

Tenino City Council Meeting Tuesday, September 8, 2026 Minutes

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

Bicycle Connectivity Workgroup:

Is anyone interested in attending the quarterly Bicycle Connectivity Workgroup meetings? If no one else is interested I will reach out to John O'Callahan to represent Tenino.

We don't have the minutes from our last regular meeting. We will send the special meeting minutes that was held on August 17 to commerce. I think somebody in commerce needs the minutes approving the extension.

That's all I have for the work session, does anyone else have anything? Councilmember Eisel do you want to discuss the gambling tax increase?

Tax Increase. I am not yet prepared to present the new tax proposal I have been developing; it is comprehensive. However, I have spoken with the city's nonprofit organizations, and the ordinance the Council passed increased their taxes. In effect, the Council approved it without sufficient discussion, and the VFW is now facing a tax increase it cannot afford.

Prompt Correction. I understand the point, but the statement that the VFW has been paying 10% is incorrect. VFW organizations have been paying 6.5%, so this ordinance represents an actual increase. Because each meeting cycle adds another two weeks of higher taxes, I believe the Council should correct the issue promptly.

Council Direction. I am seeking the Council's ideas and opinions on how to proceed. Options may include a resolution, motion, or ordinance restoring the previous rate at the next meeting, which would limit the additional tax to approximately one month. This appears to have been an unintended consequence. I also acknowledge that I was frustrated at the last meeting because of how the matter was handled. To clarify, are you proposing an increase from the current 6.5% rate, and if so, to what rate?

No, I didn't say nonprofits. So, what is the Landmark paying now?

They're paying 6.5 % of net. And my proposal is to tax them at 5% of gross, and doing the math, that'll bring another \$14,000 or so into the city's coffers. It's not a lot, but at this point,

we're hanging on by our fingernails. And it's something this council can do to, you know, absent any other ideas. We've had a lot of waving arms about bringing in business and all that kind of stuff, and that's all well and good, but this is something we can do to bring in revenue right now, and it's something I've been pressing for and I'll lay that all out.

Councilmember Curtiss: we would like to see the proposal you mentioned at the last meeting, but you haven't provided anything. Good point. And I'm still working on it.

Councilmember Gotovac: do you have an idea when it'll be available for us? Okay. That would be next meeting. And I doubt that the council will be ready to act on it. Will you send it to us, you can email it to the mayor and then he can send it to us. And it'll be part of the agenda for the next coming council meeting. Perfect.

Can you expand on that a little bit more?

Well, the lawyer said, and this is our attorney, Mr. Dilly, gave us an ordinance to bring us in compliance with state law, and it was presented to us as something we needed to pass. I take issue with that. I don't think there's anything that needed the urgency of passing it immediately without discussion.

It raises another question in thinking about it and that was that we had an ordinance that took effect immediately.

But I'm wondering I mean this something the council will consider if on ordinances we change our laws in the city to require two readings the way we do for budgets. Not everybody is aware of what's going on.

I propose we have an provide two reading of an ordinance so that the public would have an opportunity to raise any concerns.

Ordinance 948 the criminal justice tax that was enabled by house bill 2015. So it's one tenth of 1% sales tax. This does not have to go to the public. This is a council decision.

Councilmember Carney: I thought I read that it was something we have to pass order to contract with the sheriff's department.

Mayor Watterson: When we had our own uh police, we could pass this just on our own. But since now we're contracting with the sheriff's office, they had to put paperwork in on behalf and we had to file paperwork.

Then we have Ordinance 949 establishing the capital projects debt service funds.

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

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

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AGENDA APPROVAL

2. Agenda Approval

Motion made by Councilmember Gotovac, Seconded by Councilmember Carney.

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

Approved 5/0

APPROVAL OF MINUTES

Motion made by Councilmember Carney, Seconded by Councilmember Klamn to approve the special meeting minutes held on August 17, 2026.

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

Approved 5/0

CONSENT CALENDAR

There was no payroll for this period, so we just have claims checks 34352 to 34378 in the amount of \$93,37949. No Cannabis or liquor licenses.

Motion made by Councilmember Gotovac, Seconded by Councilmember Curtiss.

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

Approved 5/0

EXECUTIVE SESSION

To discuss potential litigation RCW42.30.110(1) (i)

Mayor Watterson reconvened the meeting at 7:58pm.

PRESENTATIONS

None

PUBLIC COMMENTS

None

PROCLAMATIONS

None

NEW BUSINESS.

Extend the current TCSO law enforcement contract through December 31st. As we talked about no changes to the contract, we're just extending it out until the end of the year.

Motion made by Councilmember Gotovac, Seconded by Councilmember Curtiss.

It's been moved and seconded to extend the current TCSO law enforcement contract through December 31st, 2026. Is there any discussion?

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

Resolution Ordinance number 948 HB 2015.1% sales tax sales and use tax for criminal justice. It means about uh \$80,000 to us.

Motion made by Councilmember Gotovac and seconded by Councilmember Carney to pass Ordinance number 948 is there any discussion?

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

Approved 5/0

Ordinance 949 establishing fund 201 Capitol Projects Debt Service Fund capital projects debt service fund.

Motion made by Councilmember Gotovac and seconded by Councilmember Carney to approve Ordinance 949.

It's been moved and seconded to approve uh fund 201 capital projects debt service fund. Is there any discussion This ordinance creates a debt service fund within the City's existing bank account, not a separate account. The loan agreement requires the fund for loan repayment.

Councilmember Eisel: So, when money into this account it can't be used for anything else and, what I'm suggesting is we don't transfer money in until we're ready to pay the checks.

Clerk Reddick: It's kind of like our sewer fund is enough to make our payments.

The fund must maintain enough to cover the year's payments. For example, if I deposit and then pay out \$77,000, I must replenish the fund with another \$77,000.

I believe the payment is due the middle of the year.

Councilmember Eisel: I'm curious, doesn't affect anything, but if we're putting it in, can't we just pay the loan first of the year anyway?

Clerk Reddick: I do not know why we would let them get the interest from that for six months rather than us.

Councilmember Eisel: I would need to review the loan payment terms. I defer to your expertise on cash flow, but I questioned whether the funds needed to be set aside immediately. I understand now that the signed contracts require it.

Clerk Reddick: Yes, it is legally required. Otherwise, there would be no reason to.

Okay. Thank you. Answers my questions.

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

Approved 5/0

8)Outside Agency:

1) Chamber of Commerce - Lunch Forum September 16th at Noon at the Sandstone & Quarry Bar. TSD Superintendent Clint Endicott will be the guest speaker.

2) Economic Development Council (EDC) Thurston EDC next events are:

Business webinar September 9, 10am-11am.

Real Estate Forum and Luncheon on September 24, 2026, 11am-1:30pm at the South Puget Sound Community College's conference center in Lacey, WA

More information for both events can be found at thurstonedc.com

3) South Thurston Economic Development Initiative (STEDI) - meeting September 18th at 8AM at the Stone City Events Center.

4) ARCH Commission -there is a meeting on September 23rd.

5) Experience Olympia and Beyond (VCB) - No report

6) Timberland Library - No report

7) South Thurston Fire and EMS - gave number of calls during the month of August.

8) Thurston County Sheriff's Office - gave number of calls during the month of August.

13. Committees/Commissions

1) Civil Service Commission - No report

2) Finance Committee - Councilmember Klamn reported, still working on unclaimed property, budget she reported that there have been double digit increases in medical and PSE. Also, there are 1099's to go out for work done for the city that were not sent in 2025, this is being fixed by Springbrook, and everything should run smoothly for the end of 2026.

3) Planning Commission – No report

14. Staff

1) Public Works – working on budget and the ball field.

2) Code Enforcement/Building Inspector – There are a couple of houses being renovated. Also, some cleaning up of property is being done.

3) PARC Specialist – No report.

4) Clerk/Treasurer – No report. The treasurer's report will be emailed to us.

5) Mayor – I attended a budget workshop put on by AWC There good reminders of practices and those kinds of things. We've always just tried to manually figure out any increases in paying that, but there's apparently in our software you can put the information in Spring Brook software and it'll automatically calculate those things versus us trying to. So got us got some good tips on that software.

The sheriff and the undersheriff came down to our police department, our police facility, just to check it out. They want to start using it a little bit more than they have. I know officers still can go in there right now, but they were just checking out the facility and what was available. So, they are going to, make some type of proposal on doing something more with that facility, but I'll have to bring the proposal to you when I hear from them.

Solar project: We ordered the remaining equipment today, and installation should begin soon. The goal is to complete the work before worsening weather makes the metal roof slippery.

We met again with Waterworth to finalize the proposed rate increases. To ensure residents are informed and can provide input, we plan to include a notice with utility bills and hold another presentation at the first Council meeting in October. Waterworth will explain how the proposal could affect customers and their bills. We also discussed whether sewer charges should remain a flat rate or be based on water use, since approximately 80% of extracted water is treated by the wastewater plant. This approach may distribute costs more fairly among customers with different usage levels. The proposal will go through the Council and public review process. We will provide Waterworth with water-use data so it can evaluate the options.

Liaisons

- 1) Bucoda Tenino Healthy Action Committee (BTHAT) – No Report
- 2) Solid Waste Advisory Board – No report, meeting canceled.
- 3) TCOM/911 – No Report

- 4) School Board – No Report
- 5) TRPC – No Report
- 6) County Commissioners' office – No Report
- 7) Legislature – No Report
- 8) Oregon Trail Days – No Report

PUBLIC COMMENTS 2 - None

ANNOUNCEMENTS – None

ADJOURNED at 8:10pm.