

April 11, 2011

The Chehalis city council met in regular session on Monday, April 11, 2011, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 5:30 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, and Dennis Dawes. Councilor Taylor was absent (excused). Staff present included: Merlin MacReynold, City Manager; Mark Scheibmeir, Assistant City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Larry Allen, Assistant Fire Chief/Fire Marshal; Bob Nacht, Community Development Director; Herta Fairbanks, Public Works Director; and Dave Vasilauskas, Water Superintendent. Members of the news media included Lee Hughes from *The Chronicle* and Bruce Hunting from KITI.

1. **Work Session - Water System Plan (WSP) Update.** Herta Fairbanks reported the 2011 WSP Plan update covered the planning period from 2010 to 2016. She noted the plan was delayed because of efforts made to work with District 5, who the city currently has a contract with. Ms. Fairbanks stated a draft plan was presented to the council at the prior regular meeting. At that time she directed the council to focus on four key chapters in the plan, to include:

- Chapter 4 – Planning Data and Demand
- Chapter 7 – System Analysis
- Chapter 11 – Capital Improvement Program (CIP)
- Chapter 12 – Financial Plan

Ms. Fairbanks stated the purpose of the rest of the plan was to meet state requirements. She noted it talked about what the water system was about, as well as the efforts of the city to maintain it.

Ms. Fairbanks reported Chapter 4 was an analysis of the historical demand on the system. She noted the information provided was used to project and develop a 6-year, 20-year, and 50-year system analysis.

Ms. Fairbanks reported Chapter 7 looked at all the different components of the system, such as: source and supply, storage, distribution system, transmission system, fire flow, etc., and compared the demand forecasts to what the system had available. She noted they used that information to identify places where there might be any deficiencies going into the future.

Ms. Fairbanks stated Chapter 11 identified not only any needed infrastructure to meet demand requirements, but also replacement of any infrastructure that would be necessary, as things become obsolete or additional requirements are placed on the system. Some of the major capital improvement programs were identified, as follows:

- Key Near-Term Projects:
 - Treatment Plant (\$1.35 million) – Automation Project (Phase V), Redundant Flocculation Basin, Planning for Capacity Expansion and/or Additional South End Facility
 - Pumping (\$1.25 million) - High Level Zone and Valley View Zone
 - Piping (\$5.64 million) – Annual Main Replacement, I-5 Crossing Upgrade, Bishop Road (new piping)
- Key Long-Term Projects:
 - Supply/Treatment (\$9.84 million) – North Fork Intake Upgrades, Expansion and/or Additional South End Facility
 - Storage (\$12.23 million) – New Main Zone Reservoir, Upgraded High Level and Valley View Reservoirs
 - Pumping (\$0.74 million) – 18th Street Booster Pump Station Upgrade
 - Piping (\$21.21 million) – Central Business District (pipe upsizing), Newgard Addition (Phase 1), and Jackson Highway Transmission Main Upgrade.

Ms. Fairbanks reported the CIP was a listing of all of the capital improvements that would be necessary to meet future demands, and any needed upgrades to the system.

Ms. Fairbanks stated it was a pretty significant list if they had to do all of the projects. She noted as they get into the future they would have a better grasp on what really needs to be done. Ms. Fairbanks suggested their focus should be on the first six years of the program. She suggested it was not reasonable to expect the current rates to support the full CIP that

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the plan anticipates will be required. Ms. Fairbanks reported they would need to find some additional funding, which could come in the form of low interest loans or grant programs. She added if the economy starts to turn around, and we have a growth spurt, the city would have some capital facility charges that could be used to off-set some of the cost of the CIP. Ms. Fairbanks believed that in order to truly accomplish the entire program the rates would need to be adjusted for the water system, and split between what was growth and what was necessary to serve the existing customers.

Councilor Harris talked briefly about Chapter 2, suggesting they had far more water and water rights than what the city could use. He stated the only restriction was the size of our reservoirs, the piping, and what they could draw out of the Chehalis River.

Councilor Dawes brought up the 18th Street booster pump station, noting they had problems with it, even during the time it was being built. He stated they just finished putting the final touches on it and wouldn't think they would have to turn around so soon and soak another three quarters of a million into it for upgrades. Engineer Jeff Hansen, from HDR Engineering, Inc., noted the three quarters of a million was an escalated cost in future year dollars. He noted the improvement was not a full scale replacement, but rather the upsize of a pump and some mechanical work. Mr. Hansen referred to Table 11-1 of the plan noting it outlined the costs for each CIP in 2010 dollars, as well as future escalated costs. Mr. Hansen indicated the 18th Street booster pump station was on the list to meet future demands in the southern portion of the system. He noted what was really driving the costs for an upgrade was the potential for large industrial growth in the Port area. Mr. Hansen reported they took a very conservative approach in terms of what the largest potential was for industrial demand down south. He noted there was also potential for District #5 to connect, which would pull water from the south. Mr. Hansen stated it was only if those things happen that they would need to do the upgrades to the 18th Street booster pump station. He indicated if growth continued at a more moderate pace, they would not see the need to do the upgrades.

Councilor Pope stated there was discussion at one time about building the 18th Street booster pump station for the future; however, the city couldn't afford to do it at that time.

Councilor Spahr inquired about the Louisiana Avenue Extension, noting it was not listed on the summary sheet. Mr. Hansen reported they didn't list every single piping project on the summary sheet, adding they only called attention to the larger items. He noted the Louisiana Avenue Extension was included in the \$8.65 million listed in the first six years on Table 11-1. Councilor Spahr wondered if that project shouldn't be paid out of the sewer fund with the money the city received for the purchase of the land. He noted they sold the property based on finished product and felt they should use the money received from the purchase to build the road and put in the infrastructure. Mayor Ketchum believed they already used the money from the purchase to upgrade what Mr. Peterson didn't do.

City Manager MacReynold reported some of the money was used for what it was intended; however, there was some money from the general fund that was used, as Councilor Spahr had surmised. He noted the matter was being researched and any general fund money used would have to go back into the general fund.

Councilor Dawes inquired about the amount of money spent to make corrections for the shoddy work that was done on Louisiana Avenue, adding he thought they were anticipating getting that back through late-comer agreements. City Manager MacReynold reported that was correct.

Mr. Hansen stated it was a plan, and not all projects were listed. He noted some of the projects would be funded by developer contributed capital, as noted on Table 11-1.

Councilor Lund suggested opening up the old reservoir that the city filled in. Dave Vasilauskas noted they jack-hammered the bottom out of it before they filled it.

Mayor Ketchum asked if the costs would decrease on the long-term storage project if they spent the \$1.25 million on the High Level and Valley View Reservoirs in the near term. Mr. Hansen indicated it would be a wash.

Councilor Harris asked if the new reservoir project included any property acquisition. Mr. Hansen reported it did not, adding the vision was to build the new storage facility somewhere in the southern portion of the city near the Port, where the significant demands were anticipated. He noted it was placed on the 20-year CIP in order to be on the radar-screen for

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both the city and the Department of Health (DOH).

Councilor Dawes asked if there was a priority list made for the projects. He suggested now might be the time to strike while things are a little more competitive, if they have the financial capability within the budget to do some of the projects. Mr. Hansen stated there was definitely prioritization put into the plan, adding the things of higher priority were put into the near-term window. He noted there were things scheduled based on priority and cash flow listed on the near-term projects on Table 11-1.

Councilor Harris noted the serious water leakage problem and asked if they were going to be able to meet DOH standards. Mr. Hansen reported a lot had been done in the last two years regarding that issue. He noted the historically high numbers were a result of poor accounting of the water and significant leaks. Mr. Hansen believed the accounting of water had essentially been resolved. He stated they could pretty well quantify the water leak issue, adding there were some significant leaks on the Chehalis line, which have been fixed.

Councilor Harris asked if they were now accurately metering the water coming into the system and looking at what was being charged on the meters. Mr. Hansen stated it was challenging, but the city was now accurately metering its water.

Councilor Spahr talked briefly about the financial plan, asking if there were any rate increases between 2005 and 2009. Ms. Fairbanks noted the last rate adjustment was in 2007.

Councilor Spahr inquired about the increase in debt service. Ms. Fairbanks reported there was a Public Works Trust Fund (PWTF) Loan that was taken out in 2009. She indicated the debt service started in 2009 and would presumably continue on a 20-year schedule. City Manager MacReynold stated he didn't remember doing a PWTF Loan in 2009. Mr. Vasilauskas reported the loan was for the water filter plant upgrade.

Councilor Spahr inquired about the miscellaneous revenue, asking what it consisted of. Ms. Fairbanks reported it was pretty much any other fee charged that was not from the sale of water, such as late fees, new connection fees, and NSF check fees.

Ms. Fairbanks commented on the leakage issue, noting there had been significant work done on the system. She reported a few years back the city had Andrew Graham, from HDR, come in and work with the water department on the water use efficiency rule required by DOH. Ms. Fairbanks felt that was really the first time the city had taken a step back to do a self-evaluation of where the city's water was going. She reported they had identified in that effort, and in conjunction with this effort, that there was a lot of water being used from the system that fell into a category called 'non-accounted for' or 'non-revenue' water, such as water for fighting fires and for flushing mains and hydrants.

Councilor Harris noted in 2007-2008 the city gave away over a million gallons of water to help with the flood clean-up.

Councilor Dawes stated, as a member of the council budget committee, as they go through the planning of the budget next year he would like to know the dollar amounts dedicated to debt and the projects that need to get done. He noted this was the first time he had heard about the .16 cents per thousand going against debt.

Mayor Ketchum closed the work session and immediately opened the regular meeting at 6:08 p.m.

2. **Appreciation Letter for Support.** Donna Karvia with Health Partnership Network presented the council with a letter of appreciation for passing a resolution in support for additional funding for substance abuse, drug court, and mental health services in Lewis County.

3. **XII Step Club of Lewis County Day of Recovery.** Mayor Ketchum presented XII Step Club representatives Tom Ellenburger and Carl Bohlin with the a proclamation declaring April 23, 2011, as "XII Step Club of Lewis County Day" in the city of Chehalis.

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

a. Minutes of the regular meeting of March 28, 2011; and

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b. Claim Vouchers No. 99622-99720 in the amount of \$68,209.74 dated March 31, 2011; and Payroll Vouchers No. 34541-34622, 2170-2237, and Electronic Federal Tax Payment No. 97 in the amount of \$681,913.87 dated March 31, 2011.

The motion was seconded by Councilor Pope and carried unanimously.

5. **Staff Reports.**

a. **Council Goals and Projects Work Session.** City Manager MacReynold suggested the council meet on Monday, May 16, at 5:00 p.m. for their goals and projects work session. Several council members noted they would not be available on that particular day. After a short discussion, it was decided to try to meet on Tuesday, May 31, at 5:00 p.m.

6. **Council Reports.**

a. **Update from Councilor Spahr.** Councilor Spahr reported he and Councilors Dawes and Lund attended the Regional Fire Protection Service Authority Planning Committee meeting, adding it was their first real work session. He noted Councilor Dawes was elected as Chair of the committee.

Councilor Dawes added, the committee decided to have their meetings at 6:30 p.m. on the third Wednesday of each month. He stated it would be an 18 to 24 month process. Councilor Dawes indicated any costs associated with the process would be shared evenly amongst the four participating groups. He noted they may look at hiring a facilitator, or someone at a later date to look at the finished work project to make sure something wasn't overlooked.

b. **Update from Councilor Harris.** Councilor Harris reported he attended a Chehalis Community Renaissance Team (CCRT) meeting, where Co-chair Allyn Roe provided a draft feasibility study for a children's museum. He noted the project was going well and there was a lot of support from the community. Councilor Dawes noted there was a community group already working on that project and asked if the CCRT group was working with them. Councilor Harris indicated they were.

Councilor Harris reported the committee was also working to get art projects in the empty storefronts along Chehalis Avenue and Market Boulevard to add some life to them.

Councilor Harris reported they were still looking at various types of trees that would work in the downtown area. He noted they did some digging downtown to see what they could do as far as deep-rooted trees and had quite the task of just trying to get through whatever was under the asphalt and brick. Councilor Harris reported when they finally got through the old concrete they ran into water, which suggested they would not be able to plant trees in the ground along Market Boulevard. He indicated they were looking at different planters and ideas for those trees.

c. **Update from Councilor Pope.** Councilor Pope reported on the antique lighting project for Chehalis Avenue that the Chehalis Foundation was working on. He noted they had a brief discussion, but no conclusion was drawn on the increase in the costs for the additional lighting that was going to be required. Councilor Pope hoped they would be able to discuss the matter in more detail at their next Foundation meeting and would report back to the Renaissance Team.

7. **Ordinance No. 870-B, Second Reading – 2011 Amendments to the Chehalis Comprehensive Plan.** Mr. Nacht reported there was a question brought up earlier by one of the councilors regarding the flood mapping. He noted the comprehensive plan would not adopt the new Federal Emergency Management Administration (FEMA) flood maps. Mr. Nacht indicated all of the regulatory programs currently in place are based on the 1980 FEMA maps, adding they were quite accurate in depicting where the water goes during flood events.

Mr. Nacht reported, because of the city's floodplain management practices, it still participated in the National Flood Insurance Program, and qualified for the Community Rating System programs. He stated the plan would adopt the Flood Authority's model floodplain ordinance, which the city already practices. Mr. Nacht reported the final version of the plan would be posted on the city's website.

Councilor Spahr moved to pass Ordinance No. 870-B on second and final reading.

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The motion was seconded by Councilor Pope and carried unanimously.

8. Ordinance No. 871-B, First Reading – Creating and Establishing the Duties and Responsibilities of the Sister City Committee. City Manager MacReynold reported the new ordinance would update the current membership of the sister city committee by expanding the number of members, and would clarify the funding for the program.

Mayor Ketchum reported the current ordinance provided for nine members, with one member being a city councilor. He stated every time they go to Japan more people want to join the committee, and rather than coming back every year to update the ordinance they were asking to expand the committee to allow for up to 12 members.

Councilor Spahr moved to suspend the rules requiring two readings of an ordinance.

The motion was seconded by Councilor Harris and carried unanimously.

Councilor Spahr moved to pass Ordinance No. 871-B on first and final reading.

The motion was seconded by Councilor Lund and carried unanimously.

9. Ordinance No. 872-B, First Reading – Revising the Chehalis Parking Code. Police Chief Glenn Schaffer reported this was just another step in the process to reorganize and revamp some of the city ordinances. He noted the revisions to the parking code came about with their initial effort to revamp some of the signage downtown, both in the parking lots and on signs they post for special events. Chief Schaffer stated the new ordinance would include the addition of some definitions, some clarifying wording, and a clarification on one of the late penalties. He noted there were no increases in fines or changes in the department.

Chief Schaffer reported there was some confusion in the previous ordinance with regard to the \$5, \$10, and \$20 parking fines. He noted only two of the fines had late fees attached to them, so they added the late fee to the third to make it consistent.

Councilor Dawes inquired about Section 10.08.030 (Additional Rules and Regulations), which stated "The Chief shall also have the authority to establish rules and procedures for the validation of parking tickets in conjunction with any system for validation." He noted it seemed like they went down that road before and were advised by the State Auditor that it was illegal to validate parking tickets, adding once the ticket was issued it had to go through the court in order for it to be dismissed. Councilor Dawes reported at one time there was a concern about people receiving tickets for parking in the same zone twice during the same day while trying to take care of business. For example, if someone purchased a large item from one of the downtown merchants and returned a few hours later to pick it up, they could potentially receive a ticket for parking in the same zone twice during that day. He noted they tried to answer that by allowing businesses to validate the parking; however, the State Auditor stated that was illegal.

City Manager MacReynold noted it was existing language in the current ordinance. Councilor Dawes stated he knew that, adding he didn't know how it got in, or why it was still in there. City Manager MacReynold stated because the ordinance required two readings they would check on it and have an answer before the second reading.

Councilor Pope suggested, if the State Auditor made a decision regarding the matter, there should be something in writing. City Manager MacReynold agreed.

Assistant City Attorney Mark Scheibmeir felt the word that may be troublesome was the validation of a 'ticket,' suggesting they might be able to validate the parking, but not the ticket. He stated he would talk with the City Attorney about the wording.

Councilor Lund stated the situation of getting tickets for parking in the same zone twice in one day was still going on, and suggested they may need to get rid of that feature.

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Councilor Spahr asked if they were still using a computer to track parking. Chief Schaffer reported Parking Enforcement Officer Linda Bailey marks the tires and does it all in her head. Councilor Dawes felt Officer Bailey pretty much knew who was down there and what was going on with the parking situation. He noted he didn't believe it was that big of a deal, adding he just wanted to make sure there wasn't something in the ordinance that shouldn't be.

Councilor Lund asked if they were going to remove the language regarding parking in the same zone twice in one day. He felt it wasn't the department's fault; they were just doing their job.

Councilor Harris moved to pass Ordinance No. 872-B on first reading.

The motion was seconded by Councilor Spahr and carried unanimously.

There being no further business to come before the council, the meeting adjourned at 6:35 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of April 11, 2011.