they were in attendance to ask the same of Chehalis.

Glenda Forga, the Lewis County Program Coordinator for Senior Programs, stated the program provides nutritional lunches and social activities and noted that 33% of seniors countywide are served through the Twin Cities location. She stated the centers are vital to keep seniors active in living.

Fred Rider stated of the lunches served, it estimated that they are probably the best meal of the week for one-third of the seniors that attend. He stated the centers are where some seniors go to socialize. Lewis County has agreed to provide the group \$100,000 for the first year operation and reduce the rent to \$5 per year. He believed the organization could be self-sufficient in a couple years.

Mayor Dawes asked if the request was one-time only. Mr. Rider stated they are looking to survive the first year, but would like to see an ongoing partnership, with the goal of becoming self-sufficient.

Councilor Ketchum recalled that the city supported senior programs in the past and wondered why that discontinued. It was speculated that the Great Recession probably played a part.

Councilor Pope thought the services were vital to seniors and that the county should reconsider their level of support.

Councilor Harris agreed that the nutrition and social activities are so important to seniors.

Councilor Lund agreed with everyone’s comments. He thought seniors should be appreciated for everything they have done for all of us. He stated his disappointment in the county for cutting the senior programs and “throwing them under the bus.” He moved that the city make a one-time contribution of \$20,000 in 2018 to Lewis County Seniors. The motion was seconded by Councilor Taylor.

Councilor Spahr asked staff to provide a history of what the city has contributed to senior programs in the past. He also asked for a copy of the organization’s budget so the council had a clear picture. City Attorney Hillier suggested voting on the matter after the council had time to review the organization’s budget.

Councilor Lund stated he wanted to vote on the matter tonight to send a message to the county that Chehalis supports its seniors. Councilor Spahr stated he supports the contribution, but didn’t feel right voting on it before seeing their budget. The motion carried 6 to 1. Councilor Spahr abstained from voting.

Mr. Averill stated he would make sure the council received their budget.

November 27, 2017

3. **Public Hearing – 2018 Proposed Budget and Revenue Sources, Taxes, and Levies**. Mayor Dawes recessed the regular meeting and opened the public hearing at 5:35 pm. He noted this was the second public hearing on the budget.

City Manager Anderson stated that on November 13, staff provided a detailed overview of the 2018 proposed budget. She noted a couple changes since first reading. The first included \$3,000 from the General Fund as a contribution to the community-wide homeless shelter that will operate during severe weather. The second included \$750,000 from the Wastewater Fund for the Prindle pump station repair project. The final change includes a correction to the beginning fund balance noted for the Wastewater Fund. The total correction is a little over \$1 million. She noted that all the numbers before the council were correct. She explained that an ending fund balance was placed as a beginning fund balance in error in 2016, which got carried over into the proposed 2018 budget. She noted the \$20,000 contribution to the Lewis County Seniors would be included in the first budget amendment of 2018.

Councilor Pope asked where the \$20,000 contribution would come from. City Manager Anderson stated it would come from the General Fund reserve.

Mayor Dawes called for any public comment on the budget. There being no comments from the public, Mayor Dawes closed the public hearing at 5:41 pm and reopened the regular meeting.

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

- a. Minutes of the regular meeting of November 13, 2017;
- b. November 15, 2017 Claim Vouchers No. 120802-120972 and Electronic Funds Transfer Nos. 1020171 and 112017 in the amount of \$390,422.19; and
- c. Addendum to City Manager employment agreement.

The motion was seconded by Councilor Taylor and carried unanimously.

5. **Ordinance No. 983-B, Second and Final Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2018; and Ordinance No. 984-B, Second and Final Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2018**. Councilor Taylor moved to pass Ordinances No. 983-B and 984-B on second and final readings. The motion was seconded by Councilor Lund and carried unanimously.

6. **Ordinance No. 985-B, Second and Final Reading – Adopting the Proposed 2018 Budget**. Councilor Harris moved to pass Ordinance No. 985-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

7. **Ordinance No. 986-B, First Reading – Amending the 2017 Annual Budget**. City Manager Anderson stated the budget amendment includes \$750,000 from the Wastewater Fund for the Prindle Street Sewer Main Force Line; \$200,000 transfer from the 1st Quarter REET Reserve Fund to the Public Facility Reserve Fund for accounting purposes; and an increase to the Garbage Fund for costs associated with the organic waste disposal site.

Councilor Ketchum moved to pass Ordinance No. 986-B on first reading. The motion was seconded by Councilor Lund and carried unanimously.

8. **Administration Reports**.

a. **Finance Report**. City Manager Anderson stated the general financial position of the city is solid. Revenues are slightly below what was expected because the second property tax payment has not yet been received by the county, but should be received by the next financial report.

Mayor Dawes asked for an updated sales tax revenue report. City Manager Anderson stated she will send that out to the council.

November 27, 2017

b. **City Manager Update.** Patrick Wiltzius provided an update on the Prindle sewer force main project. He reported that multiple holes were found in the pipe under I-5 and could not be repaired in-place. The alternative was to slip-line the pipe with an approved material. It was pressured tested and the hope is to have it connected and operational by next Wednesday. The last cost estimate was about \$285,000, well under the estimated \$750,000. He noted the repair may suffice as a permanent repair. A consultant will be hired to look at the line, as well as the Riverside line that had a leak a couple years ago.

Councilor Spahr recalled a tunnel in that area. Mr. Wiltzius indicated they had done a lot of excavating around the line and hadn't found a tunnel.

Councilor Pope asked if there were other lines that the city should be concerned about. Mr. Wiltzius stated the other lines are all much smaller and if they were to spring a leak or corrode, they can be easily dug up and patched.

Brandon Rakes stated there was some excitement at the airport today. Staff spotted an individual running across the north end of the field, which is fenced off. Staff apprehended the person until police arrived. Apparently, the man had stolen property from a local retailer, and had drugs and drug paraphernalia.

City Manager Anderson announced that Chun Saul has accepted the position of Finance Director. She is a senior account with the city of Lacey with more than 20 years of experience in finance, 13 being with Lacey. She will start the second part of December. Tim McGuire will stay on for some time to facilitate the transition and catch up on some projects.

City Manager Anderson reminded everyone that the Christmas Parade is this weekend beginning at 11:00 am. She thanked the parks & facilities crew and Councilor Harris for their efforts in decorating the city for the holiday season.

9. Councilor Reports/Committee Updates.

a. Councilor Pope participated in the Olympic Club open house for the George Washington statue fundraiser. He stated he was impressed by the turnout and encouraged everyone to learn about the history of the founding of Centralia.

b. Councilor Spahr stated W.F. West High School has a bowling team and he has been helping coach them over the last couple weeks. He stated it's been a blast.

c. Councilor Lund thanked the council subcommittee and staff for all their work on the 2018 budget. He also thanked Dr. Pope and his team for all they've done for the community.

d. Mayor Dawes attended the chamber's Business After Hours on November 16 and the Lewis County Historical Museum's annual meeting at the Hotel Washington. The Museum thanked the city for its continued support of the museum with lodging tax funds. Mayor Dawes also attended the George Washington fundraiser. He stated Dr. Pope's presentation at the event is viewable on Facebook, which was very informative. He thought the event raised about \$7,000.

10. **Executive Session.** At 6:03 pm, Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.140(4)(a) – Collective Bargaining not to exceed 30 minutes and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:05 pm. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 6:28 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

December 11, 2017

The Chehalis city council met in regular session on Monday, December 11, 2017, in the Chehalis city hall. Mayor Pro Tem Terry Harris called the meeting to order at 5:00 pm with the following council members present: Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Mayor Dennis Dawes and Councilor Tony Ketchum were absent (excused). Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Bill Hillier, City Attorney; Randy Kaut, Deputy Police Chief; Trent Loughheed, Community Development Director; Dale McBeth, Municipal Court Judge; Tim McGuire, Interim Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Judy Schave, Human Resources/Risk Manager; and Dave Vasilauskas, Water Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. **Proclamation – Wreaths Across America Day.** Mayor Pro Tem Harris read a proclamation designating December 16, 2017 as Wreaths Across America Day to honor and pay tribute to our nation's fallen heroes.

2. **Proclamation – Choose Local First Month.** Mayor Pro Tem Harris read and presented a proclamation declaring the month of December as Choose Local First Month. Annalee Tobey accepted the proclamation on behalf of the Chehalis Community Renaissance Team. Ms. Tobey thanked the council for their ongoing support of the Choose Local First program.

3. **Chehalis Community Renaissance Team (CCRT) Update.** Annalee Tobey, Executive Director of the CCRT, provided an overview of the CCRT's activities in 2017:

- Produced the Lewis County Visitor Guide distributed throughout Western Washington
- Produced the Experience Chehalis Brochure distributed locally
- Hosted ChehalisFest
- Continued Experience Chehalis Facebook and e-newsletter
- Installed 10 bike racks throughout downtown
- Installed 15 historic banners throughout downtown
- Worked in partnership with the city to renovate the downtown restrooms
- Continued the storefront display program to promote local non-profit organizations in vacant storefronts
- Coordinated the annual spring planting of flowers in downtown
- Implemented a façade improvement program
- Held first "Opportunity Tour" to guide interested parties into available spaces for rent and/or for sale
- Produced a downtown Chehalis relocation guide "Where Business and Lifestyle Meet"

Ms. Tobey also noted the 2018 projects for the CCRT's four committees:

- **Promotion**

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| ➤ Chehalis Coworks marketing | ➤ Additional photography |
| ➤ Facebook campaign | ➤ Reprint Historic Walking Tour Guide |
| ➤ E-newsletters | ➤ Produce ChehalisFest |
| ➤ Website management | ➤ Create itineraries/packages |
| ➤ Experience Chehalis Brochure | ➤ Gratitude Graffiti |
| ➤ Lewis County Visitor Guide | ➤ Holiday promotions |

- **Design**

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|------------------------------|-----------------------------------|
| ➤ Adopt-a-Block program | ➤ Paint garbage can lids downtown |
| ➤ Storefront Display Program | ➤ 2nd restroom mural |
| ➤ Crosswalk lights downtown | ➤ Additional art downtown |
| ➤ Litter pick-up | ➤ Install crosswalk by airport |
| ➤ Louisiana Ave banners | ➤ 13th Street roses |
| ➤ Cigarette butt receptacles | ➤ Boistfort Street art rendering |
| ➤ Market Street bench rehab | ➤ Additional bike racks |
| ➤ Downtown light poles | ➤ Art benches |
| ➤ Welcome sign | ➤ Recycling container pilot |
| ➤ Holiday decorations | ➤ Plantings |

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- **Economic Restructuring**

- Façade Program
- Manage Chehalis Coworks
- Fiber installation
- Survey businesses
- Research a Downtown Business Academy
- New Business Welcome Program
- Research attracting conferences
- Internships
- Investigate Leadership Lewis County
- Reprint business guides
- Empty building Opportunity Tour

- **Organization**

- Manage CCRT budget and finances
- Oversee Executive Director
- Promote CCRT to community partners
- Review CCRT Plan
- Manage B&O Tax Incentive Program

Mayor Pro Tem Harris thanked Ms. Tobey and the CCRT for all their efforts.

4. **Chehalis Foundation Update.** Tim Saylor, president of the Foundation, provided an update on Foundation activities during 2017. He stated the group has two new board members – Amanda Hubbert Smith and Chuck Emerick. The Foundation continues to support the city and has also added education efforts to their mission, which is now coming to fruition with construction of the new STEM wing at the high school. Mr. Saylor stated the Foundation has been going from project to project, but during this year, has really focused on itself. To keep giving, the Foundation found it necessary to take care of the Foundation, specifically having to do with donations. They have been blessed with very generous donations, but they know they can't rely on a couple people, so they are making strides to bolster resources. He stated the Foundation has been working with the city to improve Recreation Park, committing \$400,000 toward revamping the fastpitch fields, and they also have an eye on Penny Playground. The Foundation has also been involved with funding Christmas lights and the replacement of the K9, following the death of Reign. Mr. Saylor stated the state of the Foundation is excellent.

Mayor Pro Tem Harris believed having two organizations like the CCRT and the Foundation really separate Chehalis with people willing to step up and give both their time and money.

Mr. Saylor added that he wished the Centralia Foundation the best. He believed rising tides raise all ships and we're all in this community together.

5. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular meeting of November 27, 2017;
- b. November 30, 2017 Claim Vouchers No. 120973-121083 in the amount of \$964,012.24; and November 30, 2017, Payroll Vouchers No. 39981-40025, Direct Deposit Payroll Vouchers No. 8910-9008, and Electronic Federal Tax Payment No. 178 in the amount of \$720,241.33;
- c. Resolution No. 10-2017, first and final reading – declaring property surplus;
- d. Resolution No. 11-2017, first and final reading – amending the Employee Rules and Regulations relating to sick leave;
- e. Accept High Level Reservoir Construction Project as complete and release retainage in the amount of \$34,568.09 to T Bailey, Inc., after all statutory requirements have been met;
- f. Change Orders No. 2-8 in the amount of \$12,072 for the Airport Pump Station Project;
- g. Confirmation and reappointment of Dale McBeth as Municipal Court Judge;
- h. Memorandum of Understanding with the Chehalis Police Guild regarding health insurance benefits; and
- i. Consider cancelation of the December 25 City Council meeting.

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The motion was seconded by Councilor Pope and carried unanimously.

6. Ordinance No. 986-B, Second and Final Reading – Amending the 2017 Annual Budget. City Manager Anderson stated that since first reading one change has been made to the ordinance to address a change needed in the Arterial Street Fund for expenses related to the collective bargaining agreement with the non-uniformed employee group approved earlier this year.

Councilor Spahr moved to pass Ordinance No. 986-B on second and final reading. The motion was seconded by Councilor Lund and carried unanimously.

7. 2017-2019 Collective Bargaining Agreement with the Chehalis Police Officers Guild. Judy Schave stated a collective bargaining agreement for 2017-2019 was before the council for consideration. Ms. Schave stated the city looked at eight comparable 'like' cities. Based on comparable wages they found that police officers are 5% below the average; police detectives are 6% below the average; and sergeants are 10% below the average. The contract proposes a 4% increase in 2017, 2018, and 2019 for officers and detectives. The proposed contract also increases the wages of sergeants by 6% in 2017, 6% in 2018 and 4% in 2019. She noted the agenda report included other changes to the contract. Ms. Schave understood the Guild would be voting on the contract sometime within the next couple weeks. If the Guild does not agree, the parties will continue with mediation.

Councilor Spahr moved to approve the 2017-2019 Collective Bargaining Agreement between the City and the Chehalis Police Officers Guild and authorize the City Manager to execute the related documents. The motion was seconded by Councilor Taylor and carried unanimously.

8. Administration Reports.

a. City Manager Update. City Manager Anderson thanked Judy Schave for her work on the police collective bargaining agreement. Chun Saul will start as the city's new finance director next week. She comes to the city with 20 years of finance experience, most recently with the city of Lacey. Tim McGuire has agreed to stay on for another six months to help facilitate a smooth transition. The sewer line repair on Louisiana Avenue was completed and the road is again open to traffic. Strategic planning is set for January 19. City Manager Anderson wished everyone a Merry Christmas and Happy New Year, and expressed her appreciation in being part of a community that is so committed and has such positive energy.

9. Councilor Reports/Committee Updates.

a. Councilor Taylor stated a new Twin Transit manager has been hired. Once on board, he will invite him to a council meeting to introduce him.

b. Mayor Pro Tem Harris wished everyone a Merry Christmas and Happy New Year!

There being no further business to come before the council, the meeting was adjourned at 5:43 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____