

August 24, 2015

The Chehalis city council met in regular session on Monday, August 24, 2015, 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, and Daryl Lund. Councilors Taylor and Ketchum were absent (excused). Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Dennis Osborn, Community Development Director; Judy Pectol, Finance Manager; Peggy Hammer, Human Resources Administrator; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Dameon Pesanti from *The Chronicle* and Bobby Jackson from KELA/KMNT Radio.

1. **Proclamation Presentation.** Mayor Dawes presented Arnie Guenther with the Us Too Southwest Washington Prostate Cancer Support Group with a proclamation declaring September as "Prostate Cancer Awareness Month" in the city of Chehalis. Other support group members in attendance included Larry Bilyeu and Bill and Donna Zimmerman.

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

- a. Minutes of the regular meeting of August 10, 2015;
- b. Claim Vouchers No. 113300-113474 and Electronic Funds Transfer No. 72015 in the amount of \$991,931.21 dated August 14, 2015;
- c. Approve appointment of Heather Beard to the Chehalis Historic Preservation Commission for a 3-year term expiring August 31, 2018;
- d. Adopt Resolution No. 10-2015 on first and final reading for the surplus of city property; and
- e. Authorize city manager to execute a Promissory Note in the amount of \$631,761.55 and all other related documents required by Security State Bank for the purpose of purchasing a 2016 Pierce Dash Class I Engine Pumper.

The motion was seconded by Councilor Pope and carried unanimously.

3. **Administration Reports.**

a. **July Financial Report.** Finance Manager Judy Pectol reported some of the percentages in the general fund expenditures were a little high. She noted this is mostly due to the contra-expenses that still need to be allocated to the airport and utility funds. Ms. Pectol indicated she's drafted a cost allocation plan, but it still needs to be put into action. She plans to have the journal entries done for the August financial report, which will make some of the general fund expenses go down.

Councilor Harris asked if the Auditor's Office has to approve the cost allocation plan and the percentages we use.

Ms. Pectol reported the State Auditor's Office does not pre-approve the allocations, or tell us whether or not they accept the percentages we use. She noted our previous plan had too many rough percentages, adding the auditors want it to be based on specific calculations. Ms. Pectol stated they don't really care what the specific computation is, noting it just has to be based on some specific statistical argument.

Ms. Pectol reported on the utility revenues, noting some are still coming in low. She stated she would be asking for help from the utility department to determine why that is.

Ms. Pectol reported on the revenues and expenditures for the airport fund. She indicated she's still waiting on some grant funding to come in, and she still needs to transfer money from the utilities to cover their portion of the work being done.

Councilor Harris inquired about the line item for miscellaneous revenues and insurance.

Ms. Pectol reported the revenue in this fund is from insurance claim recoveries, adding, in most cases, it's for money that's already been spent.

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Councilor Spahr thanked Ms. Pectol for providing the financial activity for the pool. He noted the report showed revenues of \$76,039 through July 31 and expenditures of \$102,807, leaving a net operating loss of \$26,768. Councilor Spahr asked about the concessions revenue, adding he was surprised that it was so low.

Ms. Pectol reported they have vending machines on-site to sell concessions and she too was surprised by the low number. She noted they originally budgeted \$9,500 for 2015, which was based on the short time the pool was open in 2014.

Councilor Spahr asked how the information provided compared to years past.

Ms. Pectol stated she didn't know, but she could do a comparison to find out.

Councilor Lund asked if the vending machines are owned by the city.

Ms. Pectol stated she didn't know, but would find that out, as well.

Councilor Lund reported when he was a kid they sold frozen candy bars and they were a big hit. He stated it was interesting that we have vending machines because there's a lot of money in concessions.

Ms. Pectol reported on the 2014 audit exit conference with the State Auditor's Office. She noted the auditors made some recommendations; however, in their informal recommendations, the city had no findings and received a clean opinion. She also noted there would be no management letter issued. Ms. Pectol reported the 2014 audit impacted every department in the city, noting they looked at financial records, processes and procedures, and grant reporting.

#### **4. Council Reports.**

a. **Update From Councilor Lund.** Councilor Lund reported he attended the opening day of the Southwest Washington Fair, adding it was fun to see everything and all the people there.

Councilor Lund also attended the Lewis County Historical Society Board meeting, noting it's sad when you try to help a group figure out ways to make money and they don't want to do anything. He suggested they could be making \$3,500 to \$4,500 per month, but all they can think about is the hotel/motel tax and how it's owed to them.

b. **Update From Councilor Spahr.** Councilor Spahr reported he too attended the opening of the fair. He also attended the Lewis County Economic Development Board meeting, noting a lot of the discussion was around the performance of Executive Director Matt Matayoshi. Councilor Spahr stated he gave Mr. Matayoshi high marks, adding he felt he's done a good job of mending some fences and being open with the city council and the administration.

c. **Update From Councilor Harris.** Councilor Harris reported he attended the fair on Wednesday. He noted it was his anniversary, adding he and his wife went on their first date to a fair in California and figured what better way to celebrate it.

d. **Update From Mayor Dawes.** Mayor Dawes congratulated the city's financial staff and all of the departments on a clean audit. He noted the Auditor's Office was very complimentary of the folks they interacted with while they were here, adding that's always good to hear. Mayor Dawes reported this year's audit cost about \$30,000 because it was such an encompassing audit.

Mayor Dawes reported he also attended the opening day of the fair.

5. **Ordinance No. 944-B, Second and Final Reading – Addressing Panhandling in the City of Chehalis.** Police Chief Glenn Schaffer reported the only change to the ordinance since first reading was some paragraph numbering and lettering.

Councilor Spahr moved to pass Ordinance No. 944-B on second and final reading.

Councilor Pope seconded the motion.

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Mayor Dawes inquired about folks moving to other 'like' areas and we start experiencing similar problems.

Chief Schaffer reported the areas addressed in the ordinance are very specific and they need to be. He stated the idea of 'coercive' panhandling is obviously city-wide, but peaceful panhandling elsewhere is a constitutionally protected right.

City Attorney Hillier reminded the council that they can always amend the ordinance to pick up any issues that come up.

Councilor Spahr stated it has to be intimidating to have someone walk up behind you when you're loading your car, especially at night. He suggested, without the ordinance, if someone comes within 25 feet of you there's not much that can be done.

Chief Schaffer stated that's correct. He added, the act of loading things in the car is distracting and you're not really paying attention to the environment. Chief Schaffer noted it's a pretty common tactic that they see, particularly at the Twin City Town Center.

Councilor Spahr suggested it's not going to stop people from doing it, but it does give us some teeth if we do catch them.

The motion carried unanimously.

6. **Update on Recent Travels.** City Attorney Bill Hillier reported, in his recent travels to Montana, he was with his wife paying a propane bill when he struck up a conversation with the gentleman who sets the propane tanks. He noted the gentleman asked where he was from and he replied, "Chehalis, Washington." The gentleman indicated he learned to swim in the pool in Chehalis, noting he lived in Montana, but spent the summers with his dad who lived in Onalaska, Washington.

There being no further business to come before the council, the meeting adjourned at 5:24 p.m.

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Mayor

Attest:

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City Clerk

**SUGGESTED MOTION**

**I move that the council approve the minutes of the regular city council meeting of August 24, 2015.**