

Tenino City Council Meeting

Tuesday, August 25, 2026

WORK SESSION

Mayor Watterson convened the work session at 6:30 pm with:

PRESENT Councilmember Linda Gotovac Councilmember Elaine Klamn Councilmember Jeff Eisel Councilmember Adam Carney Councilmember Tianne Curtiss

1. Discussion of amendments to Gambling Tax ordinance

Before moving forward, I would like to revisit the gambling ordinance passed at the last council meeting and the resulting tax increase. I will provide additional information and discuss how the city can protect its interests and serve taxpayers.

Forest Berger of the Tenino Eagles said he understood the ordinance to set the tax rate at 6.5%, although the organization had been paying 10%. He recommended that the city first determine how far back the discrepancy extends and resolve it.

Councilmember Eisel: I have two comments. First, I believe the repayment period will extend back three years. Second, the city is not out of compliance because the gambling ordinance in effect before the last meeting was lawful. Increasing the tax rate is a separate issue that I will address again during the regular meeting.

2. TRPC request to make bus stop on Park Ave W ADA compliant

There was some discussion about moving that bus stop down towards the on Park Street by that triangle piece of property just before you get to Crowder we graveled that area and it doesn't meet any ADA compliance. It's even difficult for people in a wheelchair even if they can use it because it's not wide enough for the bus to get off the road.

3. Utility Accounts: Inactive accounts without structure, tap only, have been shut off or never had water extended beyond tap - keep billing? late charges?

Utility Accounts: Inactive accounts with structure and water to dwelling, may be abandoned or vacant, shutoff - keep billing? late charges?

The city has several inactive utility accounts. One is for a vacant property with an unused water meter that is still billed the monthly minimum. A few others have accumulated balances of several thousand dollars, including late fees.

A \$40 late fee is charged when a bill remains unpaid after the 10th of the following month. Today, 20 shutoff notices were issued. After service is disconnected, customers often call to pay, requiring staff to return and restore service. Although city code allows fees for both disconnection and reconnection, those fees have not been charged.

CALL TO ORDER

Mayor Watterson convened the regular Council Meeting at 7:30PM with:

PRESENT Councilmember Linda Gotovac Councilmember Elaine Klamn Councilmember Jeff Eisel Councilmember Adam Carney Councilmember Tianne Curtiss

AGENDA APPROVAL

Motion made by Councilmember Gotovac and seconded by Councilmember Carney agenda with the added Gambling tax discussion to the Old Business.

Voting Yea: Councilmember Gotovac, Councilmember Klamn, Councilmember Eisel, Councilmember Carney, Councilmember Curtiss. Approved

APPROVAL OF MINUTES

4. Approval of 07/28/2026 Minutes

Motion made by Councilmember Gotovac and seconded by Councilmember Klamn to approve the 7/28/ 2026 minutes with the correction of Councilmember Curtiss not being in attendance.

Voting Yea: Councilmember Gotovac, Councilmember Klamn, Councilmember Eisel, Councilmember Carney, Councilmember Curtiss to approve the minutes. Approved

Approval of 08/11/2026 Minutes

Motion made by Councilmember Curtiss and seconded by Councilmember Klamn to approve the 8/11/2026 minutes.

Voting Yea: Councilmember Gotovac, Councilmember Klamn, Councilmember Eisel, Councilmember Carney, Councilmember Curtiss to approve the minutes. Approved

CONSENT CALENDAR

5. Consent Calendar consisting of August 12, 2026, through August 25, 2026.

Payroll EFT's in the amount of \$55,243.44 and Claims Checks #34334 through #34348 and EFT's in the amount of \$20,384.44 for a grand total of \$75,627.88 Claims Checks #34319 through #34333 were voided due to print error. No Liquor and Cannabis License Renewal

Motion made by Councilmember Gotovac and seconded by Councilmember Carney to approve the Consent Calendar is there any discussion? Hearing none all in favor? Opposed

Voting Yea: Councilmember Gotovac, Councilmember Klamn, Councilmember Eisel, Councilmember Carney, Councilmember Curtiss to approve the minutes. Approved

EXECUTIVE SESSION

None

PRESENTATIONS

None

PUBLIC COMMENTS

PUBLIC HEARING

None

PROCLAMATIONS

PROCLAMATION:

Riley Mallister of Thurston County Elections thanked the council for recognizing September 15, 2026, as National Voter Registration Day and for helping the Auditor's Office promote voter registration and participation. Mallister noted that voting is fundamental to democracy and requires registration. The 2026 observance will be Thurston County's 13th National Voter Registration Day. Residents ages 16 and 17 may preregister and will receive a ballot when eligible. Eligible residents may register until 8:00 p.m. on Election Day at either of the county's two voting centers. Registered voters were encouraged to keep their information current online or by contacting the Elections Office by phone, text, or email, and to sign up for text notifications.

OLD BUSINESS

Councilmember Eisel: Gambling Tax Ordinance that was recently approved at the advice of the uh city attorney and the reason for it we were given was to bring the code in compliance with the uh Washington state gambling regulations. We were not told what specific item this document was supposed to correct. It was presented by the city as just a little paperwork, quick and done. Um, and I objected to it because as you know, as most people here know, I've been working maybe 18 months on a comprehensive rewrite of the city's gambling ordinances with the goal of one bring them up to date, two increasing revenue for the city, and three looking ahead to the uh community health of the city as well. And this ordinance that we approved met none of those goals.

One of the things I learned at the time was that the state regulations that govern gambling said that nonprofit organizations could not be taxed more than 5% of net.

I consulted repeatedly with the Landmark Tavern manager and spoke with both the Eagles and the VFW about how my proposed taxes would affect their organizations. My proposal was therefore informed by those affected, unlike the ordinance that raised the rate to 10%. I do not know who proposed that increase or why. Because the ordinance is now law, these organizations—particularly the struggling VFW—face a 10% tax instead of 6.5%. Based on my conversations, other council members did not realize they were approving a tax increase on these groups. Opposing the council member who knows more about this issue than anybody else here in the room.

The speaker questioned whether the city attorney was unaware that state law had changed or had mistakenly raised the rate to 10% instead of reducing it to 5%, thereby harming local social clubs. Expressing disappointment with the ordinance and the process used to present it, the speaker said there appeared to be no legal requirement for the increase and that the clubs were now responsible for the higher tax. The speaker planned to propose rescinding the ordinance and suspending any taxes accrued under it while the council considered a comprehensive gambling-tax approach.

The matter will be placed on the next work session agenda. The speaker will present the proposed comprehensive gambling-tax plan and its rationale for council discussion, with the goal of developing an ordinance the speaker can support.

NEW BUSINESS

Council approval of School Resource Officer contract.

I've met with School Superintendent Endicott about it and, he has approved even though it's a little wonky having a three-way contract that we're going to work on maybe getting that a little clearer.

Motion made by Councilmember Gotovac and seconded by Councilmember Klamn to approve the School Resource Officer contract hearing none all in favor. Opposed

Voting Yea: Councilmember Gotovac, Councilmember Klamn, Councilmember Eisel, Councilmember Carney, Councilmember Curtiss to approve the minutes. Approved

ORDINANCES

Ordinance 947 establishing regulations governing the operations of Electric Assisted Bicycle, Motorcycles, Scooters and other motorized personal transportation.

Ordinance 947 tabled

REPORTS

Outside Agencies

Civil Service Commission

I contacted the our attorney about disbanding the civil service since it only covered our police officers. When I initially uh contact him right after we disbanded the police department, he says, "Keep it in place for a while until your employees have new jobs just in case anything comes up." Now they all have jobs so our attorney said that we should disband the commission. I think our insurance just for the civil service commission is like \$8,000 a year.

Finance Committee

The city has an audit by DRS which is the retirement system. Everything looks good but it's just a normal thing that they do. The new utility clerk started August 18th. It's budget time. So all the departments are getting notices to send in their budgets.

We have had a contract for a long time with Springbrook to provide additional assistance for our accounting when we have been trying to get all the updates done for the budgets, it was like \$20,000 a year. They called and said, "Hey, you're not using this enough. You don't need this anymore. So, it's going to save us \$20,000 a year by not having to use that service." And I thank Nancy for her getting us in line to be able to drop that.

Planning Commission

No report

Public Safety Committee

No report

Public Works Committee

Met with Director Cannon he's closing the pool as of this weekend. So, they'll be doing that work to drain all the lines and all that kind of thing. They are also working on the drain field as they time over first one on the corner of Lincoln and Custer. He said sewer check bells are going bad and have to be replaced. Don't ignore the alert when it goes off they are expensive as everything having to with the sewer system.

Clerk Treasurer

We're working on budget and training the new utility clerk Ann Jones. So, we're still a little swamped in city hall, but we're getting caught up on the vouchers.

Mayor

I had short meeting with Waterworth after our last Council meeting just to check in to see how that went and any concerns. I said I thought the council understood what the issues were and not that we're happy with some of the numbers that came up but I think people understood. I did talk to him a little bit about that initial first year increase that we talked about if what it will look like to spread it out over two years or maybe three years what that would look like for our budget. So that would be good.

I met with a TRPC group developing a safety action plan to reduce roadway crashes and address Thurston County's high injury and fatality rate. The group is identifying traffic-safety projects, including potential improvements at the hazardous Old 99 and Sussex intersection.

They just reviewed the countywide information. Naturally, most of it concerns the core cities of Olympia, Lacey, and Tumwater.

The city continues to develop a biodigester project for the meat-processing facility. State representatives will tour the wastewater treatment plant and surrounding area to assess operations and recommend ways to integrate the two facilities, including potential uses for the plant's wastewater and biosolids.

LIAISONS

BTHAT

No report

Solid Waste Advisory Board

No report

TRPC

No report

TPB

We are having retreat next month.

Thurston County Commissioner's Office

No report

Legislature

No report

OTD

No report

PUBLIC COMMENTS 2

None

ANNOUNCEMENTS

None

The meeting's adjourned. Thank you.

Sync to video time