

CHEHALIS CITY COUNCIL AGENDA
 CITY HALL
 350 N MARKET BOULEVARD, CHEHALIS, WA 98532

Terry F. Harris, District 1, Mayor Pro Tem Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4	Dennis L. Dawes, Position at Large Mayor	Anthony E. Ketchum Sr., District 3 Chad E. Taylor, Position at Large Bob Spahr, Position at Large
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Regular Meeting of Monday, March 14, 2016

5:00 p.m.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
1. <u>Call to Order.</u> (Mayor)		
2. <u>Pledge of Allegiance.</u> (Mayor)		

CITIZENS BUSINESS		
This is an opportunity for members of the audience to address the council on matters not listed elsewhere on the agenda. Speaker identification forms are available at the door and may be given to the city clerk prior to the beginning of the meeting.		

PUBLIC HEARING		
3. <u>Public Hearing on Proposed Chehalis School Annexation.</u> (City Manager, City Attorney, Community Development Director)	CONDUCT PUBLIC HEARING	1
4. <u>Public Hearing on Marijuana Processing, Production and Retail Facilities.</u> (City Manager, City Attorney, Community Development Director)	CONDUCT PUBLIC HEARING	

CONSENT CALENDAR		
5. <u>Minutes of the Special Meeting of February 16, 2016, and the Regular Meeting of February 22, 2016.</u> (City Clerk)	APPROVE	
6. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	
7. <u>Award 2016 Asphalt Bid to Lakeside Industries.</u> (Public Works Director, Street/Stormwater Superintendent)	AWARD 2016 ASPHALT BID	
8. <u>Resolution No. 7-2016, First and Final Reading – Surplus of City Property.</u> (Police Chief)	ADOPT	

ADMINISTRATION AND CITY COUNCIL REPORTS		
9. <u>Administration Reports.</u>		
a. Briefing on county-wide policies process and city suggestions. (City Manager, Community Development Director)	INFORMATION ONLY	
b. Update on Recreation Park/Penny Playground funding proposal and the Green Hill School parking lot discussions. (City Manager, Community Development Director)	INFORMATION ONLY	
10. <u>Council Reports.</u>		
a. Councilor reports. (City Council)	INFORMATION ONLY	
b. Council committee reports. (City Council)	INFORMATION ONLY	

UNFINISHED BUSINESS		
11. <u>Ordinance No. 953-B, Second and Final Reading – Providing for Annexation of the Phase 1 Industrial Annexation.</u> (City Manager, City Attorney, Community Development Director)	PASS	

NEW BUSINESS

- 12. Ordinance No. 954-B, First Reading – Providing for Annexation of the Chehalis School Annexation. (City Manager, City Attorney, Community Development Director)
- 13. Ordinance No. 955-B, First Reading - Repealing Section 6.04.290 (I) of the Chehalis Municipal Code Pertaining to Honeybee Hives. (City Manager, Police Chief)
- 14. Resolution No. 6-2016, First and Final Reading – Renaming a Portion of Northwest Liberty Place (west of the roundabout) to Alta Way. (City Manager, Community Development Director)

PASS

PASS

ADOPT

EXECUTIVE SESSION

- 15. Executive Session Pursuant to RCW 42.30.110(1)(i) – Potential Litigation. (City Manager, City Attorney)
- 16. Executive Session Pursuant to RCW 42.30.110 (1)(d) – Review Negotiations on the Performance of Publicly Bid Contract. (City Manager, City Attorney)
- 17. Executive Session Pursuant to RCW 42.30.110(1)(b) – Purchase or Acquisition of Land. (City Manager)

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON
OTHER ITEMS NOT LISTED ON THIS AGENDA**

NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, MARCH 28, 2016

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: March 14, 2016
TO: The Honorable Mayor and City Council
FROM: Dennis Osborn, Community Development Director
SUBJECT: Public Hearing – School Annexation

ISSUE

The City of Chehalis has met or corresponded with interested parties of the proposed approximately 57 acre annexation commonly referred to as the Chehalis School Annexation. At the February 22 meeting, council set the date of March 14, 2016 for a public hearing on this annexation.

DISCUSSION

The purpose of an Urban Growth Area (UGA) is to designate an area for future annexation by the city. The benefit is that the city provides municipal level services and plans to do so within its Comprehensive Plan to areas in the UGA that are annexed to the city.

The vast majority of the 57 acres is undeveloped land. At this point, there are no impacts to services upon annexation. The School District plans on constructing two schools within the proposed annexation area.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council open the public hearing to take public comment on the proposed annexation.

SUGGESTED MOTION

No action required at this time.

Reviewed:  _____, City Manager

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: March 14, 2016
TO: The Honorable Mayor and City Council
FROM: Dennis Osborn, Community Development Director
SUBJECT: Public Hearing - Cannabis processing, production, and sales.

ISSUE

The Council set a public hearing for March 14, 2016 to take comment on the cannabis issue. At the December 14, 2015 Council meeting, the administration proposed clarifying the zoning code for marijuana production processing and retail. The city currently allows production and processing of cannabis in the Industrial zones and as a conditional use in the General Commercial zone. The sale of cannabis is currently allowed in Commercial zones as retail facilities and is subject to compliance with state law. Hemp production and processing has been listed as a permitted use in the Industrial zone and as a conditional use in the General Commercial zone. The city has interpreted hemp production and processing to be similar to marijuana production and processing which is why there was no municipal code change when I-502 passed. The retail sale of cannabis has been treated as retail sale establishment and allowed in commercial zones. All allowed uses have to meet state requirements for siting the facilities.

DISCUSSION

The administration brought this issue back before Council in December 2015 to discuss changing the municipal code by adding cannabis production and processing as permitted use in the Industrial zones and cannabis sales in the Commercial zone. During the discussion, council stated an interest in limiting the number of retail, production and processing facilities in the city. The concern shared by council is that the city has vacant facilities and lower rents and may unwittingly find ourselves being the cannabis capitol of Washington State.

The administration presented background information to the Planning Commission on the I-502 initiative, as well as a brief history on how the city has dealt with the issue. The administration was directed by the Planning Commission to bring back the following four items to consider as part of their public hearing.

1. Provide draft ordinance for the public to comment on.
2. Provide information on what other cities are doing on this topic.
3. Invite Attorney Bob Schroeter to testify on proposed legislation to limit cities ability to restrict cannabis facilities.

4. To provide the current number of approved facilities in the State of Washington.

The Commission held a public hearing and took testimony from the administration and the public. The Commission recommends that the council:

- Prohibit outdoor production and processing facilities.
- Allow production and processing facilities in the Industrial zones (IL & IH) only as permitted uses. The limited number of available sites in conjunction with the state restrictions would limit the number of facilities.
- Allow retail in the General Commercial and Freeway Commercial zones, and not allow retail in the Central Business District (CBD) zone.

Attached is the material that was provided to the Planning Commission.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council open the public hearing and take public comment on the proposed cannabis restrictions, then close the hearing and consider the proposal from the Planning Commission.

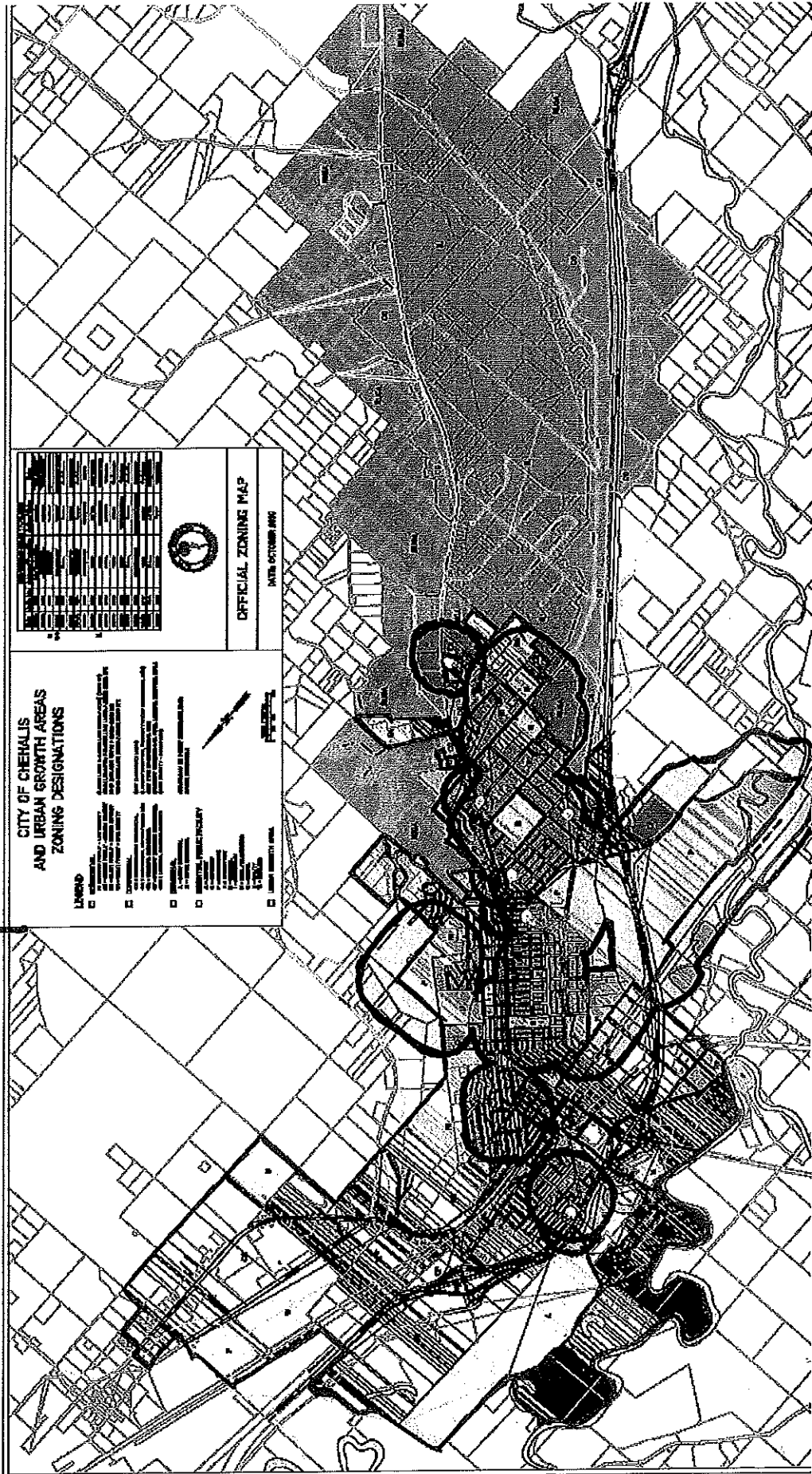
SUGGESTED MOTION

I move to direct the administration to provide the draft ordinance recommended by the Planning Commission in final form for the council to consider at the next regular meeting.

Reviewed: , City Manager

O - Daycare

□ - Schools, Parks, Library



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Washington State Liquor and Cannabis Board

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- Licensing Services

Apply for a Liquor License Marijuana Licensing Renew your License Permits Alcohol Impact
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Tax Unit Tobacco Laws Quiz Report a Violation Education
Alcohol Marijuana Careers

- Business Portal

Business Opportunities Tax and Fee Reporting Licensing Services Small Business Guide Open a Seattle
Restaurant A A

I-502 Implementation

- Official Statement
- I-502 Full Text
- Fact Sheet
- FAQs on I-502
- FAQs on Advertising

- **FAQs on Taxes**
- **FAQs on Retail Lottery**
- **Traceability System**
- **Testing Facility Criteria**
- **Get Email Notifications**

Rule Making

- **Rules**
- **Public Hearing PowerPoint**
- **FAQs on Rules**
- **Label/Product Approval Process**
- **Retail Store Allocations**
- **Labeling by Weight/Volume**
- **BOTEC MMJ Report**

Small Business Impact

- **Amended Small Business Economic Impact Statement**
- **BOTEC White Paper 1**
- **BOTEC White Paper 2**

SEPA

- **SEPA Addendum**
- **SEPA Environmental Checklist**
- **SEPA DNS**
- **Revised BOTEC White Paper**
- **BOTEC White Paper**

Consultant Information

- **BOTEC Summary**
- **BOTEC Bios**
- **BOTEC Reports**



Licensing

Producer licenses issued	Producer/Processor licenses issued	Processor licenses issued	Retail licenses issued
152	577	87	228
Pending build out / applicant place on hold	Producer/Processor pending inspection	Retailer pending inspection	Retailers reporting sales
96	27	11	198 out of 228

Locations



**Washington State
Liquor and Cannabis Board**

Legend

Counties increased by 75%	
Counties increased 100%	
Ban or Moratorium	

Jurisdiction	Allotments	Current or pending license	Proposed Additional Allotment	Total Proposed Allotment	Ban or Moratorium
Adams County					
At Large	2	0	1	3	
Asotin County					
At Large	2	2	1	3	
Benton County					
At Large	2	2	0	2	Moratorium
Kennewick	4	1	0	4	Ban
Richland	3	0	0	3	Ban
West Richland	1	1	0	1	Ban
Chelan County					
At Large	3	3	0	3	Moratorium
Wenatchee	3	2	2	5	
Clallam County					
At Large	3	3	2	5	
Port Angeles	2	2	1	3	
Sequim	1	1	1	2	
Clark County					
At Large	6	5	0	6	Ban
Battle Ground	1	1	1	2	
Camas	1	1	0	1	Ban
Vancouver	6	6	6	12	
Washougal	1	1	0	1	Ban

Columbia County					
At Large	1	0	0	1	Ban

Jurisdiction	Allotments	Current or pending license	Proposed Additional Allotment	Total Proposed Allotment	Ban or Moratorium
Cowlitz County					
At Large	3	3	3	6	
Kelso	1	0	1	2	
Longview	3	3	3	6	
Douglas County					
At Large	2	3	0	2	Moratorium
East Wenatchee	1	1	1	2	
Ferry County					
At Large	1	1	1	2	
Franklin County					
At Large	1	0	0	1	Ban
Pasco	4	3	0	4	Ban
Garfield County					
At Large	1	0	0	1	Ban
Grant County					
At Large	3	2	2	5	
Ephrata	1	1	1	2	
Moses Lake	2	2	1	3	
Quincy	1	0	0	1	Ban
Grays Harbor County					
At Large	3	3	2	5	
Aberdeen	1	2	1	2	
Hoquiam	1	1	1	2	
Ocean Shores	1	1	1	2	
Island County					
At Large	3	3	2	5	
Oak Harbor	1	1	1	2	

Revised store allocation 12/16/16

Jefferson County					
At Large	3	3	2	5	
Port Townsend	1	1	1	2	
Jurisdiction	Allotments	Current or pending license	Proposed Additional Allotment	Total Proposed Allotment	Ban or Moratorium
King County					
At Large	11	11	11	22	
Auburn (part)	2	2	2	4	
Bellevue	4	4	4	8	
Burien	1	0	1	2	
Des Moines	1	1	1	2	
Federal Way	3	4	0	3	Moratorium
Issaquah	1	1	1	2	
Kent	3	3	0	3	Ban
Kirkland	2	2	2	4	
Maple Valley	1	0	1	2	
Mercer Island	1	0	1	2	
Redmond	2	2	2	4	
Renton	3	3	3	6	
Sammamish	1	0	0	1	Ban
SeaTac	1	1	0	1	Ban
Seattle	21	27	21	42	
Shoreline	2	2	2	4	
Tukwila	1	0	1	2	
Kitsap County					
At Large	7	7	7	14	
Bainbridge Island	1	1	1	2	
Bremerton	2	3	2	4	
Kittitas County					
At Large	2	2	1	3	
Ellensburg	2	2	1	3	
Klickitat County					
At Large	3	2	2	5	
Goldendale	1	1	0	1	Ban

Lewis County					
At Large	4	3	3	7	
Centralia	2	2	1	3	
Chehalis	1	1	1	2	
Jurisdiction	Allotments	Current or pending license	Proposed Additional Allotment	Total Proposed Allotment	Ban or Moratorium
Lincoln County					
At Large	2	0	1	3	
Mason County					
At Large	4	4	3	7	
Shelton	1	1	1	2	
Okanogan County					
At Large	4	3	3	7	
Omak	1	1	0	1	Ban
Pacific County					
At Large	2	2	1	3	
Pend Oreille County					
At Large	2	1	1	3	
Pierce County					
At Large	17	17	0	17	Ban
Bonney Lake	1	1	0	1	Ban
Lakewood	2	2	0	2	Ban
Puyallup	2	2	0	2	Ban
Tacoma	8	9	8	16	
University Place	1	0	0	1	Ban
San Juan County					
At Large	0	0	0	0	
San Juan Island	1	1	1	2	
Lopez Island	1	1	1	2	
Orcas Island	1	1	1	2	

Skagit County					
At Large	4	4	4	8	
Anacortes	1	1	1	2	
Burlington	1	1	1	2	
Mount Vernon	3	3	3	6	
Sedro-Woolley	1	1	1	2	
Jurisdiction	Allotments	Current or pending license	Proposed Additional Allotment	Total Proposed Allotment	Ban or Moratorium
Skamania County					
At Large	2	2	1	3	
Snohomish County					
At Large	16	16	16	32	
Arlington	1	1	1	2	
Bothell (part)	1	1	1	2	
Edmonds	2	1	2	4	
Everett	5	5	5	10	
Lake Stevens	1	1	1	2	
Lynnwood	2	2	2	4	
Marysville	3	3	0	3	Ban
Mill Creek	1	1	0	1	Ban
Monroe	1	0	1	2	
Mountlake Terrace	1	1	1	2	
Mukilteo	1	0	1	2	
Spokane County					
At Large	7	7	7	14	
Spokane	8	8	8	16	
Spokane Valley	3	3	0	3	Moratorium
Stevens County					
At Large	4	3	3	7	
Thurston County					
At Large	6	6	6	12	
Lacey	2	2	2	4	
Olympia	2	2	2	4	
Tumwater	1	1	1	2	

Wahkiakum County					
At Large	1	0	1	2	
Walla Walla County					
At Large	2	2	0	2	Ban
Walla Walla	2	2	1	3	
		Current or pending license	Proposed Additional Allotment	Total Proposed Allotment	Ban or Moratorium
Jurisdiction	Allotments				
Whatcom County					
At Large	7	6	7	14	
Bellingham	6	6	6	12	
Ferndale	1	1	1	2	
Lynden	1	0	0	1	Ban
Whitman County					
At Large	1	0	1	2	
Pullman	3	3	2	5	
Yakima County					
At Large	6	5	0	6	Ban
Grandview	1	0	0	1	Ban
Selah	1	0	0	1	Ban
Sunnyside	1	1	0	1	Ban
Yakima	5	5	0	5	Moratorium
Total	334	305	222	556	35

Lewis County					
At Large	4	3	3	7	
Centralia	2	2	1	3	
Chehalis	1	1	1	2	
Jurisdiction	Allotments	Current or pending license	Proposed Additional Allotment	Total Proposed Allotment	Ban or Moratorium

Per RCW 69.50.331(8) the board shall not issue a new marijuana license if the proposed licensed business is within one thousand feet of the following entities.

The distance will be measured as the shortest straight line between the property line of the potential location to the property line of the grounds of the entities listed below:

- Elementary or secondary school;
- Playground;
- Recreation center or facility;
- Child care center;
- Public park;
- Public transit center;
- Library; or
- Any game arcade (where admission is not restricted to persons age twenty-one or older).

Recent legislation allows local governments to reduce the 1000-foot buffer requirements to 100 feet around all entities except elementary and secondary schools and public playgrounds.



Washington State Liquor and Cannabis Board Meeting

Wednesday, January 6, 2016, 10:00 a.m.
LCB Headquarters - Boardroom
3000 Pacific Avenue SE, Olympia WA 98501

Meeting Minutes

1. CALL TO ORDER

Chair Jane Rushford called the special board meeting of the Washington State Liquor Cannabis Board to order at 10:00 a.m. on Wednesday, January 6, 2016. Member Ruthann Kurose was also present.

2. ACTION ITEMS (A-B)

- A. Board Approval to File Supplemental CR 102 of Rules to Implement 2015 Marijuana Legislation
- B. Board Approval of Emergency Marijuana Rules.

ACTION ITEM 2A - Approval to file proposed rules (Supplemental CR 102) to implement 2015 marijuana legislation.

Karen McCall, Agency Rules Coordinator, began the briefing with materials (HANDOUT(S) 2A 1-3). She provided a brief background noting that this rulemaking is the result of 2015 legislation. E2SHB 2136, 2SSB 5052, and SB 5121 were passed during the legislative session. New rules and revisions to current rules are needed to implement these bills.

A CR 102 with proposed rules was originally filed with the Code Reviser's Office on September 23, 2015. Six public hearings were held around the state to obtain input from stakeholders on the proposed rules. The board received many thoughtful comments from our stakeholders. After reviewing the comments the rulemaking group made revisions to the proposed rules based on the comments received at the public hearings.

Karen McCall provided a summary of the changes made based on the comments received.

314-55-020

- Added Employment Security and Labor and Industries (must be up to date on taxes).
- Removed six month residency requirements for financiers.
- Added "Employee Compensation & Benefits Data to operating plan requirements.

314-55-035

- Removed "financiers" from true party of interest matrix.

314-55-077

- Removed language prohibiting the use of terpenes and cannabinoids.
- Removed language prohibiting characterizing flavors for inhalants.
- Added requirements that "Mr. Yuk" stickers must be on all labels for marijuana infused edible solid and liquid products.
- Added language prohibiting marijuana infused products that require baking and cooking.

314-55-079

- Removed the requirements that a retail store must carry a minimum of 25% of their inventory in medical marijuana products after the second year of business.

314-55-081

- Added formula for the number of retail outlets.

314-55-096

- Added section for "education Samples".

314-55-102

- Removed proposed language requiring retesting after 30 days.

314-55-107

- Created new section adding requirements for a marijuana compliant product.

314-55-115

- Added requirements for licensees using a money transmitter as a form of payment for marijuana.

314-55-301

- Changed delivery time from 24 hours to 48 hours.

314-55-430

- Added CO2 as a solvent that can be used for extraction under certain conditions by qualifying patients or designated providers.

Timeline

January 6, 2016	Board is asked to approve filing the proposed rules (Supplemental CR 102 filing)
January 20, 2016	Code Reviser publishes notice, LCB sends notice to rules distribution list
February 10, 2016	Public Hearing
February 10, 2016	End of written comment period
February 24, 2016	Board is asked to adopt rules
February 24, 2016	Agency sends notice to those who commented both at the public hearing and in writing.
February 24, 2016	Agency files adopted rules with the Code Reviser (CR 103)
March 26, 2016	Rules are effective (31 days after filing)

Chair Rushford commented that the Board appreciates all of those that contributed to the changes reflected here today. There was a major investment in going out to six communities. Many participated or provided comments. We brought that information back and took a serious look at where we could make improvements to the proposed rules. Your voices are really important in our process, and we endeavor what is going to make this the safest and best industry possible. Chair Rushford acknowledged the LCB staff for their work. Member Kurose also acknowledged and thanked the stakeholders and staff for the work on the proposed rule.

Ms. McCall then requested approval from the Board to file proposed rules.

MOTION: Member Ruthann Kurose moved to approve the filing of proposed rules (CR 102) to implement 2015 marijuana legislation.

SECOND: Chair Rushford seconded.

ACTION: Motion passed unanimously.

ACTION ITEM 2B - Approval to file Emergency Rules to implement 2015 marijuana legislation.

Karen McCall, Agency Rules Coordinator, began the briefing with materials (HANDOUT(S) 2B 1-3). She provided a brief background noting that this rulemaking is the result of 2015 legislation. E2SHB 2136, 2SSB 5052, were passed during the legislative session. New emergency rules and emergency revisions to current rules are needed to implement sections of these bills to ensure that medical marijuana will be available to patients by the date that collective gardens are mandated to be closed, July 1, 2016. These rules will protect the health and welfare of medical marijuana patients in the state of Washington.

The emergency rules are necessary for the preservation of public health, safety, and general welfare. The board adopted emergency rules on September 23, 2015, that expire on January 21, 2016. New emergency rules are needed until the permanent rules are in effect. These emergency rules will be effective upon filing with the Code Reviser's Office and will expire on April 11, 2016.

The emergency rules will become part of the permanent rulemaking the board opened on July 15, 2015, which also includes revisions to additional marijuana rules in chapter 314-55 WAC.

Timeline

January 6, 2016	Board is asked to approve filing the Emergency Rules
January 6, 2016	The Emergency Rules become effective
April 11, 2016	The Emergency Rules expire.

Ms. McCall then requested approval from the Board to file proposed rules.

MOTION: Member Kurose moved to approve to file Emergency Rules to implement 2015 marijuana legislation.

SECOND: Chair Rushford seconded.

ACTION: Motion passed unanimously.

7. ADDITIONAL BUSINESS

Chair Rushford then invited citizens to address the Board regarding any issues related to LCB business.

Anne Sulton – Owner of a recreational retail location

Ms. Sulton wanted to commend the board and staff for the 227 page board handout made available online. It shows that the board and staff have invested a tremendous amount of time to identify rules and parameters to move forward in this industry. As a retailer in this industry she is particularly appreciative of this effort. There are two areas of this rule she wanted to draw attention to:

1. Concerns with proposed WAC 314-555-083(1) Display of identification badge, There could be possible identity theft issues. Feels that WAC 314-14-555-083(1)(d) is sufficient since they must provide identification to WSLCB enforcement officers.

2. Concerns with proposed WAC 314-55-020(13)(b) Employee compensation and benefits data. She said they start pay at \$15 per hour and feels it is overreach by the government to tell business what the pay and benefit package should be.

Ian Eisenberg – Owner of Uncle Ike's

Uncle Ike's has the medical endorsement, but said it will be very unlikely they will keep the endorsement after July. He is concerned that checking the ID for medical marijuana age issues for those under 21 years of age will be difficult to meet since the pace is faster than he believes people realize. With the medical rules being added it is going to be difficult to enforce sales limits for medical patients. Believes the market is going to be low and the risks too high. Also, insurance is going to be too costly if they sell medical marijuana. Strongly believes that the way to deal with the insurance cost and age issues is to allow new licensees to sell medical only and not recreational.

Annette Atkins – Owner of Hwy 420

Ms. Atkins would like to echo what Ian of Uncle Ike's said. She wanted to also add that with the increased number of stores and competition on a tight budget and cost of doing medical issues that make it difficult to move forward. Would like the board to consider making new licensees medical only.

Eric Gastron – Owner of The Evergreen Market

Mr. Gastron thanked the board for the work they have done. Would like to echo what Ian of Uncle Ike's said. Feels that compliance will be a nightmare with two different types of customers. Example if they sold over 3 oz. of marijuana to a recreational customer they are shut down; if they sold to a patient that with an expired green card, the business would be closed. Insurance companies have concerns with medical marijuana sales and it is going to be too expensive or may not be able to get coverage at all. Would like to see two separate licenses and locations for retail and medical marijuana.

Logan Bowes – CORE

Mr. Bowes wanted to thank the board for the work on the proposed changes, especially the sample changes. Concerned with the number of retail locations that will be allowed. In reviewing both the December 2015 and 2013 BOTEC study the total recreational number stores should be much lower. Feels that the stores are doomed to failure because the market is not large enough to support this many stores. CORE will submit their information in writing.

Issac Leff- Owner of Green Lady

Mr. Leff wanted to thank the board and staff for the work they have done. The Green Lady has concerns with the ID issues and cost. Feels WAC 314-55-10(14) is too expansive and would be difficult to meet the requirements of this section.

April Roth – Uncle Ike's

Would like to see a separate license for medical and recreational.

Jerna Pillert – Hashtag and CORE

Wanted to add her voice to the others who are also requesting a separate license for medical and recreational.

Jim Mullen – The Herberg, Vancouver WA

Would like to voice concerns for stores near the Oregon border. Their market is uniquely disadvantaged due to the Oregon market and lower tax rate. Would like the board to reconsider not allowing more retail locations to open in their area.

Liz Hallock – Attorney

Feels WAC 314-55-10(14) would be difficult since she sometimes has her child in the car for a short time in the parking lot. Concerns with the bundling issues and enforcement. Feels the medical change is going to be successful and just needs time to see how it does work.

Jerry Derevanny – NWCS

The proposed rule and change to require the Mr. Yuk labeling on edibles is not a good change. Feel children will get confused with Mr. Yuk on a cookie and not associating it in the future with poisons. The additional cost is an issue and feels the current childproof packaging is working. They will submit their comments in more detail in writing.

Rebecca Johnson – UFCW

Wanted to thank the board for adding the collection the employee compensation and benefits data to the proposed rule. Would have liked to have seen it be part of the merit based application and be considered in licensee and renewal processes, but thank you for taking this first step.

Jim MasRae

On the lab testing we have expectations that labs will be efficient and produce accurate results. Mr. MasRae points out that there is an odd pattern to the results and has made LCB aware of this and draws attention to the Seattle Times article today. He referenced his blog on <http://www.highintelligence.org/>. He would like to acknowledge that this spring LCB did a good thing giving labs specific direction to report total as THC max. There was high variability of what was reported to that point and it seems to be coming more into line. Some labs are clearly different and what is being reported differs. Feels there could be a threat to public health and loss of trust by the public for the labs. Also said that the BOTEC study is flawed. Mr. MasRea submitted information to LCB.

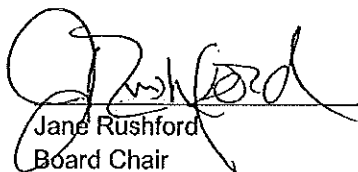
Vicki Christophersen - WACA

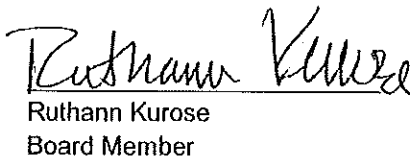
Ms. Christophersen requested that we hold off on issuing licenses in Vancouver area so that further analyses can be done to look at the unique circumstances for that area.

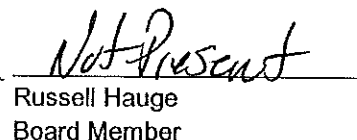
ADJOURN

Chair Rushford adjourned the meeting at 10:50.

Minutes approved this 13 day of January, 2016


Jane Rushford
Board Chair


Ruthann Kurose
Board Member


Russell Hauge
Board Member

Minutes prepared by: Lisa Faker, Executive Assistant to the Board

Dennis Osborn

From: Flannary Collins <fcollins@mrsc.org>
Sent: Wednesday, January 20, 2016 1:55 PM
To: Dennis Osborn
Subject: RE: Marijuana producer and processors

Dennis:

I heard back from the Board. There has never been a cap on the number of processors or producers. They will likely adopt a cap once their contractor completes his evaluation.

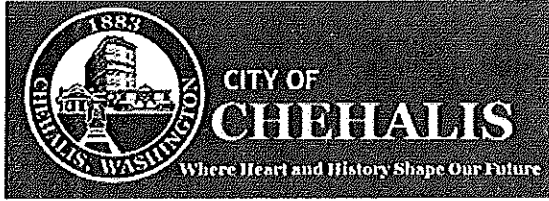
Flannary

From: Flannary Collins
Sent: Tuesday, January 19, 2016 3:28 PM
To: 'Dennis Osborn' <dosborn@cj.chehalis.wa.us>
Subject: Marijuana producer and processors

Below is the email I had drafted while waiting for the Liquor and Cannabis Control Board to call back about whether there has ever been a cap on producer/processors. I am still waiting for that call, but thought I would get this to you in the meantime....

According to the Washington State Liquor and Cannabis Control Board, producer and processor licenses are currently on hold; the Board is not accepting applications or issuing licenses at this time. The only issued licenses are those that were originally issued back in 2013. There are some license applications pending for other reasons, including whether to issue a second license to the same producer/processor. The Board has a [Weekly Marijuana Report](#), which shows the current amount of licenses issued (retailer, producer, processor). They also have a list of issued and pending licenses on their webpage ([Frequently Requested Lists](#) – click on “Marijuana License Applications.”)

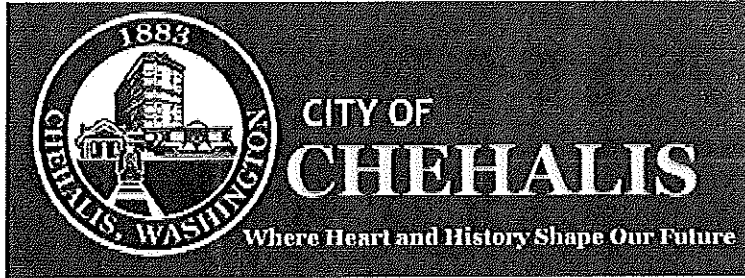
The Board is currently waiting for a hired outside contractor to complete research on “capping” the amount of producer/processor licenses issued. This is the same contractor who provided a report on the methodology for limiting the amount of retailer licenses. The Board expects the contractor to submit their report in spring/summer 2016.



To: Chehalis Planning Commission
From: Dennis Osborn - Community Development Director
Date: January 26, 2016
Subject: Text Amendment – Cannabis

The Chehalis City Council directed the Administration to look at amending the code to directly identify cannabis as a use and to look at restricting the production and processing facilities. This issue was presented to the Planning Commission for a workshop January 12, 2016. At the workshop the Commission requested additional information which is attached.

The January 26, 2016 meeting is a public hearing where the public can provide comment to the Commission on this topic. The Commission directed the Administration to provide a draft for comment. The draft proposal is attached.



MINUTES

CHEHALIS PLANNING COMMISSION MEETING January 12-2016

Chehalis City Hall – Council Chamber - 350 N. Market Blvd

January 26, 2016

6:00 p.m.

Call to Order:

Meeting called to order at 6:00 p.m.

Attendance: Kyle McKerricher, Jeff Mecca, Scott Blinks - Chair, David Fitzpatrick, Craig Steepy - Vice Chair

Absent: Jerry Lord

Present: Dennis Osborn - Community Development Director

Workshop Discussion:

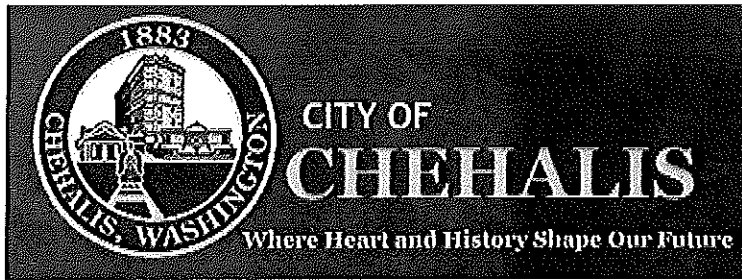
Dennis discussed the Cannabis issue and the history of the state legislation allowing cannabis production, processing, grow facility and sales. Attached is the power point that was presented. Dennis explained that Council directed staff to explore limiting the number of production processing and grow facilities. The state already limits the number of retail facilities. Dennis explained that while Council directed staff to explore the possibility of limiting the number of said facilities, Dennis shared that there were members of Council that were not completely convinced that restricting the number of these facilities is what they want to do; however, the body as a whole provided this direction.

The Commission asked for the following additional information:

- What are similar sized Cities doing;
- The number of production, processing or grow facilities that the state has licensed to date;
- Invite Bob Schroder to cover what legislation is being proposed.
- Provide a draft for the public to comment on in terms of proposed ordinance

Craig Steepy move to adjourn seconded by David Fitzpatrick - motion passed

Meeting Adjourned at approximately 7 PM



MINUTES – Not yet approved by Commission

CHEHALIS PLANNING COMMISSION MEETING/PUBLIC HEARING

Chehalis City Hall – Council Chamber - 350 N. Market Blvd

February 9, 2016

6:00 p.m.

In Attendance: Kyle McKerricher, Jeff Mecca, Scott Blinks - Chair, David Fitzpatrick, Craig Steepy - Vice Chair

Absent: Jerry Lord

Present: Dennis Osborn - Community Development Director

Call to Order: Meeting called to order at 6:00 p.m.

Public Hearing on Cannabis is opened by the Planning Commission Chair:

Dennis discussed the cannabis issue raised by Council, which is to look at limiting the number of producers and processors of cannabis in the City. At the January Planning Commission workshop where Dennis gave an overview of the cannabis issue, the Commission directed Dennis to prepare four things for the Public Hearing: Provide a draft ordinance in order to have something for the public to provide comment, report what are other cities are doing on this topic, invite Bob Schroder to this meeting to provide comment on proposed legislation to limit cities ability to restrict cannabis facilities, and the number of approved facilities in the state. Dennis provided this information. Mr. Schroder did not attend the meeting.

Public Hearing was opened by the PC Chair and the Chair advised the public the Commission is advisory only.

Matthew Martin 18426 Old Hwy 99 West Rochester WA, currently is a licensed medical marijuana retailer in Thurston County in Grand Mound

Matthew wanted to know what the concerns are for production and processing and retail.

Dennis shared that Council is aware that retail is already limited by the state. The direction provided is to look at production and processing facilities being restricted. Dennis said some members of Council expressed concern that the City could be viewed as the cannabis capitol of the state if we have a large number of growers in the City because we have vacant facilities and lower rent. Dennis also shared that some Council members felt this is simply the opportunity for jobs in the City, but the Council as a whole directed staff to look at this issue.

Matthew testified he is in favor of production and retail facilities. The Commission asked if he felt it should be regulated, Matthew shared he felt it self regulates due to available sites along with state restrictions.

There was discussion about retail and medical facilities. Dennis explained he did not get direction from Council about limiting the number of retailers, just producers and processors.

There was a question by the Commission on the proposal if outdoor production facilities would be prohibited, Dennis said yes. Matthew shared that the weather here is not conducive to outdoor facilities.

Dennis shared that the proposal would be to allow production and processing only in the industrial zones and restrict to 60,000 sq. feet of canopy cover (i.e. two tier three producers or six tier 1 producers etc). Also, the draft proposal is to ban outdoor producers and to allow retail in the CF and CG zones.

There was a question from the Commission about restricting retail, would it enhance the black market? Matthew shared yes and provided comment that a market is created for the black market if retail is restricted. Matthew also said the more production also hurts the black market on cannabis by providing an adequate supply to legal retailers.

There was discussion between the Commission and Matthew about the process for combining medical facilities and recreations retail facilities and how it is still being worked out.

The Commission asked if other members of the public wanted to comment.

Summer Chapman, of Sultan, said she has been working with the Lewis County Commission on the cannabis issue and has been several years on this issue with the County. She is trying to get licensed as a processor. She would like to have an option in the City since the County has taken several years to resolve the cannabis facility. She said they were going to move to Franklin County and that the Lewis County Planning Commission realized the City saw revenue from Old Toby and that Lewis County may be shifting. She does not want to leave the County but Chehalis may be the last option without having to leave the area as time is sensitive to get going on her facility.

A Commission member said that the Lewis County Commission was debating on edibles and candy and a concern about the product getting to Children. She said she understands that issue. Summer asked if she could answer any other questions. The Commission asked if she were to stay, would she apply to get an additional license to increase the canopy? She said probably no, the quality is what matters not quantity.

The public hearing was closed. The Commission then went back into regular meeting. There was discussion on thoughts why Bob Schroder did not attend.

The Commission asked Dennis if the proposed limitation can be on square foot canopy cover or number of facilities. Dennis said it could be either, the draft was written with two proposed restrictions to provide discussion points. The issues to date are the one facility has had a couple of complaints about odor, and no issues about retail.

The question was posed why limit to two in the draft proposal, Dennis said because there was no great rationale except that the state limited retail to two and the Council was not hard and fast on restricting this, but wanted to look at it so Dennis used two as jump off point for discussion and the Commission requested something for discussion purposes. The City already has one producer and a CUP approved for a second approval for production along with one retail, and council did not direct staff to look at restricting retail, just production & processing.

A Commissioner felt that restricting it to two production facilities opens the door up to corruption.

The question was posed by a Commissioner, can the Commission remove the proposed 60,000 sq. foot production limitation on canopy cover and maybe there is an in between, maybe eliminate the canopy restriction? Dennis said yes. Dennis was asked if the two growers that are already in the City would satisfy the limitation of two as proposed and there would be no more allowed? Dennis said that is correct.

A Commissioner said he liked limiting the zoning and not restricting the canopy, just having it in the industrial zone would limit the number of facilities. Another Commissioner said the state already regulates the facilities.

Another question raised was how many facilities does the Commission feel they can have to be a cannabis capitol of the state? Dennis said that is a value question as some may say one is too much and other may say 10 isn't enough.

A Commissioner said he likes limiting production and processing just by restricting the use to the Industrial Zone, this combined with state regulations seemed to be restrictive enough. Dennis asked if this included no outdoor growers. Yes the idea is to prohibit outdoor growers. Dennis shared what he heard is prohibit outside production and allow production processing facilities indoor in the industrial zone. That was confirmed.

There were no proposed changes to the draft proposal by the Commission for allowing cannabis retail in the Commercial General and Commercial Freeway zones.

Motion made to strike limitation of square footage on note 16 in the draft ordinance, second and approved by the Commission, the Chair recused himself. Motion passed unanimously with 4 yes and one recused.

Craig Steepy move to adjourn seconded by David Fitzpatrick - motion passed

Meeting Adjourned at approximately 7 PM

Source: Association of Washington Cities - Report

Bill limiting city authority to ban marijuana businesses heard in committee

As AWC reported last week, HB 1438 would limit cities' ability to prohibit the production, processing and sale of marijuana in their communities by requiring any such prohibition to only be enacted by a public vote. Currently cities have the authority to place bans or moratoriums on such activities through ordinances.

The bill was heard in the House Commerce & Gaming Committee on January 12. AWC and the Washington State Association of Counties staff testified in opposition to the bill. However, it appears that a majority of the committee members are supportive of the legislation. In particular, the Committee Chair, Rep. Chris Hurst (D-Enumclaw), said he supports local preemption because he believes bans on marijuana retailers encourage the black market. He believes this increases crime and that for marijuana legalization to work there must be sufficient access to limit the impact of the black market. Given this support, we expect the bill will pass out of committee sometime this week. It will be important for you to express your opposition to this bill by contacting local legislators to keep it from advancing further.

February 16, 2016

The Chehalis city council met in a special session on Tuesday, February 16, 2016, in the Chehalis city hall. Mayor Dawes called the meeting to order at 5:00 p.m. with the following council members present: Bob Spahr, Daryl Lund, and Chad Taylor. Councilors Pope and Ketchum were absent (excused) and Councilor Harris participated telephonically. Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; Judy Schave, City Clerk; 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*.

1. **Review Economic Development Flood Recovery Proposals**. Mayor Dawes reported, at the meeting of February 8, the administration presented an ordinance for an automobile dealership economic assistance program to entice new car dealership growth in the city; however, based on the advice of the City Attorney, no action was taken on the ordinance. The council requested the administration to look at other options and bring something back for their consideration.

City Manager MacReynold provided a brief overview of the options being presented.

- Consider proposed Ordinance No. 952-B

City Manager MacReynold noted the council could ultimately act on this ordinance, but would do so in the face of our legal counsel and the opinion of Municipal Research that we would be challenged.

- Create an Economic Development Flood Recovery District

City Manager MacReynold reported this option would include commercial and industrial zoned properties that are flooded during major flood events. He noted with this option they would need to create a funding source.

- Create an Economic Development Flood Recovery Fund

City Manager MacReynold reported this fund would be made up of general fund taxes, including: five percent of the annual sales tax; two percent of city property tax; and 2.25 percent of general fund utility taxes. He indicated this would generate about \$250,750 annually.

City Manager MacReynold reported the administration is proposing this be a loan program to cover 50 percent of the capital facilities damage from a major flood event that is not covered by insurance and/or FEMA reimbursements to commercial and industrial businesses within the district. He suggested the loan would be interest bearing and amortized over a five year period with monthly payments to the city. City Manager MacReynold stated any commercial or industrial business within the district would need to go through an application process to apply for funding. He indicated the city would take all applications within an identified timeframe and would appropriate the funds based on availability to qualified applicants.

City Manager MacReynold reported this proposal would meet the legal requirements around equal protection and the gifting of public funds. He noted one concern is we'll be taking \$251,000 out of the general fund annually that's used for other services and programs. City Manager MacReynold reported this is a policy decision that the council will need to make.

Councilor Spahr stated the proposed ordinance will not work in his opinion. He also had concerns about funding the flood recovery fund with general fund revenues, noting it would have to come from either decreased services or out of the reserves, unless they raise property taxes to cover it.

City Manager MacReynold stated if the council did a one percent property tax increase it would only add up to about \$12,000 annually. He noted one benefit is the value of a new business coming in would raise property tax values.

Councilor Spahr inquired about the area that would be included in the district.

City Attorney Hillier reported the district would take in all of the historical flood-prone areas, including, but not limited to, State Street, the Miracle Mile, and along Interstate Avenue.

Councilor Lund stated he liked that the proposal would help all businesses and thought it would show other industries,

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whether in the flood zone or not, that the city supports its businesses. He suggested it might also make a difference when corporations are looking to move into the community.

Councilor Taylor stated if they create a district so vast it really wouldn't benefit anybody. He also thought five years was too short of a time and suggested the loans be amortized over a 10-year period at zero percent.

City Attorney Hillier stated the city can't give money away, noting zero percent interest would be considered a gifting of public funds. He reported the council would need to pick a reasonable rate and a period of time in which to amortize the loan. City Attorney Hillier noted the city also needs to be able to make the funding available to anyone that has a history of flooding, which is where the equal protection comes in.

Councilor Taylor reported the original idea was to create an economic tool to attract businesses to our community that would create high sales tax volume. He noted if we didn't attract a business that collects a high amount of sales tax then the city would just be putting money in a fund and end up backfilling somewhere else.

Councilor Harris asked if there had been any conversations with the potential owners of the business to find out how they felt about the proposal.

City Manager MacReynold stated he was not aware of any.

Councilor Harris stated he was hard-pressed to say yes or no right now, adding he wants to first see where the district boundaries will be, how far the money will stretch, and who would be applying for it.

Councilor Taylor indicated he's been trying to stay neutral on the issue since the dealership group is one of his biggest clients.

Councilor Harris stated he would fully support any kind of incentive to bring in business as long as it doesn't break the city.

City Manager MacReynold stated should the council vote in favor of the proposal the administration would bring back an ordinance to identify the boundaries of the district. He noted there would be plenty of opportunity to get public input on the details of what it would look like.

Mayor Dawes reported he had concerns about unintended consequences of any action they take, such as rushing through something without first looking at the mechanics of it.

Mayor Dawes reported he, in good conscience, could not pass the proposed ordinance given the opinions of the City Attorney and Municipal Research. He noted he wanted to make sure that if they do something that they do it for the right reasons. Mayor Dawes stated the council represents the entire city and while he would like to see significant revenue raisers come in, he doesn't want to destroy another part of town to do so.

Councilor Harris felt they needed to take the next step and look at the details to see what they can and cannot do. He noted none of them are foolish enough to mortgage tomorrow to try to pay for something today.

Buck Hubbert, Secretary/Treasurer of Tires, Inc., on State Street, reported they've been flooded a number of times over the years. He noted the FEMA flood insurance they purchased has been very reliable, adding what it doesn't cover they pay themselves.

Mr. Hubbert stated the proposed ordinance is just self-serving and ridiculous. He suggested if this company has already purchased the business the city wouldn't be enticing anything. Mr. Hubbert stated, "How this ever got to the council I have no idea."

Mr. Hubbert stated, in reference to the new proposal, it just didn't make sense. He noted everybody that's been flooded in the past could have used help, but they never brought anything like this to the council. Mr. Hubbert stated this is

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Lewis County/Chehalis and we stand for ourselves. He thought the council should scrap both proposals, noting they can say they've looked at it and found that it would do more harm than good.

Mr. Hubbert suggested the money could be used to repair roads, but surely not put in a fund for businesses that are capable of doing it themselves.

Mayor Dawes stated this council wants to do everything they can to entice businesses to come here, but it has to make good business sense.

Councilor Taylor reported he was the one who brought it to the council, adding the initial idea was to create an ordinance to entice businesses. He noted at the previous meeting the council requested the administration bring back some alternative options that might be worth considering since it was clear that the ordinance wouldn't work.

Councilor Harris stated he definitely appreciated what Mr. Hubbert had to say. He noted after having his ears and eyes opened a bit, the amount of money they're trying to set aside might just end up being a Band-Aid on brain surgery. Councilor Harris reported it's getting harder to see the benefit because of the potential impact. He stated it's looking more like this is not going to be something he can support no matter how much he wants to.

Mayor Dawes reported they asked the administration to come back with something in a short turn-around time and now it's up to the council to give them some direction back.

Councilor Spahr agreed with Councilor Taylor that there wouldn't be enough money to go around to really do any good. He also appreciated what Mr. Hubbert had to say.

Councilor Taylor reported he would still like to figure out a way to give cities more of a say on how they can create different programs to attract new businesses.

Councilor Spahr stated, in his opinion, businesses are looking for government to provide good streets, schools, parks, and an environment for them to come in to do business, not a couple of dollars to shell out if they happen to flood.

Mr. Hubbert stated businesses also expect a good relationship with the city and county regarding permitting. He noted it can be a real issue, adding they would like to see fewer regulations that govern businesses that come in.

Mayor Dawes stated the council would love to see any type of business that can bring in significant sales tax revenue and we'll do whatever we can legally to bring them in.

Mayor Dawes asked if anyone would like to make a motion to follow any of the recommendations. There being no motion, no action was taken.

Mayor Dawes stated they've certainly discussed the issue and received some valuable input from members of the community.

There being no further business to come before the council, the meeting adjourned at 5:48 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the special city council meeting of February 16, 2016.

February 22, 2016

The Chehalis city council met in regular session on Monday, February 22, 2016, 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, and Chad Taylor. Councilor Ketchum arrived at 4:57 p.m. Staff present included: Merlin MacReynold, City Manager; 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)(g) – review qualifications of applicants for approximately 45 minutes and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 4:51 p.m. and announced the council would take a short recess and reopen the regular meeting at 5:00 p.m. Additional staff included: Bill Hillier, City Attorney; Glenn Schaffer, Police Chief; Dennis Osborn, Community Development Director; Judy Pectol, Finance Manager; Peggy Hammer, Human Resources Administrator; Rick Sahlin, Public Works Director; and Don Schmitt, Street/Stormwater Superintendent. Members of the media included Justyna Tomtas from *The Chronicle*.

2. **Citizens Business.**

a. **Rural Tourism Development Workshop Series.** Harry O. Bhagwandin (183 Shady Grove Rd, Onalaska) invited the council to attend an upcoming series of rural tourism development workshops funded by a USDA Rural Business Development Grant through the Community Farmers Market of Chehalis. He noted the first workshop is Saturday, February 20 from 9 a.m. to 4 p.m. at the Lewis County Courthouse. The other workshops are scheduled for March 5, 12, and 19.

b. **Street Name Change Request.** Dave Cochenour (810 NW Liberty Place) reported he submitted paperwork requesting a street name change to the community development department about a month and a half ago. He noted he was following up to see when that might be on the council's agenda for discussion.

Community Development Director Dennis Osborn reported he plans to bring this back after he notifies the other property owners in the area. He noted he's also looking into setting a public hearing to take public comment on the request.

3. **Briefing on Sports Commission.** Public Facilities District Chairman Todd Chaput reported a proposal was brought forward by the hotel industry to form a Tourism Promotional Area (TPA) that would generate funds for a Sports Commission. He noted the funding would come from a \$2 fee per occupied room for all stays in the taxing district. Mr. Chaput noted the original proposal was to go countywide, but they've since pared it down to the Chehalis and Centralia communities. He stated the money generated from this fee would be used to finance the Sports Commission.

Mr. Chaput briefly reported the Commission would be funded via the TPA and the monies would be distributed similar to lodging tax dollars, noting it would first go to Olympia and the Department of Commerce would kick it back to the communities.

Mr. Chaput reported the purpose of the Sports Commission would be to hire a Sports Commission Director to provide marketing and advocate outside sales, facilities development, and coordination and communication. He noted they would also be in charge of coordinating assets to make sure the facilities are utilized to maximize potential income.

Councilor Pope asked if the money collected could be used for capital improvements, and if so, how would it be accessed.

Mr. Chaput reported the Governing Board would establish the direction of the Director. He noted if something is identified as needing improvement they can address it. Mr. Chaput doubted there would be a large sum of money for capital improvements, noting they're only estimating to receive about \$200,000 annually.

Mr. Chaput reported some of the larger events that they plan to compete for expect the facilities to be provided for free, which is something the money can be used for.

Councilor Lund stated he appreciated Mr. Chaput putting this all together, adding it sounded like a really great plan and he would support it.

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Mayor Dawes reported, in concept, it sounds great. He stated it would be nice to get some of those larger events in town. Mayor Dawes hoped that if they're going to request this of both cities that both will be beneficiaries of the type of activities that are going to occur. He also thought the idea of having someone to coordinate everything would be great.

Councilor Taylor thanked Mr. Chaput for his time and effort. He brought up the Firecracker Tournament that takes place in Las Vegas, noting being able to compete with this type of organization is really important and he would definitely support it.

Councilor Spahr stated he supported the concept and would be willing to look at it further to find out more about it.

The consensus of the council was to move the proposed Sports Commission forward.

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

- a. Minutes of the regular meeting of February 8, 2016;
- b. Claim Vouchers No. 114904-115044 and Electronic Funds Transfer No. 12016 in the amount of \$199,828.65 dated February 12, 2016;
- c. Confirm city manager's appointment of Joseph Mano Jr. to the Civil Service Commission for a six-year term expiring February 28, 2022;
- d. Authorize city manager to execute Consultant Agreement with Skillings Connolly, Inc., in an amount up to \$53,231 for the National Avenue Grind and Overlay Project; and
- e. Set the date and time of March 14, 2016, at 5:05 p.m. for a public hearing on marijuana processing and production facilities, along with retail facilities.

The motion was seconded by Councilor Pope and carried unanimously.

5. **Administration Reports.**

a. **January Financial Report.** Finance Manager Judy Pectol reported the revenues are pretty much coming in where she expected them to be for this time of year. She indicated some of the expenses in the general fund are looking rather high, noting this is because we are cash basis and some of the larger expenses, such as the annual financial software expense, are paid in January.

b. **Follow Up on City Code Regarding Honeybee Hives.** Police Chief Glenn Schaffer reported, shortly after the meeting of February 8 when the issue of bees came up, he received a call from a member of the Lewis County Beekeepers Association (LCBA) who had similar questions about the city's ordinances regarding honeybees.

Chief Schaffer indicated the city has two ordinances which address the issue. The first is under the nuisance of animals, which states, "Any animal that trespasses upon the property of another and which interferes with the quiet enjoyment of residential property, or which flies, buzzes, digs or otherwise harasses any person while off the owner's or custodian's property, shall be considered a nuisance animal and shall be abated." The second ordinance, which is the one in question, is under minimum space requirements. It states, "Honeybee hives shall not be located closer than 300 feet to any habitable building; other bee hives and all other insect hives shall not be located closer than 1,000 feet to any habitable building."

Chief Schaffer reported he didn't know where these numbers came from, but suggested the council could certainly do something about it and provided the following options:

- Leave the current ordinance as is
- Repeal the ordinance that restricts the distance, but leave the nuisance ordinance in place

February 22, 2016

- Re-write a more practical ordinance that allows responsible beekeeping

Chief Schaffer provided some examples of restrictions that other agencies are using. He suggested they could certainly come up with something reasonable for our community if that's the direction the council would like to go.

Councilor Spahr stated they really just need something that makes sense and works for the LCBA and the community.

Three members of the LCBA, President Kevin Reichert, Dan Maughan, and Vice President Robert Harris, spoke in support of allowing beehives in the city.

Mr. Reichert reported he met with city staff to discuss the issue. His recommendation to the council was to repeal the ordinance on restrictions, but leave the nuisance ordinance in place.

Mr. Maughan reported there are a lot of feral bees around, adding it would be nice to have people responsibly take care of them. He stated some people just like having them for recreational purposes and suggested the city have an ordinance that allows a responsible number of hives.

Councilor Spahr asked what a responsible number of hives would be for a city lot.

Mr. Maughan stated it depends on the skillset of the beekeeper and the topography.

Mr. Harris reported they are an educational organization. He talked briefly about the program and the strengths of the mentoring process. Mr. Harris suggested the council repeal the ordinance, or perhaps re-work the current ordinance and leave an appropriate nuisance element in place.

After a brief discussion on the options presented, Councilor Lund moved that the administration bring forth an ordinance that would repeal the current restrictions on beehives.

The motion was seconded by Councilor Taylor and carried unanimously.

6. **Citizen Issue with Dispatch.** Mayor Dawes reported he received a call from a citizen who was trying to get a situation taken care of related to parking. He noted the citizen asked to be contacted by an officer and was told by Dispatch that the city didn't have an ordinance against what they were calling about, so there was no need to talk with an officer. Mayor Dawes found it very frustrating that Dispatch is trying to determine what ordinances we have and don't have. He asked Chief Schaffer to pass on to Dispatch that if a citizen wishes to get a phone call from an officer that they give that information to an officer for them to call and find out what the problem is.

Chief Schaffer stated he didn't disagree at all.

City Manager MacReynold clarified that it was a Lewis County dispatcher that refused to pass the information on, not a city employee.

7. **On-Street Parking.** Councilor Pope reported there's an RV parked between the Chevron Station and Jack in the Box on Interstate Avenue. He asked if the city had an ordinance regarding people living in RV's on city streets.

Chief Schaffer stated yes, noting he would look into it.

8. **Council Reports.**

a. **Update From Councilor Pope.** Councilor Pope reported the Chehalis Parks Committee met with the School District in regard to the ballfields, noting it was a very informative meeting. He stated they plan to meet again and would provide more details as they come in.

February 22, 2016

b. **Update From Councilor Taylor.** Councilor Taylor reported Twin Transit is working with the city and county to construct a 'pullout' in front of the Vintage At Chehalis apartment facility. He noted they're working to improve access to the bus line for people who need it.

c. **Update From Mayor Dawes.** Mayor Dawes reported he attended a retirement reception for Ladonna Neiser on February 10, and a meeting at the Port of Chehalis to discuss the recent changes to the permit process. He noted he appreciated the article written by Justyna Tomtas, noting she nailed the progress of the meeting very well.

Mayor Dawes also attended the wine-mixer at I-5 Toyota, a ribbon cutting at the Visiting Nurses Thrift Shoppe on Chehalis Avenue, and the Business After Hours event at Moerke & Sons Pump & Drilling on State Street.

9. **Resolution No. 3-2016, First and Final Reading – Accepting Amended Petition for Annexation of the Phase 1 Industrial Annexation.** Mr. Osborn reported the amended petition before the council for the Phase 1 Industrial Annexation had been signed by more than 60 percent of the assessed valuation of the property owners. He noted two public hearings were held to take public comment on the matter.

Councilor Harris moved that the council adopt Resolution No. 3-2016 on first and final reading to accept the amended petition for annexation of the Phase 1 Industrial Annexation.

The motion was seconded by Councilor Pope and carried unanimously.

10. **Ordinance No. 953-B, First Reading – Providing for Annexation of the Phase 1 Industrial Annexation.** Councilor Spahr moved that the council pass Ordinance No. 953-B on first reading providing for the annexation of the Phase 1 Industrial Annexation.

The motion was seconded by Councilor Pope and carried unanimously.

11. **Resolution No. 5-2016, First and Final Reading – Accepting the Petition for Annexation (known as the Chehalis School Annexation) and Setting the Date and Time of March 14, 2016, at 5:05 p.m. for a Public Hearing.** City Manager MacReynold reported this petition was initially brought to the city by the Chehalis School District for the Shaw property on 20th Street. He noted the associated property owners that would have been negatively impacted, or made islands, were also approached to get their petition signatures. City Manager MacReynold stated the School District alone provided more than 60 percent of the assessed valuation needed and encouraged the council's consideration and approval of the resolution.

Councilor Taylor moved that the council adopt Resolution No. 5-2016 on first and final reading accepting the petition for annexation and setting the date and time of March 14, 2016, at 5:05 p.m. for a public hearing on the Chehalis School Annexation.

The motion was seconded by Councilor Pope 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 February 22, 2016.

CITY OF CHEHALIS
AGENDA REPORT

DATE: February 29, 2016
TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager *JP*
PREPARED BY: Michelle White, Accounting Tech II *MW*
SUBJECT: Vouchers and Transfers

ISSUE

Council approval is requested of the following:

Claim Vouchers No. 115045 through 115132 in the amount of \$192,166.56 dated February 29, 2016 and the transfer of \$90,716.30 from the General Fund, \$425.00 from the 2011 G. O. Bond Fund, \$40,539.59 from the Wastewater Fund, \$35,565.18 from the Water Fund, \$50.55 from the Storm & Surface Water Utility Fund, \$23,843.46 from the Airport Fund and \$1,026.48 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the February 29, 2016 Claim Vouchers No. 115045 through 115132 in the amount of \$192,166.56.

SUGGESTED MOTION

I move to approve the February 29, 2016 Claim Vouchers No. 115045 through 115132 in the amount of \$192,166.56.

Reviewed by: , City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: February 29, 2015
TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager *JP*
PREPARED BY: Michelle White, Accounting Tech II *MW*
SUBJECT: Payroll Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

Payroll Vouchers No.38681 through 38733, Direct Deposit Payroll Vouchers No. 6856 through 6947 and Electronic Federal Tax Payment No. 157 dated February 29, 2016 in the amount of \$729,214.34 and the transfer of \$504,704.09 from the General Fund, \$4,202.43 from the Arterial Street Fund, \$83,991.77 from the Wastewater Fund, \$83,351.62 from the Water Fund, \$17,831.15 from the Storm & Surface Water Utility Fund, \$33,422.59 from the Airport Fund and \$1,710.69 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the February 29, 2016 Payroll Vouchers No. 38681 through 38733, Direct Deposit Payroll Vouchers No. 6856 through 6947, and Electronic Federal Tax Payment No. 157 in the amount of \$729,214.34.

SUGGESTED MOTION

I move to approve the February 29, 2016, Payroll Vouchers No. 38681 through 38733, Direct Deposit Payroll Vouchers No. 6856 through 6947, and Electronic Federal Tax Payment No. 157 in the amount of \$729,214.34.

Reviewed by: *Mae Lynd*, City Manager

CITY OF CHEHALIS

AGENDA REPORT

DATE: March 4, 2016
TO: The Honorable Mayor and City Council
FROM: Rick Sahlin, Public Works Director
Don Schmitt, Street/Strom Superintendent
SUBJECT: Bids for Rock, Gravel, and Asphalt

ISSUE

Bids for rock, gravel, and asphalt to be used by the city in 2016 have been received and tabulated. A list of the bid tabulations is attached. This information is being presented for the council's review and consideration.

DISCUSSION

The administration recently advertised for rock, gravel, and asphalt bids. We received one bid for asphalt, from Lakeside Industries, but did not receive any bids for various rock materials that are anticipated to be needed for maintenance by public works and other city departments in 2016. The bid is based on the materials being picked up by the city at the bidders' site. The bid award recommendations for the various materials are listed on the attached evaluation sheet.

Please note that the administration placed a restriction that all pick-up locations were required to be within 12 miles of Chehalis City Hall because of the high costs of fuel.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the city council award the bid for various asphalt products to Lakeside Industries as noted on the attached 2016 Rock, Gravel, and Asphalt Bid - Evaluation Sheet.

SUGGESTED MOTION

I move that the council award the bid for various asphalt products to Lakeside Industries as recommended.

REVIEWED BY:  _____, CITY MANAGER

2016 Bid Results Rock & Asphalt		Lakeside
1	Snow Sand 3/8"	-
2	Snow Sand 1/4"	-
3	1/4" - Crushed Screenings	-
4	3/8" No. 10 Crushed Screenings	-
5	1/2" - 1/4" Crushed Screenings	-
6	5/8" - 1/4" Crushed Screenings	-
7	Ballast	-
8	Crushed Surfacing Base Course	-
9	Crushed Surfacing Top Course	-
10	Quarry Spalls	-
11	Rip Rap	-
12	1 1/2" Drain Rock	-
13	3" Minus Rock	-
14	Pea Gravel	-
15	Sand, Washed	-
16	_____ (size) Pit Run Rock	-
17	Asphalt Concrete Class "B"	70.00
18	Asphalt Concrete Class "G"	71.00
19	Asphalt Cold Mix Patch Material	115.00
	EZ Street Bulk #50 Bags	\$12.50 each

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: March 1, 2016
TO: The Honorable Mayor and City Council
FROM: Glenn R. Schaffer, Chief of Police
SUBJECT: Resolution No. 7-2016 - Request to Declare Item Surplus

ISSUE

Sgt. Gary Wilson will be retiring effective April 1, 2016 with his actual last day being March 31, 2016. A tradition of the department has been to purchase the retiring individual's service weapon and present it to him.

DISCUSSION

The Police Department contacted a Smith and Wesson representative, which is the brand of weapon the department currently uses. The current value of the duty weapon that is assigned to Sgt. Wilson, a Smith and Wesson Model M&P 40 caliber, Serial Number DTZ8379, is \$444.05.

RECOMMENDATION

The administration is recommending that the council adopt Resolution 7-2016 on first and final reading.

SUGGESTED MOTIONS

I move the council adopt Resolution No. 7-2016 on first and final reading.

Reviewed by  _____, City Manager

RESOLUTION NO. 7-2016

A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON, DECLARING PERSONAL PROPERTY OF THE CITY OF CHEHALIS TO BE SURPLUS AND OF NO FURTHER USE TO THE CITY, AND DIRECTING THE SALE AND DISPOSITION THEREOF.

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO RESOLVE AS FOLLOWS:

Section 1. The following described personal property of the city of Chehalis, Washington, a municipal corporation, shall be, and the same hereby is, declared to be surplus and no longer of necessary use.

CHEHALIS POLICE DEPARTMENT

1. One (1) Smith and Wesson, Model M&P 40 caliber, Serial Number DTZ8379

Section 2. The personal property described herein shall be disposed of by the City Manager.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this 14th day of March, 2016.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: March 14, 2016
TO: The Honorable Mayor and City Council
FROM: Dennis Osborn, Community Development Director
SUBJECT: Ordinance No. 953-B, Second and Final Reading – Providing for Annexation of the Phase 1 Industrial Annexation

ISSUE

The city received an Amended Petition for Annexation signed by a majority of property owners within the proposed annexation area. Attached is Ordinance No. 953-B for Council consideration for second and final reading.

DISCUSSION

The City Council conducted a public hearing on the proposed annexation and passed a resolution to accept the amended petition for annexation. In addition, council passed Ordinance No. 953-B on first reading on February 22 for this annexation proposal. The City has received the Certificate of Sufficiency from the Lewis County Assessor's Office certifying 60% of assessed valuation has been met allowing the annexation to move forward.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends council pass Ordinance No. 953-B on second and final reading for the Phase 1 Industrial Annexation.

SUGGESTED MOTION

I move that the council pass Ordinance No. 953-B on second and final reading for the annexation of Phase 1 Industrial Annexation.

Reviewed:  _____, City Manager

ORDINANCE NO. 953-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
PROVIDING FOR THE ANNEXATION OF THE FOLLOWING
DESCRIBED UNINCORPORATED AREA SITUATE IN THE COUNTY
OF LEWIS, STATE OF WASHINGTON:**

That portion of the Southwest Quarter of Section 3 and the Southeast Quarter of the Southeast Quarter, Government Lots 1 and 2 and the Lewis Johnson Donation Land Claim Number 39, in Section 4, all in Township 13 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

BEGINNING at the southwest corner of said Section 3; thence East 30.00 feet along the south line said Section 3 to the easterly margin of Ribelin County Road; thence $N00^{\circ}49'27''W$ along said easterly margin a distance of 1601.3 feet, more or less to an angle point in said easterly margin of Ribelin County Road; thence Northwesterly a distance 60.5 feet, more or less to the intersection of the northerly margin of Ribelin County Road and the east line of said Section 4; thence $N00^{\circ}49'27''W$ along the west line of said Section 3 a distance of 448.00 feet, more or less, to the northeast corner of said Government Lot 1 and the northeast corner of Tract A of City of Chehalis Boundary Line Adjustment Number BLA-07-131 as recorded under Auditor's File Number 3284480, Records of Lewis County, Washington; thence $S89^{\circ}39'06''W$ along the north line of said Government Lot 1 and the north line of said Government Lot 2 a distance of 1422.25 feet, more or less, to the west margin of SW 22nd Street; thence $S00^{\circ}35'24''W$ a distance of 640 feet, more or less, to the centerline of Dillytwig (also appearing of record as Dillenbaugh) Creek; thence Westerly along said centerline a distance of 910 feet, more or less, to the southeast corner of that parcel described in Warranty Deed recorded under Auditor's File Number 407514, Records of Lewis County, Washington, said parcel also being depicted of record of Record of Survey recorded in Book 7 of Surveys at Pages 46 and 47, Records of Lewis County, Washington; thence $N00^{\circ}37'32''E$ along the east line of said parcel a distance of 282 feet, more or less to the northeast corner of said parcel; thence $N89^{\circ}22'28''W$ along the north line of said parcel a distance of 615.47 feet, more or less, to the southeast corner of Lot 1 in Block 2 of the Plat of Roberts Five Oaks Addition as recorded in Book 4 of Plats at Page 50, Records of Lewis County, Washington; thence North along the east lines of Lots 1, 2 and 3 in said Block 2 a distance of 239.60 feet, more or less, to the northeast corner of Lot 3 in said Block 2; thence West along the north line of said Lot 3 a distance of 239.44 feet, more or less, to the northwest corner of said Lot 3 and the east margin of Bishop Road; thence South along said east margin a distance of 925 feet, more or less, to the intersection of said east margin with the south margin of the Burlington Northern Railroad Right of Way, said point also being the northwest corner of that parcel described in Quit Claim Deed recorded under Auditor's File Number 3029529, Records of Lewis County, Washington; thence $S79^{\circ}46'E$ along said south margin and along the north line of said parcel a distance of 1056.3 feet, more or less, to a point 25 feet

Northwesterly from the center line of the Northern Pacific Railroad spur track; thence Southwesterly parallel with and 25 feet northwesterly of said spur track centerline a distance of 246.66 feet, more or less, to the northerly extension of the west line of that parcel described in Statutory Warranty Deed recorded under Auditor's File Number 3385090 and as depicted on Record of Survey recorded in Book 5 of Surveys at Page 47, Records of Lewis County, Washington; thence S00°41'00"W along the west line and northerly extension of said parcel a distance of 545.79 feet, more or less, to the southwest corner of said parcel; thence S89°19'00"E along the south line of said parcel a distance of 66.17 feet, more or less, to the northwest corner of Parcel A as described in Statutory Warranty Deed recorded under Auditor's File Number 3093788, Records of Lewis County, Washington; thence South along the west line of said Parcel A a distance of 304.46 feet, more or less, to the south line of said Lewis Johnson Donation Land Claim Number 39 and the south line of said Section 4; thence East along the south line of said Donation Land Claim and the south line of said Section 4 a distance of 2272.38 feet, more or less, to the Point of Beginning.

TOGETHER with and subject to covenants, conditions, restrictions and easements, if any, affecting title, which may appear in the public record, including those shown on any recorded plat or survey.

WHEREAS, on the 22nd day of February, 2016 the city of Chehalis, Washington, received an amended Petition for the annexation of property described herein from the owners of more than sixty percent (60%) in value, according to the assessed valuation for general taxation of the property described herein; and

WHEREAS, pursuant to Washington law, the City Council of the city of Chehalis set the date of January 25, 2016, at 5:05 p.m., for a public hearing to consider the Petition for Annexation and continued the public hearing to February 8, 2016, at 5:05 p.m.; and

WHEREAS, notice of said hearing has been published and posted as required by law;

WHEREAS, the County has approved the petition and descriptions of the land to be annexed as required by law; now, therefore,

**THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO
ORDAIN AS FOLLOWS:**

Section 1. The following described unincorporated real property situate in the county of Lewis, state of Washington:

That portion of the Southwest Quarter of Section 3 and the Southeast Quarter of the

Southeast Quarter, Government Lots 1 and 2 and the Lewis Johnson Donation Land Claim Number 39, in Section 4, all in Township 13 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

BEGINNING at the southwest corner of said Section 3; thence East 30.00 feet along the south line said Section 3 to the easterly margin of Ribelin County Road; thence $N00^{\circ}49'27''W$ along said easterly margin a distance of 1601.3 feet, more or less to an angle point in said easterly margin of Ribelin County Road; thence Northwesterly a distance 60.5 feet, more or less to the intersection of the northerly margin of Ribelin County Road and the east line of said Section 4; thence $N00^{\circ}49'27''W$ along the west line of said Section 3 a distance of 448.00 feet, more or less, to the northeast corner of said Government Lot 1 and the northeast corner of Tract A of City of Chehalis Boundary Line Adjustment Number BLA-07-131 as recorded under Auditor's File Number 3284480, Records of Lewis County, Washington; thence $S89^{\circ}39'06''W$ along the north line of said Government Lot 1 and the north line of said Government Lot 2 a distance of 1422.25 feet, more or less, to the west margin of SW 22nd Street; thence $S00^{\circ}35'24''W$ a distance of 640 feet, more or less, to the centerline of Dillytwig (also appearing of record as Dillenbaugh) Creek; thence Westerly along said centerline a distance of 910 feet, more or less, to the southeast corner of that parcel described in Warranty Deed recorded under Auditor's File Number 407514, Records of Lewis County, Washington, said parcel also being depicted of record of Record of Survey recorded in Book 7 of Surveys at Pages 46 and 47, Records of Lewis County, Washington; thence $N00^{\circ}37'32''E$ along the east line of said parcel a distance of 282 feet, more or less to the northeast corner of said parcel; thence $N89^{\circ}22'28''W$ along the north line of said parcel a distance of 615.47 feet, more or less, to the southeast corner of Lot 1 in Block 2 of the Plat of Roberts Five Oaks Addition as recorded in Book 4 of Plats at Page 50, Records of Lewis County, Washington; thence North along the east lines of Lots 1, 2 and 3 in said Block 2 a distance of 239.60 feet, more or less, to the northeast corner of Lot 3 in said Block 2; thence West along the north line of said Lot 3 a distance of 239.44 feet, more or less, to the northwest corner of said Lot 3 and the east margin of Bishop Road; thence South along said east margin a distance of 925 feet, more or less, to the intersection of said east margin with the south margin of the Burlington Northern Railroad Right of Way, said point also being the northwest corner of that parcel described in Quit Claim Deed recorded under Auditor's File Number 3029529, Records of Lewis County, Washington; thence $S79^{\circ}46'E$ along said south margin and along the north line of said parcel a distance of 1056.3 feet, more or less, to a point 25 feet Northwesterly from the center line of the Northern Pacific Railroad spur track; thence Southwesterly parallel with and 25 feet northwesterly of said spur track centerline a distance of 246.66 feet, more or less, to the northerly extension of the west line of that parcel described in Statutory Warranty Deed recorded under Auditor's File Number 3385090 and as depicted on Record of Survey recorded in Book 5 of Surveys at Page 47, Records of Lewis County, Washington; thence $S00^{\circ}41'00''W$ along the west line and northerly extension of said parcel a distance of 545.79 feet, more or less, to the southwest corner of said parcel; thence $S89^{\circ}19'00''E$ along the

south line of said parcel a distance of 66.17 feet, more or less, to the northwest corner of Parcel A as described in Statutory Warranty Deed recorded under Auditor's File Number 3093788, Records of Lewis County, Washington; thence South along the west line of said Parcel A a distance of 304.46 feet, more or less, to the south line of said Lewis Johnson Donation Land Claim Number 39 and the south line of said Section 4; thence East along the south line of said Donation Land Claim and the south line of said Section 4 a distance of 2272.38 feet, more or less, to the Point of Beginning.

TOGETHER with and subject to covenants, conditions, restrictions and easements, if any, affecting title, which may appear in the public record, including those shown on any recorded plat or survey;

shall be, and the same hereby is, annexed to the corporate limits of the city of Chehalis, Washington.

Section 2. The Chehalis City Zoning Ordinance, and the Official Zoning Map contained therein, shall be, and the same hereby are, amended to include the annexed area as presently zoned, consistent with the City's Comprehensive Plan.

Section 3. The effective date of this Ordinance shall be the ___ day of March, 2016.

PASSED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor at a regularly scheduled open public meeting thereof this 14th day of March, 2016.

Mayor

Attest:

City Clerk

Approved as to form and content:

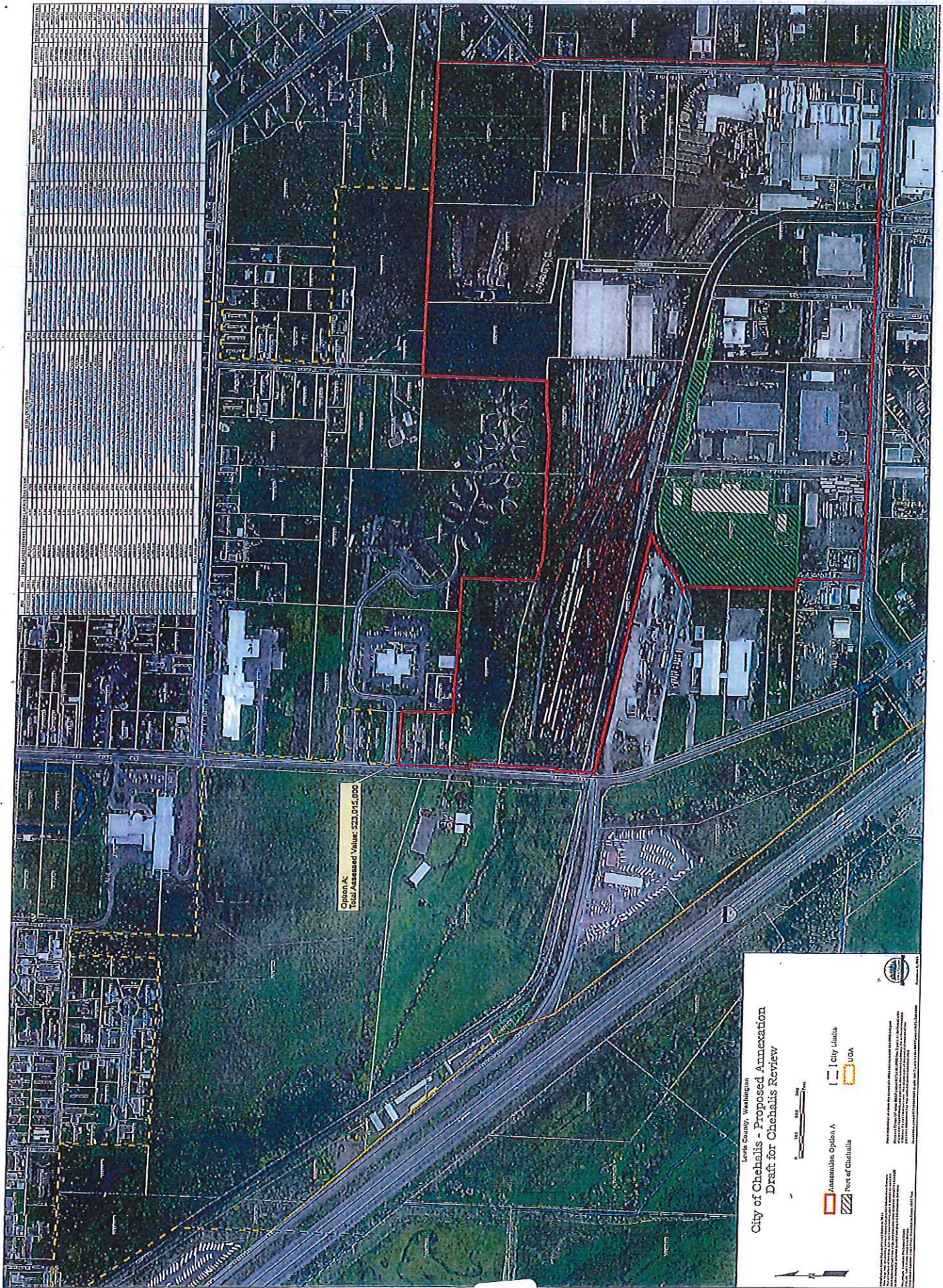
City Attorney

Exhibit "A"

City of Chehalis Annexation description

That portion of the Southwest Quarter of Section 3 and the Southeast Quarter of the Southeast Quarter, Government Lots 1 and 2 and the Lewis Johnson Donation Land Claim Number 39, in Section 4, all in Township 13 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

BEGINNING at the southwest corner of said Section 3; thence East 30.00 feet along the south line said Section 3 to the easterly margin of Ribelin County Road; thence $N00^{\circ}49'27''W$ along said easterly margin a distance of 1601.3 feet, more or less to an angle point in said easterly margin of Ribelin County Road; thence Northwesterly a distance 60.5 feet, more or less to the intersection of the northerly margin of Ribelin County Road and the east line of said Section 4; thence $N00^{\circ}49'27''W$ along the west line of said Section 3 a distance of 448.00 feet, more or less, to the northeast corner of said Government Lot 1 and the northeast corner of Tract A of City of Chehalis Boundary Line Adjustment Number BLA-07-131 as recorded under Auditor's File Number 3284480, Records of Lewis County, Washington; thence $S89^{\circ}39'06''W$ along the north line of said Government Lot 1 and the north line of said Government Lot 2 a distance of 1422.25 feet, more or less, to the west margin of SW 22nd Street; thence $S00^{\circ}35'24''W$ a distance of 640 feet, more or less, to the centerline of Dillytwig (also appearing of record as Dillenbaugh) Creek; thence Westerly along said centerline a distance of 910 feet, more or less, to the southeast corner of that parcel described in Warranty Deed recorded under Auditor's File Number 407514, Records of Lewis County, Washington, said parcel also being depicted of record of Record of Survey recorded in Book 7 of Surveys at Pages 46 and 47, Records of Lewis County, Washington; thence $N00^{\circ}37'32''E$ along the east line of said parcel a distance of 282 feet, more or less to the northeast corner of said parcel; thence $N89^{\circ}22'28''W$ along the north line of said parcel a distance of 615.47 feet, more or less, to the southeast corner of Lot 1 in Block 2 of the Plat of Roberts Five Oaks Addition as recorded in Book 4 of Plats at Page 50, Records of Lewis County, Washington; thence North along the east lines of Lots 1, 2 and 3 in said Block 2 a distance of 239.60 feet, more or less, to the northeast corner of Lot 3 in said Block 2; thence West along the north line of said Lot 3 a distance of 239.44 feet, more or less, to the northwest corner of said Lot 3 and the east margin of Bishop Road; thence South along said east margin a distance of 925 feet, more or less, to the intersection of said east margin with the south margin of the Burlington Northern Railroad Right of Way, said point also being the northwest corner of that parcel described in Quit Claim Deed recorded under Auditor's File Number 3029529, Records of Lewis County, Washington; thence $S79^{\circ}46'E$ along said south margin and along the north line of said parcel a distance of 1056.3 feet, more or less, to a point 25 feet Northwesterly from the center line of the Northern Pacific Railroad spur track; thence Southwesterly parallel with and 25 feet northwesterly of said spur track centerline a distance of 246.66 feet, more or less, to the northerly extension of the west line of that parcel described in Statutory Warranty Deed recorded under Auditor's File Number 3385090 and as depicted on Record of Survey recorded in Book 5 of Surveys at Page 47, Records of Lewis County, Washington; thence $S00^{\circ}41'00''W$ along the west line and northerly extension of said parcel a distance of 545.79 feet, more or less, to the southwest corner of said parcel; thence $S89^{\circ}19'00''E$ along the south





Lewis County Assessor

DIANNE DOREY
ASSESSOR
Marci Miess
Chief Deputy
R. C. Cavazos
Chief Appraiser

CERTIFICATE SHOWING SUFFICIENCY

RE: Chehalis Industrial Annexation (Resolution No. 2-2016, dated 1/11/2016)

I, Dianne Dorey, Assessor for Lewis County, Washington, hereby certify that I have examined the amended petition (RCW 35A.14.120) for the proposed annexation to the City of Chehalis. The submitted legal description sufficiently describes the areas desired to be annexed and the adjacent roads and right-of ways. Said properties are lying contiguous to the present boundary line of the Chehalis City Limits. I find that the said petition contains a sufficient number of signatures signed and dated by the owners of not less than sixty percent of the value according to the assessed valuation of the designated area which the annexation is petitioned.

Dated this 7th day of March, 2016.

A handwritten signature in cursive script that reads "Dianne Dorey".

Dianne Dorey
Lewis County Assessor

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: March 14, 2016
TO: The Honorable Mayor and City Council
FROM: Dennis Osborn, Community Development Director
SUBJECT: Ordinance No. 954-B, First Reading – Providing for Annexation of the Chehalis School Annexation

ISSUE

The city received a Petition for Annexation signed by a majority of property owners within the proposed annexation area of approximately 57 acres. Attached is Ordinance No. 954-B for council consideration.

DISCUSSION

On February 22, the council held a public hearing and passed a resolution to accept the Petition for Annexation. The city has received the Certificate of Sufficiency for the annexation proposal from the Lewis County Assessor's Office certifying the 60% of assessed valuation has been met allowing the annexation to move forward. Before Council is Ordinance 954-B for first reading.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council pass Ordinance No. 954-B on first reading providing for the annexation of the Chehalis School Annexation.

SUGGESTED MOTION

I move that the council pass Ordinance No. 954-B on first reading providing for the annexation of Chehalis School District Annexation.

Reviewed:  _____, City Manager

ORDINANCE NO. 954-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
PROVIDING FOR THE ANNEXATION OF THE FOLLOWING
DESCRIBED UNINCORPORATED AREA SITUATE IN THE COUNTY OF
LEWIS, STATE OF WASHINGTON:**

That portion of the Lewis Johnson Donation Land Claim in Sections 4 and 5,
Township 13 North, Range 2 West, W.M. in Lewis County, Washington
described as follows:

COMMENCING at the northwest corner of said Section 4; thence S00°10'44"E along the west line of said Section a distance of 1607.14 feet to the north line of the Lewis Johnson Donation Land Claim and the True Point of Beginning; thence N89°30'08"W along said north line a distance of 365.31 feet to the northeasterly margin of the Burlington Northern Santa Fe (formerly C. C. & C) Railroad right of way; thence S35°08'39"E along said margin a distance of 637.40 feet to the west line of said Section 4; thence S00°10'44"E along said west line a distance of 459.51 feet to the northeasterly margin of Interstate Avenue; thence S39°35'04"E along said margin a distance of 540.27 feet to the southwest corner of that parcel described in Quit Claim Deed recorded under Auditor's File Number 3424766, Records of Lewis County, Washington; thence S84°33'42"E along the south line of said parcel a distance of 1292.81 feet; thence S73°47'42"E along said south line a distance of 467.80 feet to the west margin of Bishop County Road; thence S88°59'42"E a distance of 60.00 feet to the east margin of Bishop County Road; thence N00°32'18"E along said east margin a distance of 1058.75 feet to the easterly extension of the south line of that parcel depicted on Record of Survey recorded in Book 7 of Surveys at Page 172, Records of Lewis County, Washington; thence N89°34'30"W along said south line and extension thereof a distance of 821.02 feet to the southwest corner of said parcel; thence N00°33'33"E along the west line of said parcel a distance of 571.65 feet to the south margin of Fair Avenue and the north line of said Lewis Johnson Donation Land Claim; thence N89°30'08"W along said south margin and north line a distance of 210.10 feet to the northerly extension of the east line of the Plat of Ruzicka Court as recorded in Volume 6 of Plats at Page 70, Records of Lewis County, Washington; thence S00°08'52"W along said extension and east line a distance of 406.00 feet to the southeast corner of said Plat; thence N89°30'08"W along the south line of said Plat and the south line of the Plat of JB Armstrong's First Addition to Chehalis, Washington as recorded in Volume 5 of Plats at Page 122, Records of Lewis County, Washington a distance of 752.32 feet to the southwest corner of said JB Armstrong's First Addition; thence N00°09'52"E along the west line of said Plat and the northerly extension thereof a distance of 406.00 feet to the south margin of Fair Avenue and the north line of said Lewis Johnson Donation Land Claim; thence N89°30'08"W along said south margin and north line a distance of 375.79 feet to the True Point of Beginning.

ALSO, Lot 2 and 3 in Block 1 of the Plat of Roberts Five Oaks Addition as recorded in Book 4 of Plats, at Page 50, Records of Lewis County, Washington.

WHEREAS, on the 16th day of February, 2016, the city of Chehalis, Washington, received a Petition for the annexation of property described herein from the owners of more than sixty percent (60%) in value, according to the assessed valuation for general taxation of the property described herein; and

WHEREAS, pursuant to Washington law, the City Council of the city of Chehalis set the date of March 14, 2016, at 5:05 p.m., for a public hearing to consider the Petition for Annexation; and

WHEREAS, notice of said hearing has been published and posted as required by law;

WHEREAS, the County has approved the petition and descriptions of the land to be annexed as required by law; now, therefore,

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO

ORDAIN AS FOLLOWS:

Section 1. The following described unincorporated real property situate in the county of Lewis, state of Washington:

That portion of the Lewis Johnson Donation Land Claim in Sections 4 and 5, Township 13 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

COMMENCING at the northwest corner of said Section 4; thence S00°10'44"E along the west line of said Section a distance of 1607.14 feet to the north line of the Lewis Johnson Donation Land Claim and the True Point of Beginning; thence N89°30'08"W along said north line a distance of 365.31 feet to the northeasterly margin of the Burlington Northern Santa Fe (formerly C. C. & C) Railroad right of way; thence S35°08'39"E along said margin a distance of 637.40 feet to the west line of said Section 4; thence S00°10'44"E along said west line a distance of 459.51 feet to the northeasterly margin of Interstate Avenue; thence S39°35'04"E along said margin a distance of 540.27 feet to the southwest corner of that parcel described in Quit Claim Deed recorded under Auditor's File Number 3424766, Records of Lewis County, Washington; thence S84°33'42"E along the south line of said parcel a distance of 1292.81 feet; thence S73°47'42"E along said south line a distance of 467.80 feet to the west margin of Bishop County Road; thence S88°59'42"E a distance of 60.00 feet to the east margin of Bishop County Road; thence

N00°32'18"E along said east margin a distance of 1058.75 feet to the easterly extension of the south line of that parcel depicted on Record of Survey recorded in Book 7 of Surveys at Page 172, Records of Lewis County, Washington; thence N89°34'30"W along said south line and extension thereof a distance of 821.02 feet to the southwest corner of said parcel; thence N00°33'33"E along the west line of said parcel a distance of 571.65 feet to the south margin of Fair Avenue and the north line of said Lewis Johnson Donation Land Claim; thence N89°30'08"W along said south margin and north line a distance of 210.10 feet to the northerly extension of the east line of the Plat of Ruzicka Court as recorded in Volume 6 of Plats at Page 70, Records of Lewis County, Washington; thence S00°08'52"W along said extension and east line a distance of 406.00 feet to the southeast corner of said Plat; thence N89°30'08"W along the south line of said Plat and the south line of the Plat of JB Armstrong's First Addition to Chehalis, Washington as recorded in Volume 5 of Plats at Page 122, Records of Lewis County, Washington a distance of 752.32 feet to the southwest corner of said JB Armstrong's First Addition; thence N00°09'52"E along the west line of said Plat and the northerly extension thereof a distance of 406.00 feet to the south margin of Fair Avenue and the north line of said Lewis Johnson Donation Land Claim; thence N89°30'08"W along said south margin and north line a distance of 375.79 feet to the True Point of Beginning.

ALSO, Lot 2 and 3 in Block 1 of the Plat of Roberts Five Oaks Addition as recorded in Book 4 of Plats, at Page 50, Records of Lewis County, Washington;

shall be, and the same hereby is, annexed to the corporate limits of the city of Chehalis, Washington.

Section 2. The Chehalis City Zoning Ordinance, and the Official Zoning Map shall be, and the same hereby are, amended to include the annexed area and zone the school owned property Essential Public Facility (EPF) and the remaining properties General Commercial, consistent with the City's Comprehensive Plan as exists now or amended.

Section 3. The effective date of this Ordinance shall be the _____ day of _____, 2016.

PASSED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor at a regularly scheduled open public meeting thereof this _____ day of _____, 2016.

Mayor

Attest:

City Clerk

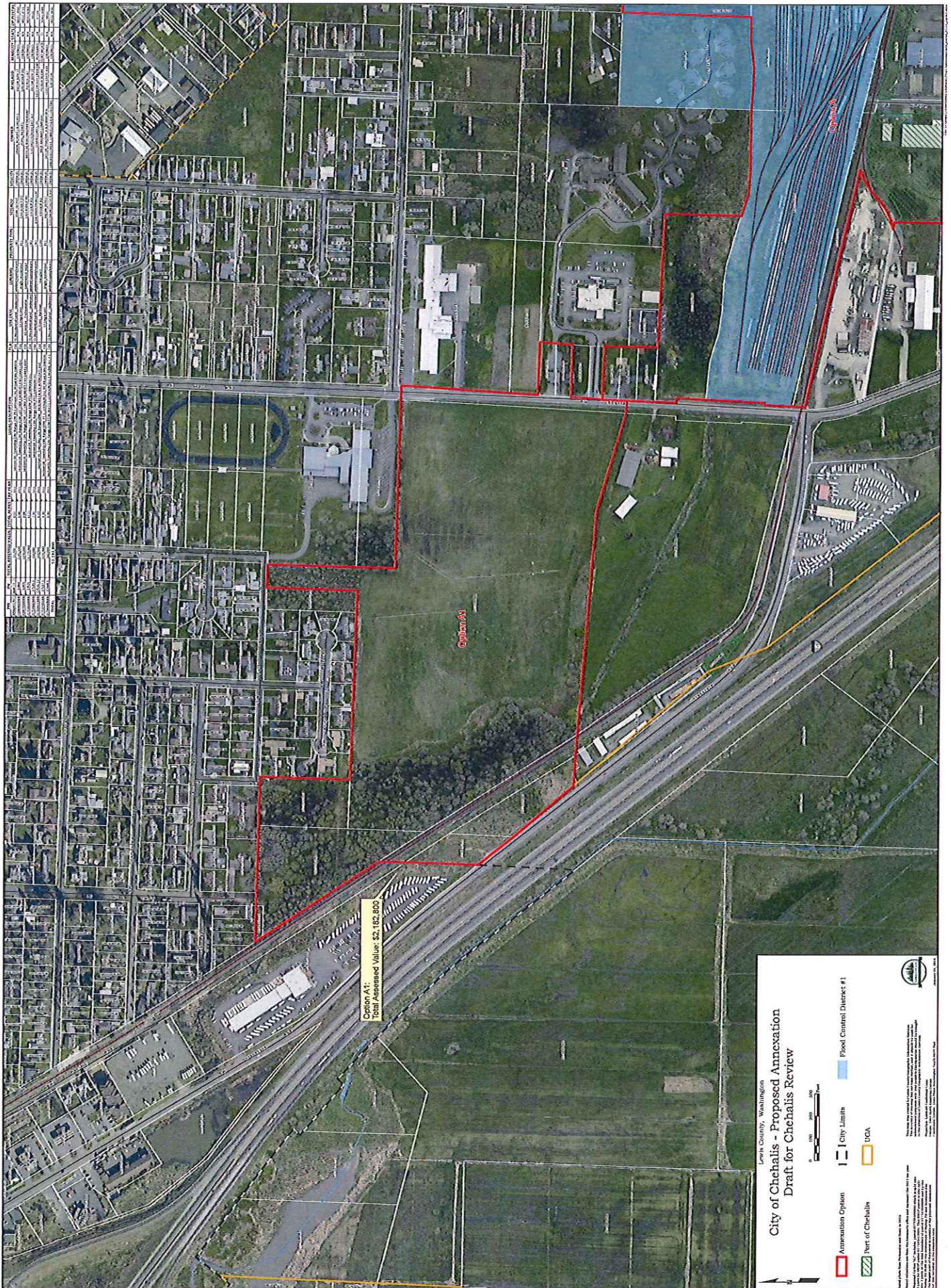
Approved as to form and content:

City Attorney

That portion of the Lewis Johnson Donation Land Claim in Sections 4 and 5, Township 13 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

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ALSO, Lot 2 and 3 in Block 1 of the Plat of Roberts Five Oaks Addition as recorded in Book 4 of Plats, at Page 50, Records of Lewis County, Washington.





Lewis County Assessor

DIANNE DOREY
ASSESSOR
Marci Miess
Chief Deputy
R. C. Cavazos
Chief Appraiser

CERTIFICATE SHOWING SUFFICIENCY

RE: Chehalis Property Annexation Adjacent to Chehalis Schools

I, Dianne Dorey, Assessor for Lewis County, Washington, hereby certify that I have examined the petition (RCW 35A.14.120), for the proposed annexation to the City of Chehalis. The submitted legal description sufficiently describes seven Lewis County Tax Parcels and the adjacent roads and right-of way. Said properties are lying contiguous to the present boundary line of the Chehalis City Limits. I find that the said petition contains a sufficient number of signatures signed and dated by the owners of not less than sixty per cent of the value according to the assessed valuation of the designated area for which the annexation is petitioned.

Dated this 7th day of March, 2016.

Handwritten signature of Dianne Dorey in cursive.

Dianne Dorey
Lewis County Assessor

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: March 8, 2016

TO: The Honorable Mayor and City Council

FROM: Glenn Schaffer, Police Chief

SUBJECT: Ordinance No. 955-B, First Reading - Repealing Section 6.04.290(I) of the Chehalis Municipal Code

ISSUE

On February 8, council discussed the city's current code on honeybee hives. The administration was asked to look to see if there would be any benefit to changing the code to be less restrictive on the requirements of such hives within the city.

DISCUSSION

At the meeting of February 22, the administration provided the council with an update on the city's current code related to bees. It was reported that the city has two separate codes within the animal control ordinance. The first is Section 6.04.260(D) – Nuisance Animals. This section addresses the trespassing of animals upon the property of another, to include any animal that flies, buzzes, digs or otherwise harasses any person while off the owner's or custodian's property. The second is Section 6.04.290(I). This section addresses minimum space requirements, and states, "Honeybee hives shall not be located closer than 300 feet to any habitable building; other bee hives and all other insect hives shall not be located closer than 1,000 feet to any habitable building."

The Council heard from three members of the Lewis County Beekeepers Association who supported the council repealing the minimum space requirements for honeybee hives, while leaving the nuisance code in place to address any issues that could come up in the future.

At the end of the discussion, Council directed the administration to prepare an ordinance to repeal the minimum space requirements for honeybee hives in the city of Chehalis.

Because there is no financial impact council may choose to suspend the rules requiring two readings of an ordinance and pass it on first and final reading.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends the council suspend the rules requiring two readings of an ordinance and pass Ordinance No. 955-B on first and final reading, repealing Section 6.04.290(I) of the Chehalis Municipal Code.

SUGGESTED MOTION

I move that the council suspend the rules requiring two readings of an ordinance.

I move that the council pass Ordinance No. 955-B on first and final reading, repealing Section 6.04.290(I) of the Chehalis Municipal Code.

Reviewed by: , City Manager

ORDINANCE NO. 955-B

**AN ORDINANCE OF THE CITY OF CHEHALIS,
WASHINGTON, REPEALING SECTION 6.04.290(I)
OF ORDINANCE NO. 895-B, AND ESTABLISHING
AN EFFECTIVE DATE HEREOF.**

**THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO
HEREBY RESOLVE AS FOLLOWS:**

Section 1. Section 6.04.290(I) of Ordinance 895-B shall be and the same hereby is repealed in its entirety.

Section 2. This Ordinance shall be published by an approved summary consistent of the title. This Ordinance shall be effective five (5) days after publication provided by law.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2016.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: March 14, 2014

TO: The Honorable Mayor and City Council

FROM: Dennis Osborn, Community Development Director

SUBJECT: Resolution No. 6-2016, First and Final Reading – Renaming Northwest Liberty Place to Northwest Alta Way

ISSUE

The administration received a request from ALTA Forest Products to rename a portion of Northwest Liberty Place to Northwest Alta Way (see attached map). Alta Forest Products recently constructed their office location just north and adjacent to Northwest Liberty Place. Attached is a resolution for consideration that would rename the street as proposed.

DISCUSSION

The request went out for comment to the DRC and no objections were raised by members of the DRC. The administration contacted the only other adjacent property owner to see if there were any objections to the proposed rename of the street. Timberland Bank is the owner of the adjacent vacant properties and staff received via email a statement saying that Timberland Bank has no objections. The request from ALTA is to rename Northwest Liberty Place to Northwest Alta Way. Section 17.83.070 (D) (5) states: “Places” are streets parallel to but between streets. And Section 17.83.070 (D) (6) states: “Ways” are streets parallel to but between avenues. The attached map shows several streets named “Places” that run perpendicular to streets instead of parallel. There were no issues with the proposed rename in the DRC review.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that council adopt Resolution No 6-2016 renaming a portion of Northwest Liberty Place to Northwest Alta Way.

SUGGESTED MOTION

I move that the council adopt Resolution No. 6-2016 on first and final reading, as presented.

Reviewed: Mac Dlyuh, City Manager

RESOLUTION NO. 6-2016

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, RENAMING THAT PORTION OF
NORTHWEST LIBERTY PLACE LYING WEST OF
THE ROUNDABOUT TO NORTHWEST ALTA WAY, AND
PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

WHEREAS, the Chehalis Development Review Committee has received a request to change a specific address on Northwest Liberty Place to an address on Northwest Alta Way; and

WHEREAS, said request involves renaming a portion of an existing street in Chehalis; and

WHEREAS, Chehalis Municipal Code Chapter 17.83 specifies how street names and house numbering shall occur within the city; and

WHEREAS, the Chehalis Development Review Committee has found the request to be reasonable under the circumstances and has no objections of said requested change; now, therefore,

**THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DOES
HEREBY RESOLVE AS FOLLOWS:**

Section 1. That portion of Northwest Liberty Place lying west of the roundabout shall be, and the same hereby is, renamed to Northwest Alta Way.

Section 2. The effective date of this Resolution shall be immediately upon its adoption.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this 14th day of March, 2016.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

SALES ADDRESS: 714 West Main Suite A, Chehalis, WA 98532 1.800.599-5596
CORPORATE ADDRESS: PO Box 1328, Morton, WA 98356



January 20th, 2016

Dear City of Chehalis,

Alta Forest Products LLC would like to make a formal request and have the street that runs in front of our new office re-named to "Alta Way". Currently Liberty Place runs from Main Street to the roundabout and turns left towards our new office building. We only want to change the name of the part of Liberty Place that turns left from the roundabout.

Current Address: 810 NW Liberty Place, Chehalis WA 98532
Proposed Address: 810 NW Alta Way, Chehalis WA 98532

Thanks you for you time and we look forward in hearing from you soon.

Best regards,

Dave Cochenour
National Account Manager
Alta Forest Products LLC
800-599-5596

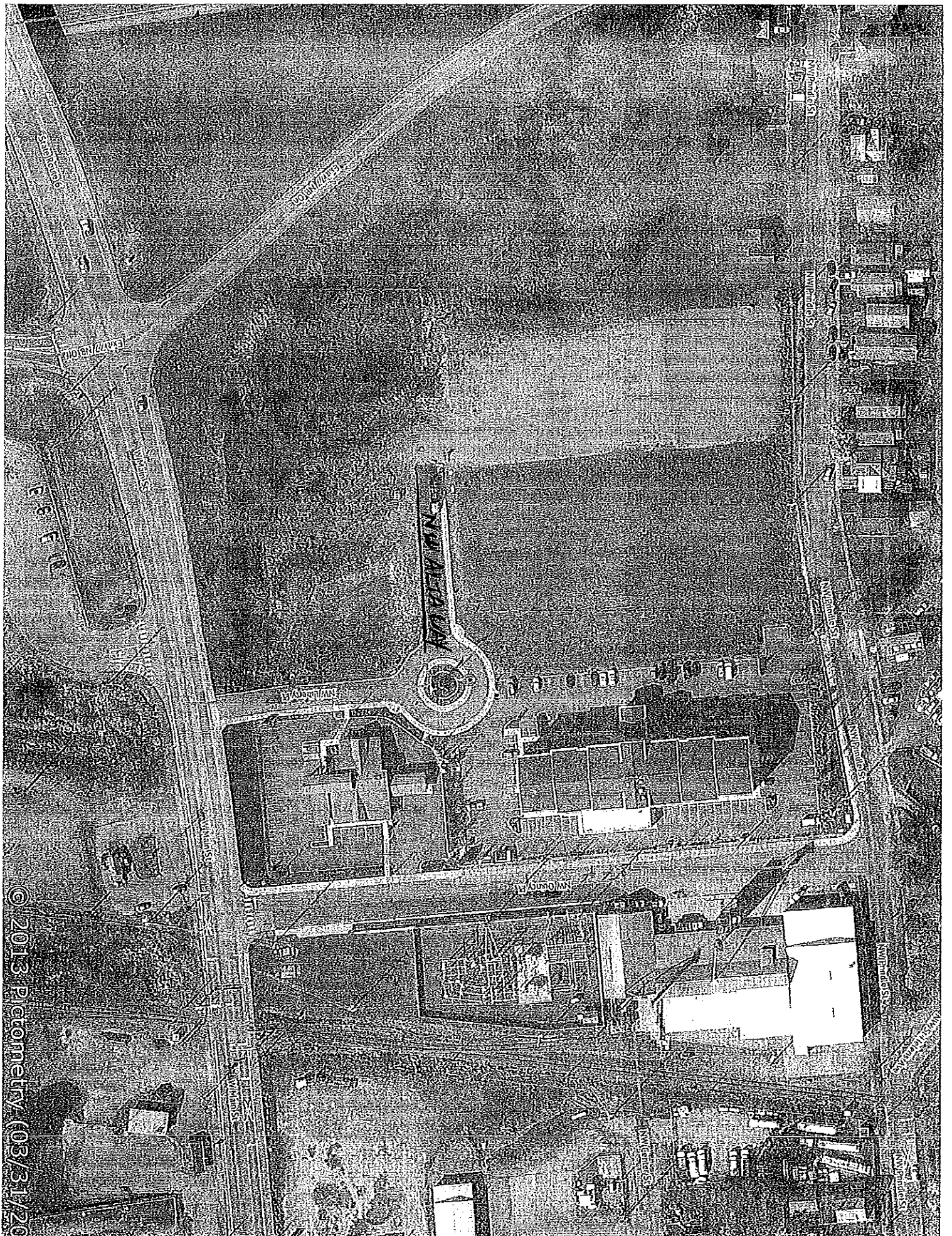
JAN 22 2016

MORTON SAWMILL:
318 STATE ROUTE 7
MORTON, WA 98356

AMANDA PARK SAWMILL:
7127 US HWY 101
AMANDA PARK, WA 98526

SHELTON SAWMILL:
780 WEST HIGHWAY 108
SHELTON, WA 98584

NAPLES SAWMILL:
242 STAGECOACH ROAD
NAPLES. ID 83847



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