

March 12, 2018

The Chehalis city council met in regular session on Monday, March 12, 2018, 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; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, HR/Risk Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Alex Brown of *The Chronicle*.

1. **Proclamations – W.F. West Boys and Girls Basketball Teams.** Mayor Dawes read a proclamation recognizing the W.F. West Bearcat boys basketball team for their second place trophy in the state 2A basketball tournament. The Bearcat girls were then honored with a proclamation for winning the state 2A basketball tournament championship. Most of the teams' players and coaches were in attendance to accept the proclamations.

2. **Boys and Girls Club of Chehalis.** John Setterstrom, Interim Executive Director, stated he has been involved in the non-profit world for several years and he and his wife have supported Boys and Girls Clubs. He stated he was contacted by the president of the Chehalis Boys and Girls Club to see if he was interested in serving as their interim director and he was honored to serve in that capacity. He stated the work of the Boys and Girls Club changes lives and he thanked the council for their support.

Councilor Lund stated the Boys and Girls Club is in great hands with John Setterstrom.

3. **Centralia-Chehalis Chamber of Commerce.** Alicia Bull, Executive Director, thanked the council for their support, particularly the lease of property where the chamber is located. The chamber works hard to promote tourism, and she and the city manager will be meeting to discuss the services provided by the chamber. Ms. Bull expressed appreciation for the city's support of the chamber with lodging tax funds. Ms. Bull distributed the chamber's 2018 directory, which included a list of chamber-sponsored events. She noted they try to include the city's logo on Chehalis event posters. She announced that the one-day food stop during the Seattle to Portland (STP) bike event is being moved from Centralia College to Recreation Park, which means a lot more riders in Chehalis.

Mayor Dawes wanted to make the chamber aware of available parking spaces adjacent to Green Hill School that the city leases.

Ms. Bull stated the chamber is working to promote business, doing ribbon-cuttings like crazy, and are very excited about the Chehalis Coworks space. Memberships continue to grow, and involvement with the One Lewis County initiative continues.

Councilor Lund stated that since the chamber is doing such a great job, could Chehalis help make up their \$20,000 budget shortfall. Ms. Bull stated the chamber is \$20,000 short, but they plan on trying to move forward with the same services.

City Manager Anderson stated the issue about how to make up the chamber's budget shortfall and how the scope of services may be adjusted will be part of the discussion Ms. Bull referred to earlier in her update.

4. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:
- a. Minutes of the regular meeting of February 26, 2018;
  - b. February 28, 2018 Claim Vouchers No. 121767-121868 in the amount of \$112,620.42;
  - c. February 28, 2018, Payroll Vouchers No. 40114-40160, Direct Deposit Payroll Vouchers No. 9206-9304, and Electronic Federal Tax Payment No. 181 in the amount of \$774,438.53;
  - d. Resolution No. 1-2018, first reading – adopting the 2018 Parks, Recreation, and Open Space (PROS) Plan update;
  - e. Bids for rock, gravel, and asphalt;
  - f. Farm and Pasture Lease Agreement with Pamco, LLC for a three-year term expiring February 28, 2021; and
  - g. Appoint Mayor Dennis Dawes as the city's alternate to the Twin Transit Board.

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The motion was seconded by Councilor Lund and carried unanimously.

**5. Interlocal Agreement with Lewis County for 9-1-1 Services for a Two-Year Term Expiring December 31, 2019.**

Chief Schaffer stated that Centralia Police Chief Carl Nielsen representing Lewis County police chiefs, and RFA Fire Chief Mike Kytta, representing Lewis County fire departments, have been working closely with Communications Director Steve Mansfield to develop a new interlocal agreement (ILA). The proposed ILA defines the general scope of services, operations, administrative roles and responsibilities, and provides for the development of a Combined User Committee consisting of representation from the various user agencies. He believed the ILA was a good first step in working with the 9-1-1 center and correcting some issues that have been going on. The term of the ILA is two years, expiring December 2019.

Councilor Harris stated he was hesitantly supportive of the agreement. He stated the agreement provides that each agency pay their proportionate share of annual costs, but it doesn't give a clear idea about what the numbers are. Chief Schaffer stated none of the future costs have been outlined. He stated Lewis County funds a major portion of the center, along with funds from the user agencies. It was his understanding that Lewis County wants to see the center funded fully by the user agencies.

Councilor Harris asked if the county could be approached about making the center a utility so that funds collected for the center are used only for the center and not other county uses.

Mayor Dawes thought the taxes collected through telephone/cell phones had to be used for the center and no other county uses. City Attorney Hillier stated he didn't know the answer, but would speak with the county civil deputy and follow up with the council.

Mayor Dawes thought part of the concern came about when monies that were set aside for equipment reserve purchases were never made and the money was used elsewhere in the county. He stated it was possible that those funds were county general fund monies.

Councilor Pope asked who the other participating agencies were. Chief Schaffer stated there were 10 law enforcement agencies and 20 fire agencies. Councilor Pope stated the county wanted the entire costs to be borne by the user agencies, and asked if there were not users that represented the county. Chief Schaffer stated the Sheriff's Office would be one of the user agencies. He explained that outside of the Sheriff's Office, Lewis County is further funding the costs of the communications center more than what the user agencies are contributing.

Councilor Lund thought the base costs being paid by some districts is not enough to support the system. He wanted staff to be aware of the "shell game" by the county where money is taken from departments that make money to help fund other departments. With regard to base fees, Chief Schaffer hoped the committee established by the ILA will be able to have discussions with the communications center on how the different agencies are charged.

Councilor Lund asked if there was any update on the combined 9-1-1 communications center feasibility study for Chehalis and Centralia. Chief Schaffer stated the study is in the final phase and he believed the six-month timeline for completion was on track.

Mayor Dawes asked if the combined user committee would have any teeth. Chief Schaffer stated the committee will be in place to make recommendations to the director; however, it is much more formalized than what is currently happening and should be more useful and listened to. Mayor Dawes asked for an update in six months on how the ILA is working.

Councilor Spahr stated he would support approval of the agreement because there is currently no other place to go and it provides some headway for the users to have a say. He expressed concern about the base fees and what some departments are paying.

Councilor Ketchum moved that the City Council approve the Interlocal Agreement for Lewis County Communications Operation, Maintenance and Participation and authorize the City Manager to sign said agreement. The motion was seconded by Councilor Lund and carried unanimously.

Councilor Pope asked for a future presentation on the risks of not having a fully-functioning 9-1-1 system.

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6. **Wage Increases for Non-Represented Employees.** City Manager Anderson stated the presentation would include both wage increases for non-represented employees, as well as adjustments to some of the management structure. She stated the issue was discussed by the council budget subcommittee and is now coming to the full council for consideration and action.

Judy Schave reviewed the recommendations:

- **4.5% salary increase for all non-represented employees, retroactive to January 2018.** A 4% salary increase was built into the 2018 budget for all employees not subject to an approved collective bargaining agreement. The 4.5% increase is in consideration of contract settlements with two of the city's three employee bargaining groups. To be consistent with the three-year increases for the non-uniformed employee group, an additional 4.5% will be proposed in 2019 for non-represented employee if the budget allows.
- **Approve base salary increases for the Chief of Police and Deputy Police Chief positions retroactive to January 2017.** The Employee Rules and Regulations require a 10% differential between management and the Union employees they supervise. Due to the recent settlement of the collective bargaining agreement with the Chehalis Police Officers Guild, it is proposed that the City Council approve the base salary increases of these two positions retroactive to January 2017 to meet this requirement.
- **Approve reclassification of pay range for Fire Chief position, retroactive to January 2018.** This position has traditionally been classified at the same pay range as the Chief of Police Position. Due to the proposed salary adjustment made to the Police Chief position, it is proposed that this position be reclassified to pay range 12N from 9N, which will result in a 5% salary increase in 2018.
- **Approve reclassification of pay range for Public Works Director position, retroactive to January 2018.** As part of a reorganization that was done at the end of 2016, the Public Works Director assumed the role of supervising the Parks and Facilities Division. For taking on this additional responsibility it is proposed that this position be reclassified to 11N from 9N. This will result in a 5% increase in 2018.
- **Approve reclassification of pay range for Community Development Director position, retroactive to January 2018; and add Airport Operations Coordinator position to the 2018 Salary Schedule.** After reviewing the operational needs at the airport, it was determined that it would be more advantageous to place this department under the supervision of the Community Development Director and to create a new Airport Operations Coordinator Position to oversee all aspects of the daily operations at the airport. It is proposed that the Community Development Director position be reclassified to 11N from 9N for taking on this additional responsibility. This will result in a 5% salary increase in 2018. It is also proposed that the City Council add an Airport Operations Coordinator position to the 2018 Salary Schedule, which will be a cost savings to the City.
- **Approve Salary Schedule for the 2018 Budget.**

Ms. Schave explained the fiscal impacts of the recommendations. She stated a majority of the costs associated with the proposed adjustments have been previously budgeted and the additional costs will be allocated to the appropriate enterprise funds, as well as the general fund with relatively minor impacts in 2018. In regard to the proposed reclassifications of the Community Development Director, Public Works Director, and the Fire Chief the anticipated annual increase to the budget will be \$17,500, which will come from multiple funds. Additionally, by placing the airport under the supervision of the Community Development Director and creating the mid-management position of Airport Operations Coordinator, the city will save about \$21,000 in 2018, which will be allocated to the enterprise fund.

Councilor Lund expressed concern that too much was being placed upon Trent Lougheed. He stated Mr. Lougheed was too good a worker to have a bunch of stuff dumped on him. Ms. Schave acknowledged Councilor Lund's comments and stated both she and the city manager have discussed that issue with Mr. Lougheed and he is confident that he can handle the duties. Ms. Schave indicated the changes can be reevaluated in the future.

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City Manager Anderson stated the reorganization includes the creation of the airport operations coordinator – a mid-management position right below Mr. Lougheed to handle the day-to-day operations of the airport. She stated the change will be reevaluated as needed, but certainly on an annual basis.

Councilor Ketchum moved that the City Council authorize and approve the recommendations to include: authorize implementation of a 4.5% salary increase for all non-represented employees retroactive to January 2018; approve base salary increases for the Chief of Police and the Deputy Chief of Police positions retroactive to January 2017 pay period consistent with the Employee Rules and Regulations, Chapter III, Section 13 – Salary Compression, to maintain at least a ten percent base salary differential between management and union positions they supervise; approve reclassification of pay range for the Community Development Director to 11N/D retroactive to January 2018 pay period; approve reclassification of pay range for the Public Works Director to 11N/D retroactive to January 2018 pay period; approve reclassification of pay range for the Fire Chief to 12N/C retroactive to January 2018 pay period; authorize the Airport Operations Coordinator position to be added to the 2018 salary schedule; and approve the 2018 Budget Salary Schedule.

The motion was seconded by Councilor Harris and carried unanimously.

## **7. Administration Reports.**

a. **Strategic Planning Update.** City Manager Anderson stated the council and management team met in January to prepare the city's strategic plan for the next three years. She stated the mission statement developed in January was, "*While honoring the past and preparing for the future, the City of Chehalis provides municipal services and programs for the benefit of residents, businesses and visitors in our community.*" A SWOT analysis was conducted, which led to the preparation of the three-year goals to include: maintain and enhance financial stability; enhance and modernize technology; increase and optimize staffing levels; improve and maintain infrastructure; and enhance and maintain facilities (Recreation Park, Dispatch Center, Fire Station). For each goal, six-month objectives were established. Ms. Anderson reported on the progress made to-date:

### **Maintain and enhance financial stability**

- Present plan for future annexations to City Council for consideration. Proposed annexation area maps will be distributed to appropriate directors by March 9, 2018 for comment.
- Present to City Council for direction a scope of work and potential funding plan for an updated utility rate study. She stated the administration recommends not doing a rate study until 2019 following completion of the 2018 Water System Plan which is required by the State Department of Health. They further recommend that the update to the Storm Water System Plan be done before the next Utility Rate Study is done. The Storm Water Plan has not been updated since it was adopted and one rate increase is left for the Storm Water Utility in November 2018 from the rate increases the City Council passed in 2012.
- Present financial software upgrade recommendations to City Manager for consideration. On track for May 1.
- Present to City Council for consideration a commercial development master plan for leasable property at the airport. On track for June 1.
- Formulate and present to City Manager and City Council Budget Committee for consideration a plan to re-establish dedicated reserve funding. On track for July 1.

### **Enhance and modernize technology**

- Evaluate current virus and ransomware protection products and policies and recommend changes, if needed, to the City Manager for consideration. On track for May 1.
- Evaluate the feasibility of having an IT Department vs. a contract IT employee and make a recommendation to the City Manager for consideration. On track for August 1.
- Identify citywide training needs on IT and use of existing software and create and present to the City Manager for consideration a plan to train all city employees. On track for August 1.

### **Increase and optimize staffing levels**

- Evaluate staffing needs and present the results, with recommendations, to the City Manager for consideration by April 1. This objective is in progress. Future retirements at the management level are anticipated, particularly the public works director who will be retiring in June 2019. It is anticipated that Trent Lougheed will become the public works director. Based on comments earlier this evening, it was noted this is a lot of work on one person.

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- Conduct cost analysis of each position needed and present results to City Manager. On track for July 1.
- Identify ways to finance staffing needs. On track for August 1.

**Improve and maintain the infrastructure**

- Present to City Council for consideration a consultant contract for design of the Sanitary Sewer Forcemain Improvement Project (Riverside and Prindle). On track for May 1.
- Complete the Transportation Benefit District Downtown Grind and Inlay Project of the Market Boulevard multi-use lane by June 1. Bid documents are being revised; will use small works roster bid process in March.
- Complete Stan Hedwall Sewer service by August 1. Bid documents being revised; will use small works roster bid process in March.
- Complete design of Sanitary Sewer Forcemain Improvement Project (Riverside and Prindle) by December 1.

**Enhance and maintain facilities (Recreation Park, Dispatch Center, Fire Station)**

- Update Park, Recreation and Open Space Plan and present to City Council for action. Completed: PROS plan discussed at February 26, 2018 council meeting, and adopted by council earlier on this agenda.
- Report to City Council final results of District 6 Fire consolidation. On track for March 26.
- Complete Phase I of Recreation Park design and recommend funding sources to City Council for action by May 1. Notice to proceed with 100% design documents for revised project scope issued to Skillings; design in progress.
- Report to City Council on the success in receiving grants for components of Recreation Park by June 11.
- Report on results of feasibility study regarding Chehalis-Centralia-Riverside Dispatch Center and make recommendation to City Council for direction by June 11.

City Manager Anderson stated the next strategic planning session is scheduled for Thursday, August 30, 2018.

With regard to the number of employees, Councilor Spahr stated the city has about 93 employees. In looking at the number of employees of other area businesses as reported in the 2018 chamber directory, he stated when it is said that the city is understaffed, he thought that might be a correct statement. He noted the city's employees are getting a lot of work done. The city has a lot of responsibilities and the number of city employees compared to some other firms is a tribute to what the employees are doing.

Mayor Dawes stated he wanted to see continued progress.

**8. Councilor Reports/Committee Updates.**

- a. Councilor Lund attended a fire committee meeting.
- b. Councilor Spahr attended an EDC board meeting.
- c. Mayor Dawes met with Commissioner Bobby Jackson and the Twin Transit manager regarding the potential of expanding transit service throughout Lewis County. He also attended the mayors meeting regarding internet to outlying areas in the county, along with a budget committee meeting, a fire committee meeting, a .09 committee meeting, and a ribbon cutting at Spry Digital Marketing.
- d. Councilor Harris report that Chehalis Coworks is already being supported enough to pay for half of their monthly bills.

**9. Executive Session.** At 6:21 pm, Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation not to exceed 6:40 pm and there would be no decision following conclusion of the executive session. The council convened into executive session at 6:24 pm. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 6:39 pm.

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Dennis L. Dawes, Mayor

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Caryn Foley, City Clerk

Approved:

Initials: \_\_\_\_\_