CITY OF SHELTON, WASHINGTON - CITY COMMISSION
Business Meeting Minutes – March 23, 2015
Shelton Civic Center - 6:00 p.m.

Presiding: Mayor Crouse, Commissioner Olsen and Commissioner Moore
Staff Present: Dave O’Leary, Vicki Look, Greg Clark, Steve Goins, Darrin Moody, Mike Michaels, Chuck Griffin, and Lesleann Kangas

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

Commission Reports

One or more Commissioners will attend the following activities this week:
• Community Development Block Grant (CDBG) workshop
• Mason Matters Meeting
• Elaine’s County Store – Ribbon Cutting
• Mason County Board of Health Meeting
• Mental & Substance Abuse Committee Meeting
• Veterans Memorial Hall Meeting
• Mason County Forest Festival Coronation

Commissioner Olsen said he had a sneak preview of the Mason Transit Community Center. He also said Domino's is donating thirty percent of sales on Monday, March 30, 2015, to Friends of the Pool.

Public Comment - None

Mayor Crouse recessed the regular meeting and opened the Public Hearing at 6:08 p.m.

Public Hearing – Ordinance No. 1869-0315 – First Reading – An Ordinance of the City of Shelton, Washington, Creating a New Chapter 12 of the Shelton Municipal Code, for the Purpose of Establishing a Transportation Benefit District (TBD) – Public Works Director Clark reported that this TBD is for the purpose of acquiring, constructing, improving, providing, and funding transportation improvements. The TBD's area will be the city-wide area within the jurisdiction of the City of Shelton. DH Clark said there are many choices the Commission can take with regard to how the fees/taxes would be administered. Tonight's hearing is just to establish the TBD and then staff will come back with a resolution depending on what the Commission wants to do. The most talked about has been the $20.00 vehicle license fee, used specifically for transportation and/or transportation related projects, leverage for grant opportunities, using the City's Six Year Program process as the form dictating where the money will be spent. A report annually will be required to account for money spent. Based on vehicle count of 6,559, the $20.00 license fee, Shelton should see roughly $11,000 per month or $130,000 per year of additional transportation specific revenue. It may take 6 to 8 months to begin collecting the fees and Department of Licensing with charge a one percent administrative fee. DH Clark requested a First Reading of Ordinance No. 1869-0315 tonight and place it on the consent agenda for March 30, 2015 for a Second Reading and adoption.

Public Testimony
Mayor Crouse recognized the following who were not opposed to the forming of the Transportation District: Mr. Bill Busacca, Mason County Commissioner Terri Jeffreys, Mr. Tom Davis, Mr. Toby Kevin and Mr. Forrest Cooper. They all had ideas on what the fees/taxes should be and how it would be accounted for.

DH Clark responded to the comments saying the fees/taxes would be used for transportation infrastructure such as: falling roads, streets, and sidewalks.
Commissioner Olsen said he read this as the monies could not be used for sidewalks. DH Clark responded he would get a legal opinion but thought this would include nonnotarized infrastructure. Commissioner Olsen added this had a provision for low income assistance.

Commissioner Moore said the City Commission would be the governing board with the Mayor presiding. She asked if this could be changed to a vote instead of it stating the Mayor would preside. DH Clark said he would change that for the Second Reading. Commissioner Moore said she is in favor of the TBD and would like to see the sales tax implemented which would include all the citizens using the City streets.

Mayor Cronce said he is not in favor of the TBD saying the City owes so much now that he cannot vote for more fees. He said he is not in favor of a $20.00 license fee because it does not include the vote of the people and would affect the poorest of the poor.

Commissioner Olsen added that by doing this we will have more than we do now and that by taking a chance this could be a greater benefit for all. He also requested DH Clark change the wording for the governing board to rotate chairmanship.

Management Assistant Look said this can have a First Reading and be changed to reflect the Commissioners request for the Second Reading.

*Mayor Cronce closed the Public Hearing at 6:41 p.m. and returned to the regular meeting.*

*Mayor Cronce requested a First Reading of Ordinance No. 1869-0315 as follows:*

*Ordinance No. 1869-0315 – First Reading – An Ordinance of the City of Shelton, Washington, Creating a New Chapter 12 of the Shelton Municipal Code, for the Purpose of Establishing a Transportation Benefit District*

*The Commission concurred to place Ordinance No. 1869-0315 on the consent agenda for March 30, 2015 for a Second Reading and approval.*

*Mayor Cronce recessed the regular meeting and opened the continued Public Hearing at 6:42*

**Public Hearing Continued** - *Ordinance No. 1866-0315 – First Reading - An Ordinance of the City of Shelton, Washington, Amending Chapter 2.76 of the Shelton Municipal Code and Ordinance Relating to Historic Preservation – Community and Economic Development Director Goins presented two drafts of the ordinance; one with and one without the language in detail on the Commission removing a member from the Historic Preservation Board.*

**Public Testimony** – None

The Commission concurred with the ordinance stating in detail instances for removal from the Historic Preservation Board.

*Mayor Cronce closed the Public Hearing at 6:47 p.m. and returned to the regular meeting.*

*Mayor Cronce requested a First Reading of Ordinance No. 1866-0315 as follows:*

*Ordinance No. 1866-0315 – First Reading - An Ordinance of the City of Shelton, Washington, Amending Chapter 2.76 of the Shelton Municipal Code and Ordinance Relating to Historic Preservation*

*The Commission concurred to place Ordinance No. 1866-0315 on the consent agenda for March 30, 2015 for a Second Reading and approval.*
Consent Agenda

1. Commission Meeting Minutes from:
   - Business Meeting of March 2, 2015
   - Study Session of March 9, 2015
   - Business Meeting of March 16, 2015


4. Angleside Booster Pump Station Site Work – Kamin Excavation LLC in the amount of $261,591.34 and authorize the Mayor to sign when returned from contractor

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 - None

New Business

1. Resolution 1078-0315 – A Resolution of the City of Shelton, Washington Declaring City Vehicles Surplus to the Needs of the City, and Disposing of Such Vehicles for the Common Benefit – Police Chief Moody said the Shelton Police Department is requesting the surplus of their 2003 Ford Crown Victoria. It needs costly repairs, has no residual value and all usable equipment has been removed. Chief Moody requested that proceeds from the sale of this vehicle be used to offset costs of Police Department vehicles to include repair/maintenance of existing vehicles and/or purchase of a vehicle. The request is to place Resolution #1078-0315 on the consent agenda for March 30, 2015.

The Commission concurred to place Resolution #1078-0315 on the consent agenda for March 30, 2015

2. WestNET Interlocal Drug Task Force Agreement Renewal – Police Chief Moody reported that the Shelton Police Department has been involved with WestNET for over 21 years. Our current Agreement expires 6/30/2015 and the new Interlocal Drug Task Force Agreement will take effect July 1, 2015. The Department currently has one detective assigned to WestNET. Chief Moody requested approval and authorization for Mayor Cronce and himself to sign the WestNET Interlocal Drug Task Force Agreement be placed on the March 30, 2015, consent agenda.

The Commission concurred to place the WestNET Interlocal Drug Task Force Agreement Renewal on the consent agenda for March 30, 2015, authorizing the Mayor and Chief Moody to sign.

3. Forterra Planning Consultant Contract – Downtown Visioning – Community and Economic Development Director Goins reported that the cost of the service would be $54,000. Shelton Mason County Chamber of Commerce (Chamber) representatives proposed that the Chamber and Green Diamond Resources/Simpson Timber Company partner with the city for this service. A representative of Green Diamond committed that the lumber and timber companies would match Chamber member contributions dollar for dollar. It was agreed that the cost would be shared: $18,000 contributed by the Chamber, with a match of $18,000 provided by Green Diamond Resources/Simpson Timber Company, and $18,000 by the city. Green Diamond and Simpson Timber have provided their cost share to Forterra, and the Chamber has raised a portion of the funding. It was further agreed that the city should provide overall project management to provide the clearest possible transition to the desired results, which includes incorporating policies and project elements into the 2015/2016 comprehensive plan update. DH Goins said the contract addresses the cost-sharing concept discussed, and the city commission’s desire to ensure that non-city dollars should be cash in hand before the city contributes its own matching funds. Time is of the essence, as the initial phase is scheduled to commence on April 10th, with a walking audit of the downtown lead by members of the Walkable and Livable Communities Institute on April 11th. DH Goins
requested the Forterra Contract be placed on the consent agenda for March 30, 2015, authorizing the Mayor to sign when returned from contractor.

Commissioner Olsen asked if the City pays the last third of the money. DH Goins said our obligation is $18,000 no matter who might be short, that would be Forterra’s obligation to collect.


4. Infill Lots – Frontage Improvements Standards Update - City Engineer Michael reported that staff has been working with the Commission for some time on a revision to the 2013 City of Shelton Design and Construction Standards (Standards) to facilitate a more efficient means of extending and improving the City’s non-motorized facilities. This has led to the current proposal to implement a Frontage Improvement Charge (FIC) in addition to the proposed changes to the standards for “in-fill” lots within the City’s Neighborhood Residential Zones. The FIC will be a “fee in lieu” of formal improvement for existing NR zoned lots. The fee paid for a particular project will be based on the current “base fee”, recommended to start at $50/LF, in combination with the nature of the project and other factors associated with the amount of basic right-of-way improvement (clearing and grading) that can reasonably be accomplished by the project proponent. CE Michael said the FIC revenues will be deposited in the Capital Improvement Fund and tracked similar to the current Traffic Impact Fees. FIC revenues will be available for maintenance, repair, replacement, construction of new, and upgrades to existing pedestrian facilities. These funds will be used to directly pay for needed work (repairs or replacement), or may be used as grant match on larger projects. CE Michael requested the Infill Lots – Frontage Improvements Standards Update be placed on the March 30, 2015 agenda for a Public Hearing.

Commissioner Olsen asked if the ordinance states it is the owner’s expense for a survey. CE Michael responded that it is in the standards not the ordinance. He said he left as much as possible in the standards because the standards can be adjusted administratively annually. If it is in the code we have to adjust by bringing to the Commission through a new ordinance. This is a recommendation by our City Attorney. Commissioner Olsen said that he has heard from builders the need to eliminate confusion and at the time of application knowing the requirements.

Mayor Cronce asked if there are legitimate stakes if a survey would be required. CE Michael said no.

Commissioner Moore added that arguments should be gone as far as frontage improvements.

Mayor Cronce said the costs to build in the City are still way to high. The facts are there are no new houses being built.

Public Works Director Clark added that the people that do not put in sidewalks will pay the frontage improvement fee. This will be a small pool of money allowing City crews to make the connecting links of existing sidewalks.


5. Resolution # 1079-0315 – A Resolution to the City of Shelton, Washington, Authorizing a Funding Agreement Between the City of Shelton and the State of Washington Department of Ecology from the Washington State Department Water Pollution Control Fund Agreement No. WQC-2015-ShelPW-00077 for the Basin 3 Sewer Rehabilitation Project – City Engineer Michael reported that during the discussions and ultimate approval of the funding package offered by the Washington Department of Ecology (DOE) for the Basin 3 Rehabilitation Project, staff missed a specific item required by DOE as part of the approval process. DOE agreement procedures for funding require that the governing body approval of the funding agreement be documented with a resolution adopted by that body. CE Michael said though all of the items required to be included in the resolution have been discussed and approved by the Commission, they have yet to be formally documented, as required by DOE, in a resolution. CE Michael requested Resolution 1079-0315 addresses this outstanding issue and corrects that administrative oversight be placed on the consent agenda for March 30, 2015, for a total $6,347,000.00 $1,973,882.00 Centennial Grant $4,373,198.00 SRF loan at 2.3 percent for 20 years.
The Commission concurred to place Resolution #1079-0315 on the consent agenda for March 30, 2015.

Administration Reports
• Setting Priorities - Retreat of April 3, 2015 – City Administrator O’Leary said he is planning on inviting public comment on the budget to be included with staff and Commission ideas.

Commissioner Moore asked if this would be an all-day retreat. CA O’Leary responded yes. She asked if an agenda would be available prior to the retreat. CA O’Leary responded yes.

General Public Comment
Mayor Cronce recognized Ms. Kathy McDowell who said she would be in favor of a sales tax that would involve all that use our City streets. Ms. McDowell also commented on Olympic Panel relocating to Oregon and what can we do to get and keep business in the City of Shelton.

Mayor Cronce recognized Mr. Forrest Cooper who said he has concerns with citizens knowing there are only two opportunities for public input for the downtown visioning process. He encouraged the City and Chamber to get the word out.

Mayor Cronce recognized Mr. Tom Davis who said that only 15 percent of Olympic Panel employees live in Mason County. He said he is in favor of the Forterra proposal but would like to make sure the needs of the City come before any business.

Mayor Cronce recognized Mr. Bill Busacca who said we cannot blame fees for no building in the City.

Administrative Final Touches
• DH Clark – Budget Modifications
• DH Clark – Well #4 Pump Additional Cost

Announcement of Next Meeting
Mayor Cronce announced the next regular Commission meeting of Monday, March 30, 2015 at 2:00 p.m.

Adjournment
Mayor Cronce adjourned the meeting at 7:37 p.m.

[Signatures]