CITY OF CHELAN
City Council Meeting
January 27, 2026

COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT

Mayor:
Erin McCardle

Councilmembers:
Augustin Benegas
Brad Chitty
Shane Collins
Mark Ericks
(arrived at 5:25 p.m. via Zoom)
Jon Higgins
Tim Hollingsworth

Absent/Excused:
Terry Sanders

Administrative Personnel:
City Administrator Laura McAloon
City Attorney Quentin Batjer
City Engineer Travis Denham
Deputy City Clerk Cailey Couch
Community Development Director John Ajax
Finance Director Heidi Evans
HR/Communication Director Chad Coltman
Interim Parks & Recreation Director Audrey Cooper
Public Works Director Jake Youngren

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE AND ROLL CALL

The meeting was called to order at 5:15 p.m.

2. AGENDA CHANGES

   Agenda Change: Moving item 5D Ordinance No. 2026-1650 Deferral Agreement with Master's Revocable Living Trust to an Administrative Report as item no. 9B. and Moving item 5E Ordinance No. 2026-1641 Deferral Agreement with Lookout LLP to an Administrative Report as item no. 9C. Suggested Motion: I move to approve the Consent Agenda.

Move Item 5D - Ordinance No. 2026-1650 Deferral Agreement with Master's Revocable Living Trust to an Administrative Report as Item 9B.

Move Item No. 5E - Ordinance No. 2026-1651 Deferral Agreement with Lookout LLP to an Administrative Report as Item No. 9C.

3. CITIZEN COMMENTS

   Items not on the agenda. Time limited per the Mayor.

Lynette Grandy, Resident of Chelan, commented on affordable housing efforts.

4. MINUTES

   A. None.

5. CONSENT AGENDA

   All items under the Consent Agenda are approved with one motion.

   A. Approve January 20, 2026 Accounts Payable Checks and EFT's & Payroll Checks and EFT's (Councilmember Higgins)

Period 13/2 January 20, 2026 Accounts Payable Checks No. 212181 - 212262 and EFT's totaling $633,867.41. VOIDS: Check No. 212099 - 212180 - Printer Error totaling $0.00. Merchant Fees - EFT's totaling $6,744.40.

   B. Approve January 27, 2026 Accounts Payable Checks and EFT's & Payroll Checks and EFT's (Councilmember Higgins)

January 20, 2026 Accounts Payable Checks No. 212263 - 212315 & EFT's totaling $1,789,740.04 and Payroll Checks No. 103183 - 103187, EFT's and Direct Deposits totaling $249,573.49.

   C. Eastern Cascade Vending dba Eastern Cascade Distributing 2026 - 2028 Beverage Agreement (Interim Parks and Recreation Director Cooper)

   D. Ordinance No. 2026-1650 Deferral Agreement with Master's Revocable Living Trust (Public Works Director Youngren)

This item was moved to an Administrative Report as Item No. 9B.

Public Works Director Youngren shared Master's Revocable Living Trust is in the process of developing property along Wapato Avenue. Under the City's Development Standards, frontage improvements are required to be completed or formally deferred, including but not limited to signage, striping, roadway widening, and guardrail installation along East Wapato Avenue. Given the need for a more comprehensive and coordinated approach to roadway improvements along this corridor, City staff determined it is appropriate to defer completion of the required improvements to a later date.

   E. Ordinance No. 2026-1651 Deferral Agreement with Lookout LLP (Public Works Director Youngren)

This item was moved to an Administrative Report as Item No. 9C.

Public Works Director Youngren shared the Lookout LLP is in the process of developing property along State Route (SR) 150. Under the City's Development Standards, frontage improvements are required to be completed or formally deferred, including but not limited to signage, striping, roadway widening, and guardrail installation along SR 150. Given the need for a more comprehensive and coordinated approach to roadway improvements along this corridor, City staff determined it is appropriate to defer completion of the required improvements to a later date.

MOTION:	I move to approve the Consent Agenda.
MOVER:	Councilmember Higgins
SECONDER:	Councilmember Hollingsworth
AYES:	Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Mark Ericks, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

6. SPECIAL PRESENTATIONS

   A. None

7. PUBLIC HEARINGS

   A. None

8. MOTION CONSIDERATIONS

   A. Bayley Contractor Agreement for the Chelan Recycle Center (Public Works Director Youngren)

Public Works Director Youngren shared the City issued a Request for Proposals (RFP) for a General Contractor for the Chelan Recycling Center project and elected to use a General Contractor/Construction Manager (GC/CM) delivery method, which was approved by the project's insurance provider. Three proposals were received, and following interviews and evaluation, City staff selected Bayley Construction as the preferred GC/CM. The initial agreement covers pre-construction services, including cost estimating, constructability review, and coordination with the insurance provider, with the potential to amend the contract later to include construction services.

MOTION:	I move to authorize the Mayor to finalize and execute the Bayley Contractor Agreement for the Chelan Recycle Center Facility.

MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Shane Collins
AYES:	Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

B. RH2 Engineering Inc. Task Authorization No. 14 for the Design of the South Farnham and West Webster Avenue Pedestrian Improvements Project Design (Public Works Director Youngren)

Public Works Director Youngren stated the City has been awarded grant funding for the Farnham and Webster Pedestrian Improvement project by the Transportation Improvement Board. The project addresses a critical concern related to pedestrian safety by adding a rectangular rapid flashing beacon at the intersection, an advanced warning beacon on the Dan Gordon Bridge to alert westbound vehicles, a pedestrian is on the crosswalk, Americans with Disabilities Act (ADA) barrier removal, and pedestrian illumination. RH2 Engineering Inc. serves as the City's on-call transportation engineering provider and, as such, staff has requested a scope and fee for the design phase of this project.

MOTION:	I authorize the Mayor to finalize and execute the RH2 Engineering Inc. Task Authorization No. 14 for the Design of the South Farnham and West Webster Avenue Pedestrian Improvements Project Design.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Jon Higgins
AYES:	Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

C. Varela Engineering & Management Professional Services Agreement for the East Chelan Reservoir Project Design (Public Works Director Youngren)

Public Works Director Youngren reported that state appropriation funding has been secured to support design efforts for the East Chelan Reservoir project and that City staff solicited qualifications from five engineering firms. Varela Engineering and Management was selected for the design phase, and a scope of work and fee have been negotiated for the design phase. During this effort, Varela will evaluate and compare multiple reservoir locations, booster pump station locations, and transmission routes, including survey, structural, environmental, geotechnical, historical and cultural resource, and property or easement considerations through sub-consultants.

MOTION:	I authorize the Mayor to finalize and execute the Varela Engineering & Management Professional Services Agreement for the East Chelan Reservoir Project Design.
MOVER:	Councilmember Hollingsworth
SECONDER:	Councilmember Benegas
AYES:	Councilmember Brad Chitty, Councilmember Benegas, Councilmember Jon Higgins, Councilmember Mark Ericks, Councilmember, Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

D. Comprehensive Plan Docket (Community Development Director Ajax)

Community Development Director Ajax shared On December 17, 2025 the Planning Commission has formally recommended the 2026 Comprehensive Plan Docket – Public Proposal. The proposal, submitted by M2 Consulting on behalf of the South Chelan Property Owners Group, requests amendments to the Transportation Element to support development on approximately 1,000 acres south of US-97A. Key elements include a new South Chelan Access Corridor, intersection realignment into a roundabout, and integration into the City's transportation planning documents. The proposal outlines a multi-source funding strategy and emphasizes compliance with state transportation concurrency requirements. The request will be evaluated as part of the City's ongoing 2026 periodic Comprehensive Plan update.

Lynette Grady, Resident of Chelan, provided comment.

MOTION:	I move to approve the 2026 Comprehensive Plan Docket, as presented.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Shane Collins
AYES:	Councilmember Augustin Benegas, Councilmember Brad Chitty,

	Councilmember Jon Higgins, Councilmember Mark Ericks, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

9. ADMINISTRATIVE REPORTS

    A. Transpo Group Professional Services Agreement for the Safe Streets 4 All Safety Action Plan (Public Works Director Youngren)

Public Works Director Youngren shared that the selection committee selected Transpo Group as the preferred firm to complete the Safe Streets 4 All (SS4A) Safety Action Plan.

10. INFORMATIONAL ITEMS

    These items are for informational purposes only and are generally not discussed.

    A. Tentative Advanced Agenda (City Administrator McAloon)

    B. Council Committee Reports (Various Councilmembers)

    C. Contract Intake Log (City Clerk Gallucci)

11. CITY ADMINISTRATOR AND DEPARTMENT REPORTS

<u>City Administrator McAloon</u>
Shared she has been working at the City for 26 days and has been impressed by all the department heads.

<u>City Attorney Batjer</u>
Provided an updated on the Water Street and Terrace Avenue lawsuit.

<u>Community Development Director Ajax</u>
Stated the department is currently working on the Home Occupancy Code and will begin work on the Sign Code.

<u>Deputy City Clerk Couch</u>
None.

<u>Finance Director Evans</u>
Reported regular operations and closeout activities are ongoing, with the City audit nearing completion and financial reporting continuing for both City and Golf Course operations. An audit exit interview is anticipated within the next two weeks. She also reflected on six months of service with the City and expressed appreciation to City staff.

HR/Communications Director Coltman
Provided an update regarding the State of the City event, noting it was a very successful event. An update was provided on hiring efforts, announcing Casey Prey as the Fleet Lube Technician, Max Nelson as Resident Engineer, and Drew Belton as Operations Manager, along with an internal recruitment underway for the Parks Department Director position.

Interim Parks and Recreation Director Cooper
An update was provided on the consultant selection process for the golf course, noting that the National Golf Foundation has been selected, and the contract has been executed. Staff shared that they are looking forward to the consultant visiting the site to review the course. An update was also given on the Lakeside Park renovations.

Public Works Director Youngren
Expressed appreciation towards the department's crew.

12. MAYOR AND COUNCIL COMMENTS

Mayor McCardle
Reflected on the State of the City comments received tonight and acknowledged the work HR/Communications Director Coltman put into the event.

Councilmember Benegas
Reflected on the State of the City event.

Councilmember Chitty
Reflected on the State of the City event.

Councilmember Collins
Thanked City staff for all of their work and the Lynette Grandy for her comments.

Councilmember Ericks
None.

Councilmember Higgins
Thanked City Staff for their work.

Councilmember Hollingsworth
Stated he was impressed with the turnout at the State of the City event on January 22, 2026.

13. RECESS - AIRPORT BOARD MEETING

A. The January 27, 2026 Lake Chelan Airport Board meeting has been cancelled.

14. EXECUTIVE SESSION

    A. None

15. ADJOURNMENT

MOTION:	I move to adjourn the meeting.
MOVER:	Councilmember Brad Chitty
SECONDER:	Councilmember Tim Hollingsworth
AYES:	Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Mark Ericks, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

The meeting was adjourned at 6:21 P.M.

Date Approved:

March 10, 2026

Signed by:
Cailey Couch
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Cailey Couch
Deputy City Clerk

Signed by:
Erin McCardle
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Erin McCardle
Mayor