

October 27, 2014

The Chehalis city council met in regular session on Monday, October 27, 2014, in the Chehalis city hall. Mayor Dawes called the meeting to order at 4:15 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; Mark Scheibmeir, Assistant City Attorney; Judy Schave, City Clerk; and Dennis Osborn, Community Development Director.

1. **Executive Session.** Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – potential litigation for approximately 45 minutes and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 4:57 p.m. and announced the council would take a short recess before opening the regular meeting at 5:01 p.m. Additional staff included: Bill Hillier, City Attorney; Glenn Schaffer, Police Chief/Interim Fire Chief; Judy Pectol, Finance Manager; Peggy Hammer, Human Resources Administrator; Rick Sahlin, Public Works Director; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Dameon Pesanti from *The Chronicle*.

2. **2015 Festivals and Community Involvement.** Ammie Hague (Everett, WA) reported she and others will be hosting a few events next year at the Yard Birds Mall, to include a Fairy Blossom Festival in June and a Renaissance Fair in September. She stated they would like to do a Royalty Program that will draw from the community to create a royal court who will serve as ambassadors for community service, education, and other positive outreach programs in the community. Ms. Hague asked if the city would be interested in sponsoring a Royalty Program.

Mayor Dawes suggested she contact the city manager, noting he could fill her in on what departments she will need to speak with.

3. **Chehalis Foundation Progress Report.** Chehalis Foundation President Tim Sayler reported the Foundation has had some pretty busy years since the renovation of the Lintott/Alexander Park in 2005. He noted, after much planning and fundraising, ground was broken on the Gail and Carolyn Shaw Aquatics Center in December 2013. Mr. Sayler stated sadly Mr. Shaw is gone now, but the pool is officially done.

Mr. Sayler reported the Foundation continues to support the city in many ways, such as: holiday decorations; maintenance of the Lintott/Alexander Park; the Chehalis Police K-9 Program; W.F. West tennis court renewal and maintenance; and work on various city ballfields and park facilities. He stated their newest effort is the maintenance and management of Connie Small's dream in the Penny Playground, which now falls under their guidance.

Mr. Sayler reported, through generous donations from various local families, they've branched out into the education field. He stated because of that effort they have made a change in the way the Foundation is fundamentally structured. Mr. Sayler reported the Foundation will now consist of three committees: City Projects; Education; and Promotions and Fundraising.

Mr. Sayler reported there are still lots of projects to do and there always will be. He noted the city's new ownership of Stan Hedwall Park is very interesting to all of them. He stated over time the Foundation will develop a plan for the city and for education on how they can help and how to get there.

Mr. Sayler thanked the city council and the administration for all of their help. He also thanked the Chehalis School District and their employees, as well as all of their generous donors. Mr. Sayler stated, "The spirit of cooperation that Mr. Shaw and his friends created back in the 1950s continues on through the Foundation, Experience Chehalis, and the list goes on and on."

4. **Update on Discover! Children's Museum.** Board Vice-President Larry McGee reported on the structure they will be using to fund the new Discover! Children's Museum. He stated they are still on track, noting it will take about \$3 million for the project. He noted, based on the activities that a number of them have been involved with and the pilot project, they should have between \$500,000 and \$600,000 worth of in-kind. Mr. McGee reported the \$3 million will pay for the building, exhibits, site improvements, improvements to the green space on the adjacent lot, and capital for one year of operating expenses.

McGee reported the funding plan includes: 1/3 from the State Legislature; 1/3 from major grantors; and 1/3 from community fundraising. He reported Lowell Wood has been employed to help with the fundraising efforts for this project.

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Mr. Wood reported, as part of the feasibility study, he will be interviewing several people to see if they feel the project is doable and if they like the location that's been selected. He stated, although they are not asking for money at this time, they've already received some pledge money for the project. Mr. Wood stated this is meant to be a Chehalis/Centralia project and will include committee members from both cities. He noted several from Centralia have already stepped up to the plate, as well as those from Chehalis. Mr. Wood reported he would be glad to come back and help out with the campaign if the city can't find anyone else to do it.

Mr. McGee reported, with the help of Mr. Wood and others, \$450,000 of the communities \$1 million is already committed. He stated it will mean a lot to our legislators to be able to say the community has stepped up to that degree already.

Mayor Dawes stated the council certainly appreciates what Mr. McGee and Mr. Wood are doing, noting they've stepped up time and time again to do things that benefit everyone in the community. He stated the fact that this will be a joint effort by both cities speaks tremendous volumes for the future success of this project.

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

- a. Minutes of the regular meeting of October 13, 2014;
- b. Claim Vouchers No. 110628-110781 and Electronic Funds Transfer Nos. 92014 and 920141 in the amount of \$415,915.38 dated October 15, 2014; and
- c. Authorize the City Manager to execute the interlocal agreement (ILA) between the city and Riverside Fire Authority for the utilization of the emergency communications system.

The motion was seconded by Councilor Harris and carried unanimously.

6. **Administration Reports.**

a. **3rd Quarter and September Financial Report and 3rd Quarter Sales and Use Tax Report.** Finance Manager Judy Pectol reported on the general fund, noting the city recently received a check from the Chehalis Foundation in the amount of \$478,000 for reimbursement of expenses for the Gail and Carolyn Shaw Aquatics Center. She noted the city will also be receiving some Transportation Improvement Board grant money related to the Chehalis Avenue Project, which will help the ending fund balance, as well. Ms. Pectol indicated she will be asking for a budget amendment at the second meeting in November for the two items.

Ms. Pectol reported they were also working on the final closeout for the Federal Emergency Management Administration Home Elevation Program, noting the city will receive about \$70,000 for work that's already been done.

Councilor Pope inquired about the interest earnings in the wastewater fund, noting it looked as though they were flip-flopped. Ms. Pectol reported some of the interest was allocated incorrectly. She noted the October report will include a reallocation of the interest based on how much cash each fund has.

Councilor Pope stated the sales and use tax was looking good this year.

7. **Council Reports.**

a. **Update From Councilor Spahr.** Councilor Spahr reported he attended the Lewis County Economic Development Council meeting where Executive Director Matt Matayoshi filed his 90-day plan. Councilor Spahr stated he also attended the Regional Fire Authority Joint Oversight Board meeting.

b. **Update From Mayor Dawes.** Mayor Dawes reported the Joint Oversight Board decided to start meeting on a quarterly basis starting the first of the year. He stated their focus will be on cooperative efforts to assist each other, adding the radio maintenance ILA was just one of those items. Mayor Dawes stated, given the financial situation that they are faced with, this is probably the mode they will stay in for a while.

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Mayor Dawes reported he attended the Business After Hours event at Tires, Inc., noting a representative from the Goodyear Tire Company presented them with a plaque for being in business for 60 years.

Mayor Dawes reported he had a meeting with Mr. Wood to discuss the fundraising for the Discover! Children's Museum. He stated it was nice to hear from Mr. McGee about the commitment level being as high as it is already.

Mayor Dawes reported, on October 24, he had a chance to see a local rail car stopped at the Chehalis-Centralia Railroad and Museum with a load of poles that are being transported to Nova Scotia. He noted the logs came from the McFarland Cascade Pole and Lumber Co, which is a business located on land owned by the Port of Chehalis out near Curtis. Mayor Dawes stated this relates to the reason why the city and county are looking into purchasing the local rail line from the City of Tacoma.

c. **Update on City Manager Search Process.** City Manager MacReynold reminded the council about the special executive session on Tuesday, October 28 to discuss the candidates for the city manager position. He noted a reception is scheduled for Monday, November 17, and the interview process will be on Tuesday, November 18.

8. Resolution No. 9-2014, First and Final Reading – Approving State Revolving Fund Loan in the Amount of \$1,033,150 for the Construction of Basin 1022 Inflow and Infiltration (I&I) Project. Public Works Director Rick Sahlin reported the council has received a couple of updates over the last year regarding the loan application submitted to the Department of Ecology (DOE) for this project. He noted the loan request was for \$1,410,000 for design and construction of the Basin 1022 I&I Rehabilitation Project. Mr. Sahlin indicated the project will include associated manholes and sewer stubs in the public right-of-way. He noted the city has been granted a loan from DOE for \$1,033,150, at 1.4 percent interest for 20 years, with a one (1) percent administrative fee. Mr. Sahlin reported the city also received a grant for \$301,850 and \$75,000 of forgivable principal.

Councilor Ketchum asked if this project was covered under the last rate increase they did. Mr. Sahlin stated it was.

Councilor Harris moved to pass Resolution No. 9-2014 on first and final reading and authorize the city manager to execute a contract with the SRF for a loan of \$1,033,150, at 1.4 percent interest with a term of 20 years for the Basin 1022 I&I Rehabilitation Project.

The motion was seconded by Councilor Pope and carried unanimously.

There being no further business to come before the council, the meeting adjourned 5:34 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of October 27, 2 014.