

February 23, 2009

The Chehalis city council met in regular session on Monday, February 23, 2009, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 5:01 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Robin Fuller, Daryl Lund, Chad Taylor and Dennis Dawes. Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; and Peggy Hammer, Human Resources Administrator.

1. **Executive Session.** Mayor Ketchum announced the council would be in executive session pursuant to RCW 42.30.110(1)(b) - review of public bid, and RCW 42.30.110(4)(a) – collective bargaining for one hour and there would be no decision following conclusion of the executive session.

Mayor Ketchum announced the council would take a three-minute recess at 5:59 p.m. and re-open the regular meeting at 6:02 p.m. Additional staff included: Kelvin Johnson, Fire Chief; Bob Nacht, Community Development Director; Eva Lindgren, Finance Manager; Becky Fox, Court Administrator; Tim Grochowski, Public Works Director; Dave Vasilauskas, Water Superintendent; Rick Sahlín Street Superintendent; and Judith Smith, Public Works Office Manager. Members of the news media in attendance included Eric Schwartz and Marquise Allen of *The Chronicle* and Paul Walker of KITI.

2. **Introductions.** Mayor Ketchum introduced Marquise Allen from *The Chronicle*, who was assigned to take over for Eric Schwartz as the city's reporter. He noted Mr. Schwartz would be moving over to Lewis County as their new reporter. Mayor Ketchum thanked Mr. Schwartz, noting he did an excellent job for the city.

3. **27th Annual Historical Bicycle Ride.** Rose Spogen (174 Yates Rd, Chehalis) reported on the 27th Annual Historical Bicycle Ride taking place on Saturday, May 9, starting at Stan Hedwall Park. She asked that the roads be swept prior to May 6, so they could be marked with spray paint that would wash away over a short period of time.

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

a. Minutes of the regular meeting of February 9, 2009; and

b. Claim Vouchers No. 92642-92764 in the amount of \$344,876.88 dated February 5, 2009, and Payroll Vouchers No. 31982-32081 in the amount of \$720,045.80 dated January 30, 2009.

The motion was seconded by Councilor Taylor and carried unanimously.

5. **Staff Reports.**

a. **January Financial Report.** Eva Lindgren reported there was not a lot of explanation, because there was not a lot of variance in the report.

Councilor Harris asked if they might be over estimating the potential budget item for telephone tax, especially since cell phone use was increasing. Ms. Lindgren stated she didn't know the logistics of how the telephone tax worked. City Attorney Hillier indicated it was based on the zip code of the billing statement. Councilor Dawes reported a lot of the increases in the past had to do with the higher number of faxes, computer lines and such. He believed the city received a higher amount due to the larger number of phone lines at the county.

Ms. Lindgren noted the tax revenue budgeted in 2009 was lower than 2008. She indicated it was driven by the fact that there were some smaller phone companies that had been paying the tax who found out later they really didn't need to pay it, noting it was a very small dollar amount.

Councilor Dawes questioned the intergovernmental grants and entitlements, asking if it included some collection of flood money from a prior year. Ms. Lindgren reported a good portion of it was FEMA funds that the city anticipated receiving by December 31, which did not arrive until mid-January 2009.

b. **Snow and Ice Report.** City Manager MacReynold noted there was interest in having the public works director bring the council up to speed on how the city did during the snow and ice situation at the end of 2008, and to talk about what our standard operating procedures (SOP) were.

February 23, 2009

Tim Grochowski stated, in his opinion, the December 2008 storm was in the top three worst storms the city had ever experienced. He stated they put down about 30 loads of gravel, and used rock salt in the vicinity of National Avenue and around the railroad tracks to keep the ice from accumulating. He reported Street Superintendent Rick Sahlin and the office staff did one heck of a job in his absence; while some staff put in a lot of overtime, even working on Christmas Day.

Mr. Grochowski provided a letter from Twin Transit, stating they really appreciated the efforts of the city, noting they only had to shut down for two days.

Councilor Fuller asked what triggered the policy, to go into affect. Mr. Grochowski stated, depending on conditions and the event, his staff mostly relied on the police departments request for sanding. He noted once they get called out for one intersection, they start hitting other intersections throughout the city as well. Mr. Grochowski reported the city had three plows available, and most of the sanding was done to bridges and intersections.

Councilor Fuller asked what the policy was for snow removal in the two block area of downtown. Mr. Grochowski reported they don't usually plow the downtown area noting, during a previous event, they experienced a lot of problems getting the plowed snow out of the area. He stated even though they didn't plow downtown during the last event, staff was out laying down sand first thing in the morning, prior to businesses opening.

Councilor Fuller asked what the policy was for Winchester Estates and other roads up above the city; and if staff ever got up on the hills during the last event. Mr. Grochowski reported they try to stay away from the hills until they first have all of the collectors done; however they did get up there towards the end of the event. Councilor Fuller stated he believed neither the hill behind city hall or Winchester Estates ever got it at all, and wondered if they were overlooked. He then inquired about the policy for Prospect Street. Mr. Grochowski reported Prospect Street was a straight stretch. He indicated the road used to be in the county, and because they always made sure it was taken care of during snow and ice events, the city does the same. Councilor Fuller reported he watched the trucks go up and down Prospect Street two to three times a day, everyday, and wondered why they went up there so often and not up the other hills. He stated he would like to see a more thorough, extensive, and definitive policy drafted. It was the consensus of the council to have to policy looked at.

Councilor Fuller stated leaving the whole downtown undone for the period of the event was unconscionable. Rick Sahlin reported the downtown area did not go untouched, adding they sanded numerous times and plowed the best they could, without blocking in vehicles that were parked in the area. Councilor Fuller stated he drove through town everyday, noting it wasn't plowed until it was a sheet of ice, and it didn't get any sand until later in the event.

Councilor Fuller stated he would like to see some sort of 'downtown policy' within the SOP, so it doesn't get left out. He felt that by just taking care of Chamber Way and Louisiana Avenue it sent all of the shoppers out there, which literally destroyed the downtown businesses during the Christmas holiday. Councilor Fuller stated the businesses deserved more than that and would like to see the downtown included, if they possibly could. City Manager MacReynold stated the administration would re-examine the policies and bring them back to the council at a later date.

Councilor Taylor mentioned there was talk about having the city and county work together on some type of interlocal agreement, so that when county trucks are passing though the city they could drop their plows to clear the roadways. Mr. Sahlin reported the county ran steel blades on their plows, which if ran on city streets, would peel off the very expensive melt-down thermo plastic the city puts down for its crosswalks.

Councilor Fuller wondered why they received a letter from Twin Transit regarding snow removal, dated February 23, 2009. Mr. Grochowski stated Councilor Dawes mentioned to him that Twin Transit was down a few days because of the weather, so he called Twin Transit to find out what they did during the event. He indicated he did not ask for the letter. Mr. Grochowski later noted, in talking with Twin Transit, he felt it was important for the council to hear what they had to say about the maintenance of the streets in Chehalis.

c. **Communications System Usage Policy.** Information Technology Committee Representative Becky Fox reported there had been several policies in the city that governed communications, adding the last update was done in 2002. Ms. Fox stated, in 2006 they formed an IT committee which included a representative from every department. She noted one of their tasks was to look at developing a new internet policy. Ms. Fox noted the new policy encompassed all communication devices,

February 23, 2009

such as cell phones, blackberries, faxes, and computers. She noted the new policy was sent to Washington Cities Insurance Authority (WCIA) for their comments, which were incorporated into the policy. Ms. Fox stated WCIA wanted to remind everyone one that if they use their personal computer at home for any city business, it may be subject to discovery under a public records request.

Ms. Fox reported a copy of the policy had been sent to all three unions for their review, noting the policy would be distributed to all employees and departments for their signature.

Councilor Dawes stated, in reviewing the policy, he didn't see anything about periodic/routine monitoring. He felt policies were great, but unless they were enforced, they were worthless. Councilor Dawes hoped that once the policy goes through that the city would do some type of monitoring, especially on computers. City Attorney Hillier noted it was covered in section 4.9, paragraph two and five. Councilor Dawes noted he understood the city retained the right; however that didn't mean the city would follow-up on it. Ms. Fox reported there was some conversation by the committee, and in talking with committee member Ed Schonack, the city's system had the capability to go in and do random checks. She felt it was something they should discuss at a department head level. Councilor Dawes suggested just throwing random names in to routinely check.

6. Council Reports.

a. **Chehalis Wrestling Team.** Councilor Dawes reported the Chehalis High School Wrestling team took 2nd Place at state this year. He asked if they could have the team come to the next meeting to present them with a proclamation and give them some recognition for their award. Councilor Dawes noted Chehalis had always had a very strong wrestling team; however placing that high at state was a very significant accomplishment.

b. **Lewis County Historical Museum Update.** Councilor Dawes reported the museum was working on a paving project to replace the pavers around the building. He stated he had a chance to meet with Lewis County Commissioner Bill Schulte on Friday, and felt they were able to get the wheels moving on the project and hoped to see it finished before spring 2009. Councilor Dawes indicated they were working in conjunction with the public works department to raise the curb, so they could put in a retaining wall and planter. Mr. Grochowski reported he had talked with one contractor who felt if they pinned the curb and form it up, it wouldn't be too long before someone runs into it and pops it off. He suggested they just replace the 350 feet of curb, which would basically be a retaining wall. Mr. Grochowski reported he and Mr. Sahlin met with Lakeside Industries to talk about other options and estimated a curb replacement project to be around \$30,000.

c. **Flood Authority Update.** Councilor Taylor reported the flood authority received a presentation by Lewis County PUD, and after much discussion, he made a motion that the flood group move the project forward into PUD's phase 2 study. He noted the issue was tabled to the following meeting so other representatives could have their questions answered. Councilor Taylor stated he made a comment at the meeting that the city really wanted the project to move forward, and didn't want to see the flood authority be a place where good projects come and have nothing done with them. He hoped at the next meeting that the group would support and endorse the county to negotiate with the LC PUD to move the project forward to the next level.

Mayor Ketchum thanked Councilor Taylor for putting in the effort to try to get something moving. He agreed, adding he really felt the flood authority would be a place where projects go and then disappear into a dark hole. Mayor Ketchum stated he trusted that wouldn't happen; however he noted there were of a couple of entities that did not want to see the project go forward.

d. **Meetings and Events attended by the Mayor.** Mayor Ketchum reported he attended the following meetings:

- February 11 – attended a downtown parking meeting, and a public meeting at the Veterans Memorial Museum to discuss the Lewis County flood project
- February 13 – met with the 09 tax Committee to discuss funding requests
- February 17 – attended the Centralia-Chehalis Transportation Cooperative meeting

e. **Stimulus Projects.** Mayor Ketchum stated the county would be receiving approximately \$1.8 million in stimulus funding for transportation projects, which really won't do a project for any city in Lewis County. He reported the Lewis County Transportation Strategic Council agreed that the cities would request the \$1.8 million go to the county for their projects, and in turn for the next few years, the county would send the SAFETY-LU monies to the City of Centralia for the Borst Avenue project.

February 23, 2009

Mayor Ketchum reported, with regard to water and wastewater stimulus projects, any city could get stimulus funding; however it would need to be paid back, which he thought defeated the purpose.

f. **Airport Way and Louisiana Avenue Connection.** Mayor Ketchum reported the Transportation Improvement Board (TIB) wanted to take the \$3 million back because county staff told them they did not need to fund the project anymore. He gave credit to Commissioner Schulte for standing up and telling them that wasn't going to happen, and that the county had to figure out what they needed to do to make the project go forward.

7. **Ordinance No. 843-B, Second Reading – Amending Ordinance No. 543-B, Section 1 – Establishing Non-Sufficient Fund (NSF) Fees.** Bob Nacht reported there were no changes from the first reading; however in response to a question from the prior meeting regarding the rates in schedule "A," he noted the utility rates were established by separate ordinance and could not be a part of schedule "A." He did however suggest that when schedule "A" is published again, it will contain all of the utility rates as a separate addendum, so they are all in one place.

Councilor Dawes moved to pass Ordinance No. 843-B on second and final reading.

The motion was seconded by Councilor Pope and carried unanimously.

8. **Resolution No. 4-2009, First Reading – Water Use Efficiency Rule (WUE).** Dave Vasilauskas reported the stated Department of Health (DOH) required that all public water systems adopt a water use efficiency goal. He stated in November the administration presented an aggressive water conservation plan and the council asked what impacts it would have to our water utility revenues. Mr. Vasilauskas noted upon review of the plan, it was determined that with all of the cost of conserving water, compared to the revenue of selling water, it would result in a large decrease in revenues in the water utilities.

Mr. Vasilauskas reported the city performs various programs each year, which meet the requirements of the WUE. He noted the city would continue to meet that mandate by continuing the programs currently adopted in the city's budget, at no additional cost.

Councilor Fuller asked if the \$20,000 would cover the cost of the program, and if the original estimate of \$161,000 would go away if they kept doing what they are doing. Mr. Vasilauskas stated it would.

Mayor Ketchum noted the report indicated the city could potentially decrease its revenue by about \$78,000 annually. Mr. Vasilauskas stated that was correct, if they end up conserving a large amount of water.

Mr. Vasilauskas reported the WUE was good for seven years, at which time the city would re-evaluate the program.

Councilor Lund felt they might be able to save money by reading the meters monthly, in order to find leaks quicker. City Manager MacReynold noted there was a discussion about that; however the city had not proceeded to do further work down that path. He noted the consultant who briefed the council as to why the city might want to think about that, was for the very same reason. City Manager MacReynold believed it would give the city better control, and we could respond in a more-timely manner to leaks and such.

Mayor Ketchum stated there would be an increase in costs associated with reading the meters monthly, rather than ever two months. City Manager MacReynold stated the question would be whether or not it would be a significant cost. He indicated that would be something the council would have to decide, should the administration move forward in that direction. Councilor Dawes stated if they go down that road they might have to hire additional staff to read meters. City Manager MacReynold noted those were all issues they would have to face.

Councilor Taylor moved to adopt Resolution No. 4-2009 on first and final reading.

The motion was seconded by Councilor Harris and carried unanimously.

9. **Establishing a Financing Arrangement for Wastewater Connection Fee.** Mr. Nacht reported the recalculation for Thorbecke's Fittlife Center was made after 12 months of actual usage, after the estimate was forwarded. He

February 23, 2009

stated the city found that because of the nature of the usage, and the additional businesses that had been installed, there was a significant increase in the usage from the original estimate. Mr. Nacht indicated the calculations were made and the dollar amounts forwarded to Thorbecke's. He reported owner, Dale Pullin, requested some relief from the lump sum payment, and therefore, Finance Manager Eva Lindgren worked out a payment schedule.

Councilor Taylor asked if all businesses were given an estimate, or was Mr. Pullin's situation abnormal. Mr. Nacht reported all new businesses that have no history of usage do receive an estimate, and pay connection fees based on that estimate. He noted after 12 months, or a longer period of time, they re-evaluate them to determine whether or not there is a significant increase or decrease from the estimated usage.

Councilor Dawes stated he never recalled anything like this come before the council. Mr. Nacht indicated it was typically addressed by staff and was not typically addressed in a monthly payment schedule. He noted the only reason it was before the council was to authorize the city to collect it through a monthly billing process, as opposed to collecting one lump sum.

Councilor Harris noted they had a similar issue with Mr. Peterson, with the opening of Starbuck's.

Councilor Dawes moved that the council authorize and direct the city manager to execute a loan agreement and collect the required wastewater connection fees from Thorbecke's Fitlife Center through a monthly billing process with a 7.5 percent interest rate.

Councilor Harris seconded the motion.

Councilor Pope asked if Mr. Pullin collected any percentage (connection fees) from the businesses that went in his building. Mr. Nacht stated he had no idea, adding that would have been a civil arraignment he may have made with them.

Councilor Lund asked if the city was supposed to be in the banking business; and if the bank was going to start selling water and sewer. He indicated, as a business owner, he didn't loan money and the bank didn't sell beer. City Manager MacReynold stated that would be up to the council.

Mr. Nacht indicated it was unique to a utility billing process, which was established in our statutes, and that was the only reason the matter was being brought to the council. Councilor Lund asked if the statute stated the city could loan money. Mr. Nacht indicated it did. With that, Councilor Lund was satisfied that the city had provisions to loan the money.

The motion carried unanimously.

There being no further business to come before the council, the meeting adjourned at 6:50 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of February 23, 2009.