

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.

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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.

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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 Loughheed reported that the pedestrian bridge on National Avenue has arrived and public works is preparing the area for its installation.

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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: 10/9/2017

Initials: cf

