

CHEHALIS CITY COUNCIL AGENDA
 CITY HALL
 350 N MARKET BLVD | CHEHALIS, WA 98532

Dennis L. Dawes, Position at Large		
Mayor		
Terry F. Harris, District 1, Mayor Pro Tem		Anthony E. Ketchum Sr., District 3
Daryl J. Lund, District 2		Chad E. Taylor, Position at Large
Dr. Isaac S. Pope, District 4		Bob Spahr, Position at Large

Regular Meeting of Monday, November 13, 2017
5:00 p.m.

- | |
|---|
| 1. <u>Call to Order.</u> (Mayor) |
| 2. <u>Pledge of Allegiance.</u> (Mayor) |

SPECIAL BUSINESS
3. <u>Washington State 911 Update.</u> (Bobby Jackson, County Commissioner; Adam Wasserman, Washington State 911 Coordinator)

CITIZENS BUSINESS
This is an opportunity for members of the audience to address the council on matters not listed elsewhere on the agenda. Speaker identification forms are available at the door and may be given to the city clerk prior to the beginning of the meeting.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
PUBLIC HEARING		
4. <u>2018 Proposed Budget and Revenue Sources, Taxes, and Levies.</u> (City Manager, Interim Finance Manager)	CONDUCT PUBLIC HEARING	1

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
CONSENT CALENDAR		
5. <u>Minutes of the Regular Meeting of October 23, 2017.</u> (City Clerk)	APPROVE	3
6. <u>Vouchers and Transfers.</u> (City Manager, Finance Manager)	APPROVE	7

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
UNFINISHED BUSINESS		
7. <u>Ordinance No. 981-B, Second and Final Reading – Amending the 2017 Annual Budget.</u> (City Manager, Interim Finance Manager)	PASS	9

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
NEW BUSINESS		
8. <u>Ordinance No. 983-B, First Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2018.</u> (City Manager, Interim Finance Manager)	PASS	18
9. <u>Ordinance No. 984-B, First Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2018.</u> (City Manager, Interim Finance Manager)	PASS	18
10. <u>Ordinance No. 985-B, First Reading – Adopting the Proposed 2018 Budget.</u> (City Manager, Interim Finance Manager)	PASS	22
11. <u>Resolution No. 9-2017, First Reading – Declaring an Emergency Relating to the Repair of the Prindle Street Sewer Force Main.</u> (City Manager, Public Works Director, Wastewater Superintendent)	ADOPT	26
12. <u>Contribution to the Community-Wide Homeless Severe Weather Shelter.</u> (City Manager)	APPROVE	29

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
ADMINISTRATION AND CITY COUNCIL REPORTS		
13. <u>Administration Reports.</u> a. City Manager update. (City Manager)	INFORMATION ONLY	- - -
14. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	- - -

EXECUTIVE SESSION		
15. Pursuant to RCW: a. 42.30.110(1)(c) – Sale/Lease of Real Estate b. 42.30.110(1)(i) – Litigation/Potential Litigation c. 42.30.110(1)(g) – Review Performance of a Public Employee d. 42.30.140(4)(a) – Collective Bargaining		

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, NOVEMBER 27, 2017.**

**CITY OF CHEHALIS COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tim McGuire, Interim Finance Manager
Betty Brooks, Payroll Accountant

MEETING OF: November 13, 2017

SUBJECT: Public Hearing on the Proposed 2018 City Budget, Revenue Sources, Taxes,
and Levies

ISSUE

The 2018 Proposed Budget has been prepared for consideration by the City Council. Ordinances 983-B and 984-B have been prepared in connection with levying property taxes for collection in 2018.

DISCUSSION

The Proposed 2018 Operating Budget, which includes a summary of anticipated revenues and expenditures, is available for public review at City Hall, the Finance Department, and on the City's website at www.ci.chehalis.wa.us.

Ordinance No. 983-B establishes the city's levies of ad valorem taxes (i.e., property taxes) for general operations, the Firefighters' Pension Fund, and Emergency Medical Services (EMS).

Ordinance 984-B is required under the provisions of Referendum 47. It identifies the changes, in both dollar amounts and percentage terms, in the city's general operations property tax levy, the Firefighters' Pension Levy, and the EMS levy for next year compared to this year.

The property tax levy will increase due to increases in new construction, property improvements, the value of state assessed property, property tax administrative refunds, and annexations. However, the city will not use the one percent (1%) increase by statute nor will the city use any of its banked capacity (19.25%).

RECOMMENDATION

It is recommended that the City Council open the public hearing, accept public comment, close the public hearing and consider this information when taking action on these items, which are scheduled on this meeting agenda under "New Business."

SUGGESTED MOTION

There is no motion needed after the public hearing.

October 23, 2017

The Chehalis city council met in regular session on Monday, October 23, 2017, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Betty Brooks, Accountant; Ken Cardinale, Fire Chief; Tracey Cox, Administrative Assistant; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Derrick Paul, Fire Captain; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. **Eagle Scout Project Community Service Award.** Fire Chief Cardinale and Fire Captain Derrick Paul presented a community service award to Thomas Even. Fire Captain Paul stated the city's fire hydrants had not been painted in about 20 years. He stated Mr. Even was completing his Eagle Scout project, part of which requires a public service project. Mr. Even took on the painting of the fire hydrants and provided leadership, communication, and planning to get the project done. Captain Paul stated staff had previously budgeted the project over two years to paint the city's 350+ hydrants, but Mr. Even and his crew completed it in one month! Mr. Even thanked the city and stated it was an honor to accept the certificate.

2. **Commemorative Naming of SW 16th Street and Proclamation Honoring Orin Smith.** Mayor Dawes stated the next item was very special and he was privileged to read a proclamation on behalf of the city and the council honoring Mr. Orin Smith to commemoratively name SW 16th Street as "Orin Smith Commemorative Way ~ Preparing Students for a Brighter Future." Mayor Dawes then unveiled a mock-up of the street sign that will be going up in several locations along SW 16th Street. He stated that Mr. Smith sent an email that he wanted to share:

"It is with great regret that my medical condition does not allow me to be with you tonight. However, I want you to know how incredibly honored I am that you have decided to name 16th Street, "Orin Smith Commemorative Way." I have always believed much of the success I have enjoyed in life was due to the strength of the Chehalis community and its leadership. Accordingly, nothing is giving me greater joy than the opportunity I have had in recent years to work with the community and education leaders to provide current and future generations with the same opportunities that were made available to me. In every respect since the initial planning for the Vernetta Smith Chehalis Timberland Library through more recent educational initiatives, Chehalis has proven to be an incredibly generous community with outstanding leadership and broad community participation. What we have been able to accomplish together has been remarkable and I believe it is only the beginning. Thank you for allowing me to be part of the Chehalis Renaissance. The experience has been a great joy to me."

On behalf of the community, Mr. J. Vander Stoep thanked the council for taking this action. He spoke about Mr. Smith's story – the American dream. A kid from a poor family who grew up without a lot of material advantages and went to the very top of American and world-wide business. He had a strong mother who led the raising of her children. They could not afford going to expensive things, but they could go to the library, which they did every week. A small town boy that not only made good, but did good. During every stage of his career, he brought other people up with him, and when he got to the top, he gave back to Chehalis and many other places around the world. Chehalis was a community that reached up to a young man and supported him when he was growing up, and in turn, he has supported the community. Mr. Vander Stoep shared several stories about how the community watched out for and helped Orin as he was growing up.

Mr. Vander Stoep noted Orin's education included Centralia College, the University of Washington, and Harvard Business School. He was the budget director for the state of Washington twice, working under Governors Ray and Gardner. He was then hired by Starbucks as the Chief Financial Officer being promoted to Chief Operating Officer, and then to Chief Executive Officer and President. When he became the CEO, Starbucks was a Pacific Northwest coffee company. Orin led the expansion of the company into a world-wide enterprise. He stated that Orin will say that Starbucks has become the world-wide leader because of its relationship with its customers and its employees. When you walk into a Starbucks there is a feeling you have there, the heart of which are the employees. Orin created that culture world-wide, learning that if you treat people with respect and dignity, and support them in their job, they will then in turn support the company. Millions of us enjoy starting or ending our day with a Starbucks coffee and Mr. Vander Stoep believed that wouldn't have happened if Orin Smith hadn't done what he did. Additionally, hundreds of thousands of people have received good jobs to provide for their families around the world. After retiring, Orin went on to the board of Nike and Disney, where he is still today, and served on the board of regents for the University of Washington.

October 23, 2017

Mr. Vander Stoep stated the story then comes back home to Chehalis, specifically to the library and the pool. The Smiths became involved and instead of repairing both facilities, new facilities were built. The library was a \$4 million project, with Orin being the lead donor. The same goes for the swimming pool. Chehalis now has a \$2.7 million first class facility. The Smith family has also been involved with the school district's student achievement initiative to ensure that all students receive a first class education. Mr. Vander Stoep cited an article about Orin called, "Heart + Mind" published by the University of Washington, which reads in part:

Kid from Chehalis

More than a decade after his amazing run with Starbucks, Smith remains both in highest regard and in highest demand. He continues to apply his unique balance of leadership -- marrying vision and efficacy, ambition and principles, confidence and humility -- toward furthering worthy causes and institutions. "Orin is simply one of the most thoughtful, collaborative and humble leaders I have ever known," says Bill Ayer (MBA 1978), the retired Chairman and CEO of Alaska Airlines and current chair of the UW Board of Regents. "His leadership style and clear-minded reasoning are legendary. His calm demeanor and deep understanding of issues and people make his advice and counsel sought after."

Not bad for a kid from Chehalis. But then, maybe his humble beginnings have everything to do with all that Smith has accomplished, and how.

"Earnest, compassionate, humble. A principled leader and man of exceptional integrity. That was and is the essence of Orin Smith," adds Anne McGonigle. "You could take the kid out of Chehalis and send him to the University of Washington, Harvard Business School and the heights of business success, but you could never take Chehalis out of the kid."

Mr. Vander Stoep noted that at the last council meeting, Mayor Dawes stated that what Orin does, he not only does right, he does it for the right reason, and it is not to glorify Orin Smith, and that is why it is so appropriate for the council to be taking this step. He stated Orin has been gone from Chehalis for over 50 years, but Chehalis continues to be his home.

Mr. Vander Stoep stated the word "humble" is used often to describe Orin. He shared a story relating to that. Just last month, Kevin Smith drove his brother to Chehalis. After spending time with Chehalis School District representatives, they went to Onalaska to meet with the school superintendent. He explained that there was an article this past summer in the Seattle Times about how all of the Onalaska Class of 2017 students had been accepted into college. Orin wanted to know how they did it. Orin wanted to meet with the superintendent because he thought he might have something to learn.

Mr. Vander Stoep concluded by saying he once heard Orin tell Mr. Gail Shaw that he inspired him. Mr. Vander Stoep thought we could all say back to Orin now, that he has inspired us. Orin has had an impact world-wide and he's had a tremendous impact on this community. Mr. Vander Stoep stated he was raised to believe that the American dream isn't just making more money than your parents so you can buy a nicer house, but it's the idea that you have a responsibility to the next generation and that is exactly how Orin has lived his life. So, if anybody asks why the school district is naming one of the new schools after Orin, or why the city is naming a street after Orin, the first answer is because this man has been so generous to our community and it is our way of saying thank you. But, the best reason is because given where he came from and understanding Orin's life, we can say to every kid that ever comes out of Chehalis, you can make it. You can rise in this world as high as your talent and hard work will take you. And, looking at Orin, it can even take you to the top.

3. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular meeting of October 9, 2017;
- b. October 13, 2017 Claim Vouchers No. 120531-120677 and Electronic Funds Transfer Nos. 92017 & 920171 in the amount of \$471,523.57;
- c. Ordinance No. 982-B, Second and Final Reading -- Amending the Zero Rise Policy;
- d. Accept the Redundant Flocculation Basin Project as complete and release the retainage in the amount of \$56,385.10 to Prospect Construction, Inc., after all statutory requirements have been met; and

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e. Accept the Kresky Avenue Sewer Repair Project as complete and authorize release of retainage after all statutory requirements have been met.

The motion was seconded by Councilor Lund and carried unanimously.

4. Approve Candidates and Funding Amounts of the Lodging Tax Advisory Committee (LTAC) for Use of Lodging Tax Funds for 2018; and Reappoint Committee Members. Councilor Harris briefed the council on the state statutes concerning the process for awarding lodging tax revenues. Nine requests totaling \$393,785 were received and reviewed by the LTAC with the following recommendations to the council. Three organizations either received no funding or decreased funding.

<u>Organization</u>	<u>Request</u>	<u>Recommendation</u>
1. Chehalis-Centralia Railroad & Museum	\$ 35,000	\$ 35,000
2. Lewis County Historical Museum	\$ 40,000	\$ 40,000
3. Veterans Memorial Museum	\$ 30,000	\$ 30,000
4. Lewis Co. Community Trails (Ride the Willapa)	\$ 22,750	\$ 0
5. Friends of the Chehalis Community Renaissance	\$ 43,600	\$ 40,000
6. Cent-Cheh Chamber (Visitor Center Services)	\$ 40,000	\$ 40,000
7. Chehalis Wedding Show	\$ 12,435	\$ 12,435
8. Athletic Tournaments	\$ 20,000	\$ 20,000
9. Pool Liner	\$ 150,000	\$ 100,000
Total	\$ 393,785	\$ 317,435

Councilor Ketchum stated the report also recommends that \$50,000 be placed in reserves for improvements to Recreation Park. He asked if 2018 would be the first year. Councilor Harris stated that was correct. He noted that the tournaments on the fields at Recreation Park, along with the adjacent pool, generate tourism revenue and the LTAC fully supports this recommendation and voted unanimously in favor of the annual contribution. The annual contribution toward the park would allow the city to pay back a council-matic bond.

Councilor Pope moved to accept the recommendation of the LTAC to put \$50,000 annually into reserves for improvements to Recreation Park. The motion was seconded by Councilor Lund and carried unanimously. Councilor Taylor abstained from voting.

Councilor Ketchum moved to approve, both individually and collectively, the candidates and funding amounts of the LTAC for use of lodging tax funds for 2018, and to set aside \$50,000 annually toward Recreation Park improvements. The motion was seconded by Councilor Pope and carried unanimously. Councilor Taylor abstained from voting.

Councilor Ketchum moved to reappoint Todd Chaput, Gloria Choi, Jena Sorenson, Alicia Bull, Rick Burchett, and Chip Duncan to the Lodging Tax Advisory Committee. The motion was seconded by Councilor Lund and carried unanimously.

Councilor Harris thanked the LTAC for working together, the presenters, and city staff, specifically, Jill Anderson, Caryn Foley, and Denny Peace.

5. Ordinance No. 981-B, First Reading – Amending the 2017 Annual Budget. City Manager Anderson stated this is the second amendment to the 2017 budget. Sales tax numbers continue to be strong, planning and building fees are coming in better than expected, Business & Occupation taxes are increasing, as well as grant reimbursements. Expenditures have been increased due to wage adjustments with one of the three collective bargaining groups. A one-time expenditure for the other two collective bargaining groups for retroactive wages has been included. Other unexpected expenses include professional services, strategic planning, temporary financial help, and equipment and facility needs. So, revenue projections for the General Fund have been increased by \$1.362 million since November 2016. The expenditure projections have increased \$665,000. The projected ending fund balance has increased by \$373,000, which brings the ending fund balance to just under \$1.4 million, or 13.7%, which exceeds the council policy of 10%. Even with increasing sales tax, City Manager Anderson stated it took several years to recover from the great recession and she is concerned that the next recession is coming. The sales tax increases we've seen over the last several years cannot be sustained long-term, so she is cautiously optimistic.

October 23, 2017

In addition to the General Fund, adjustments are proposed for several of the City's other funds, including the Dedicated Street Fund to account for the revenue and expenditure associated with the purchase of a new chip spreader; the Building Abatement Fund to purchase safety fencing; the Transportation Benefit District to add revenue and expenditures for planning and overlay project; and the Airport Fund for a loan and construction for the Tract 5A fill project. City Manager Anderson stated in summary, the fund balance has increased by about \$2.5 million. Of that fund balance, she noted it is primarily the city's restricted funds, which limits what can be done with those funds. Overall, she thought the city was in a good spot going into 2018.

Councilor Harris moved to pass Ordinance No. 981-B on first reading. The motion was seconded by Councilor Lund and carried unanimously.

6. Administration Reports.

a. **Finance Report.** City Manager Anderson provided a financial update as of the end of September. The numbers are solid and showing an increase in revenues.

b. **City Manager Update.** City Manager Anderson reported that there continues to be a vacancy on the city's Civil Service Commission.

7. Councilor Reports/Committee Updates.

a. Councilor Harris thanked staff for all their work on the budget.

b. Councilor Ketchum thanked staff for reinstalling the pedestrian bridge on National Avenue.

c. Mayor Dawes stated the final budget committee meeting is on Wednesday. He attended the Business After Hours event held at Reliable Enterprises last week. Mayor Dawes passed out city manager evaluation forms to complete and return to the city clerk by October 27. The review will be held in executive session at the next meeting.

There being no further business to come before the council, the meeting was adjourned at 6:09 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:
Initials: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tim McGuire, Interim Finance Manager
Michelle White, Accounting Tech II

MEETING OF: November 13, 2017

SUBJECT: Vouchers and Transfers

ISSUE

City Council approval is requested for Vouchers and Transfers dated October 31, 2017.

DISCUSSION

The October 31, 2017 claim vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Claim Vouchers No. 120678-120801 and Electronic Funds Transfer No. 102017 in the amount of \$499,817.80 dated October 31, 2017, which includes the transfer of:

- \$113,569.52 from the General Fund
- \$12,605.05 from the Tourism Fund
- \$109,287.27 from the Wastewater Fund
- \$8,101.91 from the Water Fund
- \$1,141.87 from the Storm & Surface Water Utility Fund
- \$254,249.03 from the Airport Fund
- \$863.15 from the Firemen's Pension Fund

RECOMMENDATION

It is recommended that the City Council approve the October 31, 2017, Claim Vouchers No. 120678-120801 and Electronic Funds Transfer No. 102017 in the amount of \$499,817.80.

SUGGESTED MOTION

I move that the City Council approve the October 31, 2017, Claim Vouchers No. 120678-120801 and Electronic Funds Transfer No. 102017 in the amount of \$499,817.80.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tim McGuire, Interim Finance Manager
Betty Brooks, Payroll Accountant

MEETING OF: November 13, 2017

SUBJECT: Payroll Vouchers and Transfers

ISSUE

City Council approval is requested for Payroll Vouchers and Transfers dated October 31, 2017.

DISCUSSION

The administration requests City Council approval for Payroll Vouchers No. 39934-39980, Direct Deposit Payroll Vouchers No. 8809-8909, and Electronic Federal Tax Payment No. 177 dated October 31, 2017, in the amount of \$732,321.32, which include the transfer of:

- \$501,359.78 from the General Fund
- \$6,077.31 from the Arterial Street Fund
- \$83,122.17 from the Wastewater Fund
- \$91,028.68 from the Water Fund
- \$27,808.07 from the Storm & Surface Water Utility Fund
- \$21,103.62 from the Airport Fund
- \$1,821.69 from the Firemen's Pension Fund

RECOMMENDATION

It is recommended that the City Council approve the October 31, 2017, Payroll Vouchers No. 39934-39980, Direct Deposit Payroll Vouchers No. 8809-8909, and Electronic Federal Tax Payment No. 177 in the amount of \$732,321.32.

SUGGESTED MOTION

I move that the City Council approve the October 31, 2017, Payroll Vouchers No. 39934-39980, Direct Deposit Payroll Vouchers No. 8809-8909, and Electronic Federal Tax Payment No. 177 in the amount of \$732,321.32.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tim McGuire, Interim Finance Manager
Betty Brooks, Payroll Accountant

MEETING OF: November 13, 2017

SUBJECT: Ordinance No. 981-B Second and Final Reading – Amending the 2017 Annual Budget

ISSUE

Ordinance No. 981-B amending the 2017 Budget, is hereby submitted to reflect the changes in estimates and actual activity of the city. This ordinance is necessary to ensure compliance with state appropriation requirements and to document adjustments to the 2017 Budget.

DISCUSSION

In July of this year, Ordinance No. 973-B was adopted to amend the 2017 budget, which was the first budget amendment of the year. A second amendment to the 2017 budget was introduced for first reading at the October 23, 2017 City Council meeting. Since the first reading, the ordinance has been revised. The second reading of the ordinance, which is before you at this time, includes the following adjustments:

- Appropriations for various additional project expenses incurred by the Parks & Facilities Fund, as part of the effort to catch up on deferred maintenance.
- Appropriations in the amount of \$25,000 for additional negotiation expenses.
- Appropriations in the amount of \$11,000 for Riverside Fire Authority for Fire Marshall Services.
- Appropriations in the amount of \$3,000 to replenish imprest (petty cash) funds.
- Appropriations in the amount of \$14,802 for pedestrian bridge.
- Inclusion of Public Facilities Reserve Fund with transfer in and library roof repair, expenses in the amount of \$100,000, respectively.
- Transfer out of \$100,000 from 1st Quarter REET Fund to Public Facilities Reserve Fund.
- Revenues/Appropriations for Wastewater Fund's SRF Loan – I & I Project.
- Appropriations in the amount of \$376,416 in the Water Fund to correct recording of contra expenses.
- Appropriation for the Airport Fund for Development Master Plan expenses, which will be reimbursed through a .09 Fund Grant from Lewis County, approved in September 2017, at the conclusion of the project in early 2018.

- Appropriations for the Airport Fund for Tract 5A Loan.

Exhibit A to Ordinance No. 981-B summarizes the revenues and expenditures of all the city's funds and reflects the changes associated with the first budget amendment, as well as the proposed budget amendment.

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 981-B on second and final reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 981-B on second and final reading.

City of Chehalis
 2017 Budget Amendment No. 2 - Ordinance No. 981-B
 11/13/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total
			Increase/(Decrease)	(Increase)/(Decrease)	In/(Out)	Increase/(Decrease)			
Fund 001 - General Fund									
001.313.011.00	Local Retail Sales & Use Tax	additional sales tax revenue projected	386,000						
001.316.010.00	Main Street B&O Credit	credit amount from DOR	41,250						
001.316.048.00	B&O Taxes on Utilities - Water	additional tax revenue projected	18,100						
001.316.049.00	B&O Taxes on Utilities - WW	additional tax revenue projected	31,000						
001.317.020.00	Leasehold Excise Tax	additional tax revenue projected	14,000						
001.322.010.00	Building Permits	projected decrease in revenues	(20,000)						
001.334.002.70	St Grant - RCO	additional revenues received	24,400						
001.336.006.41	Marijuana Enforcement	additional revenues received	4,730						
001.342.036.00	Electronic Monitoring-Prisoner	revenues overbudgeted	(11,000)						
001.345.083.00	Plan Checks	additional revenues received	18,485						
001.347.030.01	Activity Fees/Pool	additional revenues received	31,275						
001.R1.571.022.11.05	Salaries & Wages	pool salaries underbudgeted							12,465
001.R1.571.022.21.05	Personnel Benefits	pool benefits underbudgeted							3,310
001.356.090.00	Non-Traffic Misdemeanor	revenues overbudgeted	(14,800)						
001.367.011.79	Donation-Other Culture & Recreation	additional revenues received	16,993						
001.369.091.00	Miscellaneous Income	revenues overbudgeted	(16,000)						
001.337.009.42	Grants	AWC Wellness Mini Grant	465						465
001.G1.518.011.31.00	Wellness Committee Expenses	Leap the Levy Grant Expenses							
001.389.030.06	Due to State - LET	Parking Revenues not recorded with LET	(12,500)						
001.334.003.82	State Grants - TIB	Unbudgeted Grant Monies Received	318,703						17,980
001.K1.595.070.41.00	Professional Services	Street Expenses							
001.386.000.99	Due to State - School Zone Safety	State Auditor's Office Recommendation	(1,800)						
001.386.001.00	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation	(3,500)						
001.386.001.01	Due to State-Access Comm/Multitrans	State Auditor's Office Recommendation	(225)						
001.389.030.10	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation	3,500						
001.389.030.11	Due to State-Access Comm/Multitrans	State Auditor's Office Recommendation	225						
001.389.030.99	Due to State - School Zone Safety	State Auditor's Office Recommendation	1,800						
001.C1.586.012.00.00	Due to Other Govt Unit - Crime Victims	State Auditor's Office Recommendation							(2,325)
001.C1.586.083.00.00	Due to State - Trauma Care	State Auditor's Office Recommendation							(2,200)
001.C1.586.091.00.00	Due to State - State Remit - Court	State Auditor's Office Recommendation							(56,500)
001.C1.586.092.00.00	Due to State - PSEA	State Auditor's Office Recommendation							(27,200)
001.C1.586.094.00.00	Due to State - Hwy Safety	State Auditor's Office Recommendation							(575)
001.C1.586.096.00.00	Due to State - Lab/Blood Breath	State Auditor's Office Recommendation							(2,705)
001.C1.586.097.00.00	Due to State - JIS	State Auditor's Office Recommendation							(15,350)
001.C1.586.099.00.00	Due to State - School Zone Safety	State Auditor's Office Recommendation							(1,200)
001.C1.586.100.00.00	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation							(3,500)
001.C1.586.101.00.00	Due to State - Access Comm/Multitrans	State Auditor's Office Recommendation							(200)
001.C1.589.030.00.10	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation							3,500
001.C1.589.030.00.11	Due to State - Access Comm/Multitrans	State Auditor's Office Recommendation							200
001.C1.589.030.00.12	Due to State - Auto Theft Prevention	State Auditor's Office Recommendation							2,325
001.C1.589.030.00.83	Due to State - Access Comm/Multitrans	State Auditor's Office Recommendation							2,200
001.C1.589.030.00.91	Due to State - Trauma Care	State Auditor's Office Recommendation							56,500
001.C1.589.030.00.91	Due to State - State Remit - Court	State Auditor's Office Recommendation							27,200
001.C1.589.030.00.92	Due to Other Entities	State Auditor's Office Recommendation							575
001.C1.589.030.00.94	Due to State - Hwy Safety	State Auditor's Office Recommendation							2,705
001.C1.589.030.00.96	Due to State - Lab/Blood Breath	State Auditor's Office Recommendation							15,350
001.C1.589.030.00.97	Due to State - JIS	State Auditor's Office Recommendation							

City of Chehalis
 2017 Budget Amendment No. 2 - Ordinance No. 981-B
 11/13/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue Increase/(Decrease)	Appropriation Increase/(Decrease)	Transfers In/(Out)	Total Increase/(Decrease)
001.C1.589.030.00.99	Due to State - School Zone Safety	State Auditor's Office Recommendation	1,200			
001.G1.553.030.41.00	Professional Services	LC Economic Development Council		15,000		
001.G1.558.070.41.00	Professional Services	LC Economic Development Council				removed for 2nd reading
001.D1.513.010.35.00	Small Tools & Minor Equipment	new computer for Admin Assistant		999		
001.D1.513.010.41.00	Professional Services	negotiations		11,382		
001.D1.513.010.41.00	Professional Services	negotiations		25,000		new for 2nd Reading
001.D1.513.010.41.00	Professional Services	strategic planning		8,000		
001.D1.513.010.44.00	Advertising	advertising for admin assistant position		228		
001.D1.513.010.49.00	Miscellaneous - CIM Training	CM training expense		640		
001.E1.514.023.11.00	Salaries and Wages	finance manager position vacant		(25,000)		
001.E1.514.023.21.00	Personnel Benefits	finance manager position vacant		(10,000)		
001.E1.514.023.11.05	Salaries and Wages	wages for temp Finance Analyst		14,085		
001.E1.514.023.12.00	Overtime	overtime underbudgeted		5,000		
001.E1.514.023.21.05	Personnel Benefits	benefits for temp Finance Analyst		1,088		
001.E1.514.023.41.00	Professional Services	services through Express Personnel		10,136		
001.F2.572.050.48.00	Repair & Maintenance	repair of fountain at library		5,000		
001.F2.576.020.41.00	Professional Services	removal of trees at pool		6,500		
001.F2.578.030.11.00	Salaries and Wages	additional wages for CBA retros		33,374		
001.F2.578.030.11.06	Salaries and Wages	PW Shop Charges		12,000		new for 2nd Reading
001.F2.578.030.31.00	Office & Operating Supplies	Little League Bathroom		11,500		new for 2nd Reading
001.F2.578.030.41.00	Professional Services	Increase in Janitorial Contract		8,000		new for 2nd Reading
001.F2.578.030.48.00	Repair & Maintenance	Little League Bathroom Repair		3,700		new for 2nd Reading
001.F2.578.030.48.00	Repair & Maintenance	John Deere Mowers		4,000		new for 2nd Reading
001.F2.572.050.48.00	Repair & Maintenance	Pressure Wash at Library		4,000		new for 2nd Reading
001.F2.576.020.31.00	Office & Operating Supplies	Necessary Pool Supplies		5,500		new for 2nd Reading
001.F2.576.020.46.00	Insurance	Increase in Premiums		2,425		new for 2nd Reading
001.F2.576.020.47.00	Public Utility Services	Usage increase due to Boiler Problems		7,000		new for 2nd Reading
001.F2.578.030.41.00	Professional Services	removal of trees at Com Dev properties		15,000		
001.331.016.60	DOJ - BULLET-PROOF VEST PROGRAM	move to Patrol - small tools & equipment	2,586			
001.H1.521.022.35.00	Small Tools & Minor Equipment	grant monies from DOJ for vests		2,586		
001.I1.522.030.51.00	Intergovt Prof Services	Riverside Fire Authority Services		11,000		new for 2nd Reading
001.I1.594.022.64.00	Machinery & Equipment	equipment for new fire truck		50,500		
001.G2.518.010.31.00	Office & Operating Supplies	increase supplies budget		700		
001.G1.589.090.00.00	Suspense/Clearing	projected Retiro for PD/FD		250,000		
001.G1.518.080.49.00	Miscellaneous	exps for office 365/web domain/AVG Antivirus		36,100		
001.H1.521.023.49.00	Miscellaneous	replenish impress fund		3,000		new for 2nd reading
Total General Fund			833,687	562,663	-	271,024

Fund 003 - Dedicated Street Fund - 4% Sales Tax

003.397.000.01	Transfer in - Fund 001					15,440
003.391.090.00	Proceeds of Long Term Debt	add'l sales tax rev projected @ 4%	264,062			
		SSB Loan Received for Chip Spreader				

City of Chehalis
 2017 Budget Amendment No. 2 - Ordinance No. 981-B
 11/13/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue Increase/(Decrease)	Appropriation Increase/(Decrease)	Transfers In/(Out)	Total Increase/(Decrease)
003.K1.594.042.64.00	Machinery & Equipment	Purchase of Chip Spreader		264,062		
003.K1.595.050.63.00	Other Improvements	Pedestrian Bridge		14,802		new for 2nd reading
Total Dedicated Street Fund - 4% Sales Tax			284,062	278,864	15,440	638
Fund 004 - Building Abatement Fund						
004.345.029.00	Other Environmental/Abatement Fees	revenues overbudgeted	(10,000)			
Total Building Abatement Fund			(10,000)			(10,000)
Fund 103- Transportation Benefit District						
103.03.542.050.41.00	Professional Services	engineering services		30,000		
03.03.595.030.63.00	Other Improvements	overlay project		145,000		
03.313.021.00	Retail Sales Tax	TBD Budget	392,880			
Total Transportation Benefit District Fund			392,880	175,000		217,880
Fund 301 - Public Facilities Reserve Fund						
301.397.000.35	Operating Transfer In	Transfer from 1st Qtr REET 305 fund			100,000	new for 2nd reading
301.44.594.072.62.00	Buildings & Structures	Library Roof Repair		100,000		new for 2nd reading
Total Public Facilities Reserve Fund				100,000	100,000	new for 2nd reading
Fund 305- 1st Qtr Percent REET Reserve Fund						
305.44.597.000.05.31	Operating Transfer Out	Transfer out to Public Fac Reserve 301 fund			(100,000)	new for 2nd reading
Total Transportation Benefit District Fund					(100,000)	new for 2nd reading
Fund 404 - Wastewater Fund						
404.382.080.12	DOE - I & I Loan	Decrease Revs/Incorrect Acct Code	(275,000)			new for 2nd reading
404.391.080.01	SRF Loan - I & I	Correct Account Number	35,000			new for 2nd reading
404.11.591.035.78.14	SRF Loan - I & I principal	loan principal		(556)		new for 2nd reading
404.11.592.035.83.00	SRF Loan - I & I interest	loan interest		(21,435)		new for 2nd reading
Total Wastewater Fund			(240,000)	(21,991)		(218,009)

City of Chehalis
 2017 Budget Amendment No. 2 - Ordinance No. 981-B
 11/13/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue Increase/(Decrease)	Appropriation Increase/(Decrease)	Transfers In/(Out)	Total Increase/(Decrease)
Fund 405 - Water Fund						
405.10.534.071.1C.00	Wage Contra Exp	correct recording of contra expenses		167,850		new for 2nd reading
405.10.534.071.2C.00	Benefit Contra Exp	correct recording of contra expenses		104,654		new for 2nd reading
405.10.534.071.3C.00	Supplies Contra Exp	correct recording of contra expenses		38,096		new for 2nd reading
405.10.534.071.4C.00	Services Contra Exp	correct recording of contra expenses		65,816		new for 2nd reading
Total Water Fund			-	376,416	-	(376,416)
Fund 406 - Storm & Surface Water Utility Fund						
Total Storm & Surface Water Utility Fund			-	-	-	-
Fund 407 - Airport Fund						
407.391.090.00	Proceeds of Long Term Debt	SSB Loan Received for Fill Project	300,000			
407.09.546.010.41.00	Professional Services	Commercial Prop. Dev Master Plan		38,000		new for 2nd reading
407.09.594.046.63.00	Other Improvements	Tract 5A Fill Project expenses		300,000		
407.09.591.046.71.02	Principal - Tract 5A Loan	loan principal repayment		2,916		new for 2nd reading
407.09.592.046.83.02	Interest - Tract 5A Loan	loan interest repayment		3,454		new for 2nd reading
Total Airport Fund			300,000	344,370	-	(44,370)
Fund 633 - City Agency Fund						
Total City Agency Fund			-	-	-	-
Total of All Funds			1,540,629	1,815,322		(259,253)

ORDINANCE NO. 981-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE ANNUAL BUDGET OF THE CITY FOR THE CALENDAR YEAR 2017, BY INCREASING APPROPRIATIONS OF THE GENERAL FUND, THE DEDICATED STREET FUND, THE TRANSPORTATION BENEFIT DISTRICT FUND, THE PUBLIC FACILITIES RESERVE FUND, THE WATER FUND, AND THE AIRPORT FUND; AND DECREASING APPROPRIATIONS IN THE WASTEWATER FUND BY A COMBINED TOTAL OF ONE MILLION EIGHT HUNDRED FIFTEEN THOUSAND THREE HUNDRED TWENTY-TWO (\$1,815,322); AND DIRECTING THE INTERIM FINANCE MANAGER TO EFFECT THE BUDGET AMENDMENTS HEREIN PROVIDED.

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the General Fund's estimated revenues by \$833,687; and increase appropriations by \$562,663.

Section 2. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Dedicated Street Fund's estimated revenues by \$264,062; increase appropriations by \$278,864; and increase transfers in by \$15,440.

Section 3. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to decrease the Building Abatement Fund's estimated revenue by \$10,000.

Section 4. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Transportation Benefit District Fund's estimated revenues by \$392,880 and increase the appropriations by \$175,000.

Section 5. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Public Facilities Reserve Fund's appropriations by \$100,000 and increase transfers in by \$100,000.

Section 6. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to decrease the 1st Quarter Percent REET Reserve Fund by \$100,000.

Section 7. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to decrease the Wastewater Fund's estimated revenues by \$240,000 and decrease appropriations by \$21,991.

Section 8. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Water Fund's appropriations by \$376,416.

Section 9. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Airport Fund's estimated revenue by \$300,000 and increase the appropriations by \$344,370.

Section 10. Attached hereto and identified as Exhibit A, in summary form, are the total of estimated revenues, transfers in, expenditures, and transfers out for each separate fund and the aggregate totals for all such funds combined for the city for the amended 2017 budget which shows a total estimated ending fund balance of \$13,736,421.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2017.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

EXHIBIT A
CITY OF CHEHALIS AMENDED 2017 BUDGET
2017 Budget Summary Revised with Ordinance #981-B
NOVEMBER 2017

FUND NAME	Beg. Fund Balance	Revenue	Operating Transfers In	Expenditures	Operating Transfers Out	Est. End. Fund Balance
General Fund	1,137,916	10,182,225	-	9,740,726	286,505	1,292,910
Dedicated Street Fund - 4% Sales Tax	12,382	264,247	177,204	433,300		20,533
Building Abatement Fund	-	200	100,000	10,000		90,200
Arterial Street Fund	104,266	155,516	-	149,844	-	109,938
Transportation Benefit Fund	-	392,880	-	175,000	-	217,880
Tourism Fund	264,582	233,500	-	237,000	-	261,082
Community Dev. Block Grant Fund	111	-	-	-	-	111
HUD Block Grant Fund	57,506	13,200	-	-	-	70,706
Federal and State Grant Fund	-	-	-	-	-	-
2011 G.O. Bond Fund	-	-	98,966	98,966	-	-
Public Facilities Reserve Fund			100,000	100,000		-
Automotive/Equip. Res. Fund	461	-	-	-	-	461
1st Quarter REET Fund	217,398	111,025	-	-	141,566	186,857
2nd Quarter REET Fund	197,213	110,950	-	-	32,659	275,504
Garbage Fund	7,673	6,435	-	5,740	-	8,368
Wastewater Fund	4,312,826	6,348,672	-	5,786,152	-	4,875,346
Water Fund	4,844,780	3,728,871	-	4,057,800	-	4,515,851
Storm & Surface Water Fund	834,822	556,910	-	524,898	-	866,834
Airport Fund	1,817,718	3,298,534	-	4,878,278	-	237,974
Firemen's Pension Fund	602,021	172,785	-	78,500	-	696,306
City Agency Fund	9,560	360,000	-	360,000	-	9,560
TOTALS	14,421,235	25,935,950	476,170	26,636,204	460,730	13,736,421

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tim McGuire, Interim Finance Manager
Betty Brooks, Payroll Accountant

MEETING OF: November 13, 2017

SUBJECT: Ordinances No. 983-B and 984-B, First Reading – Adoption of Tax Levies

ISSUE

Ordinances No. 983-B and 984-B have been prepared in connection with the levying property taxes for collection in 2018. The ordinances are required to have Lewis County collect property taxes on behalf of the City.

DISCUSSION

Ordinance No. 983-B establishes the city's levies of ad valorem taxes (i.e., property taxes) for general operations, the Firefighters' Pension Fund, and Emergency Medical Services (EMS).

Ordinance No. 984-B is required under the provisions of Referendum 47. It identifies the changes, in both dollar amounts and percentage terms, in the city's general operations property tax levy, the Firefighter's Pension Levy, and the EMS levy for next year compared to this year.

The property tax levy will increase due to increases in new construction, property improvements, the value of state assessed property, property tax administrative refunds, and annexations. However, the city will not use the one percent (1%) increased by statute nor will the city use any of its banked capacity (19.25%).

RECOMMENDATION

It is recommended that the City Council pass Ordinances No. 983-B and 984-B on first readings.

SUGGESTED MOTION

I move that the City Council pass Ordinances No. 983-B and 984-B on first readings.

ORDINANCE NO. 983-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, DETERMINING AND FIXING THE AMOUNT OF REVENUE TO BE RAISED BY AD VALOREM TAXES DURING THE CALENDAR YEAR 2018 AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The amount of revenue to be raised by ad valorem taxes during 2018 for general city operations shall be, and the same hereby is, determined and fixed in the sum of One Million Four Hundred Sixty-Two Thousand Two Hundred Twenty-Four dollars (1,462,224).

Section 2. The amount of revenue to be raised by ad valorem taxes during 2018 for emergency medical services shall be, and the same hereby is, determined and fixed in the sum of Three Hundred Fifteen Thousand Two Hundred Sixty-Seven (\$315,267).

Section 3. The effective date of this ordinance shall be the _____ day of _____, 2017.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2017.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

ORDINANCE NO. 984-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, STATING THE AMOUNTS AND PERCENTAGES OF CHANGE IN PROPERTY TAX LEVY IN CALENDAR YEAR 2018.

WHEREAS, the city of Chehalis, Washington, properly gave notice of a public hearing held the 13th day of November, 2017, to consider the city budget for 2018, including possible property tax increases and other revenue, pursuant to RCW 84.55.120; and,

WHEREAS, city's actual levy amounts for general operations, and Emergency Medical Services (EMS) levies for 2017 were \$1,462,224.23 and \$315,266.85 respectively; and

WHEREAS, the population of the city is less than 10,000; and now, therefore,

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO ORDAIN AS FOLLOWS;

Section 1. The 2017 general operations property tax levy for collection in 2018 is One Million Four Hundred Sixty-Two Thousand Two Hundred Twenty-Four dollars (1,462,224), which is an increase of Zero Dollars (\$0) and Zero Percent (0 %) over the amount levied in 2016 for collection in 2017. Increases for the amounts allowed for new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities and any increase in the value of state assessed property, and any annexations that have occurred and refunds made are only reflected in the total levy amount.

Section 2. The 2017 EMS property tax levy for collection in 2018 is Three Hundred Fifteen Thousand Two Hundred Sixty-Seven (\$315,267), which is an increase of Zero Dollars (\$0) and Zero Percent (0%) over the amount levied in 2016 for collection in 2017. Increases for the amounts allowed for new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities and any increase in the value of state assessed property, and any annexations that have occurred and refunds made are only reflected in the total levy amount.

Section 3. The effective date of this ordinance shall be the _____ day of _____, 2017.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2017.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tim McGuire, Interim Finance Manager
Betty Brooks, Payroll Accountant

MEETING OF: November 13, 2017

SUBJECT: Ordinance No. 985-B, First Reading – Adopting the 2018 Annual Budget

ISSUE

Ordinance No. 985-B has been prepared for the purpose of adopting the 2018 Budget. The two levy ordinances reflected in this budget are being presented to the City Council concurrently.

DISCUSSION

During the past two months, the Budget Committee Members attended several meetings during which budget presentations were made, discussed, and reviewed. Mayor Dawes, Mayor Pro Tem Harris and Councilor Spahr, reviewed and discussed the budget for every one of the city's 20 funds.

Ordinance No. 985-B reflects the draft preliminary budget distributed to the City Council on November 1, 2017, with some minor corrections found upon further review of the budget.

The only change of significance from the draft preliminary budget is in the budget for the Wastewater fund. A proposed one-time expenditure of \$40,000 was not captured in the calculation for total expenditures. The adjustment reflected in the attached ordinance is summarized below:

Wastewater Fund Budget Correction (Fund # 404)

	<i>Noted Amount</i>	<i>Corrected amount</i>
<i>Total Recurring One-Time Expenditures</i>	\$175,000	\$215,000
<i>Total Expenditures</i>	\$4,907,395	\$4,947,395
<i>Ending Fund Balance</i>	\$6,528,305	\$6,488,305

The draft proposed 2018 budget document can be found on the City's website. For the convenience of the reader, the Budget Message provides an overview of each fund. Staff will also be available at the City Council meeting to address any questions from the Council and the public regarding the proposed 2018 Budget for the City of Chehalis.

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 985-B on first reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 985-B on first reading.

ORDINANCE NO. 985-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, ADOPTING THE BUDGET OF THE CITY OF CHEHALIS FOR THE YEAR 2018 AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Attached hereto and identified as Exhibit "A," in summary form, are the total of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined for the budget of the city for 2018, and by this reference said Exhibit "A," showing a total estimated ending fund balance of \$15,004,564 is incorporated herein as if set forth in full and the same is hereby adopted in full.

Section 2. This ordinance is a legislative act delegated by statute to the City Council of the city of Chehalis, is not subject to referendum and shall take effect the ____ day of _____, 2017.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this ____ day of _____, 2017.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

ORDINANCE 985-B
Exhibit "A"

CITY OF CHEHALIS BUDGET
2018 Proposed Budget Summary
All Funds

FUND NAME	Est. Beg. Fund Balance	Revenue	Operating Transfers In	Expenditures	Operating Transfers Out	Est. End. Fund Balance
General Fund	1,293,110	9,426,997	-	9,431,955	220,191	1,067,961
Dedicated Street Fund - 4% Sales Tax	20,533	500	184,625	164,900	-	40,758
Building Abatement Fund	90,200	200	9,596	-	-	99,996
Arterial Street Fund	109,938	148,500	-	160,060	-	98,378
Transportation Benefit District	217,880	850,600	-	500,000	-	568,480
Tourism Fund	261,082	233,800	-	217,435	100,000	177,447
Community Dev. Block Grant Fund	111	10,000	-	75	-	10,036
HUD Block Grant Fund	70,706	100	-	-	-	70,806
2011 G.O. Bond Fund	-	-	102,510	102,510	-	-
Public Facilities Reserve Fund	-	-	420,000	420,000	-	-
Automotive/Equip. Res. Fund	461	-	-	-	-	461
1st Quarter REET Fund	186,857	90,700	-	-	162,865	114,692
2nd Quarter REET Fund	275,504	90,650	-	-	233,675	132,479
Garbage Fund	8,368	6,445	-	6,005	-	8,808
Wastewater Fund	5,916,708	5,518,992	-	4,947,395	-	6,488,305
Water Fund	4,327,644	2,830,884	-	2,923,461	-	4,235,067
Storm & Surface Water Fund	866,832	573,130	-	696,351	-	743,611
Airport Fund	275,972	2,052,259	-	1,957,269	-	370,962
Firemen's Pension Fund	696,307	148,950	-	78,500	-	766,757
City Agency Fund	9,560	360,000	-	360,000	-	9,560
TOTALS	14,627,773	22,342,707	716,731	21,965,916	716,731	15,004,564

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Rick Sahlin, Public Works Director
Patrick Wiltzius, Wastewater Superintendent

MEETING OF: November 13, 2017

SUBJECT: Resolution No. 9-2017, First Reading – Declaring an Emergency Relating to the Repair of the Prindle Pump Station Sewer Force Main

ISSUE

The Prindle Pump Station sewer force main line has a break/leak under Louisiana Avenue and needs to be repaired under an emergency declaration.

DISCUSSION

On Halloween, it was discovered that the 18" asbestos cement force main that runs under I-5 from the Prindle pump station to the CRWRF developed a leak underneath Louisiana Avenue. Staff utilized another smaller force main to isolate the line within a ½ hour to stop further spillage and minimize any impact to the public and the environment. Because the depth of the line under Louisiana Avenue exceeds the abilities of Public Works staff and equipment, an emergency contract was issued to Sterling Breen Crushing to dig up and repair the line. Until the repair can be completed, a section of Louisiana Avenue between Shoreline Drive and Highway 6 is closed and a detour is in place. The administration requests City Council adopt the attached resolution declaring an emergency to expedite the repair before high flows from a significant rain event overwhelm the smaller force main.

FISCAL IMPACT

The fiscal impact has yet to be determined. It is anticipated that the expense will be considerable and require a future budget amendment.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 9-2017 on first and final reading.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 9-2017 on first and final reading.

RESOLUTION NO. 9-2017

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, FORMALLY DECLARING THE
EXISTANCE OF AN EMERGENCY RELATING TO THE
REPAIR OF THE PRINDLE PUMP STATION FORCE
MAIN.**

WHEREAS, the sewer force main line from the Prindle Pump Station to the wastewater treatment plant has developed a leak/break rendering the line inoperable; and,

WHEREAS, further leakage of raw sewage from the leak/break in the line would cause a health and safety concern for the general public; and

WHEREAS, the sewer force main line is necessary to convey the flow of sewage to the wastewater treatment plant; and

WHEREAS, a smaller sewer force main line currently being utilized has insufficient flow capacity for upcoming wet-weather flows; and

WHEREAS, the repair of the sewer force main line necessitates the closure of a highly traveled roadway resulting in potential traffic hazards for the general public; and

WHEREAS, there is a present emergency which necessitates utilization of emergency powers granted pursuant to RCW 35.33.081 and RCW 38.52.070(2); now, therefore

THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO RESOLVE AS FOLLOWS:

Section 1. It is hereby declared by the City Council that, in accordance with the terms and conditions of RCW 35.33.081, there is an emergency due to the above stated conditions in Chehalis. Therefore, the City Manager is authorized to enter into contracts and incur obligations necessary to combat such emergency, protecting the health and safety of persons and property.

Section 2. The City Manager is authorized, in accordance with the terms and conditions of RCW 38.52.070(2), to exercise the powers vested under Section 1 of this resolution in the light of the exigencies of an emergency situation without regard to time-consuming procedures and formalities prescribed by law, (excepting mandatory constitutional requirements), including but not limited to:

- budget law limitations
- requirements of competitive bidding and publication of notices
- provisions pertaining to the performance of public work
- entering into contracts
- the incurring of obligations
- the employment of temporary workers subject to union and city regulations
- the rental of equipment

- the purchase of supplies and materials
- the appropriation and expenditures of public funds

Section 3. The City Manager may undertake contracting authority subject to the terms and conditions and provisions of Resolution No. 9-2017.

Section 4. Notwithstanding the authorizations set forth in Section 1 of this Resolution, the City Manager shall endeavor to secure the most competitive price available for goods and services, subject to the terms, conditions, and provisions of Resolution No. 9-2017.

Section 5. The emergency authority granted under this resolution shall expire 90 days from the date of the adoption of this resolution unless specifically authorized by the City Council.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled meeting on the 13th day of November, 2017.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

MEETING OF: November 13, 2017

SUBJECT: Contribution to the Community-Wide Homeless Severe Weather Shelter

ISSUE

The City of Centralia has asked that the City of Chehalis contribute \$3,000 to help offset the cost of operating a Severe Weather Shelter for the homeless that is being operated by Bethel Church, with contributions from the City of Centralia; Lewis County; local businesses; and the faith based community.

DISCUSSION

The City of Centralia led the development of a group made up of agencies that provide services to the homeless population, including the City of Chehalis. The work of the group, called the Homeless Collaboration, has led to the opening of a cold weather shelter to provide the community's homeless population a safe place to go. Bethel Church is covering the operating costs and leading the coordination of volunteers to staff the shelter. Some of the key contributors include:

- Lewis County – providing the land for the portable units and some overhead.
- Pacific Mobile – renting the portable buildings at a significant discount.
- City of Centralia – paying for the cost of the rental units in November and December and half the cost in January, February, and March.
- United Way of Lewis County – facilitation and grant writing, which resulted in a \$2,500 grant.

While the names are not readily available, it is reported that many businesses and churches are contributing to the project with money, volunteer hours, and discounts. Twin Transit is also in talks to provide some additional transportation to and from the shelter.

It is proposed that the City of Chehalis contribute toward the operation of the shelter in the amount of \$3,000 to share the cost of the rental units with the City of Centralia and participate in this community-wide partnership.

The shelter, which opened for the first time on Friday, November 3, 2017, will be opened on nights when the weather is predicted to be 38 degrees or below. There are two units, with beds for up to 22 men and 15 women each night it is open. Information is being provided via word of mouth, Facebook, and a call-in number.

FINANCIAL IMPACT

The contribution of \$3,000 could be made as a general fund expenditure from the 2018 non-departmental budget. While this expenditure is not included in the proposed 2018 budget being presented to the City Council as part of this (November 13) Agenda, it could be added to the budget if approved by the City Council.

RECOMMENDATION

It is recommended that the City Council approve a contribution of \$3,000 to help offset the costs of providing portable buildings for a severe weather shelter in Lewis County for the months of January, February and March 2018.

SUGGESTED MOTION

I move that the City Council approve a contribution of \$3,000 to offset the costs of providing portable buildings for the community-wide severe weather shelter for the homeless.