

June 27, 2011

The Chehalis city council met in regular session on Monday, June 27, 2011, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 5:42 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; Judy Schave, City Clerk; and Peggy Hammer, Human Resources Administrator.

1. **Executive Session.** Mayor Ketchum announced that the council would be in executive session pursuant to RCW 42.30.140(4)(a) – collective bargaining for approximately fifteen minutes and there would be no decision following conclusion of the executive session.

Mayor Ketchum closed the executive session at 5:56 p.m. and announced the council would take a four minute recess and reopen the regular meeting at 6:00 p.m. Additional staff included: Bill Hillier, City Attorney; Bob Nacht, Community Development Director; Becky Fox, Court Administrator; Eva Lindgren, Finance Manager; Herta Fairbanks, Public Works Director; Larry Allen, Assistant Fire Chief/Fire Marshal; Randy Kaut, Deputy Police Chief; and Judi Smith, Public Works Office Manager. Members of the news media included Lee Hughes from *The Chronicle* and Bruce Hunting from KITI.

2. **Citizen Business.**

a. **Relay for Life.** Relay for Life Chair, Debbie Knapp thanked the city of Chehalis for working with them and for allowing them the use Stan Hedwall Park for the Relay for Life event. She noted they had 65 teams this year and collected close to \$130,000 for the Cancer Society. Ms. Knapp reported they brought in over 3,000 people throughout the weekend, and if they city would have them back; they would like to hold the event at the same location next year.

b. **Update on the Community Farmers Market.** Community Farmers Market Manager Jackie Rose stated their 2010 season reported a seven percent increase over 2009 in overall sales. She noted they added five new vendors to the market this year that would be offering candy, emu oil, produce (2 vendors), and meats. Ms. Rose thanked the city officials and business owners for coming down on opening day for the ribbon cutting ceremony, noting it was a great day for them. She stated the Chehalis business owners had been extremely supportive of the market over the years, which was very welcoming to her as the new market manager. Ms. Rose reported they had 23 vendors for the 2011 market season, up from 22 in 2010. She noted they actually had to turn away some vendors this year due to the lack of space.

Ms. Rose reported they were in the process of conducting vendor and customer surveys to find out how people would like to see the market to grow.

c. **Introduction of University of Washington (UW) Medical Student.** Councilor Pope reported for a number of years he has had medical students come to our community as part of an off-site facility for the UW Medical School. He introduced Eric Mar who had been with Pope's Kids Place for about three weeks. Councilor Pope stated it was his hope that some of the students that come here for the program would eventually come back here to work and live.

Mr. Mar talked briefly about the program, noting it was an outstanding experience.

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

- a. Minutes of the regular meeting of June 13, 2011;
- b. Claim Vouchers No. 100218-100356 in the amount of \$1,074,523.43 dated June 15, 2011; and
- c. Authorize city manager to execute the interlocal agreement between the city and the Chehalis-Centralia Airport for the airport to construct new wayfinding kiosks.

The motion was seconded by Councilor Lund and carried unanimously.

4. **Administration Reports.**

a. **May Financial Report.** Eva Lindgren stated the report was pretty self explanatory and offered to answer any

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questions the council might have.

Councilor Harris stated, with regard to the revenues donations/contributions, he wanted to thank the Chehalis Foundation and the other organizations for putting the money forward to help the city.

b. **Report on the City's Outstanding Debt.** Ms. Lindgren reported, during a previous meeting, the council expressed an interest in the city's current debt. She referred to the detailed report she prepared on the debt service, noting the information was also included in the city's financial statements and audited annually. Ms. Lindgren hoped the 2010 financials would be issued next month, after the completion of the state audit.

Ms. Lindgren talked briefly about the difference between general obligation (G.O.) debt and revenue debt. She noted G.O. debt was required to be paid by the city; and revenue debt was used for a specific revenue stream and normally associated with debt incurred by utility funds.

Ms. Lindgren reported the city issued debt on behalf of the Chehalis Industrial Park, adding there was an interlocal agreement in which the Chehalis Industrial Park pledged collateral towards the debt. She noted even though the debt was being reimbursed 100 percent by the Chehalis Industrial Park, it remained the City's debt and was reported accordingly.

Ms. Lindgren stated the city also had resolutions in place for the City of Napavine and Lewis County Sewer District #4 to reimburse the City a portion of the debt service paid on Loan #L050014 for the Chehalis Regional Water Reclamation Facility. She noted the water fund also had some G.O. debt and was making all of the payments on that debt service, as well.

Councilor Dawes questioned why the interfund loan for city hall was not on the schedule. Ms. Lindgren stated it was her understanding that the council was only interested in the city's regular issued debt. Councilor Dawes stated he was the one who generated the question, which was to know what our debt was, and the timeline. He asked if there was something written in the loans prohibiting the city from renegotiating when conditions are favorable. Ms. Lindgren believed the Hamilton loan did not provide any provision for that. She noted there was some language in the 1979 revenue bond that suggested there was a possibility to do that. City Attorney Hillier addressed the Hamilton loan, noting it was a secured note set with a fixed interest rate. He stated there was no room to adjust it, according to the terms of the note.

5. **Council Reports.**

a. **Update from Councilor Dawes.** Councilor Dawes reported he had a chance to attend a ribbon cutting ceremony and an open house event. The first was a Business After Hours with The Chamber at Rainier Connect, and the other was at Northwest Farm Credit in the 600 block of S. Market Boulevard.

Councilor Dawes reported they handed out information binders to the committee members at their last North Lewis County Regional Fire Authority (NLCRFA) meeting. He noted they recently set up a website to post all of the information about the NLCRFA, so people can follow what's happening with the process. Some of the information on the site would include presentations, minutes, and meeting schedules.

Councilor Dawes reported he attended the 2011 AWC Convention in Spokane, Washington, noting there were a lot of people in attendance. He stated he had a chance to attend a number of different sessions, adding it was well worth the time to go.

b. **Update from Councilor Harris.** Councilor Harris reported he also attended the AWC Convention, adding he hadn't been to a state convention in a number of years. He reported over the next couple of weeks he planned to provide the council with some of the information he received from two or three of the key workshops he attended.

Councilor Harris talked briefly about the outward sharing that took place at the convention, which let him know Chehalis was pretty much on the right track, as far as what we are limited with. He also noted there were a lot more cities that were more lost than we are. Councilor Harris reported a lot of communities were trying to develop assets, such as local organizations, private and citizen groups that are willing to stand up and volunteer their time to do things, which in a lot of ways, we already have in our community.

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c. **Update from Councilor Pope.** Councilor Pope reported, at a recent Chehalis Foundation meeting, one of the topics discussed was the maintenance on the pool equipment. He stated no real decision was made; however, they requested Bob Nacht to provide them with some more information.

Mr. Nacht stated he was asked to look at what it would take to bring the pool facility up to current code, and also to look at what it would take to refurbish or upgrade the pool for a 20 to 50-year life cycle. He noted the pool was built in the late 1950s or early 1960s and a lot of the systems were made up of steel pipe or cast-iron, which were rusted through. Mr. Nacht noted there had been a lot of band-aids put on the pool over the last few years, but it was running and they didn't anticipate any issues this year.

Mr. Nacht reported they recently did a walk-through with an expert on how to upgrade and make the pool facility meet all of the codes and standards, adding they would get that report to the Foundation as soon as it's available. He noted there were a lot of issues that he was dealing with in trying to put together a package of alternatives.

Councilor Pope reported there were some questions about a covered pool, noting that was absolutely prohibitive and the Foundation could not do that. Mr. Nacht suggested it would take several million dollars to cover the pool, adding it was pretty much impractical at this time. Councilor Pope suggested if there were individuals in the community who would like to make a donation to the Foundation to put towards the project, it would be greatly appreciated.

d. **Update from Councilor Lund.** Councilor Lund reported he also attended the NLCRFA planning committee meeting along with Councilor Dawes.

6. **Ordinance No. 874-B, Second and Final Reading – Amending Title 1 of the Chehalis Municipal Code, Creating a New Chapter 1.14 Relating to the Disclosure of Public Records.** City Manager MacReynold reported the suggested ordinance came as a recommendation from our insurance carrier, Washington Cities Insurance Authority. He noted city clerk Judy Schave worked with the city attorney to put together the ordinance, and she also created an informational brochure that was a lot more 'user' friendly for the public.

Ms. Schave reported there were no changes to the ordinance since its passage on first reading, and asked that the council consider passing the ordinance on second and final reading.

Councilor Harris moved to pass Ordinance No. 874-B on second and final reading.

The motion was seconded by Councilor Lund and carried unanimously.

7. **Ordinance No. 875-B, Second and Final Reading – Amending the 2011 Budget.** Ms. Lindgren reported on the amendments she made to the ordinance since the first reading. She stated the Chehalis Foundation stepped up again for Lintott-Alexander Park, noting they covered the \$5,000 deductible associated with damages from a fallen tree in the park. She indicated the city also received an additional \$4,500 from the Foundation for custodial care at Lintott-Alexander Park for 2010.

Ms. Lindgren reported the city received a \$20,000 donation for pool operations, as well.

Councilor Harris moved to pass Ordinance No. 875-B on second and final reading, as amended.

The motion was seconded by Councilor Pope and carried unanimously.

8. **Confirm City Manager's Appointment of Municipal Court Judge to Fill Unexpired Four-Year Term Ending December 31, 2013.** City Manager MacReynold reported, with the retirement of former Municipal Court Judge Steve Buzzard, the city went through a process to hire a new court judge. He noted they interviewed four possible candidates and did reference checks.

City Manager MacReynold stated Attorney Dale McBeth was clearly the best match for our city, adding he had extensive experience not only in our city, but pretty much the whole court system. He asked that the council confirm his appointment of Attorney Dale McBeth as our Municipal Court Judge.

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Councilor Spahr moved to confirm the City Manager's appointment of Attorney Dale McBeth as the new Municipal Court Judge for the remainder of the unexpired four-year term ending December 31, 2013.

Councilor Dawes seconded the motion.

Mayor Ketchum asked what the appointment would do to their efforts of looking at combining the Chehalis and Centralia courts. City Manager MacReynold reported it didn't impact it at all, adding he and city staff were planning to meet in the near future with Centralia City Manager Rob Hill and his court administrator, to continue discussions on the possibility of combining the courts. He noted they needed to spend some time analyzing how our courts work to see if it is even feasible.

The motion carried unanimously.

9. **Swearing-in of New Municipal Court Judge.** City Attorney Bill Hillier swore in Attorney Dale McBeth as the city's new Municipal Court Judge.

10. **Lodging Tax Advisory Committee (LTAC) Membership Appointments.** Councilor Harris, Chair of the LTAC, reported they had been working with a five member panel for a number of years. He noted they had legal restrictions that required them to have an equal number of motels and recipients on the committee.

Councilor Harris reported applications were received from Debbie Knapp, representing the Lewis County Historical Museum, and Todd Chaput, representing the Holiday Inn Express & Suites. He stated it was wonderful that they both stepped up to get involved, adding Mr. Chaput's experience on the Lewis County Lodging Tax Advisory Committee would be very beneficial.

Councilor Harris stated he was glad to take it from five members to seven, noting they would have that many more minds, ideas and insight that would be nothing but beneficial.

Councilor Harris moved that Debbie Knapp and Todd Chaput be appointed to the city's LTAC.

The motion was seconded by Councilor Spahr and carried unanimously.

There being no further business to come before the council, the meeting adjourned at 6:39 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of June 27, 2011.