

April 26, 2010

The Chehalis city council met in regular session on Monday, April 26, 2010, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 5:02 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, and Dennis Dawes. Councilor Taylor arrived at 5:55 p.m. Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Kelvin Johnson, Fire Chief; Peggy Hammer, Human Resources Administrator; Bob Nacht, Community Development Director; Eva Lindgren, Finance Manager; and Tim Grochowski, Public Works Director. Members of the news media included Adam Pearson of *The Chronicle* and Paul Walker of KITI.

1. **Work Session - Washington Cities Insurance Authority (WCIA) Training on Open Public Meetings Act, Appearance of Fairness, and Public Records Act.** As part of the on-going training sessions for the council, Jeff Myers, representing WCIA, presented information to the council on the open public meetings act, appearance of fairness and public records act.

Following the conclusion of the presentation, Mayor Ketchum announced the council would take a three minute recess and reopen the meeting at 6:12 p.m.

2. **Interview Applicant for Chehalis Planning Commission Vacancy.** Jeff Mecca (591 Hilltop Drive, Chehalis) talked briefly about why he would like to be appointed to the Chehalis Planning Commission. He reported he had been a resident with the city for over 20 years and felt the planning commission was a place where he could serve and give back to the community. Mr. Mecca stated he would like the opportunity to be involved in the development of the community going forward. He reported he was on the Visiting Nurses Assured Home Health Foundation for the last 15 years and was involved with the 'first offender shoplifting program' at the Washington State Juvenile Rehabilitation facility in Chehalis.

Mayor Ketchum thanked Mr. Mecca for coming and talking with them, adding he appreciated him wanting to serve.

3. **Employee Service Awards.** Mayor Ketchum presented Kyle Knapp, Water Distribution Operator I, a certificate of appreciation for 5 years of service with the city. He also presented Steve Emrich, Firefighter, a certificate of appreciation for 10 years of service with the city.

4. **Consent Calendar.** Councilor Dawes moved to approve the consent calendar comprised of the following:
- a. Minutes of the regular meeting of April 12, 2010;
  - b. Claim Vouchers No. 32010 and 96532-96658 in the amount of \$303,708.86 dated April 15, 2010; and
  - c. Confirm appointment of Jeff Mecca to the Chehalis Planning Commission for a four-year term expiring December 31, 2013.

The motion was seconded by Councilor Taylor and carried unanimously.

5. **Staff Reports.**

a. **Quarterly Financial Report and March Finance Report.** Eva Lindgren walked the council through the first quarter financial statements for all funds. She stated the report was a picture in time showing balance sheet accounts, and revenues and expenditures. Ms. Lindgren noted the actual beginning balances were the unadjusted beginning cash and investments totals for each fund. She pointed out some of the funds had other balance sheet accounts during the year that included items such as accounts payable, accounts receivable, and inventory that were noted as non-cash components. Ms. Lindgren indicated the biggest non-cash component was in the water fund, adding most of it was inventory.

Councilor Spahr wondered why some of the funds had negative non-cash components. Ms. Lindgren reported some funds could have some accounts payable components included in them, adding the new accounts payable process paid everything by the end of the month and there could be some accumulation of things to be paid out in the following month, such as monies due the state.

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Ms. Lindgren reported on the general fund, noting the sales and use tax on the surface looked real good; however, it included the November and December sales tax revenues which were typically higher. She felt in order to stay on track it should have been higher than 25 percent, taking into account the variances between the months.

Ms. Lindgren talked briefly about contributions and donations in the general fund, noting the first quarter budget amendment would take those into account.

Councilor Harris inquired as to why most of the general fund department expenditures in the variance column were in the negative. Ms. Lindgren explained the insurance premiums had been allocated out and the reports assumed that everything was paid evenly throughout the year, which was one of the main things that had put the departments in the negative. She reported the first quarter budget amendment would address any variances between what was budgeted and what actually happened with the insurance allocations. Ms. Lindgren stated the other component was the retroactive payment, which would also be addressed in the budget amendment.

b. **Quarterly Sales and Use Tax Report.** Ms. Lindgren reported the discouraging news was the year-to-date revenue was down 8.8 percent. She stated the good news was the month-to-month variance was moving in a positive direction and was curious to see if it was going to be the trend, or not.

Councilor Harris stated unfortunately our expenses were increasing, especially when it came to compensation. He noted it was obvious our revenue stream was continually decreasing and felt it was putting them between a rock and a hard place when it comes to compensation discussions. Councilor Lund asked if Councilor Harris had any suggestions. Councilor Harris suggested they deal with it, when they deal with it.

Ms. Lindgren pointed out that when she proposed the budget numbers for 2010, the beginning fund balance was approximately \$100,000 less than what she expected it to be, simply because they had not budgeted for the retroactive payment. She noted there was a little bit of a wash in terms of what they were looking at for the projected ending balance. Ms. Lindgren stated Councilor Harris was absolutely correct in that there was definitely room for concern.

c. **Schedule Work Session to Discuss 2011 Council Goals.** City Manager MacReynold reported they sought to hold a goals work session back in early March, but it didn't work out. He requested they set a work session for Monday, May 3, at 5:00 p.m., in the council chamber, to discuss 2011 council goals and to receive an update on where they were with their current goals and projects. Councilor Spahr indicated he would be gone that day, and believed Councilor Pope would also be gone that day. Councilor Dawes felt if they had a quorum they had to do it, otherwise they were going to be in to the summer months when people are gone on vacations. Mayor Ketchum suggested Councilors Spahr and Pope get their goals to City Manager MacReynold prior to the meeting of May 3. City Manager MacReynold reported he would see that Councilors Spahr and Pope receive the written summary on the current goals.

## 6. **Council Reports.**

a. **Lewis County Historical Museum Update.** Councilor Dawes reported he attended the June Gorter Memorial Garden dedication at the Lewis County Historical Museum, adding they had some great home-cooked food at the event.

Councilor Dawes reported the museum had a new exhibit called "Tour Lewis County" and suggested if they had a chance they should stop by and take a look at it.

b. **Update on Chehalis Flood Authority.** Councilor Taylor reported he attended the regular flood authority meeting last Thursday, where they discussed the budget bill passed by the legislature during their recent session. He noted the bill basically cut the legs out from underneath the authority, adding anything they did would have to be approved by all the state agencies, which meant the authority couldn't make any decision.

Councilor Taylor felt at that point it would be a good idea if the authority just went away, and he made the motion if the Governor signed that language into law that the authority immediately be disbanded and they continue to move towards the formation of a flood zone. He noted his motion was not received very well and they ended up having an intense three-hour meeting, which had to be recessed and continued the following day.

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Councilor Taylor reported it was decided they should send a letter to the Governor asking her to veto or strike the language in her budget bill. He stated he would have liked the letter to be a little more straightforward and to the point; however, it ended up being a letter asking her very nicely to do something and didn't believe it would end up doing anything at all.

Councilor Taylor reported one thing they forgot to do before they adjourned was to deal with his motion. He noted that motion would be tabled until their next meeting, which would give them something to talk about. Mayor Ketchum thanked Councilor Taylor for making the motion, and talked briefly about the confusion of what was said and what was sent out in the two letters.

c. **Chehalis River Basin Partnership Update**. Councilor Harris reported he attended the Chehalis River Basin Partnership meeting on Friday, noting it was a bit disrupted by the fact there were some questions as to whether or not the minutes from the meeting were accurate.

Councilor Harris reported the partnership was continuing to look into forming a 501c3, in order to receive funding in other ways for things such as, salmon recovery and habitat restoration. He noted they were having some legal discussions as to how to get it done, adding they had to be very careful because a 501c3 could act independently on their own outside the parameters they are dealt. Councilor Harris noted Attorney Bob Schroeter was working on behalf of the county to write up some information that would help them seal it up so it doesn't take on a life of its own, or become a monetary constriction to the agency itself.

Councilor Taylor inquired about the discussion of the minutes, noting it was also brought up at the flood authority meeting on Thursday. He noted Commissioner Bill Schulte seemed rather angry when he was talking about the minutes and how they were wrong. Councilor Harris noted there was some discussion about the interpretation of what he was saying and how it was construed in the minutes of the meeting to be different than what he said. He noted Commissioner Schulte brought the audio tape of the meeting to contradict that. Councilor Harris reported Grays Harbor County was the lead entity of the Chehalis River Basin Partnership and was the responsible party to talk to the Governor's Office. He felt there were some concerns about some behind the scenes work being done, and thought things were kind of getting schmoosed down in the meeting minutes, that in some cases shouldn't be.

Councilor Harris stated he did not want to misquote what was said, adding it was brought up, discussed and resolved. He felt it was mostly a matter of interpretation and a matter of misunderstanding on the part of Lee Napier and staff, as to what was really being asked for. He stated Commissioner Schulte believed he asked for consensus on an issue and it didn't take place. Councilor Harris suggested it just got lost in the conversation, and wasn't as underhanded as some might have thought.

Councilor Spahr believed consensus was sometimes hard to come to. Councilor Harris stated they might as well forget consensus when it comes to either one of the two agencies because for them it becomes the power of one. Councilor Spahr agreed, adding all it took was one person to hold everything up. Councilor Harris noted even a person claiming to represent an entity could hold things up, which made it very difficult to get anything done.

Councilor Dawes reported from the involvement he had with flood issues he could now see why the politicians up North figure this area can't get its act together. He felt there were too many different groups trying to do the same thing, and it was dysfunctional. Councilor Dawes understood the need to look at different aspects, but it seemed to him there could be one group formed so they don't have so many people involved who are only there to take care of their own interest. Councilor Harris stated that was exactly what the flood authority was appointed to do. He added, it was a smaller group in the beginning that eventually expanded to be what it was today, and they knew the entities coming in would create the demise of its own existence. Councilor Taylor thought it came down to the fact that it was a red county in a blue state. Councilor Harris believed a lot of it was about control.

d. **Council Appointment to Chehalis-Lewis County Fire District #6 Cooperative Group**. Mayor Ketchum suggested appointing Councilor Spahr to the Chehalis-Lewis County Fire District #6 Cooperative, replacing Councilor Taylor. There were no objections to the appointment.

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7. **Tabled Item - Resolution No. 9-2010, First and Final Reading – Adopting New City Nickname.** Mayor Ketchum asked if anyone had any objections to tabling the item until the May 3 work session. City Attorney Hillier stated it would be appropriate to table it to their next regular council meeting, but they could discuss it at the work session.

Councilor Dawes moved to table Resolution No. 9-2010 to the next regular meeting of May 10.

The motion was seconded by Councilor Harris and carried unanimously. It was noted the issue would be discussed at the council work session on May 3.

8. **Ordinance No. 856-B, First Reading – Amending the 2010 Budget.** Ms. Lindgren reported she outlined the highlights of the amendment in the agenda report and provided a line-by-line schedule showing exactly what each line was for.

Councilor Harris inquired about the 'sufficient funding' for the parks and recreation plan, asking what the amount was. Ms. Lindgren reported the amount was \$8,558, noting she came up with number by combining what was paid out this year and the remaining balance of the contract.

Councilor Taylor commented on the purchase of a patrol car out of the gambling enforcement fund, adding he thought that was a good purchase.

Ms. Lindgren reported Police Chief Schaffer's proposal on how to expend the monies had been ran by the State Auditor's Office to get their feedback, to make sure they thought what we were doing was reasonable and within the parameters. She noted the auditors responded favorably.

Councilor Taylor moved to pass Ordinance No. 856-B on first reading, and to suspend the reading of the ordinance.

The motion was seconded by Councilor Lund and carried unanimously.

9. **City Nickname Discussion.** Councilor Taylor reported he and CCRT Chair, Larry McGee, met last week and talked about the city nickname issue. With regards to the earlier discussion to table Resolution No. 9-2010, he hoped the timeframe given, from when they meet to discuss it until the next regular meeting, would be enough time for the committee to meet and deliberate it. He stated he didn't want to rush it, adding it was too important. City Attorney Hillier indicated they could always table the item again to a later date.

Mr. McGee thought Councilor Taylor's comments were right on, adding they weren't in a fire drill. He noted they had the motto and felt the council was very supportive of it. Mr. McGee reminded the council the group had struggled on the nickname and rather than them sending it back to the committee to come up with something, he would rather the council spend some time discussing it and give them some ideas or flavors of something they would like to see. Mayor Ketchum noted there was nothing stopping the committee from looking further either.

Councilor Dawes asked if having the tagline developed wasn't more in-line with what they needed in order to proceed on things they wanted to do that were time-sensitive. Mr. McGee stated that was his view.

10. **Street Repairs Needed.** Councilor Lund brought up the issue of a couple of needed street repairs. He noted National Avenue and the south end of Louisiana Avenue were getting pretty busted up and wondered if they should tell staff to figure out a way to get them fixed. Councilor Lund believed staff was hoping and waiting to see if they get any federal or state funding, but he didn't believe either agency had any money to give. He stated he didn't want to wait until the goals session to bring it up, adding the longer they put it off the more it was going to cost the taxpayers to fix it.

Mayor Ketchum recommended City Manager MacReynold have staff look into what the problems are, what the solutions would be, and where the money would come from for the repairs, and report back at the next meeting.

There being no further business to come before the council, the meeting adjourned a 6:56 p.m.

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Mayor

Attest:

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City Clerk

**SUGGESTED MOTION**

I move that the council approve the minutes of the regular city council meeting of April 26, 2010.