

August 8, 2011

The Chehalis city council met in regular session on Monday, August 8, 2011, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 6:01 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; Peggy Hammer, Human Resources Administrator; Herta Fairbanks, Public Works Director; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Lee Hughes from *The Chronicle* and Bruce Hunting from KITI.

1. **Upcoming Events at the Vernetta Smith Chehalis Timberland Regional Library.** Community Librarian Corine Aiken reported on two upcoming events taking place at the library on September 7, 2011. The first was a ribbon cutting ceremony by the Chamber of Commerce at 3:00 p.m. to celebrate over 100 years of public library service in Chehalis, with refreshments provided by the Friends of the Library. Ms. Aiken reported later that same day they had a program planned "A 100 Years in Chehalis" starting at 6:00 p.m. Speakers for the program would include herself, two local published authors, Julie Zander and Pricilla Tiller, and Edna Fund.

2. **Concern for Homeless in Chehalis.** June Villalovas stated she was advocating for the homeless people, noting she as well as others were being treated very badly by shelters in the area. She reported many of them had been thrown out for personality disorders, which she felt was not fair or right. Ms. Villalovas wondered what the purpose of a fair housing law was when personality disorders are not being recognized as discrimination.

Mayor Ketchum stated he understood Ms. Villalovas' plea; however, as a council, their authority was very limited because they don't have control of what the shelters do. City Manager MacReynold stated he would be happy to follow-up with Ms. Villalovas and the Lewis County health department to find out what authority the county had over the shelters.

3. **Request for Letter of Support.** Steve Harvey, Director of the Cowlitz-Wahkiakum Council of Governments (CWCOG), reported they are a regional planning agency and they address a variety of regional and local planning issues. He noted they also provide a variety of contractual services to their members. Mr. Harvey stated they were governed by a Board of Representatives from the various jurisdictions that meet once a month to give policy direction, approve budgets and amendments to the budgets. He talked briefly about the different projects and services provided by the CWCOG, which include: planning services; parks and recreation planning; community visualization services; housing and community development; economic development planning; fiscal planning; grant application development; transportation planning; and data and information services.

Mr. Harvey reported they were currently looking at an opportunity to get a federal grant being put up by the Federal Housing and Urban Development (HUD), adding they issued their first notice last year for the first round of funding. He noted the due date for the preliminary application was August 25, 2011. Mr. Harvey reported they met and talked with the Economic Development District Board who strongly urged them to do a two-county effort rather than trying to cover such a larger geographic area. He noted they took their proposal to the Lewis County and Cowlitz County Commissioners last week to get their support for submitting an application to HUD for a sustainable communities regional planning grant. Mr. Harvey reported if the grant was successful it would bring together a number of different efforts that would look at issues such as: water/sewer infrastructure, land use planning and environmental conservation, energy systems, and other infrastructure priorities. He stated the two counties would look at putting the elements together to identify priorities, and hopefully create an enhanced eligibility for other federal grant programs. Mr. Harvey indicated the CWCOG worked with the two counties to put together a comprehensive economic development strategy to identify common goals and policies for the two-county region in the area of economic diversification.

Mr. Harvey reported it would be a three year program, adding the maximum eligibility for the two counties would be \$1.5 million. He noted a lot of the money would be used to build up the capacity to help the two economic development councils, rather than try to create any new boards or committees.

Mayor Ketchum suggested the council read the information and come back at the next meeting with their decision. The council brought up several issues that they had concerns about, such as:

- Where would the process take them after the planning stage
- Where would the money come from for implementation

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- What was the expected commitment and obligation from the city
- Was there something to show the outcome of previous studies done by the CWCOG, other than a set of books and nice plans
- What were some of the obligations the city might be setting itself up for with regard to the program goals

City Manager MacReynold stated the letter of support would not obligate the city for the grant or the planning; it would be to simply support the CWCOG's efforts to apply for the grant.

Mayor Ketchum asked 'if the city signed a letter of support, and the CWCOG gets approval, would the city then receive something back to look through that would state what the city would be obligated to do. Mr. Harvey reported, if HUD approved the grant, the next step would be to develop a full application which would include a full scope of work to show how the project would be structured, and at that time they would come back to the city with more details.

Councilor Pope moved that the council sign a letter of intent to apply for a grant with the CWCOG.

The motion was seconded by Councilor Lund.

Councilor Harris noted in reading the program outcome, it seemed that it primarily had to do with the recent gathered census information. He stated he didn't know if he wanted to participate in the study itself, but he would not hold up the letter of intent.

The motion carried 4 to 1 with Councilor Harris being the dissenting vote.

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

- a. Minutes of the regular meeting of July 25, 2011;
- b. Claim Vouchers No. 100596-100724 in the amount of \$205,321.28 dated July 29, 2011; and Payroll Vouchers No. 34871-34963, 2443-2512, and Electronic Federal Tax Payment No. 101 in the amount of \$671,035.24 dated July 29, 2011; and
- c. Accept bid from Triad Industrial Contractors in the amount of \$244,882 for the construction of the NW State Avenue pump station upgrade project.

The motion was seconded by Councilor Spahr.

Councilor Spahr noted the estimate for the pump station project was \$200,000 and wondered if staff was okay with the low bid of \$244,882. Herta Fairbanks reported there was \$200,000 budgeted for the project in 2011. She noted the \$244,882 included \$24,000 in contingency, which would bring them closer to their budgeted amount. Ms. Fairbanks stated they were confident they could cover it with what they have available from the wastewater fund.

Councilor Dawes asked if it was possible that the estimate came from a few years back, due to project delays. Ms. Fairbanks noted the estimate could have been low to start with, based on recent history. She added lately, because of the economy, construction estimates have been far greater than what the actual bids have come in at, but it seemed that trend was kind of reversing itself.

The motion carried unanimously.

5. **Special Reports.** City representative Julie Balmelli-Powe updated on the council on the recent meetings of the Flood Authority. Ms. Balmelli-Powe reported last June they fired the chair of the authority and reappointed a new chair, Mayor Vickie Raines from Cosmopolis, Washington. She felt the meeting in July had been their most productive meeting ever, adding they probably got more done in one meeting than in their three years together.

Ms. Balmelli-Powe reported the budget finally passed and they were given \$1.32 million for the biennium, which was what they had asked for. She noted it would give them the ability to complete the fish study, as well as look at enhancement.

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Ms. Balmelli-Powe reported they also received money to implement an early-warning system, and a hydraulic study that will allow them to plug information into the model to show the affects downstream.

Ms. Balmelli-Powe reported the Chehalis Tribe was officially off of the flood authority, adding their reign ended on June 29. She noted the Tribe could rejoin the authority if they would like, but to date they have not.

Ms. Balmelli-Powe talked briefly about the termination of the Corps project. She felt the project would have done more harm than good. Ms. Balmelli-Powe stated the bad part was the federal money was no longer there; however, it was good because they could now reformulate the same study and integrate retention into different projects for a basin-wide solution. She noted Congresswoman Jaime Herrera Beutler requested that the United States Army Corps of Engineers not terminate the project because if terminated it would mean starting over from ground zero.

Ms. Balmelli-Powe reported the flood authority would like each jurisdiction to report on what their jurisdiction was doing in the realms of flooding. She inquired as to whom she should talk with, whether it is City Manager MacReynold or Community Development Director Bob Nacht, to get that information in the future.

Mayor Ketchum stated he recently heard that Dave Muller with the Lewis County Public Utility District (PUD), who was a big proponent of retention, was stepping down at the end of the year and wondered if the PUD itself would continue to be committed to retention. Ms. Balmelli-Powe suggested the PUD was kind of the catalyst and believed they would continue to be supportive. Councilor Dawes suggested the city contact the PUD to make sure there is that continued interest.

Ms. Balmelli-Powe reported, with the recent change of reign, they also got rid of the consultants and facilitators that were working against them. She noted they recently hired some new consultants for limited consultation for a lot less money, and felt they would be a lot more productive.

Councilor Dawes noted he recently read a comment made by Keith Phillips from the Governor's Office that the group needed to cooperate with the local Tribes. He stated he was troubled by the comment because based on the information he received it seemed the group has tired to work with the Tribe. Councilor Dawes thought the spokesman for the Tribe was very outspoken and shot down every idea without ever giving it a chance. He asked Ms. Balmelli-Powe if she had any idea how the group felt about Mr. Phillips' comment. Ms. Balmelli-Powe stated all of the cities in the authority, with the exception of Bucoda, were all on the same page and working together. She reported she spoke with Mr. Phillips about his comment, noting she explained to him that the Tribe had been a barrier and did nothing but hold them up. His response was he would like the authority to forward any studies and information on to the Tribe and ask for their comments. Ms. Balmelli-Powe noted they were not expected to change their time-line or process because of the Tribe's comments. Councilor Dawes indicated he wasn't suggesting the Tribe be left out he just thought it was too bad there wasn't someone else who was a little more objective who could represent the Tribe. Ms. Balmelli-Powe stated she agreed, adding it would be nice to have a constructive partner instead of someone who is always trying to obstruct the process.

Councilor Pope stated he wanted to personally thank Ms. Balmelli-Powe, adding he was totally impressed with how she educated herself to the process and how she was going about it in a very constructive manner. He stated it would be nice if the city had more citizens who were willing to get involved, rather than complain.

6. Council Reports.

a. **Update from Councilor Spahr.** Councilor Spahr reported he attended the Chamber Forum earlier in the day, where Speaker of the House Frank Chopp was the guest speaker. He stated he had a chance to talk with Speaker Chopp who made some comments about the Washington State Department of Ecology, noting they seemed to be having some of the same problems we're having with that department.

b. **Update from Councilor Dawes.** Councilor Dawes reported he attended the Music in the Park event on July 29. He also helped out at the Lewis County Historical Museum pancake breakfast on Saturday, July 30, adding he cooked a lot of sausage along with the mayor who was busy cooking pancakes and Councilor Pope who was serving people.

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Councilor Dawes reported he attended a ribbon cutting ceremony downtown at the Trading Post, adding they are very supportive of the local organizations and presented a check for \$500 to one of the local clubs.

Councilor Dawes reported he also stopped by the airport over the weekend where they had some good static displays and lot of air traffic coming in and out, as part of the Planes, Trains, and Automobiles event.

c. **Update from Councilor Harris.** Councilor Harris reported he attended the Chehalis Basin Partnership meeting, adding it was still a good functional group. He noted they may be coming back to look at funding options from all the partners to see if they can keep the partnership going.

d. **Update from Mayor Ketchum.** Mayor Ketchum reported he met with the Lewis County Commissioners, local mayors, and city staff to discuss redoing our shoreline master plan. He indicated they want the city to join together with the county and the other cities to pool the money to make a county-wide shoreline policy. Mayor Ketchum noted there would be something brought to the council at the next regular meeting, or the meeting after.

7. **Continued Citizen Business.** Ms. Villalovos suggested, as an advocate for homeless prevention, any money (grants) being put out there should be used for housing for homeless individuals, who are not being treated fairly. She believed homeless people were being thrown aside for other 'pet' projects that the city chooses to do.

8. **Ordinance No 876-B, First Reading – Repealing Utility Related Ordinance Nos. 776-B, 795-B §1, 847-B §4 and 5, and 858-B §6 and 7.** Judy Schave reported, last February, the council passed several ordinances relating to the city's utility rates and operations. As Code Publishing was updating the Chehalis Municipal Code they found a few ordinances that did not get repealed in the process. She noted the ordinance before the council would repeal the areas that were restated in the new utility ordinances. Councilor Dawes suggested, since there were no budgetary issues and it was simply a housekeeping item, that they suspend the rules and pass the ordinance on first and final reading.

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

The motion was seconded by Councilor Harris and carried unanimously.

Councilor Dawes moved to pass Ordinance No. 876-B on first and final reading.

The motion was seconded by Councilor Harris and carried unanimously.

9. **Resolution No. 13-2011, First and Final Reading – Authorize City Manager to Execute Interlocal Agreement between the City and the City of Centralia for Rental of Chehalis Vac-Con Truck.** Ms. Fairbanks reported the city has responded to the city of Centralia on an emergency basis when they need the use of a vac-con truck because they do not have one of their own. She noted the city has always billed them for the use of this vehicle in the past. Ms. Fairbanks reported the interlocal agreement was just a step to formalize the agreement between the two cities and would allow them to use their own operators to run the equipment.

Councilor Harris moved that the council adopt Resolution No. 13-2011 on first and final reading, authorizing the city manager to execute the interlocal agreement with the city of Centralia for the rental of the city's sewer jet truck.

The motion was seconded by Councilor Spahr and carried unanimously.

10. **Lodging Tax Advisory Committee (LTAC) Recommendation – Request for Tourism Funding.** Councilor Harris reported the city community development department made a request to the LTAC for \$28,000. The LTAC met, but did not include the two newest members, and authorized the distribution of \$20,000 of the requested amount.

Mayor Ketchum asked if Councilor Harris could briefly explain why the committee did not authorize the full \$28,000. Councilor Harris reported there was a lot of conversation about the ending fund balance, noting the committee was shooting to keep \$50,000 in the fund at year end. He noted, because the budget is created in the prior year, and they really don't know what revenue will be coming in, a lot of it is unknown.

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Councilor Harris noted other cities have used lodging tax dollars to support similar requests in the past, adding the Revised Code of Washington explicitly states that it can be used for parks and recreation. He noted there was some trepidation on the part of many of the members of the committee as to taxation dollars going back to fund government.

Councilor Spahr thought the money should have been going back into the parks department for years in order to run the tournaments. He was curious as to why they waited until August, after the fastpitch season, to bring it to council when they started talking about it in June. Councilor Harris reported the money would be used for 2011 expenses, adding there were still some tournaments coming up and other things going on. He noted part of the problem was they also have the mandatory 45-day publishing period once the committee makes the recommendation before it can go before the council.

Councilor Lund moved that the council approve the full request of \$28,000.

Councilor Spahr stated he wasn't comfortable changing the recommendation of the committee, adding he felt the committee did their job and he would hate to go against their wishes.

The motion failed for the lack of a second.

Councilor Spahr moved that the council approve the recommendation of the LTAC to award \$20,000 to the City's Community Development Department to fund youth fastpitch and basketball tournaments.

The motion was seconded by Councilor Pope.

Councilor Lund thought they should listen to staff because he felt they should know more than the citizen committee. He suggested they were not being supportive of staff.

The motion carried unanimously.

Councilor Dawes noted one if not all the hotels were very good at tracking where the heads-in-beds were coming from. And while he agreed with the concept of Councilor Lund, that the tournaments probably put more heads-in-beds than anything else they fund, it would be nice to know where most of the heads-in-beds are coming from. He suggested maybe the committee needs to start looking at the funding and following where the heads-in-beds are going.

Councilor Harris reported there was complete agreement in the room that the tournaments do more to put heads-in-beds than any of the other programs combined. He noted tracking was very difficult for most of the hotels, adding they've come up with different ideas on how to track it. Councilor Harris stated the onus was on the organizations that receive the funding to track how many heads they put in beds.

Councilor Pope reported this was the first year he had been involved with requesting funding from the LTAC for Pope's Kids Place. He noted for their event they made the appointments for their guests at the hotels and also had forms out at the event asking people where they were from and where they were staying.

Councilor Pope reported they also put the hotel names and phone numbers on all of their publications they send out throughout the year, which is the way it should be if the city is going to be invested in the organization. He felt it was wrong for an organization to ask for money from the city for one event and for the rest of the year they don't do anything to support our city.

Councilor Lund reported Todd Chaput from the Holiday Inn offered to set up a system to track heads-in-beds and pay money back to the recipients of the funding, but couldn't get any participation.

There being no further business to come before the council, the meeting adjourned at 7:24 p.m.

Mayor Pro-tem

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Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of August 8, 2011.