

October 28, 2019

The Chehalis city council met in regular session on Monday, October 28, 2019, 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, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Tammy Baraconi, Planning & Building Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Brian Kelly, City Attorney; Andrew Hunziker, Parks & Facilities Manager; Devlan Pool, Wastewater Superintendent; Brandon Rakes, Airport Operations Coordinator; Chun Saul, Finance Director; Glenn Schaffer, Police Chief; Judy Schave, HR/Risk Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media included Celine Fitzgerald of *The Chronicle*.

1. Introduction of New Planning & Building Manager Tammy Baraconi and New Wastewater Superintendent Devlan Pool. Tammy Baraconi and Devlan Pool were introduced and welcomed to the city.

2. Port of Chehalis Update. Randy Mueller, Chief Executive Officer, provided an update on Port activities: ribbon cutting in December for the newly constructed 20,000 sq. ft. building; acceptance of a bid for the Curtis rail line from the Chehalis-Centralia Railroad and Museum; farm industry work underway; Chehalis Coworks will be made a permanent fixture in downtown Chehalis; and passed 2020 budget that includes \$30,000 to CCRT (Chehalis Community Renaissance Team) and doubling their marketing budget. The MIT Living Wage Index was going up from \$15.72 to about \$16.20 and was the benchmark the Port uses for the kinds of business they attract. He stated the Port Commission would like to have a joint session with the council to talk about things that are of mutual interest.

Mayor Dawes thought the full council needed to be part of the discussion. He asked Mr. Mueller to work with the City Manager to arrange a date.

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

- a. Minutes of the regular meeting of October 14, 2019;
- b. October 15, 2019 Claim Vouchers No. 127100-127246 and Electronic Funds Transfer Nos. 92019, 920191 and 102019 in the amount of \$1,316,411.90;
- c. Addendum to city manager contract to provide for a cost of living adjustment and executive leave;
- d. Resolution No. 14-2019, first and final reading – approval for application of Community Aviation Revitalization Loan Program for airport improvements – above-ground fuel storage facilities; and
- e. Resolution No. 15-2019, first and final reading – setting a public hearing regarding petition to vacate right-of-way (unnamed alley) within the Darigold site on NW Chehalis Avenue.

The motion was seconded by Councilor Taylor and carried unanimously.

4. Implementation of Online Bill Pay Program for Utility Customers and Council Policy Directions for Payment Transaction Fees. Chun Saul stated there was a growing demand from utility customers for options for making payments, and it was also a strategic planning goal of the council. Several options were explored to utilize modern technology, improve customer service, and simplify staff workload and improve efficiency. The ideal program needed to provide full integration with the city's current utility billing software, which was Springbrook. It was determined that Springbrook's CivicPay was best suited for what the city was looking for. It would provide real-time transactions and no need for staff to upload data to a third-party provider or to the city's system. Features included real time access to account data 24/7; a stand-alone counter terminal for making payments in person; and an Interactive Voice Response (IVR). Costs include an annual subscription service around \$4,000 and payment transaction fees. She stated the council needed to decide whether the City would pass the fees onto the customers or if the City would pay the fees. She noted there was a utility interchange rate offered by credit card companies for utility customers. If a city charges a convenience fee, it would not receive the discounted rate. Ms. Saul stated there were three different types of fees allowed by card companies – surcharge, service fee, and convenience fee. If the city paid the transaction fees, the estimated annual cost was \$27,380. She stated staff was recommending that the city pay the transaction fees because the program would provide convenience to customers and to city staff. If more customers utilize the online bill pay services, the city would reduce the cost of printing and mailing all paper bills and staff time for processing paper bills and payments, which could offset a portion of the transaction fees. She estimated the program could go live in January or February 2020.

October 28, 2019

Councilor Taylor asked if a property owner who had multiple properties could view/monitor all of their accounts in one place. Ms. Saul stated she would have to check with utility billing.

Councilor Pope asked if staff would review the cost effectiveness of the program and provide that information to the council. Ms. Saul stated staff would do that.

Ms. Saul stated the city currently uses Official Payments, a third-party vendor for customers to pay with a debit/credit card or an eCheck by paying \$5.95 to Official Payments, who collects the money and gives the full utility payment to the city. The process is not integrated with the city's system, so city staff then has to manually enter the transactions.

Councilor Lund thought the program would save more than the \$27,000 to implement it. He commended Ms. Saul for finding the program.

Councilor Taylor asked how many customers use Official Payments to pay their bills. Ms. Saul stated there are 3,480 utility accounts, both residential and commercial, that generate about 25,000 bills per year. Official Payments transactions over the last 12-month period generated 880 payments, which is about four percent of total bills.

Councilor Harris asked if dedicated phone lines would be needed and would residential accounts go to monthly billing instead of bimonthly. Ms. Saul believed it would be computerized, but she didn't yet have all the details. City Manager Anderson stated there were no plans to change to a monthly billing cycle, but customers can make monthly payments.

Councilor Ketchum moved to authorize the city administration to enter into an agreement with Springbrook to subscribe to CivicPay service and implement the CivicPay program, and further authorize the city's utilities to pay the convenience fee as a cost of doing business to increase efficiency and improve customer service. The motion was seconded by Councilor Lund.

Councilor Spahr asked how the city could get out of the program if it didn't work. Ms. Saul stated the city could discontinue the program if needed.

The motion carried unanimously.

5. Agreement with Greg Lund and Century 21 Lund, Realtors for Professional Real Estate Services. City Manager Anderson stated the agreement would engage Greg Lund and Century 21 Lund, Realtors to be the city's representative in purchase of a site for a new fire station. The current station location does not meet current and future demands for an 'essential facilities' building. A potential site is located in the vicinity of Chamber Way and State Avenue. A professional real estate person is needed to represent the city in the negotiation process. The term of the agreement would be for four months initially and provide for payment of \$100 per hour. She estimated the cost to be \$20,000 or less.

Councilor Lund stated he would be abstaining from voting on the issue since he was a cousin to Greg Lund.

Councilor Taylor stated he would also be abstaining from voting on the issue since his daughter worked for Mr. Lund.

Councilor Ketchum moved to authorize the City Manager to execute the agreement with Greg Lund and Century 21 Lund, Realtors for professional realtor services and the associated expenditure of funds. The motion was seconded by Councilor Pope.

Councilor Spahr stated the agenda report noted that, "Compensation of \$100 per hour with provisions for credits to the City associated with commissions that could be paid by the seller of property." He wanted to make sure it was understood that the language provided that Mr. Lund would not be paid by both the seller and the city.

The motion carried unanimously with Councilors Lund and Taylor abstaining.

6. Administration Reports.

a. **Finance Report.** Chun Saul provided the 2019 third quarter finance report, including an overview of city-wide totals for all funds combined. Overall, year-to-date revenues and expenditures were within budget projections and parameters.

October 28, 2019

Mayor Dawes stated the report noted that business license revenues were above the targeted amount. He wondered if that was a result of the state taking over the collection of those fees. Ms. Saul stated she would check into it.

Ms. Saul reported that total revenues exceeded total expenditures in the Enterprise Funds for utilities and the airport. The city's total cash and investments as of September 30, 2019 were \$24,057,864, with only \$1 million for the General Fund. All other funds are dedicated or restricted for specific activities. About 89.1% of the total balance was invested and earned interest with year-to-date interest earnings of \$323,000, which are allocated to each fund based on their proportionate share of the investments. The net earnings rate for the Local Government Investment Pool was 2.448%, which was going down dramatically.

With regard to telephone taxes, Councilor Taylor asked how the city's charges were assessed. Ms. Saul explained that the city has a six percent utility tax, which was set by ordinance. Councilor Taylor asked if city governments had the ability to assess other charges for service(s). Ms. Saul stated she would have to research the question.

Councilor Taylor wanted to ensure that the appropriate amount of interest earnings were being allocated to the various General Fund departments that provide services to Enterprise Fund departments. Mayor Dawes stated the budget committee looked at that and made sure they were allocating appropriate charges that emanate from General Fund activities.

b. **Parks & Facilities Projects Report.** Andrew Hunziker briefed the council on some of the 2019 accomplishments of the Parks & Facilities division. He stated there were still a few additional projects that will be completed by the end of the year. Projects proposed in 2020 include landscaping around buildings at Recreation Park; city entrance landscaping on National Avenue; replacement of ballfield fencing in partnership with Little League at Hedwall Park; and upgrading the center restroom at Stan Hedwall Park. Mr. Hunziker noted they are also planning projects for 2021, specifically to facilities at Stan Hedwall Park. He thanked the council for their continued support.

c. **City Manager Update.** City Manager Anderson again welcomed Tammy Baraconi and Devlan Pool to the city. Governor Inslee will be in Lewis County on October 31st to discuss affordable housing. Mayor Pro Tem Harris will represent the city. The Trick-or-Treat Transit will be running on Halloween from 3:00 pm to 5:30 pm, which city hall will be participating in.

7. Councilor Reports/Committee Updates.

a. Mayor Dawes stated budget committee meetings were completed with each department. They have decided to meet quarterly next year to keep on top of things.

8. **Executive Session.** Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(b) – Selection of Site or Acquisition of Real Estate; and RCW 42.30.140(4)(b) – Collective Bargaining, not to exceed 7:45 pm and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:32 pm. The executive session began at 6:38 pm. At 7:45 pm Mayor Dawes reopened the regular meeting and announced the council would continue in executive session until 8:15 pm. At 8:15 pm, Mayor Dawes reopened the regular meeting and announced the council would continue in executive session until 8:20 pm. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 8:18 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved: 11/12/2019
Initials: cf