



City of Chelan

**City Council Meeting
July 28, 2026**

COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT

Mayor:

Erin McCardle

Councilmembers:

Agustin Benegas

Brad Chitty

Shane Collins

Jon Higgins

Tim Hollingsworth

Cesar Rivera-Vargas

Terry Sanders

Administrative Personnel:

City Administrator Laura McAloon (via Zoom)

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

None.

3. CITIZEN COMMENTS

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

None.

4. CONSENT AGENDA

All items under the Consent Agenda are approved with one motion. Suggested Motion: I move to approve the Consent Agenda.

A. July 28, 2026 Accounts Payable Checks and EFT's & Payroll Checks and EFT' s

July 28, 2026 Payroll Checks No. 103299 - 103306 EFT's & Director Deposits totaling \$334,253.47 and Accounts Payable Checks No. 213300 - 213384 & EFT's totaling \$2,186,441.45.

B. July 14, 2026 Regular Council Meeting Minutes

C. City of Chelan Special Meeting on August 4, 2026 beginning at 5:15 p.m.

MOTION:	Move to approve the Consent Agenda.
MOVER:	Councilmember Terry Sanders
SECONDER:	Councilmember Shane Collins
AYES:	Councilmember Terry Sanders, Councilmember Agustin Bengas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Cesar Rivera-Vargas, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

5. SPECIAL PRESENTATIONS, PROCLAMATIONS, AND AWARDS

A. None

6. PUBLIC HEARINGS

A. None

7. MOTION CONSIDERATIONS

A. Resolution No. 2026-1485 Pilot Program for Outdoor Seating

Community Development Director Ajax presented Resolution No. 2026-1485, proposing an 18-month pilot program that would allow an alternative method for marking alcohol-service boundaries. The pilot would provide staff with sufficient time to evaluate its effectiveness before bringing a recommendation back to Council.

MOTION:	Move to adopt Resolution No. 2026-1485.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Cesar Rivera-Vargas
AYES:	Councilmember Agustin Bengas, Councilmember Brad Chitty, Councilmember Shane Collins
NAYS:	Councilmember Terry Sanders, Councilmember Jon Higgins

RESULT:	Passed
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B. BOSS Construction Bid Award and Contract Documents for CC-1 Lift Station

Public Works Director Youngren presented the recommendation to award the CC-1 Lift Station Upgrade Project to BOSS Construction, Inc. The project is intended to replace the aging infrastructure and support future park and plaza improvements by removing existing above-ground facilities.

MOTION:	Move to award the contract for the CC-1 Lift Station Upgrade Project to BOSS Construction, Inc. in the amount of \$3,555,083.52, and authorize the Mayor to finalize and execute the contract documents.
MOVER:	Councilmember Shane Collins
SECONDER:	Councilmember Tim Hollingsworth
AYES:	Councilmember Terry Sanders, Councilmember Agustin Bengas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	Councilmember Cesar Rivera-Vargas
RESULT:	Passed

C. Shea, Carr & Jewell, Inc dba SCJ Alliance Amendment No. 6 to the Professional Services Agreement for the Lakeside Trail Project

Public Works Director Youngren presented a proposed contract amendment for the Lakeside Trail Project to support project completion and closeout activities. The amendment addresses additional administrative and coordination needs resulting from project schedule extensions and staffing changes, helping ensure the project's successful completion and acceptance by funding partners.

MOTION:	Move to authorize the Mayor to finalize and execute Shea, Carr & Jewell, Inc dba SCJ Alliance Amendment No. 6 to the Professional Services Agreement for the Lakeside Trail Project.
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MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Agustin Bengas
AYES:	Councilmember Terry Sanders, Councilmember Agustin Bengas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Cesar Rivera-Vargas, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

8. ADMINISTRATIVE REPORTS

A. Washington State Department of Transportation United States Highway 97A Chelan Multimodal Improvements

Public Works Director Youngren continued the discussion regarding the Washington State Department of Transportation's (WSDOT) Multimodal Trail project. He presented a concept that would convert the proposed bike lanes in the Lakeside area into approximately 12 to 15 parking stalls. Following discussion, Council expressed interest in exploring additional parking opportunities in the Lakeside area and indicated a lack of support for the trail improvements currently proposed by WSDOT.

B. Second Quarter Financial Report

Finance Director Evans presented the second quarter financial report, highlighting the City's overall financial position, revenue and expenditure trends, sales and lodging tax performance, implementation of the 2026 Interfund transfer policy, Tax Increment Financing (TIF) revenues, and the status of utility operations and capital projects. Staff reported that the City remains on track to meet its adopted 2026 budget while continuing to address operational challenges and monitor economic conditions and utility fund performance.

C. 2026 Comprehensive Plan Update: Chapter 3 Sub-Area Plans & Chapter 4 Housing and ESHB 2266 STEP Housing Code Amendments

Community Development Director Ajax shared an update on the 2026–2046 Comprehensive Plan periodic update process, including a summary of the Planning Commission's public hearing held on July 15, 2026 regarding Chapters 3 (Sub-Area Plans) and 4 (Housing). Discussion focused on long-range planning strategies, housing needs and affordability, future growth areas, and public feedback received during the review process. He also outlined upcoming review milestones, including state agency review and future

public hearings as work on the Comprehensive Plan update continues.

9. INFORMATIONAL ITEMS

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

- A. Tentative Advanced Agenda
- B. Council Liaison Report
- C. Contract Intake Report
- D. Lake Chelan Chamber of Commerce Financial Report
- E. Lake Chelan Airport Quarterly Report

10. CITY ADMINISTRATOR AND DEPARTMENT REPORTS

City Administrator McAloon

None.

City Attorney Batjer

None.

City Clerk Gallucci

None.

Community Development Director Ajax

Provided a recap of the Hearing Examiner Public Hearing held on Wednesday, July 22, 2026 regarding the use of 503 E. Highland Avenue, Chelan, Washington. The applicant would like to amend Conditional Use Permit CUP2024-02 to authorize senior housing as an additional and replacement use within the adaptive re-use of the former Lake Chelan Hospital, including independent living, assisted living, and memory care.

Finance Director Evans

Took a moment to answer Councilmember Collins's question earlier regarding the second quarter financial update, noting sales tax revenue had increased 5% more than the same period in 2025. However, lodging tax is down about 8%. The City is still on track to meet budget. She also announced the hiring of Chelsea Potter, formerly with the City of Entiat, as the City's new Receptionist/Administrative Assistant in the Finance Department. Additionally, she stated that the Affordable Housing Policy would be brought back for Council discussion at the August 4, 2026 Special Meeting, with adoption anticipated at the August 11, 2026 regular meeting.

HR/Communications Director Coltman

Reported that mailings for the Safe Streets for All Action Plan had been distributed. Staff

from the Public Works and Community Development Departments have been working on the project, including the development of an interactive map that allows residents to identify locations where pedestrian safety improvements are needed. The initiative is being promoted through the City's website and social media channels.

Parks and Recreation Director Cooper

Reported the smoky conditions have negatively impacted revenue at the parks, campground, and golf course. She also shared that approximately twenty (20) volunteers removed an estimated fifty (50) cubic yards of driftwood and debris in a two-hour cleanup effort; however, much of the area had refilled within two (2) days, and the issue remains ongoing. She concluded by recognizing Parks and Recreation Month and expressing appreciation for the Parks Department crew and their continued efforts.

Public Works Director Youngren

Shared Capital Project Manager Hoskins stepped down, and the position has been filled by Kris Perry from Chelan County. He informed everyone City Engineer Denham is out on leave at this time.

11. MAYOR AND COUNCIL COMMENTS

Mayor McCardle

Reported the City received confirmation from the Community Economic Revitalization Board (CERB) that its application had met the required threshold and would move forward in the process. She also stated the City is working with the Chelan County Sheriff's Office to identify potential enforcement solutions to address the bridge jumping.

Councilmember Benegas

Commented on litter, including discarded life jackets and towels located downtown and noted traffic congestion on Johnson Avenue.

Councilmember Chitty

Thanked the Finance Department for their work and expressed support for conducting a citywide traffic study, noting ongoing congestion issues on Johnson Avenue.

Councilmember Collins

Thanked City staff for their department reports and acknowledged the impact of smoke on the community and local businesses. He expressed appreciation for efforts being made to clean public trash receptacles, looked forward to reviewing the upcoming golf course report, and shared comments regarding bridge jumping enforcement and safety concerns.

Councilmember Higgins

Provided a summary of a recent Lake Chelan Health Board meeting, including discussion of the 2026-2027 budget and the decision to discontinue livestreaming meetings due to limited public participation. He also reported that the Chelan Valley Housing Trust is

reviewing and updating their strategic plan. In addition, he expressed appreciation for efforts to clean and maintain public trash receptacles and commented on several maintenance concerns, including uneven brick surfaces downtown, sidewalk conditions, obstructed visibility from hanging flower baskets, and the pedestrian crossing beacons at Johnson Avenue and Emerson Street.

Councilmember Hollingsworth

Expressed concern regarding bridge jumping and other unsafe activities occurring along the trail system, including the use of electric scooters and electric bicycles. He stated that he would like the City to continue working with law enforcement to address these issues and noted that, overall, the community has experienced a positive summer season.

Councilmember Rivera-Vargas

Encouraged the City to continue pursuing contracts and partnerships that support workforce development and educational opportunities while maintaining fair and competitive bidding practices.

Councilmember Sanders

Complimented the installation of the new parking delineators along the Lakeside Trail and thanked staff for the information provided during the meeting. He also thanked Finance Director Evans for compiling financial information for Council review, requested an update on the timeline for the Apple Blossom Trail project, and inquired about the street sweeper schedule. City staff reported that the sweeper had experienced a mechanical breakdown and was currently undergoing repairs on the west side of the state.

12. EXECUTIVE SESSION

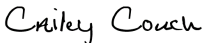
A. None

13. ADJOURNMENT

MOTION:	Move to adjourn the meeting.
MOVER:	Councilmember Tim Hollingsworth
SECONDER:	Councilmember Brad Chitty
AYES:	Councilmember Terry Sanders, Councilmember Agustin Bengas, Councilmember Brad Chitty, Councilmember Jon Higgins, Councilmember Cesar Rivera-Vargas, Councilmember Tim Hollingsworth, Councilmember Shane Collins
NAYS:	None
RESULT:	Passed

The meeting was adjourned at 6:38 P.M.

Date
Approved: August 11, 2026

Signed by:

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Cailey Couch
Deputy City Clerk

Signed by:

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Erin McCardle
Mayor

Certificate Of Completion

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 135 E Johnson Ave
 Chelan, WA 98816
 caileyc@cityofchelan.gov
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 caileyc@cityofchelan.gov
 Location: DocuSign

Signer Events

Erin McCardle
 mayor@cityofchelan.us
 Mayor
 City of Chelan
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 (None)

Signature

Signed by:

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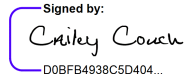
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Cailey Couch
 caileyc@cityofchelan.gov
 Acting, City Clerk
 City of Chelan
 Security Level: Email, Account Authentication
 (None)

Signed by:

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 Using IP Address: 63.142.209.138

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Editor Delivery Events

Status

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Agent Delivery Events

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