



City of Chelan

**City Council Meeting
March 24, 2026**

COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT

Mayor:

Erin McCardle

Councilmembers:

Augustin Benegas
Brad Chitty
Jon Higgins
Tim Hollingsworth
Terry Sanders

To Be Excused:

Shane Collins

Administrative Personnel:

City Administrator Laura McAloon
City Attorney Quentin Batjer
City Clerk Peri Gallucci
Deputy City Clerk Cailey Couch
Community Development Director John Ajax
Finance Director Heidi Evans
HR/Communication Director Chad Coltman
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

Moving Item 9B. SR150 Sewerline Noise Discussion to item 8G Motion Consideration
(Public Works Director Youngren)

3. CITIZEN COMMENTS

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

None.

4. MINUTES

None.

5. CONSENT AGENDA

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

- A. Excuse Councilmember Ericks from March 10, 2026 Regular City Council Meeting

- B. Approve March 24, 2026 Accounts Payable Checks and EFT's & Payroll Checks and EFT' s

March 24, 2026 Accounts Payable Checks No. 212543, 212549 - 212626 totaling \$860,246.23 and Payroll Checks No. 103218 - 103220 EFT's & Direct Deposit totaling \$308,933.48.

MOTION:	Motion to approve the Consent Agenda, as presented.
MOVER:	Councilmember Augustin Benegas
SECONDER:	Councilmember Tim Hollingsworth
AYES:	Mayor Erin McCardle, Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

6. SPECIAL PRESENTATIONS

- A. Introduction to Public Works Staff Members

Public Works Director Youngren introduced new staff members, including Max Nelson, Residential Engineer; Drew Bolton, Operations Manager; and Casey Prey, Lube Technician.

- B. Community Development Week Proclamation

Mayor McCardle proclaimed April 6-10, 2026 as Community Development Week in Chelan.

7. PUBLIC HEARINGS

- A. None

8. MOTION CONSIDERATIONS

- A. Ordinance No. 2026-1654 2026 Budget Amendment No. 1 - General Fund & Transportation Capital Budget Authority

Finance Director Evans presented Budget Amendment No. 1, which included adjustments to the General Fund and Transportation Capital expenditures, as well as anticipated revenue into the Transportation Capital Fund that was not included during the regular budget cycle. Immediate budget authority is necessary to address anticipated expenditures related to the library rehabilitation project, the purchase of additional

microphones for the Council Chambers, and for the purchase of a new walk-in cooler at the Lake Chelan Municipal Golf Course. Additionally, transportation related projects are expected to move into the execution phase, and staff requested Council approval for the following projects that have historically had funds earmarked within the General Fund Capital Fund: the Food Bank Building Project (with funds originally awarded during the COVID-19 era and a recommendation for a final year of rollover funding in the remaining amount of \$12,102.51), the Chelan Butte Partnership (\$500,000), and the installation of artwork within the city limits (\$43,872).

MOTION:	Motion to suspend the Council Action Matrix for the review and approval process surrounding the 2026 Budget Amendment No 1. Proposal
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Terry Sanders
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

MOTION:	Motion to adopt Ordinance No. 2026-1654.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Terry Sanders
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Mark Ericks, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

B. Ordinance No. 2026-1653 Home Occupation Code Amendments

Community Development Director Ajax presented Ordinance No. 2026-1653, which adopts text amendments to the City's Home Occupation Zoning Standards. These amendments streamline provisions by locating home occupation standards in a new

general provision section and by removing the permit requirement for home occupations that are permitted outright.

MOTION:	Motion to adopt Ordinance No. 2026-1653, amending the Chelan Municipal Code related to home occupations, with the vehicle trip threshold set at 16 vehicle trips per day (8 customer visits) under CMC 17.56.020(B)(2), and including the farm produce exemption under RCW 36.71.090.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Augustin Benegas
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

C. Chelan County Fire Protection District No. 7 Lake Chelan Municipal Airport Amendment No.1 to Airport Lease (Lot 2)

City Administrator McAloon shared during a comprehensive review of the Lake Chelan Airport leases, it was identified that the existing agreement required below-market rent to Chelan County Fire Protection District No. 7 in recognition of their on-site public safety and fire response services and that the justification was not clearly stated in the lease agreement.

MOTION:	Motion to authorize the Mayor to finalize and execute the Chelan County Fire Protection District No. 7 Lake Chelan Municipal Airport Amendment No.1 to Airport Lease (Lot 2).
MOVER:	Councilmember Jon Higgins
SECONDER:	Councilmember Terry Sanders
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Mark Ericks, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

D. Federal Aviation Administration (FAA) Grant Application for the Design Phase of the Runway 2/20 Rehabilitation Project

City Administrator McAloon provided an overview of the Federal Aviation Administration (FAA) grant application for the design and bidding phase of the Lake Chelan Airport Runway 2/20 Rehabilitation Project. The design phase will prepare plans, specifications, and contract documents for future construction, which is expected to include milling and overlay/inlay of approximately 3,506 feet of runway pavement, crack sealing, localized patching, shoulder grading, and restriping to meet FAA standards. The rehabilitation work is anticipated to extend the runway's useful life by an estimated 10 to 15 years.

MOTION:	Motion to authorize the Mayor to finalize and execute the Federal Aviation Administration (FAA) Grant Application for the Design Phase of the Runway 2/20 Rehabilitation Project.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Jon Higgins
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

E. Ardurra Group Construction Management Agreement for the SR150 Sewer Mainline Replacement Project

Public Works Director Youngren presented Amendment No. 3 to the Construction Management Agreement for technical engineering support during construction for the State Route 150 Sewer Main Replacement Project.

MOTION:	Motion to suspend the Council Action Matrix for the approval of the Ardurra Group Construction Management Agreement for the SR150 Sewer Mainline Replacement Project and to authorize the Mayor to finalize and execute Additional Services Addendum 3 with Ardurra Group, Inc. in the amount of \$148,594 for construction administration support services for the SR150 Sewer Main Replacement Project.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Terry Sanders

AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

F. Washington State Department of Commerce Capital Agreement for the Connecting Housing to Infrastructure Project (CHIP)

HR/Communications Director Coltman shared the City was awarded a \$1,381,280 Connecting Housing to Infrastructure Program (CHIP) grant from the Washington State Department of Commerce to fund water and sewer infrastructure improvements supporting the Chelan River Heights affordable housing project. The contract formalizes acceptance of the grant and establishes reimbursement terms for utility infrastructure construction, waived system development charges, and related improvements.

MOTION:	Motion to authorize the Mayor to finalize and execute the Washington State Department of Commerce Capital Agreement for the Connecting Housing to Infrastructure Project (CHIP).
MOVER:	Councilmember Augustin Benegas
SECONDER:	Councilmember Jon Higgins
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

B. SR150 Sewerline Noise Discussion

Public Works Director Youngren explained that Chelan Municipal Code Section 8.31.035(E) requires the City Council to determine nighttime construction is in the best interest of the public and that the public benefit outweighs the short-term impacts, in order to authorize a variance to the noise ordinance for the SR-150 Sewer Main Replacement Project.

MOTION:	Motion to suspend the matrix and to determine the public benefit of night-time construction outweighs the short-term impacts for the SR150 Sewer Main Replacement Project.
MOVER:	Councilmember Tim Hollingsworth

SECONDER:	Councilmember Terry Sanders
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Mark Ericks, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

9. ADMINISTRATIVE REPORTS

A. Phoenix Protective Corp/PPC Solutions Inc. Professional Services Agreement for Security Services in City Parks

Parks and Recreation Director Cooper shared a request for proposals was issued and Phoenix Protective Corporation was the sole respondent. Director Cooper noted that contract negotiations are still underway, and that the proposed Professional Services Agreement will be brought back to City Council for review and further discussion at a future meeting.

C. City Administrator Job Description

HR/Communications Director presented the proposed job descriptions to City Council for review, with adoption scheduled for April 14, 2026. Sharing a goal for the year is to review and update job descriptions throughout the organization, beginning with Directors and the City Clerk and continuing through the organizational chart. This effort is intended to align within the forthcoming Title 2 code update.

Agenda Bill No. 9C-I was discussed together as one item.

D. City Clerk Job Description

Agenda Bill No. 9C-I was discussed together as one item.

E. Community Development Director Job Description

Agenda Bill No. 9C-I was discussed together as one item.

F. Finance Director Job Description

Agenda Bill No. 9C-I was discussed together as one item.

G. HR/Communications Director Job Description

Agenda Bill No. 9C-I was discussed together as one item.

H. Parks and Recreation Director Job Description

Agenda Bill No. 9C-I was discussed together as one item.

I. Public Works Director Job Description

Agenda Bill No. 9C-I was discussed together as one item.

10. INFORMATIONAL ITEMS

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

A. Council Committee Reports

B. Contract Intake Report

11. CITY ADMINISTRATOR AND DEPARTMENT REPORTS

City Administrator McAloon

She shared plans to bring forward a resolution to convert the Council Action Matrix from a policy to an administrative procedure, eliminating the need for duplicate motions. She also indicated that Chelan Municipal Code Chapters 3.84 and 3.86 related to the Housing Fund and Housing Grant Program are more restrictive than state law and will be discussed at the June workshop. In addition, she recapped a conversation with Washington Cities Insurance Authority (WCIA) confirming that shoreline wood debris will be removed, with time and materials tracked and submitted to insurance as part of the atmospheric river flood event.

City Attorney Batjer

None.

City Clerk Gallucci

None.

Community Development Director Ajax

Provided an update on the sign-code revisions his department and the Planning Commission has been working on and noted that staff are progressing toward the demolition of the Sikes property. He also congratulated Building Official Tjeerdsma on earning his Certified Building Official certification.

HR/Communications Director Coltman

In addition to the regular Friday updates on the City's website regarding public works projects, individuals have the option to subscribe to these notifications. The City will again implement the "Know Before You Go" campaign for a second year to educate park users on relevant rules and will partner with the Chelan and Douglas Counties on the "Skip the Spark" campaign associated with this year's Fourth of July fireworks.

Parks and Recreation Director Cooper

Shared the Lake Chelan Municipal Golf Course opened on March 18, 2026. The course is currently averaging 64 rounds per day. Staff is currently working on opening the public restrooms for the season through all City Parks. Congratulated Maintenance Foreman Simmons has earned his certification as a Certified Playground Safety Inspector (CPSI).

Public Works Director Youngren

Provide an updated on the following projects:

- The State Route 150 project is scheduled to begin March 29, 2026, with work occurring Sunday through Friday nights.
- Construction on Lift Station No. 3 began.
- The Lakeside Trail project is expected to resume in late April to complete remaining work.
- The Sander Street project is anticipated to kick off within the next two weeks and is currently in the pre-construction phase.

As a reminder, updates can be found on the City's website, with updates provided every Friday.

12. MAYOR AND COUNCIL COMMENTS

Mayor McCardle

Congratulated City Clerk Gallucci on being sworn in as President of the Washington Municipal Clerks Association and Congratulated Deputy City Clerk Couch on receiving the Trailblazer Award from the Washington Municipal Clerks Association. A letter was read aloud informing Councilmembers that Councilmember Ericks resigned from Council Position No. 5, effective March 17, 2026.

Councilmember Benegas

Clarification was requested during voucher review regarding the purchase of a compactor roller and multiple tables and grills.

Councilmember Chitty

Acknowledged the City Staff for their work.

Councilmember Higgins

Congratulated new staff members in the Public Works Department. Shared that the Chelan Valley Housing Trust appreciated the work completed on the Connecting Housing to Infrastructure Project (CHIP) grant. Noted, as a boater, the importance of placing an orange flag on a floating deadhead.

Councilmember Hollingsworth

Acknowledged this is a busy time of year for the Public Works Department and expressed appreciation for their hard work. Sought clarification regarding the marina camera displayed only a partial view rather than full coverage.

Councilmember Sanders

Verified that a public service announcement had been issued regarding the downtown sewer project, inquired about the timing of the National Golf Foundation presentation, and thanked the high school student for attending the City Council meeting.

13. EXECUTIVE SESSION

A. None

14. ADJOURNMENT

MOTION:	Motion to adjourn the meeting.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Terry Sanders
AYES:	Councilmember Terry Sanders, Councilmember Augustin Benegas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth
NAYS:	None
RESULT:	Passed

The meeting was adjourned at 6:32 P.M. Date

Approved: April 14, 2026

Signed by:
Cailey Couch
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Cailey Couch
Deputy City Clerk

Signed by:
Erin McCardle
0BC2617A168B41E

Erin McCardle
Mayor