

July 27, 2020

The Chehalis city council met in regular session on Monday, July 27, 2020. Mayor Dennis Dawes (present in the council chambers) called the meeting to order at 5:02 pm with the following council members present via Zoom: Tony Ketchum; Jerry Lord; Daryl Lund; Dr. Isaac Pope; Bob Spahr; and Chad Taylor. Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Erin Hillier, City Attorney (Zoom); Trent Loughheed, Public Works Director; and Chun Saul, Finance Director. Due to orders from the Governor's office relating to COVID-19, members of the public and the press were able to view the meeting via live streaming or via telephone through Zoom. The public was also provided a process for submitting comments prior to the meeting.

1. **Citizens Business – Chehalis Basin Board.** Commissioner Edna Fund (present via Zoom) spoke about a letter from the Governor to members of the Chehalis Basin Board regarding the water retention facility project. She stated the letter did not mean the water retention facility was no longer an option as some reporting had indicated.

Mayor Dawes stated no other comments were received from the public.

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

- a. Minutes of the regular city council meeting of July 13, 2020;
- b. July 15, 2020 Claim Vouchers No. 129477 – 129615 and Electronic Funds Transfer Check No. 62020 and 620201 in the amount of \$1,056,525.46; and
- c. Amendment No. 2 to engineering services agreement with Gibbs & Olson in the amount of \$9,670 for the Riverside Force Main Replacement Project.

The motion was seconded by Councilor Taylor and carried unanimously.

3. **Interlocal Agreement with Lewis County for Flood Warning System Cost Sharing.** Trent Loughheed stated that in 2014, the city entered into an interlocal agreement with Lewis County for operating and maintaining the Chehalis River flood warning system. The agreement expired and a new agreement for 2020 – 2025 was being proposed. As a beneficiary of the system, the city paid the county a percentage of the annual maintenance cost assessed by the county on behalf of the Flood Authority. The cost allocation model to determine the fees charged to each jurisdiction were based on a basin-wide population charge and a historic flood damage-based charge. Mr. Loughheed provided the estimated annual costs of the new agreement.

Mayor Dawes asked why the costs for 2024 and 2025 were to be determined. Mr. Loughheed believed those costs were undetermined in case additional river/precipitation gages were needed.

Councilor Spahr stated the agreement provided that the city could terminate participation in the agreement upon proper notice of termination.

Councilor Spahr moved to authorize the City Manager to execute the interlocal agreement with Lewis County for flood warning system cost sharing. The motion was seconded by Councilor Pope and carried unanimously.

4. **Bond Ordinance No. 1008-B, First and Final Reading – Providing for the Issuance and Sale of a Limited General Obligation Bond Not to Exceed \$1.725 Million to Finance the New Fire Station Land Purchase and Temporary Fire Station.** Chun Saul stated the council previously authorized staff to move forward with preparation of a bond issue in an amount of \$1.525 million. \$200,000 additional funding was needed to prepare a portion of the new property for a long-term temporary fire station until the new fire station was constructed. The terms of the bond ordinance were not to exceed \$1.725 million with an interest rate not to exceed 4% and a maturity date no later than 15 years. The financing team and participants included the council, city representatives, the placement agent (D. A. Davidson & Co.), and bond counsel (Foster Pepper). The project budget and funding sources were identified. Ms. Saul provided a schedule of events and stated bond closing and availability of funds would occur some time between September 24 and October 1. The estimated annual debt service ranged from \$134,504 – \$139,281.

Mayor Dawes asked if the purchase agreement had been signed by the sellers. City Manager Anderson stated the city had not yet received a signed agreement.

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Mayor Dawes asked what would happen if the seller did not return the agreement. City Manager Anderson and bond counsel indicated the city would go through the request for proposal process, but not issue the bonds if the sale was not completed.

Mayor Dawes asked if the amount being proposed would take care of everything needed for a long-term temporary fire station. City Manager Anderson stated that was the goal. There may be some miscellaneous costs not yet identified, but should certainly cover the vast majority of the costs.

Councilor Spahr moved to suspend the rules requiring two readings of an ordinance. The motion was seconded by Councilor Taylor and carried unanimously.

Councilor Spahr moved that the City Council pass Bond Ordinance No. 1008-B on first and final reading. The motion was seconded by Councilor Taylor.

Based on direction from the City Attorney, City Manager Anderson clarified that the reason for suspending the rules requiring two readings of an ordinance was in order to meet the timeline of the purchase agreement that was expected to close on October 5. Mayor Dawes stated it also allowed the temporary station location site to be moved to the long-term permanent site before the weather comes.

The motion carried unanimously.

5. Administration Reports.

a. **Finance Report.** Chun Saul provided the second quarter finance report, including a city-wide overview of all funds combined, the General Fund, and Enterprise Funds. Overall, all city funds and departments operated within budget parameters. Ms. Saul reviewed General Fund sales tax collection trends and the impacts of COVID-19. She provided a treasurer's report for cash, deposits, and investments, which totaled \$24,132,810. She noted that only 6.3% or \$1,526,971 of the total belonged to the General Fund; all other funds were restricted for specific activities and services. Finally, Ms. Saul discussed COVID-19 implications to the General Fund, including projected revenue loss and rebalancing the 2020 budget. A budget amendment ordinance was planned to be presented during the council's August 10 meeting.

b. **City Manager Update.** City Manager Anderson reported the pool resurfacing project was completed and there was water in the pool; however, due to COVID-19 restrictions, it did not look like the pool or spray park would be able to open this season. City Manager Anderson thanked Mayor Dawes, the City Clerk, the council, and everyone participating remotely for their cooperation and willingness to work with the protocols for Zoom. Having remote meetings would most likely have to be done for the next several weeks due to the Governor's proclamation.

6. Councilor Reports/Committee Updates.

a. **Councilor Lund.** Councilor Lund stated the Federal Railroad Administration (FRA) came and looked at the steam engine repair process and indicated prior work had been done incorrectly.

Mayor Dawes stated that since the city owned the engine, he wondered if a letter should be sent to the Chehalis-Centralia Railroad & Museum board that the city hoped that the repairs were done correctly and up to standards to ensure the efficient and safe operation of the engine. The council concurred to send such a letter.

b. **Mayor Dawes.** Mayor Dawes stated the state was in the planning stages for freeway work. Eliminating the West Street overpass and replacing it with pedestrian access only came up again. He stated he attended a meeting several months ago and conveyed that the city was not interested in seeing the overpass removed. He was assured at that time that the state understood that. Mayor Dawes wrote a letter again restating the city's position. He asked for clarification from the council that they were in agreement. The council concurred with keeping the overpass open to vehicular and pedestrian access. Mayor Dawes attended a budget committee meeting and indicated the budget picture was not as bad as originally thought, but the budget committee would continue to monitor the situation and report as necessary to the full council.

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7. **Executive Session.** Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Property; and RCW 42.30.140(4)(a) and (b) – Collective Bargaining, not to exceed 7:30 pm and there would be no action following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:29 pm. The executive session began at 6:32 pm. Councilor Pope left the meeting at 7:16 pm. Following conclusion of the executive session, the regular meeting was reopened at 7:30 pm and immediately adjourned.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved: 8/10/2020
Initials: cf