Executive Session - Potential Litigation - The Commission held an Executive Session at 5:30 p.m. for 25 minutes to discuss potential real estate with no action to follow. The Commission, Dave O’Leary, Vicki Look, Steve Goins and Cathy Beierle were in attendance. The Commission adjourned the Executive session at 5:55 p.m.

CITY OF SHELTON, WASHINGTON - CITY COMMISSION
Business Meeting Minutes – December 15, 2014 6:00 p.m.
Shelton Civic Center

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

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

Commission Reports

One or more Commissioners will attend the following activities this week:
- League of Women Voters/Wastewater Treatment Plant Tour
- Governor’s Mansion Tour
- Mason Transit Authority Board Meeting
- Playlive Game Ribbon Cutting Ceremony
- Fortera, Patti Case, Heidi McCutcheon/Downtown Visioning Meeting
- Port Angeles City Council Meeting/Sewer Coalition

Public Comment - None

Mayor Cromece recessed the regular meeting and opened the Public Hearing at 6:07 p.m.

Public Hearing – Ordinance No 1863-1214 – First Reading – An Ordinance of the City of Shelton, Washington, Relating to Solid Waste Service and Rates: Amending Shelton Municipal Code Sections 8.08.010 through 8.08.010 through 8.08.130 and Adding a New Section 8.08.132 – Public Works Director Clark and City Engineer Michael presented a Power Point and handout relating to solid waste service and rates. DH Clark said the Solid Waste Utility has not had a rate increase since 2011, which was the end of a 4-year series of increases identified in the now outdated utility comprehensive plan. Since 2011 the utility has been running well, but has been using previously collected cash reserves as operational cost have increased. Many of the additional cost can be attributed to additional maintenance on the utility’s aging fleet of trucks, increasing fuel prices, and general inflationary rise of utilities, personnel costs, etc. The Bureau of Labor Statistics Consumer Price Index (CPI) is a common measure of these increases. Based on the review of the Oct 2010 to Oct 2014 change in the local index [Seattle-Tacoma-Bremerton CPI-U (Urban, all consumers)] indicates a 9.1% increase in the period between 2011 and 2015. The utility has many needs moving into the future, to keep it in a financially solvent state and assure that the City as a whole continues to remain compliant with the Growth Management Act. Four key items include:

- Maintaining sufficient cash reserves to meet cash-flow needs
- Updating the utility’s comprehensive plan
- Replacing aging refuse trucks in the utility’s fleet
• Expanding business activities to better diversify the utility’s revenue sources

Many of the later items will be further refined during the comprehensive planning process, including further recommendations on a longer term rate structure.

Commissioner Moore said we are committed to the cleanup of the “C” Street dump and are in need of a garbage truck. She asked what would happen if a truck would break down and at what percent increase would be better to fulfill our needs.

City Engineer Michael said if a truck broke down we would not have the funds to replace it and would have an emergency to bring to the Commission. He said to buy one garbage truck in 2015 or early 2016 and start the “C” Street study in 2016 finishing in 2017, would need a 7.2 percent increase.

Mayor Cronce said based on current economics he would not be in favor of a 7.2 percent increase, but could support a five percent increase because we are committed to the “C” Street cleanup.

Commissioner Olsen said if we do not increase rates now and wait for something to happen, we could need a huge increase.

City Administrator O’Leary said that in thinking in the long term this is a pay me now or pay me later situation in reference to the “C” Street cleanup.

CE Michael presented Ordinance No. 1863-1214 that included a 7.2 increase with 83 cents in Feb. 2015, 89 cents in July 2015, and 96 cents in Jan. 2016.

Commissioner Olsen said he is in favor of the 7.2 increase. He said waiting has not worked in the past.

Commissioner Moore said we need to be proactive to save in the long run.

Mayor Cronce said we will need a new ordinance reflecting the 7.2 percent instead of the 5, 5, 5 percent

CE Michael said he could have copies of the ordinance with a 7.2 percent increase provided to the Commission and the public by the end of the New Business presentations.

Mayor Cronce recessed the Public Hearing and reconvened the regular meeting at 6:49 p.m.

Consent Agenda
1. Payroll Warrants numbered 72662 through 72838 in the amount of $629,052.50
2. Vouchers numbered 84701 through 84790 in the amount of $612,470.49
4. 2015 Work Plan
5. 2013-2018 Strategic Plan

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

Old Business - None

New Business
1. Ordinance No. 1862-1214 – First and Final Reading – An Ordinance of the City of Shelton, Washington, Adopting the Budget for the Year Ending December 31, 2015 – City Administrator O’Leary said there are no changes to the budget as previously presented. CA O’Leary requested the Commission have a First and Final Reading of Ordinance No. 1862-1214 tonight adopting the 2015 Final Budget.

Public Comment on Possible Action Item – None

Mayor Cronce requested a First and Final Reading of Ordinance No. 1862-1214 as follows:
An Ordinance of the City of Shelton, Washington, Adopting the Budget for the Year Ending December 31, 2015

Commissioner Olsen moved to approve Ordinance No. 1862-1214 adopting the budget for the Year Ending December 31, 2015; Commissioner Moore seconded the motion. A vote was taken and the motion passed.

2. MACECOM Facilities Lease Rate Changes – Amendment #1 – Director of Financial Services Beierle reported that Amendment #1 is to the existing MACECOM Facilities Lease. These are the rates that are set for 2014 with the MACECOM Board approving them at their December meeting. The rates will reflect an adjustment for 2014 of approximately $2,300. DH Beierle requested the Commission approve the MACECOM Facilities Lease Rate Changes – Amendment #1 tonight.

Public Comment on Possible Action Item - None

Commissioner Moore moved to approve Amendment #1 to the MACECOM Facilities Lease; Commissioner Olsen seconded the motion. A vote was taken and the motion passed.

Mayor Cronce recessed the regular meeting and reopened the Public Hearing at 6:56 p.m.

Public Testimony
Mayor Cronce recognized Ms. Marilyn Vogler who said that in considering moving recycling, we should stay local. She said Wilson Recycling is a local business who has hired local people. Ms. Vogler encouraged the Commission to begin businesses recycling.

Mayor Cronce recognized Mr. Tom Davis who suggested that before committing to raising solid waste rates, the Commission should look at a local provider to become a hauler.

Mayor Cronce recognized Mr. Forrest Cooper who asked about the three rate increases. He asked why we can’t say up front that this is at least a 15 percent increase and should be presented up front.

Commissioner Olsen said he agrees with Mr. Cooper and that most people relate better to numbers.

Mayor Cronce said this Commission agrees that small increments every year are best and he is not in favor of the 7.2 percent increase.

Mayor Cronce closed the Public Hearing at 7:11 p.m.

Mayor Cronce requested a First Reading of Ordinance No. 1863-1214 as follows:
Ordinance No 1863-1214 – First Reading – An Ordinance of the City of Shelton, Washington, Relating to Solid Waste Service and Rates; Amending Shelton Municipal Code Sections 8.08.010 through 8.08.130 and Adding a New Section 8.08.132

The Commission concurred to place this under Old Business at the meeting of December 22, 2014.

3. Interlocal Agreement with City of Forks for Prisoner Confinement Services – Municipal Court Administrator
Conklin said the City of Shelton has Interlocal Agreements with Mason County and Nisqually, and an expired Agreement with the City of Forks for Jail Services. This is a renewal of the Agreement with the City of Forks for continuing services. Housing inmates in the Mason County Jail continues to be challenging due to overcrowding in the Mason County Jail. To mitigate that as much as possible,
alternatives to the Mason County Jail for Incarceration Services have been established with the two other Jurisdictions - the cost for which is less than with Mason County. The City is currently paying Mason County $85.53 per day to house an inmate in the Mason County Jail and paying Nisqually $65 per day to house an inmate in the Nisqually Jail. The Interlocal Agreement with Forks is currently at the rate of $45 per day and will adjust in January 2015, and annually thereafter based on the Seattle CPI-U. Additionally, they will come to Shelton, to transport Shelton’s inmate to Forks once per week if needed, the fee for which is included in the daily rate. Court Administrator Conklin requested the Commission place the Interlocal Agreement with City of Forks for Prisoner Confinement Services on the consent agenda for December 29, 2015 authorizing the Mayor to sign.

The Commission concurred to place the Interlocal Agreement with City of Forks for Prisoner Confinement Services on the consent agenda for December 29, 2015, authorizing the Mayor to sign.

4. Ordinance No. 1864-1214 – First Reading - An Ordinance of the City of Shelton, Washington Amending Chapter 8.70 to the Shelton Municipal Code, Relating to Abatement of Public Nuisances – Community and Economic Development Director Goins presented a Power Point showing examples of dangerous or unfit structures causing a public safety hazard. He said in 2013, the Commission adopted an Ordinance as part of our “Abatement Strategy” to address derelict properties, blight, and other public nuisances in Shelton. The Ordinance established new regulations allowing the city to cite property owners with large accumulations of junk and trash in yards, and for other public nuisances, as a means to achieve compliance. Staff is proposing that these provisions for enforcement and abatement be expanded to include unpermitted building activity resulting in dangerous and/or unfit structures not in compliance with the International Building Code (IBC).

This Ordinance would amend the Shelton Municipal Code (SMC) by extending the same enforcement provisions that presently apply to derelict properties under the SMC to “violations of the City’s building codes or development regulations that, in the sole discretion of the City, seriously endanger the life safety of the public or the occupants of any non-compliant structure or property.” Though this amendment, Staff would have the ability to cite building code violations that pose a public life safety concern as a public nuisance. Enforcement staff could coordinate with the Police Department in the preparation and issuance of infractions, which result in a fine. If the violator ignores three infractions, they could be cited with a misdemeanor. The Ordinance also contains a voluntary correction provision, that sets forth a reasonable period of time for the violator to abate the nuisance, and may give the City permission to enter the property and abate the nuisance if voluntary abatement does not occur. Our goal is not to collect fines; it is to have the ability to achieve compliance by requiring building code violations that result in unsafe building conditions that seriously endanger the public to be addressed in a timely, efficient manner. DH Goins requested that the Commission request a first reading, and consider placing Ordinance No. 1864-1214 on the consent agenda for the December 22, 2014 Study Session for second reading and adoption.

Mayor Cronce asked the difference between this ordinance and what we already have allowing the Building Inspector that can address these issues.

DH Goins said that the current mechanism we have is a Stop Work process that attracts fines that is not easy to enforce in terms in getting a court to action on the matter. If you have an uncooperative property owner, it may be very difficult to get compliance. DH Goins said that the prosecutor’s office has had a lot of trouble making the cases stick. He said with this proposed process that is linked to our nuisance violation they would be getting a ticket. If you do not remedy the ticket you will end up in front of a judge.

Mayor Cronce said the cases shown are dangerous and should be taken care of but with the way this is written there could be legal ramification. The wording, resulting in dangerous or unfit structures not in compliance with the International Building Code, there is not an older building in Shelton that meets the current building code. Mayor Cronce said the other question he has is who the City is in the wording, sole discretion of the City.
DH Goins said the objective is to include language that would allow enforcing code violations. The City Attorney and Prosecutor were involved with what they would like this to say to make a case work.

Commissioner Olsen said that if buildings are brought to the attention of the Building Inspector with public health and safety at stake, it is our responsibility as leaders of the community to make sure there is a mechanism in place to deal with these.

Commissioner Moore said that what we are concerned with is public health and safety not the little fence incidents.

DH Goins said the objective is to have tools to deal with health and safety issues in severe cases and this enhances what we already have in place.

Mayor Cronce said who is the City should be looked at and place this under Old Business to allow more time for review.

Mayor Cronce recognized Ms. Heidi McCutcheon, Shelton Mason County Chamber of Commerce, who has questions on the liberal wording. Ms. McCutcheon requested time to review this further to talk with other cities.

Mayor Cronce recognized Ms. Marilyn Vogler who said she has serious concerns with this ordinance. She asked how are we going to separate what is public property and what is private space. Ms. Vogler said she did not elect the Commission to protect her from herself and is really concerned about violations of residential privacy. She also is bothered by the sole discretion of the City.

Mayor Cronce recognized Mr. Tom Davis said these are code violations we are talking about and are trying to get a mechanism in place for enforcement. He said the County has the same problem. Mr. Davis said if you are going to have an ordinance you need to enforce it and a way to do that.

Commissioner Olsen said if you read the codes they all state they are enforced minimally. The codes are in place to protect the people without knowledge. We need a way to enforce the codes and supports this.

City Administrator O’Leary said he has concerns with the sole discretion of the City. He would like more definition to be able to make a judgment about.

*The Commission concurred to place Ordinance No. 1864-1214 under Old Business for the meeting of December 22, 2014.*

5. Resolution No.1075-1214 — A Resolution of the City of Shelton, Washington, Adopting a Public Participation Plan for the 2015-2016 Update of the City Comprehensive Plan and Development Regulations — Community and Economic Development Director Goins presented Public Participation Plan for the City of Shelton Comprehensive Plan Update. He said pursuant to the Washington State Growth Management Act (GMA) every county and city in the state is required to conduct a periodic update of its comprehensive plan and development regulations. During our 2014 Washington Cities Insurance Authority (WCIA) audit, an identified audit requirement was that the City Commission adopt a Public Participation Plan pursuant to the Revised Code of Washington (RCW) 36.70A.035. In past commission briefings, staff has presented a grant from the Department of Commerce (Commerce) to assist with the associated costs to complete the mandated update, a review of the completed checklist to determine periodic update requirements, and during the November commission retreat staff presented some optional public outreach tools that could be included in a Public Participation Plan for discussion and consideration. The mandated periodic update was also discussed and considered during the 2015 Budget process. Staff has prepared for final consideration and approval the accompanying Public Participation Plan consistent with the finding of the 2014 WCIA audit and to guide the public involvement process during this periodic update. The cost associated with this proposal and plans were considered during the 2015 Budget review. DH Goins said discussions
regarding this proposal have been held during several public meetings. The purpose of this plan is to assist in dissemination information regarding the periodic update, and to promote and enhance public evolvement throughout the process. DH Goins recommends that the Commission place Resolution No. 1075-1214 on the consent agenda for December 22, 2014.

*The Commission concurred to place Resolution No. 1075-1214 on the consent agenda for December 22, 2014.*

**Administration Reports** - None

**General Public Comment**
Mayor Cronce recognized Ms. Kathy McDowell who said that on Friday two Commissioners voted to continue the sidewalks to nowhere. Ms. McDowell said she would rather have sidewalks to somewhere. She said that the chunks of sidewalks do not create walkability.

Commissioner Olsen responded that the Commission did not vote on an ordinance, they eliminated a budget request.

**Administrative Final Touches**
- CA O'Leary – Sewer Funding Coalition – Lobbyist Contract
- DH Clark – Wastewater Treatment Plant HVAC Final Acceptance
- DH Clark – Green Diamond spray field agreement

**Announcement of Next Meeting**
Mayor Cronce announced the next regular Commission meeting of Monday, December 22, 2014 at 2:00 p.m.

**Adjournment**
Mayor Cronce adjourned the meeting at 7:51 p.m.

[Signatures]

Mayor Cronce
City Clerk Look