

January 25, 2016

The Chehalis city council met in regular session on Monday, January 25, 2016, in the Chehalis city hall. Mayor Dawes called the meeting to order at 4:30 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, and Chad Taylor. Councilor Ketchum was absent (excused). Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; and Judy Schave, City Clerk.

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 30 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 and reopen the regular meeting at 5:01 p.m. Additional staff included: Glenn Schaffer, Police Chief; Dennis Osborn, Community Development Director; Judy Pectol, Finance Manager; and Peggy Hammer, Human Resources Administrator. Members of the media included Justyna Tomtas from *The Chronicle*.

2. **Public Hearing on Proposed Annexation.** Mayor Dawes closed the regular meeting at 5:03:19 and opened the public hearing.

City Manager MacReynold reported this is the first public hearing on the proposed annexation. He noted the administration is recommending the council extend the public hearing to February 8, 2016, at which time a resolution and ordinance will be presented for their consideration.

Community Development Director Dennis Osborn reported the proposed annexation includes approximately 116 acres. He noted the administration met with a variety of interested stakeholders, including the property owners who received a letter concerning the proposed annexation, the Industrial Commission, the Port of Chehalis, Fire District No. 6, and the Lewis County Commissioners. Mr. Osborn stated it's a fairly limited annexation in terms of scope and impact to services. He noted the only feedback they received from the county was to include Ribelin Road, which is now included in the proposed annexation area.

Mr. Osborn reported the city has an estimated 65 percent of "no protest" petitions, which have been sent to the Lewis County Assessor's Office for their review. He noted it looks to be a fairly straight forward annexation.

Councilor Spahr inquired as to the number of public hearings required for the annexation process.

City Attorney Hillier noted one; however, the city needs to make sure our notice is appropriate for any requirements the state would have, which is why the administration is recommending that it be continued to February 8.

Mayor Dawes read a prepared statement received from Port of Chehalis Executive Director Randy Mueller stating, "The Port of Chehalis fully supports the proposed annexation. The port believes this annexation and similar future ones are consistent with the port's adopted comprehensive plan, and move our community forward in a positive direction. The port understands that the additional service area will place more demands on services and infrastructure, and we look forward to working with our partners at the city to address those needs. Taking this step forward is a bold, visionary move in the right direction and we compliment the city for doing it. We look forward to the day where the entire Chehalis community in the urban growth area is brought into the city limits of our home."

Lewis County Commissioner Bill Schulte reported the county has been in communications with the city on the proposed annexation and they fully support it.

There being no further comments from the public, Mayor Dawes closed the public hearing at 5:08:28 p.m. and reopened the regular meeting.

Councilor Harris moved to continue the public hearing on the proposed annexation to February 8, 2016, at 5:05 p.m.

The motion was seconded by Councilor Lund and carried unanimously.

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

- a. Minutes of the regular meeting of January 11, 2016;
- b. Claim Vouchers No. 114607-114729 and Electronic Funds Transfer No. 122015 in the amount of \$350,360.04 dated January 15, 2016; and Claim Vouchers No. 114730-114795 in the amount of \$445,039.86 dated January 15, 2016; and
- c. Approve 2016 council committee/board appointments.

The motion was seconded by Councilor Lund and carried unanimously.

4. **Administration Reports.**

a. **Quarterly, November and December Financial Reports, and Quarterly Sales and Use Tax Report.** City Manager MacReynold reported, in looking at the end of the year report, almost all of the ending fund balances were better than projected. He noted that is good news for the city, adding he appreciated the city department and program managers who clearly had a significant impact on making that happen.

Finance Manager Judy Pectol reported on the ending fund balance for the airport fund, noting most of that is restricted for the \$1.5 million debt service being held by Lewis County for the balloon payment due June 1, 2017.

Mayor Dawes noted the sales tax revenue came in above last year, which is always good to see.

Ms. Pectol talked briefly about the December financial report, noting one of the reasons the airport came in over budget is because their fuel sales were \$100,000 more than expected.

Councilor Harris reported our airport is a petrol stop for a lot of folks, noting we have some of the lowest fuel prices in Western Washington and the pilots share that information.

5. **Council Reports.**

a. **Update From Councilor Harris.** Councilor Harris reported he attended the Chehalis River Basin Partnership meeting, noting they're going through some very difficult times. He indicated there hasn't been any funding from the state for the organization for a number of years. Councilor Harris stated some members have been pitching in money to keep it alive while they look at different funding options, including developing a 501c3, or contracting with others who have a 501c3. Councilor Harris reported it's getting very frustrating to not be able to accomplish things; although, it continues to be a great place for organizations and entities to come together to share. Councilor Harris reported it looks like they might be getting some direction soon and should know more next month when they meet.

Councilor Harris reported he's received a lot of questions and comments about graffiti being on the rise.

Police Chief Glenn Schaffer reported it's been on the rise for the past two months, adding it comes and goes in phases. He believed the city of Centralia caught a couple of the kids involved, which slowed it down a little. Chief Schaffer stated they keep an eye out for it, but their biggest challenge is getting out to the public to convince them to clean it up.

Councilor Harris suggested there are two types of graffiti; one being recreational and the other being criminal.

Chief Schaffer reported its all criminal. He noted they don't see a whole lot of rivalry tagging, adding it's really hard to tell unless someone posts it specifically. Chief Schaffer reported most of it is just malicious mischief.

b. **Update From Councilor Spahr.** Councilor Spahr reported he and his wife took a mid-winter vacation to Palm Springs in an attempt to chase the sun; however, it rained the first week and snowed in the mountains. He stated they may try it again next year, or maybe go someplace different.

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c. **Update From Councilor Lund.** Councilor Lund reported he attended the Tacoma rail work group meeting where they discussed the Tacoma rail line project.

d. **Update From Councilor Taylor.** Councilor Taylor reported he had been approached by a company that's looking to relocate to our community. He noted they're looking at a particular piece of property, but have some concerns and want to meet with city staff to see if they can be addressed. Councilor Taylor stated he hoped to get the council's support to have staff dedicate some time to work with them to come up with a solution.

Councilor Spahr asked if he was just asking for their approval to have staff communicate with them.

Councilor Taylor stated yes.

Councilor Spahr noted he didn't see a problem with that.

Councilor Lund asked if Councilor Taylor could be more explicit about what he would like them to tell staff, or just say they support the idea and have the city manager write a letter to the company.

City Manager MacReynold reported he's had enough conversations in the past few hours about it and completely understands the issue. He noted his communication to Councilor Taylor was to see what the rest of the council thinks, adding if they're supportive of the administration talking with them he would be happy to set that meeting up and see what they can come up with.

Mayor Dawes suggested they continue with the adopted philosophy of the council, which is to do anything we can, legally, to make sure we encourage people to locate and do business in the city of Chehalis.

Councilor Lund asked if they could put that in writing to the company that's looking to relocate.

City Attorney Hillier suggested it might be more appropriate to let staff communicate that to them.

City Manager MacReynold stated he would be happy to follow up on it.

e. **Update From Mayor Dawes.** Mayor Dawes reported he attended two different receptions for retiring employees. He noted Becky Fox had been with the city for 35 years, and Rich Trotter had been with the city for 30 years. Mayor Dawes stated, in addition to wishing them well, it was also nice to see a lot of former city employees that we don't get to see very often, just to see how they are doing.

Mayor Dawes reported he attended the 2016 Annual Chamber Banquet that was held at Richie Bros. Auctioneers on January 15. He noted they have a very nice facility and he's glad to have them located in our area.

There being no further business to come before the council, the meeting adjourned at 5:25 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 January 25, 2016.**