

June 25, 2018

The Chehalis city council met in regular session on Monday, June 25, 2018, 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, Dr. Isaac Pope, and Chad Taylor. Councilor Tony Ketchum arrived at 4:33 pm. Councilor Bob Spahr was absent (excused). Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; 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 5:01 pm and announced the council would take a short recess. Mayor Dawes reopened the regular meeting at 5:03 pm. Additional staff included: Ken Cardinale, Fire Chief; Trent Lougheed, Community Development Director; Brandon Rakes, Airport Operations Coordinator; Chun Saul, Finance Director; and Judy Schave, Human Resources/Risk Manager. Members of the media included Will Rubin of *The Chronicle*.

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

- a. Minutes of the regular meeting of June 11, 2018;
- b. June 15, 2018 Claim Vouchers No. 122676-122834 and Electronic Funds Transfer No. 520181 in the amount of \$360,298.02;
- c. Award bid for the Stan Hedwall 2018 sanitary sewer improvements project to Gill Construction in the amount of \$248,968.20;
- d. Revised Memorandum of Understanding for FEMA Assistance to Firefighters Grant application for personal protective equipment; and
- e. Resolution No. 5-2018, first and final reading – declaring property to be surplus.

The motion was seconded by Councilor Taylor.

Councilor Lund stated the June 11 meeting minutes stated his street sign was covered with bushes and that he was going to have his landscaper take care of it, and the Fire Chief responded by saying that staff goes around and makes property owners take care of that, but that was not true. Councilor Lund stated the city does not make people cut brush in city right-of-way. He clarified that he was talking about the street sign in city right-of-way, not his house numbers. City Manager Anderson stated it was her understanding that Councilor Lund was correct. Rick Sahlin stated staff does make property owners aware if bushes need to be trimmed back in city right-of-way to give them an opportunity if they would like to take care of it because sometimes the city's trimming of vegetation isn't the same as what a property owner's might be.

3. **Ordinance No. 988-B, Second and Final Reading – Amending Chehalis Municipal Code Titles 17 and 5.32**. City Manager Anderson stated an overview of the proposed amendments was provided at the previous council meeting. During the discussion, Councilor Lund asked about doing some public service announcements to make people aware that their house numbers should be visible from the street. Staff will look at using a utility billing insert and public service announcements to help get the word out.

City Manager Anderson stated that Councilor Spahr had questions about the accessory dwelling units and how that would be enforced. Councilor Spahr wondered if there were any ways to strengthen the requirement. City Attorney Hillier stated he believed the way the ordinance was written was probably the best that could be done. If the city finds that a unit is being occupied incorrectly, the city will act on it.

Mayor Dawes asked about the amendment to require a permit for re-roofing when "hot-work" or "welding" are involved. Chief Cardinale stated these types of re-roofing permits would include torches or flammable materials. Without having this permit, the work can go on and there is no way staff can check it to make sure that when a contractor leaves, they are leaving it in a safe condition. The permit will ensure that the city is aware of the work and once it is completed, it will be inspected.

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Mayor Dawes asked about the city's liability if a fire still occurs after being inspected by the city. Bill Hillier stated it would not add any more liability than usual. He stated there is immunity for governmental entities in this regard.

Councilor Ketchum asked for clarification on what was considered "hot-work." Chief Cardinale stated "hot-work" includes torching and any type of hot work that adheres materials to a surface. The permit will allow the city to ensure that the procedures being used are proper, that contractors have a fire extinguisher on hand, and that the contractor is briefed on what to be looking for to prevent fires. The city will then inspect the work with a thermal imaging camera to make sure there are no hot spots.

Councilor Ketchum moved to pass Ordinance No. 988-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

4. Strategic Planning Goal – Increase and Optimize Staffing Levels. City Manager Anderson stated one of the city's strategic planning goals is to increase and optimize staffing levels. She stated the goal recognizes the growing work load, along with the constriction of staff during the last recession.

Judy Schave stated one of the top five goals selected during the strategic planning session was to look at increasing and optimizing staffing levels, both immediate and near-term. There is a challenge to fill positions with either qualified applicants or with current employees who have the necessary skills and required certifications, as well as a desire to take on more challenging positions. The city has the ability to start training current staff to qualify them to test for the necessary certifications, which will give them the opportunity to apply for some of these positions. Ms. Schave stated each member of the management team was asked to evaluate their staffing needs, and 14 positions were submitted for consideration for 2018 to 2020. A cost analysis on the wages and benefits for each position was done and presented to the City Manager to evaluate the financial impact. The administration met with the council budget committee to review the proposals and recommendations, and the committee concurred with the proposed recommendations for positions to be filled in 2018. She stated staff was asking for council direction to hire a Utility Maintenance Worker position for 2018, and also to schedule a work session to discuss the remaining positions submitted for consideration for 2019 and 2020.

The positions recommended for 2018 include:

Water Distribution Operator 1/Meter Reader

- Temporary 18-month position.
- Two long-time employees due to retire – Water Treatment Plant Operator 1 and a Water Treatment Plant Operator II
- One employee in this department could easily move into the Water Treatment Plant Operator II position
- Another employee is interested in the Operator 1 position, but will require training and certification
- Estimated budget impact for wages and benefits: \$37,555 in 2018, and \$77,406 - 2019
- Funding: 100% Water

Planning/Development Manager

- With transition of current Community Development Director to the public works department and the recent resumption of permitting responsibilities in the Urban Growth Area, the community development department will be in need of a planning/ building manager
- Reallocate remaining 2018 funding for Community Development Director position, as a majority of their time will be dedicated to the utilities
- Additional funding received for overseeing the permitting and development of the UGA could also be used to offset a large portion of the cost of this new position
- Estimated budget impact for wages and benefits: savings of \$2,428 in 2018, and savings of \$4,797 in 2019
- Funding: 60% General Fund; 10% Water; 10% Wastewater; 10% Stormwater; and 10% Airport

Property/Facilities Manager

- Supervisory position eliminated from salary schedule in 2010 due to funding issues related to the economic downturn

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- Maintenance and improvement of facilities high priority to address maintenance deferred during recession and to invest in preventative maintenance
- Reclassify current Property Maintenance Technician II position to a Property/Facilities Manager
- Funding for property maintenance technician II position would be used to offset large portion of financial impact of new position in both 2018 and 2019
- Estimated budget impact for wages and benefits - \$4,256 in 2018, and \$12,484 in 2019
- 100% General Fund

Property Maintenance Worker

- By creating and utilizing current staff to fill Property/Facilities Manager position, this will result in a loss of one maintenance position
- Possible solution would be to hire a full-time, entry level property maintenance worker to offset loss, and consider assigning position to downtown area year-round
- While the addition of this position was generally supported by the Budget Committee, the Administration requests time to consider the request in context of other positions needed and the associated budget impacts and discuss at the proposed work session
- Outstanding collective bargaining agreement with Fire due to settle in September; unknown impact to general fund
- Estimated budget impact for wages and benefits: \$65 in 2018, and \$40,078 in 2019
- 100% General Fund

Ms. Schave stated positions for 2019 and 2020 to be discussed at the council work session include:

- Traffic Control Technician, Street Division
- Judicial Assistant/Sentencing/Monitoring, Municipal Court
- Police Officer, Police
- Receptionist, Police – *New Position*
- Reserve Volunteer Firefighter Program, Fire
- Finance Analyst, Finance – *New Position*
- Engineering Technician II, Public Works
- Administrative Assistant, Public Works Wastewater – *New Position*
- Property Maintenance Worker, Public Works
- Laboratory Assistant, Public Works

Councilor Ketchum asked what would happen if the positions were funded in 2018, but funding was not available in 2019. Ms. Schave stated staff estimated that funding would be available in 2019 for the proposed positions. City Manager Anderson stated the water distribution operator position is a temporary position necessary for succession planning. In terms of general fund impacts, for the planning/development manager position, there would be a temporary time until September 2019 where we would have some funding for an additional position – the community development director. The community development director will transition to public works upon the public works director's retirement, and a majority of those expenses would be reallocated to the utility funds. The property/facilities manager position is necessary position as the person is actually doing the work of the manager now. The administration is asking for this position in order for that person to have the responsibility and authority to manager the work load.

Councilor Pope moved to approve the updated 2018 Salary Schedule to include the addition of a Planning and Building Manager and a Property/Facilities Manager; approve additional funding in the amount of \$41,876 (General Fund \$4,321 and Water \$37,555) to cover the budget impact of the proposed temporary and long-term positions as outlined in the agenda report for 2018; and set July 26, 2018 at 5:00 pm for a work session to review the 2019/2020 requests for staffing needs. The motion was seconded by Councilor Lund and carried unanimously.

5. Administration Reports.

a. **Finance Report.** Chun Saul provided a financial report for the month ending May. She stated the target for five months was 41.7%. Overall, the general fund and major enterprise funds operated within budget parameters and overall revenues and expenditures were within normal budget projections.

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- General fund revenues were 42.6% of the budget and total tax revenues were 43.6% of the budget.
- General fund expenditures operated within budget parameters at 41.1% of 2018 budget expect for:
 - police department due to recent settlement of the collective bargaining agreement
 - fire department due to about \$78,000 in payroll benefits not being included in the adopted budget, which will be included in the second budget amendment
 - Non-departmental due to some expenses not yet incurred
 - City Council, Municipal Court, City Manager, Finance, and Human Resources related to contra expenses
- General Fund Expenditures by Functions/Activities:
 - Police 35%
 - Fire 24%
 - All Other 36%
 - Capital Debt/Transfers 5%

Ms. Saul stated the enterprise funds also operated within normal budget parameters:

- Wastewater: Total revenues 40.11% of 2018 budget; Operating expenditures 42.8% of 2018 budget
- Water: Total revenues 42.8 % of 218 budget; Operating expenditure 33.1% of 2018 budget
- Storm & Surface Water: Total revenues 48.6% of 2018 budget; Operating expenditures 41.5% of 2018 budget
- Airport: Total revenues 40.3% of 2018 budget; Operating expenditures \$34.4% of 2018 budget

Councilor Ketchum asked if the city might see an increase in sales tax due to the Supreme Court's decision relating to remote sales tax. Ms. Saul stated the funds the city receives from streamlined sales tax will go away June 30. She stated she would look into the new sales/use tax and provide more information to the council.

b. **City Manager Update.** City Manager Anderson asked Chief Cardinale to talk about fire danger. Chief Cardinale stated the fire danger level is critical and local fire chiefs will be recommending to the Board of County Commissioners to restrict outdoor burning prior to July 4.

City Manager Anderson stated Chief Cardinale has been working on a number of training programs with home owners for defensible space trying to have people take responsibility for their properties and make them as fire safe as possible. She also thanked Judy Schave for all the tireless work she did for the presentation she provided earlier this evening, along with the work by the Parks & Facilities crew for their work on beautifying the library and city hall. She also thanked the council for their support of city staff.

6. Councilor Reports/Committee Updates.

d. Mayor Dawes attended a flood project update by J. Vander Stoep, the ribbon cutting for the Farmers Market, the Business After Hours at Althausser Rayan Abbarno Law.

There being no further business to come before the council, the meeting was adjourned at 6:04 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved: 7/9/2018

Initials: cf