

July 28, 2014

The Chehalis city council met in regular session on Monday, July 28, 2014, in the Chehalis city hall. Mayor Dawes called the meeting to order at 5:00 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Tony Ketchum. Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Rob Gebhart, Interim Fire Chief; Judy Pectol, Finance Manager; Dennis Osborn, Community Development Director; and Peggy Hammer, Human Resources Administrator. Members of the media included Kyle Spurr from *The Chronicle*.

1. **Citizen Business.**

a. **Vietnam Veteran Recognition.** COL. Ron Averill, representing the Veterans Memorial Museum, reported on the upcoming Vietnam Era Veterans Remembrance Days taking place July 31 - August 3. He noted the Vietnam memorial traveling wall would be on site at the Veterans Memorial Museum from 12:00 p.m. on Thursday to 3:00 p.m. on Sunday. Other events will include: opening ceremony on August 1; special guest speakers SSG/MAJ John Plaster MACV-SOG and J.A. Jance on August 2; and, on August 3, a special military church service at 9:00 a.m., and the closing ceremony at 1:00 p.m.

b. **Solar Energy Workshop.** Holly St. Clair (371 Zandecki Road) reported on an upcoming solar energy workshop on August 9, at the Matrix (Coffeeshouse). She noted the meeting would provide information on how solar energy works and what the advantages are to having it.

2. **Public Hearing to Consider Options on the Establishment, Location, Operation, Licensing, Permitting, Maintenance or Continuation of Medical Marijuana Collective Gardens and Medical Marijuana Dispensaries, and the Growing, Process and Sale of Recreational Marijuana.** Mayor Dawes recessed the regular meeting and opened the public hearing at 5:09 p.m. Community Development Director Dennis Osborn outlined the two options for the council's consideration:

1. Ban recreational and medical marijuana; and
2. Simply let the moratorium expire on September 11, 2014. This would allow use and the regulatory aspect would be controlled by the state in terms of requirements for those types of businesses.

Mayor Dawes invited the public to speak on the matter, asking that they be brief and to the point.

Stuart Simon (1440 Madrona Drive, Seattle, WA) spoke against the proposed ban, noting kids already have access and use it and didn't believe things would change if it were legalized. He noted one advantage of allowing it would be quality control.

Mr. Simon reported his building at 391 NW State Avenue could be rented four or five times over to people wanting to grow marijuana to sell throughout the state. He suggested it would provide a lot of jobs and believed his building alone would provide for at least 40. Mr. Simon felt the council should allow marijuana for the following reasons:

- marijuana will still be grown and sold, they'll just do it in other places that allow it
- sales tax revenue
- increase in property values
- provides jobs
- will save enforcement time by the police department
- takes money away from gangs and criminals

David Kois (Olympia, WA - I-502 Producer/Processor Applicant) stated his facilities will be located in Centralia, but he wanted to support those who are trying to locate their business in Chehalis, and the rights of patients to have safe access to the medicine they need. He suggested it was a huge mistake to treat medical and recreational cannabis as if they are the same.

Mr. Kois reported the businesses that get licenses under I-502 will be among the most heavily regulated companies in the state. He noted the Washington State Liquor Control Board (LCB) is weeding out the riffraff and those that make it through the process will have to demonstrate that they have a sound business plan, financing, and security measures in place in order to be licensed.

July 28, 2014

Mr. Kois suggested the proposed ordinance was severely flawed because it would make it a nuisance to grow, process, and sell cannabis with a state license within the city. He cited several RCWs concerning development regulations and designations of natural resource lands and critical areas, and setting penalties for violations of the Controlled Substance Act.

Mr. Kois stated, "If you implement this ban tonight you are all but guaranteeing you will be sued. Our industry would rather work with you towards reasonable zoning; however, if we are backed into a corner our industry will fight, just ask Centralia."

Mayor Dawes stated the council received a copy of Mr. Kois' prepared statement and it would be placed in the record.

Liz Hallock (Camas, WA) reported she wanted to address the concerns outlined in a letter from the Association of Washington Cities (AWC) that was sent to the Governor and several other legislative leaders. She noted the letter was dated February 24, 2014, and signed by several mayors throughout the state, including Mayor Dawes.

Councilor Taylor asked if Ms. Hallock was an Attorney for AWC. Ms. Hallock stated no, she's the attorney for Mr. Nelson, the applicant in the city of Centralia, and one of her clients also resides in Chehalis.

Ms. Hallock talked briefly about the five biggest concerns outlined in the letter, to include:

1. Cities oversee permitting and code enforcement
2. Ensuring money and drugs stay out of criminal hands
3. Preventing distribution to minors
4. Addressing drugged driving
5. Other adverse public health consequences

Ms. Hallock provided a summary on the benefits and impacts of I-502:

- State revenue from I-502 will be used to address localities' concerns about public health for adults and youth.
- State revenue will be used to address DUI concerns by funding Washington State Patrol, Highway Safety Account, the Impaired Driver Safety Trust, and granting money to cities.
- No increase in youth use is expected after legalization according to national research. The LCB has rigorous standards to keep marijuana away from minors, including security and ID requirements, advertising restrictions, location restrictions and severe monetary and criminal penalties.
- I-502 will reduce law enforcement costs for the cities. The projected impact of I-502 implementation in Washington State over the first six years, based on projected revenue minus enforcement savings, will be \$2 billion.
- Statewide, the black market will be converted into \$1.5 billion for the state, \$180 million in reduced enforcement costs, and \$29 million in reduced incarceration costs.

Councilor Harris announced he would be leaving the meeting around 5:45 to take care of another commitment.

Jerrie Paine (21434 Zenkner Valley Road, Centralia) reported she won the lottery for the city of Chehalis. She indicated she was blindsided by the proposed ordinance recommending a ban on marijuana, noting from an earlier conversation she and her husband Dash Paine had with Community Development Director Dennis Osborn, it was their understanding that the administration would be recommending to just let the moratorium lapse. Ms. Paine noted they had an opportunity to meet with Mr. Osborn and City Manager MacReynold together and their advice was to come to the public hearing and give the council their best business case.

Ms. Paine reported she had spent her last dime trying to see this life-goal through for her family. She talked briefly about her sister-in-law who was diagnosed with cancer, and how her life expectancy was extended because cannabis helped her to eat. Ms. Paine noted it was that situation that made her a believer of the benefits of cannabis.

Ms. Paine talked briefly about the continued mentality of marijuana being a gateway drug. She noted that has not been her experience, adding people have been able to battle alcoholism and other diseases because marijuana helps them

July 28, 2014

to function every day. Ms. Paine suggested we might be surprised by the number of people who use marijuana and don't talk about it because of the stigma attached.

Ms. Paine reported she's coming out of the closet because she's seen the destruction of what the stigma has done to people. She stated she wants to open a store in Chehalis and be a part of the business community, and asked that the council give her a chance to do that.

Ms. Paine reported they chose the name "Old Toby" to go along with the historical pride of the area. She stated she signed a lease with Mr. Simon, adding he's very aware and supportive of the type of business they want to open. Ms. Paine stated she wants to be a part of something that can help people, and plans to educate people on both the dangers and benefits of marijuana.

Ms. Paine suggested the idea of banning it for the entire city will only force people to drive elsewhere to get it, creating a situation where there will be more DUIs. She stated marijuana has been accessible for a long time and I-502 just makes it legitimate. Ms. Paine noted marijuana is optional, and in the case of their business location, you have to know it's there to find it.

Ms. Paine stated there were several things noted in the proposed ordinance that are outside the scope of the city's legal authority. She reported Section 11 of the State Constitution clearly talks about cities and counties not passing laws that are in conflict with general laws.

Ms. Paine stated if the council passes the proposed ordinance they would be putting her in a position where she'll have to file suit against the city. She stated she would be happy to sit down with each of the councilmembers to discuss the matter and answer any questions they may have before they make their final decision.

Holly St. Clair (371 Zandecki Road) asked, "If the council passes the ban, would the city also be willing to say it will not take state funding that comes from marijuana sales?" Mayor Dawes stated he didn't believe there is going to be any money coming from the state, which is one of the concerns of the cities. He reported the majority of the money generated will go to the state for programs.

Joe Goodwin (Lacey, WA) reported he has several medical conditions, including having brain surgery earlier this year. He stated he knows of people who are on at least 16 prescriptions because of the same type of surgery, but he doesn't require any because he's a user of marijuana. Mr. Goodwin stated the problem with buying marijuana from the black market is you have dust, pollen, bird waste, and mold issues. He noted he would be thankful if he could buy it from a store regulated by the state.

Dash Paine (21434 Zenkner Valley Road, Centralia) reported in the 25 years he's worked as a trauma/substance abuse nurse, he's only lost three people; one from alcohol, one from heroin, and one from prescription opiates. He noted doctors are reluctant to write adequate prescriptions to medicate pain for cancer patients, so they're turning to heroin which is whole lot cheaper and a lot stronger. Mr. Paine stated people want their pain medication and they are going to get it, even if it means getting it from the black market. He suggested it's the drug cartels that supply these drugs, adding the border patrol and police say marijuana is a big business for the cartels. Mr. Paine believed if they can cut out one profit margin from the cartel they'll move elsewhere to sell their drugs.

Mr. Paine stated he would much rather see marijuana available as an intoxicant as opposed to alcohol. He would also much rather have his children exposed to marijuana, as opposed to alcohol.

Julie Lane (Rainier, WA), reported she's a medical marijuana patient because she's allergic to pain medications. She stated she would prefer driving to Chehalis as opposed to Olympia or Tacoma to get her prescription marijuana.

Ms. Lane stated she knew the Paine's and they are very responsible business people. She asked the council to give them a chance, and not ban marijuana in Chehalis.

Mayor Dawes reported a letter was received from Michael and Linda Dailey stating they are backing the council's decision to not accept the marijuana trade in our area and are in favor of the ban.

July 28, 2014

Mayor Dawes closed the public hearing at 6:04 p.m. and reopened the regular meeting.

3. **Update on Chamber Events**. Executive Director Alicia Bull provided the council with a packet of items, to include: the 2014 Festival and Events Guide; the 2014 Official Visitors Guide for Lewis County; and a visitor's bag. She noted the items were created using lodging tax dollars they received from various agencies, including Chehalis, to promote tourism.

Ms. Bull talked briefly about the Planes, Trains and Automobiles event that took place over the weekend, noting they did an overall marketing approach for the entire event, even though each group was in charge of their own piece. Upcoming events include: Hub City Car Show; Trick-or-Treat Trolley; Shopping Survival Kit; and the Annual Santa Parade. Ms. Bull reported the Chamber continues to be strong and growing with about 540 current members.

4. **Oil Train Briefing**. Interim Fire Chief Rob Gebhart reported he and Fire Captain Casey Beck and Firefighter Jay Birley went to Pueblo, Colorado, the second week in July to attend an oil train class. He stated the five mainline railroads in the nation were mandated by Congress to train 1,500 first responders by the end of the year. Chief Gebhart reported the training was very well presented and he felt much more comfortable on how to deal with it. He noted Burlington Northern Santa Fe (BNSF) has been very responsive and he expected that to continue.

Chief Gebhart reported City Manager MacReynold asked if he could find someone to give an objective overview on oil trains. He stated David Byers from the Washington State Department of Ecology (DOE) graciously agreed to come and give a presentation on the subject.

Mr. Byers reported he worked for DOE in the Spills Program. He provided a PowerPoint outlining emerging energy transportation risks, prevention, preparedness and response. He stated their biggest focus is on prevention.

Mr. Byers reported they work with other partners at the federal, state and local level that have a role in spill response in both oil and hazardous materials. One of those partners is the Northwest Area Committee. He noted their mission is to protect public health and safety, and the environment. They also ensure coordinated, efficient, and effective support of the federal, state, tribal, local, and international responses to significant oil and hazardous substance spills.

Mr. Byers reported BNSF is the only rail company transporting Bakken crude through Lewis County at this time with approximately 11 loaded unit trains every week. He noted a unit train can carry up to 120 rail cars, each of which contains 680 barrels of oil, or 30,000 gallons per car. Mr. Byers stated if all of the proposed and current facilities around the state who operate and receive crude by rail come to fruition, at maximum capacity, Lewis County could see up to 16 unit trains per day.

Mr. Byers reported Washington State has the lowest spill rate in the nation due its strong prevention and preparedness programs. He noted when incidents do occur they tend to be very high profile. Mr. Byers reported Bakken crude is the most volatile crude with regard to vapor pressure, adding it's very flammable and has a very low flash point and very high vapor pressure; however, it's not shipped in pressurized containers and it's less volatile than liquefied petroleum gas and propane.

Mr. Byers reported their pipeline facility, refinery and tank ship industry partners are regulated, but rail is not. He noted the overseeing entity for rail spill preparedness regulations is the Federal Railroad Administration. Mr. Byers reported DOE also oversees regulations for construction and operation of oil refineries, storage, and handling facilities; they're the SEPA lead for new proposals to construct facilities that store over 1 million gallons of liquid fuel that do not fall under the jurisdiction of the Energy Facility Site Evaluation Council; and they are the lead state agency for spill response.

Mr. Byers stated he was asked, "How will the locals be involved in a spill response." He noted, under both federal and state jurisdiction, a spill would be managed under a concept called "Unified Command." This concept allows all levels of government to participate in the spill management process, adding in the event of a local incident, the city would manage the initial life/safety phase of a spill.

Mr. Byers talked briefly about some of the gaps, one being the potential decline in revenue to support Spills Program work. He noted crude oil coming into our refineries by ship is taxed; however, the crude coming by rail and pipeline is not. Mr. Byers stated this issue will be addressed in the upcoming legislative session.

July 28, 2014

Mr. Byers talked briefly about available resources, the geographic response plan, and risk mitigation and management. He noted the Governor has provided \$300,000 to conduct a study on the oil shipment through the state, noting the purpose of the study is to assess public health and safety, as well as environmental impacts associated with oil transport.

Mr. Byers provided some additional specific points to questions that were asked prior to the meeting.

- Number of rail incidents in the last two years - DOE receives and enters spill reports in a database tracking system. A query on rail incidents over the past two years found there were 115 reported rail incidents involving a total of 44,800 pounds of oil and chemical products that were released.
- Recent media coverage on the type of cars being used to transport crude oil - Some of the industry partners voluntarily upgraded their cars. He noted last week the US DOT announced a notice of proposed rule-making for enhanced tank cars. Within two years the older generation of DOT111 cars will be phased out and cannot be used in the US unless they are retrofitted. Federal DOT announced a notice of rule-making for spill response planning for flammable cargos, and defined terms for Bakken crude oil to make those safer.

Councilor Taylor asked if DOE had plans in place for other types of spills, such as chlorine and ammonia. Mr. Byers indicated they did not. He stated the sheer volume and probability of an event involving a Bakken crude oil train is very high.

Councilor Taylor asked if DOE has rules handed down to them by the federal government that they have to enforce. Mr. Byers stated the federal government does not have delegated authority for rules, noting Washington State has its own authority passed in statute by the Legislature.

Councilor Spahr asked how many pipeline incidents took place were during the same two-year period in which the 115 incidents were reported. Mr. Byers suggested maybe five, and they were just small drips, or very slow leaks. He noted the regulated industry is very proactive about letting them know, even if it's just a drip. Councilor Spahr asked if a pipeline was safer than transporting by train. Mr. Byers reported it's a debated issue in which both sides will point to one another and say they're safer. Councilor Spahr asked Mr. Byers how much pipeline it would take to replace all of the trains. Mr. Byers reported it would take a considerable number of trains to meet the amount of oil that's currently be transported by pipelines.

Councilor Spahr thanked Mr. Byers for coming, noting the presentation was very educational.

5. **Annual Update on Lewis County Drug Court.** Judge Nelson Hunt thanked the council for allowing him to update them on what the tax they endorsed has done for drug court. He reported, at the time he came before the council to support the passage of the one-tenth of one percent tax, they had capacity for roughly 30 people; they now have the capacity to serve 40.

Judge Hunt reported they've also started a statutorily required family dependency court with a capacity to serve the parents of approximately 20 children. He indicated there have been some interesting challenges to getting it started because the state agencies have been less than thrilled to go along with it.

Judge Hunt reported another development is they've changed their clientele. He noted the model they follow states, "Drug courts must serve high-need, high-risk individuals with a significant drug problem."

Judge Hunt stated research shows that drug court is very successful in dealing with long-term addicts, and provided the following information about Lewis County Drug Court and its participants:

- 89.6 percent of their clients had no new felonies after completing drug court
- 10.4 percent recidivated (relapsed)
- 126 total graduates
- 78 percent of individuals are unemployed at entry into the program
- Unemployment rate at graduation is 10.8 percent (All 10.8 percent were full-time students)
- The majority of program participants lack stable housing when they enter drug court
- Stable, sober housing is a requirement to graduate

July 28, 2014

Judge Hunt reported they've had 15 drug-free babies born, saving the state millions in tax dollars. He noted the overall savings to taxpayers is about \$3.36 for every dollar invested in drug court.

Judge Hunt stated the tax money endorsed by the various cities and Lewis County has allowed them to run the program the way they want, and it works. He noted they celebrated their 10th anniversary last week with a very successful picnic and BBQ.

Mayor Dawes congratulated Judge Hunt on their success and their 10-year anniversary.

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

a. Minutes of the regular meeting of July 14, 2014; and

b. Claim Vouchers No. 109753-109915 and Electronic Funds Transfer No. 62014 in the amount of \$795,830.81 dated July 15, 2014;

The motion was seconded by Councilor Pope and carried unanimously.

7. **Administration Reports.**

a. **2nd Quarter and June Financial Reports and 2nd Quarter Sales and Use Tax Report.** Finance Manager Judy Pectol stated the 2nd quarter report provided actual numbers for the beginning fund balances, now that the year-end adjustments had been made. She reported, on July 3, she received final notice from Lewis County on the money for the airport, adding the July statement will show the \$1.5 million in contributed capital that will be used to pay the final payment of the GO Bond.

Ms. Pectol reported last week the city received \$1.1 million from the Chehalis Foundation for the pool project, which will also show up on the July report under the non-departmental fund.

Mayor Dawes stated the sales tax revenue was still creeping up, but nowhere near what it was in 2008.

8. **Council Reports.**

a. **Update From Councilor Spahr.** Councilor Spahr reported he attended the Trains, Planes and Automobiles Festival, noting they did a good job and it was a fun day. He also attended the Joint Oversight Board meeting, noting the merger is still there but on hold until they see what happens with Riverside's EMS levy.

b. **Update from Councilor Lund.** Councilor Lund reported he also attended the Joint Oversight Board meeting.

c. **Update From Councilor Taylor.** Councilor Taylor reported Twin Transit held several public meetings over the last month to talk about reductions in service and ways to balance their budget. He noted they ended up cutting the commuter service to Olympia and, for the time being, Sunday service as well.

d. **Update From Councilor Ketchum.** Councilor Ketchum reported on July 17 he attended a Business After Hours event put on by the Visiting Nurses at the Riverside Golf Course and the following Friday he helped with their golf tournament. On July 25 he attended the Music in the Park event, noting they had between 200 to 300 people show up. Councilor Ketchum reported he also cooked blueberry pancakes for 300 to 400 people on Saturday at the Lewis County Historical Museum's Annual Pancake Breakfast.

e. **Update From Mayor Dawes.** Mayor Dawes reported he attended a groundbreaking for the new dialysis center on Bishop Road, noting the new facility will replace the one currently located behind the old hospital. He also attended the Business After Hours at the Riverside Golf Course on July 17. On July 21 he attended the ribbon cutting for the formal takeover of Stan Hedwall Park; on July 25 he attended the Concert on the Green event put on by Pope's Kids Place; on July 26 he helped out with the pancake breakfast at the Lewis County Historical Museum, cooking eggs and sausage; and on July 28 he attended the entrance conference for the city's 2013 audit.

July 28, 2014

Mayor Dawes reported the Joint Oversight Board is just hinging on what happens with the vote in Centralia.

9. **Ordinance No. 930-B, Second and Final Reading – Adopting Cable Television System Franchise Agreement between the City and Comcast Cable Communications Management, LLC.** City Manager MacReynold reported the ordinance provides for a franchise agreement between the city and Comcast. He noted this item was passed on first reading at the previous meeting.

Councilor Spahr moved that the Council pass Ordinance No. 930-B on second and final reading

The motion was seconded by Councilor Lund and carried unanimously.

10. **Resolution No. 7-2014, First and Final Reading – Expressing Concern Regarding the Current and Future Transport of North Dakota Bakken Crude Oil through the City of Chehalis.** City Manager MacReynold reported this matter was discussed at the previous meeting and minor changes were made to the proposed resolution as suggested by the council.

Councilor Spahr moved to adopt Resolution No. 7-2014 on first and final reading.

The motion was seconded by Councilor Pope.

Councilor Spahr reported, in light of the report they received earlier, he believed the resolution fit with what they are trying to say. He stated he wished they could do something about pipelines versus trains, but this is not the vehicle to do that.

Councilor Taylor reported he had concerns about singling out one thing in general, noting there are hundreds of things transported by rail and freeway every day. He stated he was in favor of making sure the lines that run through our community are safe regardless of what's being transported, and unless they change the language, he would be voting against it.

Mayor Dawes stated he's one of the people promoting the resolution, adding he believed it was a responsible way to address the situation they were presented with. He offered, as an amendment to the resolution, "If the rail line is safe for what is determined to be a highly volatile substance, it should be safe for other hazardous materials."

Councilor Spahr suggested rail lines have been shipping products for years and probably have the equipment necessary to ship it as safely as they can. He noted all they're trying to say is they want it to be safe.

Councilor Taylor stated he understood, but it still felt like they were singling out one thing. He noted if their focus is on safety it shouldn't matter what's being transported, adding it only matters that it's safe.

The motion carried 4-2 with Councilors Ketchum and Taylor voting against the motion. (Councilor Harris was absent/excused.)

11. **Ordinance No. 932-B, First Reading – Banning the Establishment, Location, Operating, Licensing, Permitting, Maintenance or Continuation of Medical Marijuana Collective Gardens and Medical Marijuana Dispensaries, and the Growing, Processing and Sale of Recreational Marijuana.** City Manager MacReynold reported this was the first reading of the proposed ordinance, and he and staff were available to answer any questions from the council.

Councilor Spahr stated the public made some compelling arguments during the public hearing; however, a majority of those who spoke were not from Chehalis. He stated he agreed with the statements made about treating medical and recreational as the same and asked City Attorney Hillier if the city would be setting itself up for a legal challenge by combing them both into one outright ban.

City Attorney Hillier stated based on their review and recommendation, the administration feels that either position being proposed is sustainable. He noted a lot of people have glossed over the defense that municipalities have with regard to banning recreational marijuana. City Attorney Hillier indicated there was also the decision regarding the City of Kent that has set a precedent, which states, "Cities have an absolute right to ban medical marijuana if they so choose." He noted the State Attorney General, who doesn't make decisions lightly, has also said cities have the right to control their own destiny.

July 28, 2014

City Attorney Hillier reminded the council that it's their decision, and if they want to allow it they could just terminate the moratorium and allow state law to control it. He noted as long as businesses comply with state requirements and Washington State Liquor Control Board regulations they'll be here, but the council has to make that decision.

Councilor Pope stated over the years he's seen people who have benefited from using medical marijuana. He noted if they're going to consider any type of marijuana in the community he would prefer it be medical.

Councilor Taylor stated he was still grappling with the issue of state and federal laws.

Councilor Pope reported pharmacies give out medicine that is far more dangerous than marijuana. He stated if people are not going to be able to get marijuana from drug stores he would prefer that it be inspected, managed and packaged in an appropriate manner. Councilor Pope stated he was making a distinction between medical and recreational marijuana.

Mayor Dawes stated he also believed there is a valid use for marijuana and was sure there were plenty of documented cases where it has assisted and/or at least made patients' lives a little easier. He asked if they could split the medicinal marijuana from the recreational. City Attorney Hillier stated they could, suggesting the council could consider that as a third option.

Councilor Spahr stated he had an interest in separating the two, but noted the federal government doesn't distinguish a difference. City Attorney Hillier stated it was a fast moving train and there could be changes made by either the State Legislature or the feds at any time down the road and the council will need to deal with those as they come up.

Councilor Spahr asked if they could extend the moratorium again. City Attorney Hillier didn't believe they had the ability to extend the moratorium without creating further hardship on the people who have been awarded an opportunity to do business. He stated the council needed to make a decision.

Councilor Pope agreed, noting it was their job to make a decision and they should make it in light of their own conscience.

Mayor Dawes noted Councilor Harris had to leave early, but asked that his comments be read into the record, as follows:

"Daily, I listen to and talk with citizens on both sides of this issue. Here are some points, along with my responses.

- It's legal. Get over it!

Councilor Harris - It is not legal. This current administration simply chooses not to enforce its laws. Additionally, no state may pass any law that overrides or weakens any federal law.

- The sales tax will help the city!

Councilor Harris – True, however, if the one pot shop allowed in town sells \$1,000,000 worth of drugs Chehalis will see \$10,000 in revenue. Our police and emergency responders' budgets total \$4,144,513. You do the math.

- It's not as bad as alcohol!

Councilor Harris – Granted, but using alcohol, which is obviously a community and family problem, as a basis for a positive argument is like building a home on sand.

- Don't put it in my neighborhood!

Councilor Harris - I agree. If users wish to purchase an illegal drug let them go to a town where they don't mind."

July 28, 2014

Councilor Lund reported his mother had medical issues and was miserable most of her life. He stated he would hate to vote against something that would help someone enjoy life, or what's left of it. Councilor Lund suggested they just let the current moratorium expire and let the state regulate it.

City Attorney Hillier stated if that is the position of the council, the administration would bring back an ordinance in that regard for the council to consider.

Councilor Spahr asked if they needed to take action on the ordinance before them, or wait. City Attorney Hillier stated no, adding they could give the administration direction to do something else.

Councilor Spahr stated he was still wrestling with the state and federal laws that leave the city stuck in the middle. He stated he was very sympathetic to the medical aspect of marijuana, adding if they could do something to address that, he would like to cautiously explore that option.

Mayor Dawes stated he had four councilors express an opinion to look at the medical aspect of it.

City Attorney Hillier stated if the council wants to allow medical marijuana sales in the city they need to tell the administration that, and if they want to ban recreational marijuana the administration needs to know that, as well.

Councilor Spahr stated he would like some time to explore it in light of some of the things said regarding medical marijuana.

City Manager MacReynold stated the other option to consider is to just let the moratorium expire and let zoning and the state regulate it. City Attorney Hillier stated if the council takes that position, any changes at the state or federal level will point us in the right direction; however, if they ban it they take a strong stance. He suggested they might be in a better position if they allow it and let it control its own destiny.

Councilor Taylor stated he liked that idea.

City Attorney Hillier stated if that's the consensus of the council they could bring an ordinance back that would allow things to take place through state regulations and terminate the moratorium on a certain date, and that would be the end of it.

City Manager MacReynold reported the current moratorium terminates on September 11, 2014. He noted moratoriums are supposed to be an interim process in which to evaluate and determine a direction, adding you cannot continue to have a rolling situation.

Councilor Lund moved to suspend the current moratorium on July 31, 2014.

Councilor Taylor seconded the motion.

The motion failed 3-3, with Councilors Spahr, Ketchum and Mayor Dawes voting against the motion.

Mayor Dawes stated the moratorium will then run out on September 11, 2014, and at that time it will go under state guidance and jurisdiction.

Councilor Ketchum stated he was totally against it period and they have no business having it in our city. He noted it's a gateway drug and it was a gateway drug for his son that ended up killing him.

Councilor Spahr asked if they were going to explore any other avenues. City Attorney Hillier stated no, adding the direction given is to let the current moratorium expire.

No action was taken on Ordinance No. 932-B for a lack of a motion.

There being no further business to come before the council, the meeting adjourned 7:51 p.m.

July 28, 2014

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of July 28, 2014.