

December 14, 2015

The Chehalis city council met in regular session on Monday, December 14, 2015, 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; Bill Hillier, City Attorney, Judy Schave, City Clerk; Ken Cardinale, Fire Chief; 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 4:58 p.m. and announced the council would take a short recess and reopen the regular meeting at 5:02 p.m. Additional staff included: Glenn Schaffer, Police Chief; Judy Pectol, Finance Manager; Peggy Hammer, Human Resources Administrator; Rick Sahlin, Public Works Director; and Don Schmitt, Street/Stormwater Superintendent.

2. **Citizen Business.** Lola Toloba (Smith) spoke briefly about the Dorothy and Donald Smith Family Visitation Center. She noted after her parents passed away she had to make a decision on what to do with her home and decided to turn the bottom floor into a visitation center for children. Ms. Toloba reported she's been working under contract with the Department of Social and Health Services to provide visitation services for children in foster and home care on a dependency action with Superior Court. She stated the need is great and the feedback she's received has been very positive.

3. **Update on Activities of the Lewis Economic Development Council (EDC).** Executive Director Matt Matayoshi thanked the council for the opportunity to give an update on the work of the EDC. He noted they're a non-profit organization that is set up to recruit, retain, and expand business within all of Lewis County. Mr. Matayoshi recognized Councilor Spahr who serves on the Board of Directors, which is made up of public and private representatives from throughout the county.

Mr. Matayoshi reported the EDC administers the .09 Distressed Counties fund, which is funded by one percent of the retail sales tax dollars collected in Lewis County. He noted this funding goes towards economic development projects in Lewis County, which Chehalis benefited from in 2015.

Mr. Matayoshi reported part of their marketing program is to recruit new businesses and industry into the community. He noted in 2015 they received a number of leads, particularly in the area of distribution centers. Mr. Matayoshi stated one project that has moved forward is a glass panel company that makes panels for high-rise structures.

Mr. Matayoshi talked briefly about their business retention program, noting last August they were funded by the county to add an additional person to oversee the program.

Mr. Matayoshi stated, in 2015, they partnered with Craft3, a non-profit lender, to provide gap lending to companies who are not quite bankable. He noted Craft3 has a portfolio of \$200 million and the expertise of nearly 50 people on staff to get things done.

Councilor Lund reported he's been working on a project in Mason County and the officials there speak very highly of Mr. Matayoshi.

4. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:
- a. Minutes of the regular meeting of November 23, 2015, and the special work session of November 30, 2015;
 - b. Claim Vouchers No. 114270-114395 in the amount of \$1,194,097.79 dated November 30, 2015; and Payroll Vouchers No. 38535-38583, Direct Deposit Payroll Vouchers No. 6589-6676 and Electronic Federal Tax Payment No. 154 in the amount of \$685,266.34 dated November 30, 2015;
 - c. Accept Washington State Transportation Improvement Board Grant in the amount of \$442,260 for the grind and overlay of National Avenue and authorize the city manager to execute the same; and
 - d. Adopt Resolution No. 13-2015 on first and final reading declaring the city of Chehalis to be in a State of Emergency.

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The motion was seconded by Councilor Pope and carried unanimously.

5. **Administration Reports.**

a. **Briefing on Student Firefighter Program.** Fire Chief Ken Cardinale reported his objective is to implement a Student Firefighter Program with a target date of January 2016. He noted the program will provide an opportunity for young youth in the community to get firsthand knowledge of the inner-workings of a fire department. Chief Cardinale provided an overview of the program, which will include:

- Proposal for eight students - each student will be assigned to a specific shift (working at night, during the week, and 24-hour shifts on the weekend)
- Co-op work experience program in coordination with community college fire technology programs
- Students will gain experience in multiple areas of the fire service for both fire and emergency medical services
- Candidates will be selected through a process similar to entry-level firefighters
- Prospective students must meet minimum requirements, to include: currently attending community college (preferred major in fire technology); driver's license; must be 18 years of age and have personal health insurance
- Resumes and applications will be accepted during filing period, and oral interviews will be used to select the most qualified candidates

Chief Cardinale reported the students will not be engaged in any offensive firefighting operations, adding they will strictly ride-along and support the department in post-fire operations. He noted the benefit to the students will include:

- Participants will gain job specific work experience and get a firsthand look into professional firefighting
- Participants will receive the necessary training required to complete the State FFQ Certificate
- Participants will create relationships with firefighters that may assist the student with entry-level testing for firefighting
- Participants will build a Resume
- Participants will see if they are a good fit for the Chehalis fire department and vice versa

Benefits to the Chehalis Fire Department include:

- Student programs save money; a student program has the ability to effectively pre-screen future employees in a way that an interview process never can; saves the city the cost of training an unfit employee
- Student programs can be run at a very low cost relative to the potential savings and benefits it offers
- Will increase the department's exposure for recruiting diverse qualified candidates and provide those candidates with easier transition to being a full-time employee

Benefits to the community include:

- Larger department presence at community events
- Better interaction with neighboring cities resulting from joint training
- Money saved from study program can be used in other places that benefit the city

Chief Cardinale reported the needs for moving forward will include:

- Equipment: one set of personal protective equipment, including fit-tested SCBA masks
- Three sets of uniforms: light blue shirts and dark black jean pants
- Department support for monthly training - Senior Firefighter Derrick Paul has volunteered to be program coordinator
- Small budget, or approval to be included in existing budget

Councilor Spahr asked how many students they would have on staff at any one time.

Chief Cardinale reported on any given day (shift) they would have two on duty, with a total of eight in the program.

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Councilor Lund inquired as to the number of reserve firefighters the city currently has.

Chief Cardinale reported the city has none at this time.

Councilor Lund asked if there are any plans on building up the reserve program.

Chief Cardinale reported they plan to take the reserve program on at the beginning of 2016, as well. He stated they wanted to get the student program started because it's an opportunity for the youth who are already involved in Community College programs and have an interest in firefighting as a career, rather than just being a volunteer.

Councilor Lund inquired as to why the students will not be able to actually help during an emergency situation. Chief Cardinale reported for liability reasons. He noted this is a co-op with the community colleges and they have liability restrictions, which prevents them from doing any offensive operations.

Councilor Lund asked how old someone had to be to volunteer.

Chief Cardinale reported they have to be 18 years old.

Councilor Lund stated if it were up to him he would be spending more time building up the reserve program, before the student program.

Councilor Taylor stated he thought it was a really good program and was surprised at how inexpensive it will be to set up.

b. **Rocky Mountain Power, a Division of PacifiCorp/Chehalis Power Plant Update.** Public Works Director Rick Sahlin reported, on November 30, the city received payment from the Chehalis Generating Facility, which is now part of PacifiCorp, for some ERUs that the city and Chehalis Power agreed on back in 2002. He noted the water division received \$981,032.70, and the wastewater division received \$775,377.

Mr. Sahlin reported the city obligated the power plant 540 ERUs for water and 320 for sewer, and at the time they only paid for 66 ERUs for water and 64 for sewer. He noted the city has tracked their water usage and over the last couple of years their usage has exceeded the number of ERUs they paid for. Mr. Sahlin reported last spring a letter was sent to the facility regarding the situation and in November the city received confirmation stating they wanted to pay for the balance of the ERUs.

City Manager MacReynold reported Mr. Sahlin and the public works staff did a good job meeting with the power plant technical staff to work it out.

c. **Briefing on Cannabis Processing, Production and Growing Facilities in Chehalis Industrial Zones.** Community Development Director Dennis Osborn reported the current city code allows hemp production in the industrial zones of the city. He noted, with the ongoing changes in the marijuana/cannabis laws, the administration wanted to look at adding the word "cannabis" instead of having to interpret the code of hemp to mean cannabis for production and retail.

Mr. Osborn reported the administration had a meeting with Councilor Harris who expressed some concerns and wanted to talk about limiting the number of retail and production facilities within the city.

Councilor Harris reported, not too long ago, the police department was dealing with issues concerning our taverns and bars. He noted one of the things they looked at was limiting the number of licenses for those particular types of businesses, which the council never acted on. Councilor Harris stated he wasn't at the meeting when the ordinance failed to ban marijuana in the community, and in supplement to that he would like to figure out a way to at least limit the number of establishments.

Councilor Harris suggested, since the state is not receiving the type of revenue they anticipated, they're looking at opening it up to where more facilities can be open, rather than limiting the number in certain communities. He stated he would like to get ahead of the game and figure out a way to set some kind of limit on the number of licenses the city wants to issue within the community.

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Mayor Dawes reported the council never had a motion on the floor to outright ban it, adding they just decided to not extend the moratorium. He noted at the time the state decided we would have one retail facility within the community, adding he was fine with just having one.

Mr. Osborn reported he was seeking direction from the council as to whether or not they want to look at limiting the number of production, processing and growing, and retail facilities.

Councilor Ketchum stated he would like to see them limit the number.

City Attorney Hillier suggested they needed be mindful that we've gone with the regulations that simply say we will go by the state's requirements.

Mr. Osborn reported we currently have one retail facility, one production facility, and a couple of licenses/applications in for additional production facilities. He noted we also have one application in for a conditional use for a production facility at the old Alaskan Camper facility located above the public works department.

City Attorney Hillier reported our ethical responsibility is to not only allow the one that's in place and working, but we also have the responsibility to the vested application to process it and see what happens.

City Manager MacReynold asked Mr. Osborn to clarify what the administration intends to bring back for council consideration with reference to city code.

Mr. Osborn reported the things they need to take a look at include: do they want it as an allowance in the industrial zone for the production side, and adding language in the cannabis section of the retail section of the code as to what zone they want that in, especially if they want to limit the number. He stated if the council is worried about that type of growth or impact on the community they would probably want to talk about limiting the gross floor area of a structure. Mr. Osborn suggested they may also want to have a conversation about odor control and those types of issues. He reported the international code really doesn't have anything dealing with controlling marijuana and we certainly won't get any help at the federal level.

Councilor Harris had concerns about the state lifting the requirement of having just one facility in our community, adding now any number of applicants can go through the process and the city has no way of controlling it. He felt it was important to put some kind of limit on the number of processors, as well as store fronts. Councilor Harris suggested they be proactive in figuring out how they want to demonstrate what our community is and what our values are.

City Attorney Hillier stated early legislation limited it to one retail store, adding they didn't say anything about how many processing facilities we can have.

City Manager MacReynold stated, "With reference to the change in the state regulations the 'one' facility no longer applies to us."

City Attorney Hillier stated that's correct. He noted medical marijuana was not considered in that, so there could have been five or six medical marijuana facilities in town, but only one retail store for cannabis for recreational use. City Attorney Hillier reported now that they've merged the two they decided to get away from the number of facilities.

Councilor Taylor asked if they could legally limit the number of businesses that provide this type of service, or any other type of business for that matter.

City Attorney Hillier stated they could.

Councilor Harris stated he was interested in whether or not the council wanted to cap the number of retail marijuana outlets. He suggested they may need to do some more in-depth study about processing plants, adding that would require a much more scientific ordinance.

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Mayor Dawes stated he didn't hear any interest from the council to expand the number of retail stores, or the number of processing facilities other than what we already have.

Councilor Lund asked if they were going to start putting caps on the number of hair stylists, lawyers and hardware stores.

City Manager MacReynold stated the administration is not proposing that, adding they're asking the council what they want since it's their call.

City Attorney Hillier stated there is currently no limitation and the administration is not bringing anything forward to change that, unless the council gives direction that they want it changed.

Councilor Taylor stated it would be interesting to see what they can do to address the odor issue.

City Attorney Hillier suggested that can be worked into the nuisance ordinance, but some research will have to be done first.

Councilor Harris asked if anyone had any objections to asking the administration to come back with an ordinance that will cap it at one retail outlet to start with.

Councilor Spahr stated yes, if it's legal that they can do something like that.

Councilor Harris stated it is legal, adding they could have banned it altogether.

Councilor Spahr stated it seemed odd that you can pick on one industry and limit it.

City Attorney Hillier stated we have the ability to limit the number of establishments, similar to what Centralia is doing with their public drinking facilities.

Councilor Pope stated in the past he brought up something about the number of coffee stands in town and that didn't go anywhere. He suggested if they're going to start limiting people's rights to have certain types of businesses they should make it uniform across the board.

City Manager MacReynold noted they have a great deal of control through the zoning code.

Mr. Osborn reported the council has the right to protect the public's health, safety and general welfare. He stated if they deem this falls under that heading they have the ability to regulate it and to give the administration the direction to do so.

Mayor Dawes reported the council ultimately decided not to extend the moratorium, which allowed it to come into town. He stated he was not interested in being in the top 10 of having marijuana store fronts, nor does he want to be the city that collects the most tax revenue on it. Mayor Dawes suggested if people want to take part in this type of activity they have the opportunity to do so and they will have the opportunity to grow, but he is not interested in having our city be one of the top 10. He stated if the county continues its moratorium and decides to outright ban it, and Centralia has outright banned it, they're all going to come here and he's not sure that's the message they want to send.

Councilor Lund stated it reminded him of years ago when the council realized that some of the non-profit groups and bars were having trouble paying such a high pull-tab tax. He noted they had a group of citizens come to town to say prostitution and all sorts of bad things would happen if we did away with the pull-tab tax; however, our esteemed city attorney reminded them that the county didn't have any pull-tab tax and there was none of that bad stuff going on in the county. Councilor Lund indicated he wasn't really worried about it and suggested capitalism could regulate how many producers and retail fronts they have. He stated he believed what our country was set up on and they should let it go.

Councilor Ketchum stated he supported Councilor Harris' proposal.

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Mayor Dawes stated he was fine with the proposal, as well.

Councilor Lund stated he was against it.

Councilor Taylor stated he was probably against it too.

Councilor Spahr stated he wanted to know what the alternatives are.

Councilor Harris suggested they could change the number to however many they want.

City Manager MacReynold reported most of what they bring back will be straight forward changes and updates to our code, based on the discussion. He stated regulating the number of establishments could be dealt with through a separate ordinance, which will give the council time to think about it.

Mayor Dawes stated that's what they'll do.

Councilor Pope informed the council that the most common drug that has been violated in our city is a prescription drug called Oxycontin.

d. **Consider Cancellation of December 28 Council Meeting.** City Manager MacReynold reported administratively we don't have anything additional and recommended the council's consideration of cancelling the December 28 meeting.

Councilor Taylor moved that the council cancel the meeting of December 28, 2015.

The motion was seconded by Councilor Ketchum and carried unanimously.

6. **Council Reports.**

a. **Update From Councilor Harris.** Councilor Harris reported he's had numerous community members talk to him about all of the things going on in the city. He's also received several complements about the professional manner in which the city employees act and go above and beyond to do their jobs. Councilor Harris stated he wanted to take this opportunity to thank all of the employees of the city.

b. **Update From Councilor Pope.** Councilor Pope talked briefly about the Recreation Park Project, noting the city went through a process that has been very rewarding. He hoped to continue to progress and move forward with the project. Councilor Pope thanked Mr. Osborn, the consultants, City Manager MacReynold and the rest of the Chehalis Parks Committee for the time they've put in to make it work.

c. **Update From Councilor Spahr.** Councilor Spahr reported he attended the Joint Oversight Board meeting regarding the functional consolidation. He also attended the EDC Board meeting, noting there's a degree of confidentiality in the clients they serve and a lot of things going on they can't publically come out and talk about. Councilor Spahr stated Mr. Matayoshi is doing a heck of a good job and hoped we would all benefit from the work he's doing.

d. **Update From Councilor Lund.** Councilor Lund stated it's been such a blessing and joy to work with Councilors Pope and Harris on the Recreation Park Project. He noted they're both progressive and forward looking individuals and they do so much for the community. Councilor Lund reported he also attended the Joint Oversight Board meeting along with Councilor Spahr and Mayor Dawes.

Councilor Lund talked briefly about the old fire bell that was located at the old city hall. He wondered if the council had any suggestions as to what they could do with the bell; whether they wanted to mount it up by the library, or put it somewhere on city hall grounds. Councilor Lund stated, prior to having radios, there was a mechanism in the bell tower that would ding a code to basically tell the volunteers and paid firemen what area of town to go to. He suggested the bell is a unique piece of our history.

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Mayor Dawes thought it was a good idea.

e. **Update From Councilor Taylor.** Councilor Taylor wished everyone a Merry Christmas, including Andy Sennes.

f. **Update From Mayor Dawes.** Mayor Dawes reported he attended the United Way of Lewis County celebration event at the Holiday Inn Express. He also attended the Mayors meeting and An Evening with the Authors at the Lewis County Historical Museum.

Mayor Dawes reported on the Annual Santa Parade, noting it was unfortunate that it rained, but everyone was still pretty happy.

Mayor Dawes talked briefly about the fire consolidation meeting, noting what they ultimately decide on is still in question, but there's a tremendous amount of training and benefit just by the fact that they're working together. He stated regardless of where a fire is located, they'll all be responding to it.

Councilor Harris reported the Fred Meyer Distribution Center sponsored the parade this year. He noted they had a lot of activity on their float, including a snow machine that was blowing snow from half a block away.

7. **Ordinance No. 950-B, Second and Final Reading – Assuming the Functions, Rights and Powers of the Transportation Benefit District.** City Manager MacReynold reported the ordinance was approved on first reading at the previous meeting. He encouraged the council's consideration to move the Transportation Benefit District into our city code and structure.

Councilor Spahr moved to pass Ordinance No. 950-B on second and final reading.

The motion was seconded by Councilor Taylor and carried unanimously.

8. **Ordinance No. 951-B, First Reading – Establishing Vesting Regulations for Land Use Permits.** Mr. Osborn reported the proposed ordinance is based on a court decision that reestablishes our past practice, which allows vesting to occur at the time of a complete application being reviewed and accepted by the city.

Councilor Ketchum moved to pass Ordinance No. 951-B on first reading.

The motion was seconded by Councilor Lund and carried unanimously.

There being no further business to come before the council, the meeting adjourned at 6:05 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of December 14, 2015.