

November 25, 2019

The Chehalis city council met in regular session on Monday, November 25, 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, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Councilor Tony Ketchum was absent (excused). Staff present included: Jill Anderson, City Manager; Tammy Baraconi, Planning & Building Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Andrew Hunziker, Parks & Facilities Manager; Brian Kelly, City Attorney; Trent Lougheed, Public Works Director; Dale McBeth, Municipal Court Judge; Devlan Pool, Wastewater Superintendent; Brandon Rakes, Airport Operations Coordinator; Chun Saul, Finance Director; Glenn Schaffer, Police Chief; Judy Schave, HR/Risk Manager; Don Schmitt, Street/Storm Superintendent; Dave Vasilauskas, Water Superintendent; and Lilly Wall, Recreation Manager. Members of the news media included Celine Fitzgerald of *The Chronicle*.

1. Public Hearing – VAC 19-200 – Petition to Vacate Alleyway at the Corner of SW Chehalis Avenue and W Main Street. Mayor Dawes closed the regular meeting at 5:01 pm and opened the public hearing.

Trent Lougheed stated Darigold submitted an application to vacate the portion of alleyway adjacent to their property at 423 W Main Street and 1 SW Chehalis Avenue. The city's Development Review Committee reviewed the proposal and recommended approval. The council adopted Resolution No. 15-2019 to set tonight's public hearing. The only utilities in the alleyway are a stormwater line that is part of Darigold's onsite stormwater management system. Darigold owns all surrounding parcels. Mr. Lougheed noted the other portion of the alleyway was vacated in 1983. If approved, the applicant will compensate the City based on the appraised value of \$8,200, which will be deposited into the General Fund.

Mayor Dawes asked if any members of the public wished to comment on the proposed vacation.

It was the consensus of the council to have staff prepare an ordinance for council's consideration to vacate the alley.

There being no public comment, Mayor Dawes closed the public hearing and reopened the regular meeting at 5:05 pm.

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

- a. Minutes of the regular City Council meeting of November 12, 2019; and
- b. October 31, 2019 Claim Vouchers No. 127380-127523 and Electronic Funds Transfer Nos. 1020191 and 112019 in the amount of \$1,374,119.06.

The motion was seconded by Councilor Taylor and carried unanimously.

3. Public Hearing – Proposed 2020 Budget, Revenue Sources, Taxes, and Levies. Mayor Dawes closed the regular meeting and opened the public hearing at 5:07 pm.

City Manager Anderson stated no changes were made to the 2020 proposed budget since the last meeting when staff provided a thorough presentation.

Mayor Dawes asked if any members of the public wished to comment on the 2020 proposed budget. No public comment was received.

Mayor Dawes noted that following the November 12 meeting an article was in the paper. While it was technically correct that the city would be expending a little more in 2020 than what it would be taking in, he thought it was important to point out that in some funds (i.e., the Water Fund), there were some large projects that were going to occur, which would take \$1.4 million out of the reserve for that fund. He stated funds are set aside to save up for these types of large projects.

Mayor Dawes closed the public hearing and reopened the regular meeting at 5:11 pm.

4. Ordinance No. 1001-B, Second and Final Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2020; Ordinance No. 1002-B, Second and Final Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2020; and Ordinance No. 1003-B, Second and Final Reading – Adopting the Proposed 2020 Budget. Councilor Spahr moved to pass Ordinance Nos. 1001-B, 1002-B, and 1003-B on second and final readings. The motion was seconded by Councilor Lund and carried unanimously.

November 25, 2019

5. **Ordinance No. 1004-B, First Reading – Amending the 2019 Annual Budget.** Chun Saul provided an overview of the proposed amendments to the 2019 Budget. The net city-wide increase in fund balance was \$519,857 with an estimated ending fund balance of \$17,991,770. Other than the General Fund, all other funds were legally restricted or committed to very specific activities. The General Fund would decrease by \$16,715 with an estimated ending fund balance of \$773,716, which was 7.7% of the General Fund's operating revenues. She noted council policy was to maintain 10% operating reserves in the General Fund. Ms. Saul summarized General Fund expenditures, stating the total net increase in appropriations was \$31,715. Ms. Saul summarized amendments to each of the Enterprise Funds.

Councilor Spahr moved to pass Ordinance No. 1004-B on first reading. The motion was seconded by Councilor Taylor and carried unanimously.

6. **Resolution No. 17-2019, First and Final Reading – Contracting with Municipal Research and Services Center to Participate in MRSC Rosters Program.** Trent Lougheed stated the city currently publishes and maintains its engineering, small works, and vendors rosters in-house. The total annual cost of advertising is about \$330; however, it takes a lot of staff time to prepare the advertisements and keep track of all the records. MRSC Rosters allows local jurisdictions to utilize one set of rosters, which will provide a much larger pool of registered roster participants to choose from. The service fee will be \$135 per year, which is based on the city's total capital expenditures averaged over five years. The fee will remain the same until the City reaches an average of \$5 million in total capital expenditures. It will save approximately \$200 per year in advertising costs, but the main savings would be in staff time. He explained that council policy states that resolutions having a financial impact have two readings, but in order to meet the December 1 deadline for entering into a contract with MRSC, staff was asking that the council suspend the rule requiring two readings of the resolution.

Councilor Harris moved to suspend the rules requiring two readings of a resolution. The motion was seconded by Councilor Taylor and carried unanimously. Councilor Harris moved to adopt Resolution No. 17-2019 on first and final reading. The motion was seconded by Councilor Pope and carried unanimously.

6. **Resolution No. 18-2019, First and Final Reading – Adjusting Fire Safety Permit Fees.** Tammy Baraconi stated the city does not have its own fire marshal and currently contracts with the Riverside Fire Authority (RFA) for plan reviews and inspections for fire permits. The city currently charges a flat fee of \$35 for all fire related permits, but pays RFA \$27,500 per year. This year alone, the city received less than \$1,000 in permit fees. RFA currently charges 1.8% of the valuation of the fire system plus a \$50 administration fee for permits issued on behalf of Centralia. She stated staff was recommending a fee of 1.9% that would cover plan review, inspections, and administration costs. Ms. Baraconi stated other jurisdictions typically calculate plan review and inspection fees based upon valuation in the same way that building permit fees are calculated. She provided several examples of how local jurisdictions charge for fire safety permit fees based on a cost analysis at \$1,000, \$25,000, \$50,000, and \$100,000. She stated the \$1,000 cost analysis would apply to a new single-family home. About \$1,000 of the building costs would be for a fire suppression system, which was required for a 2,000 sq. ft. home if there was not a fire hydrant within 600 feet that meets fire flow requirements. The other cost analysis figures applied to larger commercial projects. She stated the fire suppression systems for the new schools had about a \$500,000 value, but they only paid \$35 for their permit. Multiple hours were spent reviewing the plans, inspecting the work, and making sure an occupancy permit could be issued.

Councilor Spahr asked how much RFA was paid for their work on the school's fire permit. Ms. Baraconi stated it was done under the \$27,500 annual contract. Since the city pays a flat annual fee to RFA, hours are not tracked for individual projects.

Ms. Baraconi stated staff was proposing a 1.9% flat rate fee with no administrative fee. It was also recommended that a \$200 fee be created for work that involves less than ten sprinkler heads or modifications to existing fire panels.

City Manager Anderson clarified that the 1.9% fee was just for a project's fire suppression costs, not the entire cost of the project.

Councilor Taylor asked if remodeling a 2,000 sq. ft. home would trigger a fire suppression system? Ms. Baraconi stated that increasing the square footage would allow the city to review and make sure the project met today's codes. She noted that was a state code.

Councilor Taylor thought it would be appropriate to charge for actual costs. Ms. Baraconi stated that provision was in the city's current code and was set at a minimum of \$100 per hour.

November 25, 2019

Mayor Dawes stated a number of fees came up during budget committee meetings, and thought it was something that needed to be looked at. He noted the city's building fees were also low.

Councilor Spahr moved to adopt Resolution No. 18-2019 on first and final reading. The motion was seconded by Councilor Harris and carried unanimously.

7. Administration Reports.

a. **City Manager Update.** City Manager Anderson stated that staff plans to begin reviewing the fee schedule after the first of the year. She stated a workshop will be held the first part of the year to identify where we go from here. She thanked the council and staff in preparing the budget, particularly Chun Saul. She wished everyone a Happy Thanksgiving and noted the Santa Parade was Saturday, December 7.

8. Councilor Reports/Committee Updates.

a. Councilor Taylor thanked Terry Harris for his work on the gingerbread house at the corner of 13th and Market and the train display near the swimming pool.

b. Councilor Lund echoed Councilor Taylor's thanks to Councilor Harris. He stated he attended a meeting with Fire District 6 last week.

c. Councilor Pope stated the Chehalis Foundation gala was very successful and well attended.

d. Councilor Harris thanked the Christmas committee and his family and friends for helping with the gingerbread house.

e. Mayor Dawes added his thanks to Councilor Harris for all the Christmas decorations he puts up throughout the town. He stated it looks better with each year. He attended the following meetings/events: fire consolidation and Chehalis Foundation gala. He thanked staff for the traffic revision at State and Main Streets and for installing a crosswalk light at 16th and Market.

9. **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, not to exceed 6:45 pm and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:04 pm. The executive session began at 6:09 pm. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 6:44 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved: 12/9/2019

Initials: cf