CITY OF SHELTON, WASHINGTON - CITY COMMISSION
Business Meeting Minutes – March 2, 2015
Shelton Civic Center - 6:00 p.m.

Presiding: Mayor Cronce, Commissioner Olsen and Commissioner Moore
Staff Present: Dave O’Leary, Vicki Look, Steve Goins, Greg Clark, Cathy Beierle, Darrin Moody, Mike Michael, Chuck Griffin, Tracy Wilson and Lesleann Kangas

Mayor Cronce called the meeting to order at 6:00 p.m.

Commission Reports

One or more Commissioners will attend the following activities this week:
• Clean Water District Meeting
• Housing Coalition Executive Meeting
• Forest Festival Parade Route Meeting
• Friends of the Shelton Dog Park Meeting
• Mason County Board of Health Meeting
• Meet with Mason County Commissioner Terri Jeffreys
• Read with Mt. View Third Graders
• Economic Development Council Subcommittee Meeting

Public Comment
Mayor Cronce recognized the following in support of the pool: Ms. Jacquie MacAlevy and Ms. Kathy McDowell.

Mayor Cronce recognized the following that are opposed to the Bikini Barista Coffee Stand that opened on Railroad Avenue: Ms. Kathy McDowell, Mr. Mike McGill, Mr. Jim Morrell, Mr. Forrest Cooper, Ms. Jamie McClanahan, Ms. Marilyn Aaron, Ms. Melissa Upson, Ms. Laurie Howard, Mr. Rod Olsen Jr. and Ms. Ji Lee.

Community and Economic Development Director Goins reported on how the regulations are established. There was an application for a Bikini Barista in 2012-2013 and the outcome of that was to place a moratorium allowing for a way of regulatory provisions to be established. The Commission adopted a public nudity ordinance that lifted the moratorium. The business itself would not be regulated but would regulate what you are wearing while conducting that business. In this case in November of 2014 an application for a business to occupy the stand on Railroad as an espresso stand was submitted. The application was processed in routine manner. DH Goins said Staff was just as surprised as the public to find out what the business was. The business itself seems to be operating within the license they applied for. The license doesn’t address the type of signage they might have. Temporary signs have been addressed in the past such as the Chamber SAVER Committee trying to create a friendly environment for new businesses opening. It does require a review but there is no fee for the permit and in this case the applicant did not apply for any sort of sign permit. Had they applied the signage that is there it would appear to meet our criteria. To summarize the current use seems to be within regulations established whether the attire and/or activities going on meet the criteria is unknown to staff at this time.

City Administrator O’Leary said we do have prohibitions against sexually orientated businesses and our ordinance does say what a sexually oriented business is. The ordinance is very explicit and if this business conducts business in a manner that meets the criteria of a sexually oriented business they would not be working within zoning regulations and enforcement action could be done.

Commissioner Olsen said he has always been in favor of enforcing ordinances. The Commission passed a very explicit ordinance and once the business violates the ordinance it will fall to the police to enforce.

Commissioner Moore said she appreciated the comments tonight and this would have to be studied and decide what needs to be done.
DH Goins said he would meet with citizens after the meeting for a follow up conversation on this matter if needed.

**Consent Agenda**

1. Vouchers numbered 85294 through 85347 in the amount of $85,489.02
2. Commission Meeting Minutes from:
   - Business Meeting of February 2, 2015
   - Study Session of February 9, 2015
   - Business Meeting of February 17, 2015
3. Project Management Services Contract – SCJ Alliance – Authorize the Mayor to sign when returned from contractor and City Administrator to make the necessary budget modifications
4. Basin 3 Water Quality Combined Financial Assistance Agreement – Authorize the Mayor to sign and City Administrator to make the necessary budget modifications

**Commissioner Olsen moved to approve the consent agenda as read; Commissioner Moore seconded the motion. A vote was taken and the motion passed.**

**Old Business**

1. **Skatepark Memorandum of Understanding (MOU) City of Shelton, Shelton School District and Mason County** – Parks and Recreation Director Ziegler reported that the Mason County Commissioners revised the Memorandum of Understanding that was presented on January 20, 2015. The MOU outlines a cooperative approach to manage the skatepark and explore future replacement of the structures with Mason County. The County would provide staff support for repairs and $5,000 annually to offset costs of maintenance and has a five year term. Some of the revised MOU wording says will pledge up to but not exceeding $5,000 annually to the City and will provide staff expertise needed for structural and ramp repairs. It also identifies the City as responsible party for the leased premises. DH Ziegler requested the Commission approve and authorize the Mayor to sign the MOU approved and signed by the Mason County Commissioners.

**Public Comment**

Mayor Cronce recognized Mr. Tom Davis who commended and appreciates the City Commission for taking on the skatepark that is so important to the youth of this community.

**Commissioner Moore moved to approve and authorize the Mayor to sign the Skatepark MOU and City Administrator to make any necessary budget modifications; Commissioner Olsen seconded the motion. A vote was taken and the motion passed.**

2. **Transportation Benefit District** – Mayor Cronce requested comments from the public.

**Public Comment**

Mayor Cronce recognized the following that are opposed to the $20.00 vehicle tab fee: Ms. Kathy McDowell, Mr. Ralph Aldrich, Mr. Larry Olson, Ms. Darlene Knight, Ms. Bonnie Aldrich and a letter read into the record from Ms. Adelheid Krohne. The following made comments in support of the Transportation Benefit District: Mr. Tom Davis and Ms. Melanie Bakala. Mr. Steve Gray made comments suggesting a sales tax that would include all who used the roads and not just the citizens of the City.

Commissioner Olsen spoke on the TBD money staying locally to fix the roads. He said the state and feds are not going to do it so this is an opportunity for the people who use the roads to pay for them. Commissioner Olsen said he would love to see this be a county wide effort but we first have to form the TBD. He said this is an opportunity for a group effort, businesses and residents together and if we don’t do this it will not get done.

Commissioner Moore wanted to clarify that the TBD is currently for a $20.00 car tab fee collected for the use of improving the streets within the City of Shelton. She said most campaign promises have been made to fix the roads only to find out it will take difficult actions to fulfill this. Commissioner Moore said she is maxed out with current taxes also but no one is going to come in and fix the roads.
Mayor Cronce read and presented a letter asking at what point do we stop borrowing or raising taxes for things we cannot afford. He said he is a strong supporter of paving streets but until he sees a change in our economic future that will help pay our City's growing expenses, he can't support any new taxes or fees.

**The Commission concurred to hold a Public Hearing on the Transportation Benefit District at the Business Meeting of March 16, 2015.**

3. **Upper Mt. View Pressure Zone Design Services Amendment #10** – City Engineer Michael said he is back tonight to explain the numbers presented last week. He said in the original contract, construction services were identified to be $110,000-$150,000. As the project became better defined, the estimate for construction services was updated to $231,000. After on-going negotiations with City staff, and based on well-defined plans and expectation (rather than concepts) the current proposed budget is $216,122. He said because of residual funding still available within the initial $1,500,000 budgeted amount, the current request for funds will result in an increase of $182,579. Much of the cost associated with this request come from delays that occurred during design from unanticipated environmental issues (and the resulting administration of the project) and from the additional clarity of final design. The design contract was executed with Murray, Smith, and Associates on May 4, 2013, for the entire design effort. The approved budget for this contract is $1,548,470. The fee estimate for these design services is $182,579, bringing the contract total to $1,731,049. This scope amendment budget will not be exceeded without written authorization by the City. CE Michael requested that the Commission approve the Contract Amendment #10 with Murray Smith and Associates in the amount of $182,579 for design services of the Upper Mt View Pressure Zone project, authorizing the Mayor to sign and City Administrator to make the necessary budget adjustments.

**Public Comment – None**

*Commissioner Olsen moved to approve the amount of $182,579 for the added funding for the design of the Upper Mt. View Pressure Zone, authorizing the City Administrator to make the necessary budget adjustments; Commissioner Moore seconded the motion. A vote was taken and the motion passed.*

4. **Wastewater Treatment Plant Phase 4 Additional Improvements (Phase 4.3)** – City Engineer Michael said the corrected award form is being presented this evening. In early January proposals were requested on the final phase of construction. At that time we anticipated doing an additional building and modification to an existing building at the Wastewater Treatment Plant site. This will be 1.3-1.5 million dollar cost, thinking we had enough funding in the USDA grant package. We have since found out we do not have enough money, however we do enough money and ability under our contract language to get the modifications to the existing building completed under this contract and a contractor that is willing to do that. CE Michael said in order to keep within budget staff will award the minimum allowable to meet funding agency requirements, including bid additive items 3 and 4, modifications to the existing building. He requested the award to Pease & Sons in the amount of $1,125,445.69, authorize the Mayor to sign the contract and City Administrator to make the necessary budget adjustments. Public Works Director Clark said USDA staff has been very helpful to make this project work.

**Public Comment - None**

*Commissioner Olsen moved to award WWTP in the amount of $1,125,445.69 to Pease & Sons Inc, authorizing the Mayor to sign the contract and City Administrator to make the necessary budget adjustments; Commissioner Moore seconded the motion. A vote was taken and the motion passed.*

**New Business**

1. **Civic Center Ultraviolet Resistant Roof Coating Budget Modification** – Public Works Director Clark said that in July 2014, the Commission approved a budget increase to Repair & Maintenance-Civic Center, to $74,358.71. This increase was to enable the facilities team to complete the entire roof coating system in 2014. Due to deteriorating weather conditions however, work on the roof was stopped and had to be temporarily postponed to spring 2015. At the time the coating process was stopped, the contractor has
completed approximately 75% of the work, and was paid $49,708.71, leaving a remaining budget balance of $24,650.00. DH Clark requested that the remaining 2014 authorized roof coating budget of $24,650.00 be moved from the general cash fund back to Repair & Maintenance-Civic Center. DH Clark recommended that the Commission approve the budget adjustment and authorize the City Administrator to make the necessary budget modifications by placing on the consent agenda for March 9, 2015.

_The Commission concurred to place the Civic Center Ultraviolet Resistant Roof Coating Budget Modification be placed on the consent agenda for March 9, 2015._

2. **Abatement Strategy Update** – Community and Economic Development Director Goins said that in previous meetings staff has provided the Commission with an overview of an “Abatement Strategy” that could be utilized to address dangerous and/or unfit structures, abandoned and derelict properties, blight, and other public nuisances in Shelton. One of the four elements presented was the creation of a list of the “Top Ten” structures that resulted in severe examples of blight and posed the greatest public safety concerns. In 2014, the budget line for abatements was significantly increased in order to promote the removal of these dangerous buildings. DH Goins presented a brief presentation on these identified sites and a new “Top Ten” list for consideration. He reported that seven of the original “Top Ten” sites are abated, and two of the remaining three are in the process of abatement. Of the outstanding abatement sites, the residence at 628 Ellinor has been purchased and the new owner recently secured a demolition permit, and Staff continues to work with the owner of the former bowling alley at 128 N. First Street in locating a contractor to complete the demolition in a manner that salvages a portion of the materials. There has been little progress in abating the former hotel, a long abandoned brick structure at Second and Grove. In compiling the second “Top Ten” list, staff members independently listed several “candidate” sites for consideration, and then utilized a rating system to prioritize the abatements. One site that would likely have made the list is 1518 Summit Dr., which included a garage in a deep state of deterioration. However, the owner recently demolished this structure. Other sites that were evaluated for abatement but did not make the “Top Ten” are included in the rating summary. A third category of enforcement cases includes sites which are a blight in the community, but do not represent potentially dangerous structures that should be abated; these sites were not evaluated or included in this rating summary, but are being addressed independently under our public nuisance regulations. In total, over thirty sites were evaluated. There is insufficient budget to address the outstanding sites and this entire updated list in 2015. DH Goins said Staff will only take action on the highest ranked sites which there is budget available to complete abatements this year. He said this presentation is intended to provide the Commission with updated information; Staff will proceed under the advisement of the Commission.

_The Commission thanked Department Head Goins for his continued work on this project._

_Cooperator Moore moved to extend the time line for tonight’s meeting; Commissioner Olsen seconded the motion. A vote was taken and the motion passed_

3. **Resolution 1077-0315 – A Resolution of the City of Shelton, Washington, Declaring Certain Real Estate Under City Ownership Surplus to the Needs of the City** – Community and Economic Development Director Goins said this is a Resolution declaring certain property surplus, to consider waiving the requirement for securing a property appraisal, and to affirm the process for contracting broker services. In July 2014, the City abated through demolition 2125 Washington St., an abandoned residence that was #6 on the abatement “Top Ten” list. A lien of $13,205.890 was then recorded against the property by the City for the purpose of cost reimbursement. In January 2015, the City purchased the property at the Mason County tax foreclosure sale for $19,504.75 (excluding recording costs). DH Goins requested that the property be declared surplus so the property can be sold and the City can recover the abatement costs. Revised Code of Washington (RCW) 35A.11.010 and 35A.79.010 include provisions allowing municipal code cities to dispose of property, and City Policy #300-21 provide guidance and procedures for the sale of surplus real estate. The property was not acquired for public utility or other municipal purposes, but for the sole purpose of cost recovery. The Commission must establish market value for the property, but can elect to waive the requirement of securing an appraisal when deemed unduly burdensome considering the probable value of the property. DH Goins said he is recommending the Commission waive this requirement and determine the probable property value. The
site is zoned NR (Neighborhood Residential), approximately 6,000 sq. ft. in area, fairly level and fully cleared, with water and sewer serving the site. The surrounding properties are mostly improved and reasonably well maintained; the property to the north is a vacant parcel of similar size, and the site has alley access in the rear. City policies require advertising for proposals from brokers to market the surplus property when the appraised value of the property is higher than the City Administrator’s maximum purchasing authority for a Professional Services Contract ($50,000). The 2014 Mason County Assessor’s appraised value for the land was $37,500. When advertising is not required, Staff may solicit 3 real estate brokers to submit proposal for marketing the property; this is Staff’s recommendation. Once a listing agreement has been prepared, Staff would bring this back before the Commission for consideration. DH Goins requested that the Commission waive the requirement for securing a property appraisal and determine probable market value, affirm the process for contracting broker services, and adopt Resolution #1077-0315 declaring this property surplus real estate.

Commissioner Olsen moved to approve Resolution #1077-0315, Commissioner Moore seconded the motion. A vote was taken and the motion passed.

Administration Reports – None

General Public Comment – None

Administrative Final Touches
• City Engineer Michael – Infill lots

Announcement of Next Meeting
Mayor Cronce announced the next regular Commission meeting of Monday, March 9, 2015, at 2:00 p.m.

Adjournment
Mayor Cronce adjourned the meeting to at 8:09 p.m.

Mayor Cronce

City Clerk Look