

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 Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4	Anthony E. Ketchum Sr., District 3 Chad E. Taylor, Position at Large Bob Spahr, Position at Large

**Regular Meeting of Monday, December 11, 2017
5:00 p.m.**

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| <ol style="list-style-type: none"> 1. <u>Call to Order.</u> (Mayor) 2. <u>Pledge of Allegiance.</u> (Mayor) |
|---|

- | PROCLAMATIONS / PRESENTATIONS |
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| <ol style="list-style-type: none"> 3. <u>Proclamation – Wreaths Across America Day.</u> (Mayor Pro Tem) 4. <u>Proclamation – Choose Local First Month.</u> (Mayor Pro Tem) |

- | SPECIAL BUSINESS |
|--|
| <ol style="list-style-type: none"> 5. <u>Chehalis Community Renaissance Team Update.</u> (Annalee Tobey, Main Street Executive Director) 6. <u>Chehalis Foundation Update.</u> (Tim Saylor, President) |

CITIZENS BUSINESS			
<p>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.</p>			
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11. <u>Accept High Level Reservoir Construction Project as Complete and Release Retainage in the Amount of \$34,568.09 to T Bailey, Inc., After All Statutory Requirements Have Been Met.</u> (City Manager, Public Works Director, Wastewater Superintendent)	APPROVE	17
12. <u>Change Orders No. 2-8 in the Amount of \$12,072 for the Airport Pump Station Project.</u> (City Manager, Airport Office Manager)	APPROVE	20
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14. <u>Memorandum of Understanding with the Chehalis Police Guild Regarding Health Insurance Benefits.</u> (City Manager, Human Resources/Risk Manager) NOTE: THIS ITEM WILL BE DISTRIBUTED AT THE COUNCIL MEETING.	APPROVE	
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17. <u>Administration Reports.</u> a. City Manager update. (City Manager)	INFORMATION ONLY	- - -
18. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	- - -

EXECUTIVE SESSION		
19. Pursuant to RCW:		
a. 42.30.110(1)(c) – Sale/Lease of Real Estate		
b. 42.30.110(1)(i) – Litigation/Potential Litigation		
c. 42.30.140(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, JANUARY 8, 2017.**

November 27, 2017

The Chehalis city council met in regular session on Monday, November 27, 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; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Bill Hillier, City Attorney; Andrew Hunziker, Property Maintenance Technician; Trent Lougheed, Community Development Director; Tim McGuire, Interim Finance Manager; Brandon Rakes, Airport Office Manager; Rick Sahlin, Public Works Director; Glenn Schaffer, Police Chief; Judy Schave, Human Resources/Risk Manager; Don Schmitt, Street/Storm Superintendent; Dave Vasilauskas, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Graham Perednia from *The Chronicle*.

1. Proclamation – Celebrating 22 years of “The Nutcracker” by the Southwest Washington Dance Center.

Mayor Dawes read and presented a proclamation celebrating 22 years of “The Nutcracker” by the Dance Center. Administrative Director Marcia Greenfield and several members of “The Nutcracker” cast were in attendance to accept the proclamation.

2. Citizens Business – Lewis County Senior Centers. Ron Averill, Glenda Forga, and Fred Rider, board members of Lewis County Seniors, addressed the council requesting the city’s financial support. It was explained that the continuation of local senior centers is being transitioned from Lewis County to the newly formed Lewis County Seniors – a non-profit corporation. Mr. Averill explained that the centers are very important to the community’s seniors. He stated that the city of Centralia recently contributed \$15,000 to help support seniors and they were in attendance to ask the same of Chehalis.

Glenda Forga, the Lewis County Program Coordinator for Senior Programs, stated the program provides nutritional lunches and social activities and noted that 33% of seniors countywide are served through the Twin Cities location. She stated the centers are vital to keep seniors active in living.

Fred Rider stated of the lunches served, it estimated that they are probably the best meal of the week for one-third of the seniors that attend. He stated the centers are where some seniors go to socialize. Lewis County has agreed to provide the group \$100,000 for the first year operation and reduce the rent to \$5 per year. He believed the organization could be self-sufficient in a couple years.

Mayor Dawes asked if the request was one-time only. Mr. Rider stated they are looking to survive the first year, but would like to see an ongoing partnership, with the goal of becoming self-sufficient.

Councilor Ketchum recalled that the city supported senior programs in the past and wondered why that discontinued. It was speculated that the Great Recession probably played a part.

Councilor Pope thought the services were vital to seniors and that the county should reconsider their level of support.

Councilor Harris agreed that the nutrition and social activities are so important to seniors.

Councilor Lund agreed with everyone’s comments. He thought seniors should be appreciated for everything they have done for all of us. He stated his disappointment in the county for cutting the senior programs and “throwing them under the bus.” He moved that the city make a one-time contribution of \$20,000 in 2018 to Lewis County Seniors. The motion was seconded by Councilor Taylor.

Councilor Spahr asked staff to provide a history of what the city has contributed to senior programs in the past. He also asked for a copy of the organization’s budget so the council had a clear picture. City Attorney Hillier suggested voting on the matter after the council had time to review the organization’s budget.

Councilor Lund stated he wanted to vote on the matter tonight to send a message to the county that Chehalis supports its seniors. Councilor Spahr stated he supports the contribution, but didn’t feel right voting on it before seeing their budget. The motion carried 6 to 1. Councilor Spahr abstained from voting.

Mr. Averill stated he would make sure the council received their budget.

November 27, 2017

3. **Public Hearing – 2018 Proposed Budget and Revenue Sources, Taxes, and Levies.** Mayor Dawes recessed the regular meeting and opened the public hearing at 5:35 pm. He noted this was the second public hearing on the budget.

City Manager Anderson stated that on November 13, staff provided a detailed overview of the 2018 proposed budget. She noted a couple changes since first reading. The first included \$3,000 from the General Fund as a contribution to the community-wide homeless shelter that will operate during severe weather. The second included \$750,000 from the Wastewater Fund for the Prindle pump station repair project. The final change includes a correction to the beginning fund balance noted for the Wastewater Fund. The total correction is a little over \$1 million. She noted that all the numbers before the council were correct. She explained that an ending fund balance was placed as a beginning fund balance in error in 2016, which got carried over into the proposed 2018 budget. She noted the \$20,000 contribution to the Lewis County Seniors would be included in the first budget amendment of 2018.

Councilor Pope asked where the \$20,000 contribution would come from. City Manager Anderson stated it would come from the General Fund reserve.

Mayor Dawes called for any public comment on the budget. There being no comments from the public, Mayor Dawes closed the public hearing at 5:41 pm and reopened the regular meeting.

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

a. Minutes of the regular meeting of November 13, 2017;

b. November 15, 2017 Claim Vouchers No. 120802-120972 and Electronic Funds Transfer Nos. 1020171 and 112017 in the amount of \$390,422.19; and

c. Addendum to City Manager employment agreement.

The motion was seconded by Councilor Taylor and carried unanimously.

5. **Ordinance No. 983-B, Second and Final Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2018; and Ordinance No. 984-B, Second and Final Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2018.** Councilor Taylor moved to pass Ordinances No. 983-B and 984-B on second and final readings. The motion was seconded by Councilor Lund and carried unanimously.

6. **Ordinance No. 985-B, Second and Final Reading – Adopting the Proposed 2018 Budget.** Councilor Harris moved to pass Ordinance No. 985-B on second and final reading. The motion was seconded by Councilor Pope and carried unanimously.

7. **Ordinance No. 986-B, First Reading – Amending the 2017 Annual Budget.** City Manager Anderson stated the budget amendment includes \$750,000 from the Wastewater Fund for the Prindle Street Sewer Main Force Line; \$200,000 transfer from the 1st Quarter REET Reserve Fund to the Public Facility Reserve Fund for accounting purposes; and an increase to the Garbage Fund for costs associated with the organic waste disposal site.

Councilor Ketchum moved to pass Ordinance No. 986-B on first reading. The motion was seconded by Councilor Lund and carried unanimously.

8. **Administration Reports.**

a. **Finance Report.** City Manager Anderson stated the general financial position of the city is solid. Revenues are slightly below what was expected because the second property tax payment has not yet been received by the county, but should be received by the next financial report.

Mayor Dawes asked for an updated sales tax revenue report. City Manager Anderson stated she will send that out to the council.

November 27, 2017

b. **City Manager Update.** Patrick Wiltzius provided an update on the Prindle sewer force main project. He reported that multiple holes were found in the pipe under I-5 and could not be repaired in-place. The alternative was to slip-line the pipe with an approved material. It was pressured tested and the hope is to have it connected and operational by next Wednesday. The last cost estimate was about \$285,000, well under the estimated \$750,000. He noted the repair may suffice as a permanent repair. A consultant will be hired to look at the line, as well as the Riverside line that had a leak a couple years ago.

Councilor Spahr recalled a tunnel in that area. Mr. Wiltzius indicated they had done a lot of excavating around the line and hadn't found a tunnel.

Councilor Pope asked if there were other lines that the city should be concerned about. Mr. Wiltzius stated the other lines are all much smaller and if they were to spring a leak or corrode, they can be easily dug up and patched.

Brandon Rakes stated there was some excitement at the airport today. Staff spotted an individual running across the north end of the field, which is fenced off. Staff apprehended the person until police arrived. Apparently, the man had stolen property from a local retailer, and had drugs and drug paraphernalia.

City Manager Anderson announced that Chun Saul has accepted the position of Finance Director. She is a senior account with the city of Lacey with more than 20 years of experience in finance, 13 being with Lacey. She will start the second part of December. Tim McGuire will stay on for some time to facilitate the transition and catch up on some projects.

City Manager Anderson reminded everyone that the Christmas Parade is this weekend beginning at 11:00 am. She thanked the parks & facilities crew and Councilor Harris for their efforts in decorating the city for the holiday season.

9. Councilor Reports/Committee Updates.

a. Councilor Pope participated in the Olympic Club open house for the George Washington statue fundraiser. He stated he was impressed by the turnout and encouraged everyone to learn about the history of the founding of Centralia.

b. Councilor Spahr stated W.F. West High School has a bowling team and he has been helping coach them over the last couple weeks. He stated it's been a blast.

c. Councilor Lund thanked the council subcommittee and staff for all their work on the 2018 budget. He also thanked Dr. Pope and his team for all they've done for the community.

d. Mayor Dawes attended the chamber's Business After Hours on November 16 and the Lewis County Historical Museum's annual meeting at the Hotel Washington. The Museum thanked the city for its continued support of the museum with lodging tax funds. Mayor Dawes also attended the George Washington fundraiser. He stated Dr. Pope's presentation at the event is viewable on Facebook, which was very informative. He thought the event raised about \$7,000.

10. **Executive Session.** At 6:03 pm, Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.140(4)(a) – Collective Bargaining not to exceed 30 minutes and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:05 pm. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 6:28 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: December 11, 2017

SUBJECT: Vouchers and Transfers

ISSUE

City Council approval is requested for Vouchers and Transfers dated November 30, 2017.

DISCUSSION

The November 30, 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. 120973-121083 in the amount of \$964,012.24 dated November 30, 2017, which includes the payment of:

- \$38,106.04 from the General Fund
- \$850,323.26 from the Wastewater Fund
- \$24,333.06 from the Water Fund
- \$280.50 from the Storm & Surface Water Utility Fund
- \$50,106.23 from the Airport Fund
- \$863.15 from the Firemen's Pension Fund

RECOMMENDATION

It is recommended that the City Council approve the November 30, 2017 Claim Vouchers No. 120973-121083 in the amount of \$964,012.24.

SUGGESTED MOTION

I move that the City Council approve the November 30, 2017 Claim Vouchers No. 120973-121083 in the amount of \$964,012.24.

**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: December 11, 2017

SUBJECT: Payroll Vouchers and Transfers

ISSUE

City Council approval is requested for Payroll Vouchers and Transfers dated November 30, 2017.

DISCUSSION

The administration requests City Council approval for Payroll Vouchers No. 39981-40025, Direct Deposit Payroll Vouchers No. 8910-9008, and Electronic Federal Tax Payment No. 178 dated November 30, 2017 in the amount of \$720,241.33, which include the transfer of:

- \$491,118.84 from the General Fund
- \$6,679.42 from the Arterial Street Fund
- \$84,304.02 from the Wastewater Fund
- \$90,137.01 from the Water Fund
- \$25,467.34 from the Storm & Surface Water Utility Fund
- \$20,713.01 from the Airport Fund
- \$1,821.69 from the Firemen's Pension Fund

RECOMMENDATION

It is recommended that the City Council approve the November 30, 2017 Payroll Vouchers No. 39981-40025, Direct Deposit Payroll Vouchers No. 8910-9008, and Electronic Federal Tax Payment No. 178 in the amount of \$720,241.33.

SUGGESTED MOTION

I move that the City Council approve the November 30, 2017, Payroll Vouchers No. 39981-40025, Direct Deposit Payroll Vouchers No. 8910-9008, and Electronic Federal Tax Payment No. 178 in the amount of \$720,241.33.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Caryn Foley, City Clerk

MEETING OF: December 11, 2017

SUBJECT: Resolution No. 10-2017, First and Final Reading – Declaring Property to be Surplus

ISSUE

Various city departments have property that is no longer used or needed.

DISCUSSION

State law requires that property must first be declared surplus by the City Council before being sold, donated, used as trade-in, or disposed of. Resolution No. 10-2017 has been prepared for the City Council's consideration.

The Wastewater Division has some self-contained breathing apparatus and associated equipment (air tanks and face masks) used for the confined space rescue team. They are from the 1990s and obsolete. An upgrade of the equipment was included in the 2017 budget. The equipment is being offered as donation to area fire departments.

The Parks & Facilities Divisions has two items to surplus. The first is a 1996 Dodge truck that was used as an everyday truck and has transmission problems. The division recently received two trucks – one from the Wastewater Division and the other from the Police Department. The second item is a 1987 John Deere tractor that was used for brush hogging and small jobs. The clutch needs to be replaced, which will cost more than it is worth. Both items will be sold at local auction.

FISCAL IMPACT

Any funds received for items sold will go back to the respective departments.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 10-2017 on first and final reading.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 10-2017 on first and final reading.

RESOLUTION NO. 10-2017

A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON, DECLARING PERSONAL PROPERTY OF THE CITY OF CHEHALIS TO BE SURPLUS AND OF NO FURTHER USE TO THE CITY, AND DIRECTING THE DISPOSITION THEREOF.

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

Section 1. The following described personal property of the city of Chehalis, Washington, a municipal corporation, shall be, and the same hereby is, declared to be surplus and no longer of necessary use.

Public Works Department – Wastewater Division	Identifying Information
Two (2) MSA Self-Contained Breathing Apparatus	Model # 5-978-1 Serial #s ZU036185 / ZU036186
Three (3) Steel Air Tanks	Serial #s DG82728 / DG82738 / DG86909
Five (5) Face Masks	NA
Public Works Department – Parks & Facilities	
1996 Dodge Truck Black Extended Cab	VIN# 3B7HF13Y3TG172984
1987 John Deere Tractor 850	VIN# CH0850S025721

Section 2. The personal property described herein shall be disposed of by the City Manager.

ADOPTED 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: Judy Schave, HR/Risk Manager

MEETING OF: December 11, 2017

SUBJECT: Resolution No. 11-2017, First and Final Reading - Amending the Employees Rules and Regulations, Chapter VIII, Section 2 - Sick Leave

ISSUE

In November 2016, the voters in Washington approved a new law requiring employers to provide paid sick leave to employees beginning on January 1, 2018.

DISCUSSION

While the City already provides more generous paid sick leave to its regular full-time and part-time employees than what the new law will require, certain elements of the law will require modifications to existing policies, labor contracts, and practices. Primary elements of the new paid sick leave law as outlined in RCW 49.46.210 (Exhibit A) include: eligibility; expanding reasons for which sick leave can be used; notice of leave; verification requirements; and the new definition of "Family Member."

The new law applies to all employers, public and private, regardless of size. Employees in positions that are exempt from overtime requirements would be excluded from coverage under the paid sick leave laws. Regular full-time employees will continue to accrue 8 hours of sick leave per month; part-time employees will continue to have their sick leave accrual pro-rated based on the number of hours worked; and seasonal employees will now be eligible to earn 1 hour of sick leave for every 40 hours worked.

There are various approaches employers may take to comply with the new law. The most common is likely to be a modification of existing sick leave policy to conform to the new statutory requirements.

The Administration looked at what other cities are doing in order to be in compliance with the sick leave laws effective January 1, 2018. One option is to make all sick leave (current balances and future accruals) apply to the elements of the new law, while another option would be to have two separate sick leave banks: one to include current sick leave balances that apply to our current rules; and another bank that accounts for hours earned after January 1, 2018, based on the 40 hour rule that would apply to the elements of the new sick leave law.

In order to simplify the accounting process, the Administration is recommending one bank of sick leave hours to include what the employee has at the time the new law goes into effect, and what they will accrue after January 1, 2018. There is no change to the current rate of accrual for regular full-time and part-time employees; however, under the new rules, seasonal employees are eligible to accrue 1 hour of sick leave for every 40 hours worked and will have a 90-day waiting period before they can begin using their accrued sick leave. Unused sick leave hours will be forfeited upon separation of employment for any reason; however, unused sick leave hours, up to 40 hours for seasonal employees, and all previously accrued unused paid sick leave hours for regular full-time and part-time employees shall be reinstated if the employee is rehired within 12 months. Upon rehire, the prior employment will be counted to determine eligibility to use earned sick leave.

Attached for City Council's consideration is Resolution No. 11-2017, amending Chapter VIII, Section 2 – Sick Leave, by incorporating, by reference, in its entirety RCW 49.46.210.

FISCAL IMPACT

As most City employees already accrue more generous accruals of sick leave than what the new law requires, the only fiscal impact would be the potential use and payment of sick time to seasonal employees who currently do not accrue sick leave.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 11-2017 on first and final reading.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 11-2017 on first and final reading.

RESOLUTION NO. 11-2017

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, AMENDING CHAPTER VIII,
SECTIONS 1 AND 2 OF THE EMPLOYEE RULES AND
REGULATIONS, COMMENCING WITH THE
FIRST PARAGRAPH TO PROVIDE FOR THE
ADOPTION OF RCW 49.46.210 (BY REFERENCE),
IN ITS ENTIRETY, AND AUTHORIZING THE CITY
CLERK TO EFFECT THE CHANGES AS PROPOSED.**

**THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DOES
HEREBY RESOLVE AS FOLLOWS:**

Section 1. Chapter VIII, Section 2 of the Employee Rules and Regulations, commencing with Paragraph 1, shall be amended to read as follows:

Sick Leave.

Regular full-time employees, including probationary employees, shall accrue paid sick leave at the rate of eight (8) hours for each pay period of continuous full-time service. Accrual will be prorated based on hours earned for regular part-time employees and for initial hiring and separation pay periods for all sick leave eligible employees. Seasonal and temporary employees, and employees routinely working fewer than 20 hours per week, are eligible to receive one (1) hour of paid sick leave for every 40 hours worked and will have a 90-day waiting period before they can begin using their accrued sick leave.

Sick leave shall not accrue during leaves of absence without pay, while utilizing leave donated by others, or during layoff. Employees do not earn sick leave benefits and may not use any earned but unused benefits during a suspension without pay. Sick leave shall be granted for the following reasons:

- Personal illness, injury or disability which prevents the employee from performing the employee's regular duties;
- Enforced quarantine of the employee by a physician;
- Illness, injury or disability within the immediate family;
- Medical or dental treatment within the immediate family; or
- Periods of temporary disability associated with pregnancy or childbirth.

For employees hired prior to February 25, 2013, sick leave accrual is capped at nine hundred (900) hours. Sick leave hours in excess of nine hundred (900) hours will be forfeited. However, employees who have accumulated more than nine hundred (900) hours as of the pay period ending February 24, 2013, will not forfeit any hours already earned, but will not accumulate any additional hours until such time their sick leave

balance is under nine hundred (900) hours.

For employees hired after February 24, 2013, sick leave accrual is capped at four hundred and fifty (450) hours. Sick leave hours in excess of four hundred and fifty (450) hours will be forfeited.

Sick leave may be used in one-quarter (1/4) hour increments for non-FLSA exempt employees and in increments equal to a full regular work day (e.g. 8 hours) for FLSA exempt employees. Holidays and other regular days off shall not be charged against sick leave.

Employees shall report all absences and time away from work due to illness to their Department Director and/or Supervisor as near as possible to the beginning of their workday.

Employees shall notify their Department Director and/or Supervisor immediately of any and all on-the-job injuries.

If any employee is absent due to illness or injury for which the employee is receiving payment under the Workers Compensation Act, LEOFF or other state mandated plan, the City's obligation shall be limited to the difference between the employee's regular wages and the amount received from the state. Sick leave shall be charged on a pro-rata basis until exhausted.

Employees who transfer from one department to another retain their accrued sick leave.

Payout of Accumulated Sick Leave at Separation:

For employees hired prior to February 25, 2013: Employees separated from employment with the City, excepting an employee discharged for cause, shall be paid accrued sick leave up to a maximum of seven hundred twenty (720) hours. Employees who are discharged for cause shall forfeit all rights to cash out of any unused sick leave. Sick leave hours shall be reinstated if the employee is re-hired within twelve months of separation from the City. Upon the death of an employee, all compensation due shall be paid to the employee's designated beneficiary or, in the absence of a beneficiary designation, to the estate of the deceased employee.

The following formula will be used to compute sick leave reimbursement for those employees hired prior to February 25, 2013:

- (a) divide the number of completed years of service with the Employer (up to a maximum of thirty (30) years by thirty (30), then
- (b) multiply the result, times the number of accumulated sick leave hours. If the product is greater than seven hundred twenty (720), use seven

hundred twenty (720). If the product is seven hundred twenty (720) or less, use the actual product, then

- (c) multiply that product times the employee’s current hourly rate of pay.

For employees hired after February 24, 2013, unused sick leave hours will be forfeited upon separation of employment for any reason. Sick leave hours shall be reinstated if the employee is re-hired within twelve months of separation from the City and previously accrued unused paid sick leave shall be reinstated.

For seasonal and temporary employees hired after January 1, 2018, unused sick leave hours will be forfeited upon separation of employment for any reason. Sick leave hours shall be reinstated, up to 40 hours, if the employee is re-hired within twelve months of separation. The previous period of employment shall be counted for purposes of determining the employee’s eligibility to use paid sick leave.

Section 2. Notwithstanding the provisions set forth herein, the City hereby adopts RCW 49.46.210 (by reference), in its entirety. A copy of said RCW section is attached hereto, marked Exhibit “A” and incorporated herein by this reference. To the extent this Resolution is inconsistent with RCW 49.46.210, the provisions set forth in the RCW section shall prevail.

Section 3. The City Clerk is hereby authorized to effect the changes herein approved.

ADOPTED 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

RCW 49.46.210**Paid sick leave—Authorized purposes—Limitations—"Family member" defined.**

(1) Beginning January 1, 2018, every employer shall provide each of its employees paid sick leave as follows:

(a) An employee shall accrue at least one hour of paid sick leave for every forty hours worked as an employee. An employer may provide paid sick leave in advance of accrual provided that such front-loading meets or exceeds the requirements of this section for accrual, use, and carryover of paid sick leave.

(b) An employee is authorized to use paid sick leave for the following reasons:

(i) An absence resulting from an employee's mental or physical illness, injury, or health condition; to accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;

(ii) To allow the employee to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care; and

(iii) When the employee's place of business has been closed by order of a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a reason.

(c) An employee is authorized to use paid sick leave for absences that qualify for leave under the domestic violence leave act, chapter 49.76 RCW.

(d) An employee is entitled to use accrued paid sick leave beginning on the ninetieth calendar day after the commencement of his or her employment.

(e) Employers are not prevented from providing more generous paid sick leave policies or permitting use of paid sick leave for additional purposes.

(f) An employer may require employees to give reasonable notice of an absence from work, so long as such notice does not interfere with an employee's lawful use of paid sick leave.

(g) For absences exceeding three days, an employer may require verification that an employee's use of paid sick leave is for an authorized purpose. If an employer requires verification, verification must be provided to the employer within a reasonable time period during or after the leave. An employer's requirements for verification may not result in an unreasonable burden or expense on the employee and may not exceed privacy or verification requirements otherwise established by law.

(h) An employer may not require, as a condition of an employee taking paid sick leave, that the employee search for or find a replacement worker to cover the hours during which the employee is on paid sick leave.

(i) For each hour of paid sick leave used, an employee shall be paid the greater of the minimum hourly wage rate established in this chapter or his or her normal hourly compensation. The employer is responsible for providing regular notification to employees about the amount of paid sick leave available to the employee.

(j) Unused paid sick leave carries over to the following year, except that an employer is not required to allow an employee to carry over paid sick leave in excess of forty hours.

(k) This section does not require an employer to provide financial or other reimbursement for accrued and unused paid sick leave to any employee upon the employee's termination, resignation, retirement, or other separation from employment. When there is a separation from

employment and the employee is rehired within twelve months of separation by the same employer, whether at the same or a different business location of the employer, previously accrued unused paid sick leave shall be reinstated and the previous period of employment shall be counted for purposes of determining the employee's eligibility to use paid sick leave under subsection (1)(d) of this section.

(2) For purposes of this section, "family member" means any of the following:

(a) A child, including a biological, adopted, or foster child, stepchild, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status;

(b) A biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child;

(c) A spouse;

(d) A registered domestic partner;

(e) A grandparent;

(f) A grandchild; or

(g) A sibling.

(3) An employer may not adopt or enforce any policy that counts the use of paid sick leave time as an absence that may lead to or result in discipline against the employee.

(4) An employer may not discriminate or retaliate against an employee for his or her exercise of any rights under this chapter including the use of paid sick leave.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Rick Sahlin, Public Works Director
Dave Vasilauskas, Water Superintendent

MEETING OF: December 11, 2017

SUBJECT: Acceptance and Closeout of the High Level Water Reservoir Construction Project

ISSUE

The construction of a new 150,000-gallon steel High Level Water Reservoir is complete. It is recommended that the City Council accept the project as complete and release the retainage to T Bailey, Inc., after all statutory requirements have been met.

DISCUSSION

In March 2014, the city was awarded a loan from the Drinking Water State Revolving Fund (DWSRF) for the construction of a new 150,000-gallon High Level Water Reservoir. The original funding allotted \$555,500 for project construction. After bids came in higher than expected, an additional \$303,000 was secured from the DWSRF for the project.

The administration recommends that the project be closed out and the retainage released. With the final acceptance of the project by City Council and verification by the City Clerk that all statutory requirements have been met, the retainage of \$34,568.09 will be released to T Bailey, Inc.

FISCAL IMPACT

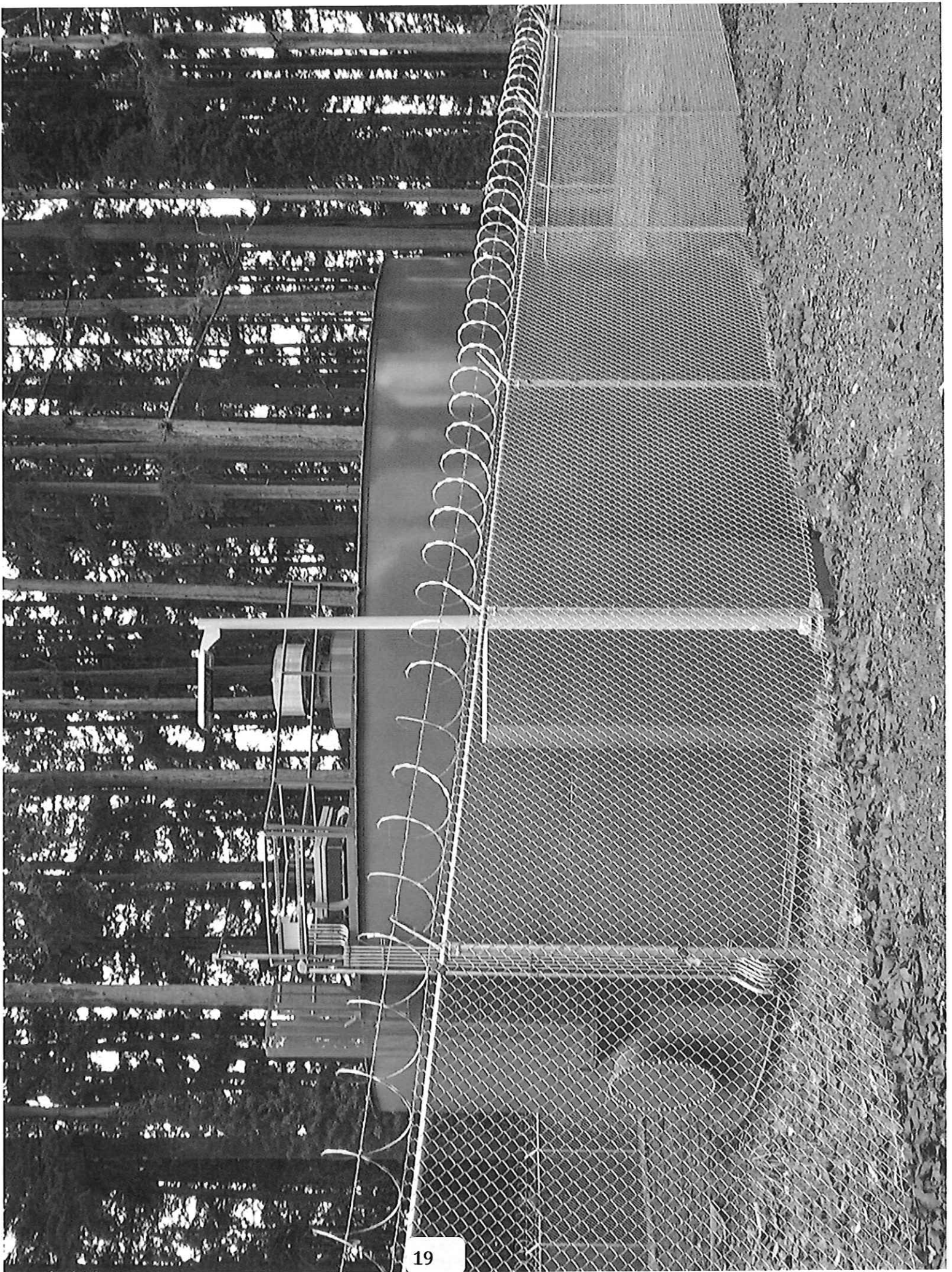
The final construction cost of the project was \$746,786.49, which is \$27,948.89 more than the original bid amount. The increase was due to three change orders, previously approved by City Council. Total project cost with engineering and permits is \$1,047,208. The final amount financed by DWSRF was \$858,500 for 14 years at 1.50%. The additional funding not covered with the DWSRF loan was from the water utility funds consistent with City Council approvals.

RECOMMENDATION

It is recommended that the City Council accept the High Level Water Reservoir Project as complete and release the retainage in the amount of \$34,568.09 to T Bailey, Inc., after all statutory requirements have been met.

SUGGESTED MOTION

I move that the City Council accept the High level Water Reservoir Project as complete and release the retainage in the amount of \$34,568.09 to T Bailey, Inc., after all statutory requirements have been met.



**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Brandon Rakes, Airport Office Manager
MEETING OF: December 11, 2017
SUBJECT: Change Orders No. 2 – 8 for the Airport Pump Station Rebuild

ISSUE

Changes to six items included in the pump station rebuild resulting in an increase of construction costs. This amount is still below the overall anticipated construction costs.

DISCUSSION

The Airport Pump Station Project replaced the existing, aged airport levee pump as it failed during the 2007 flood event. The pump will help protect the airport and commercial facilities and associated infrastructure behind the airport levee, including roads and utilities. All of these are essential during a flood event.

The construction team recommended the following changes for final construction of the Airport Pump Station:

Change Order #	Description	Amount
2	Install a basket strainer to provide additional protection to the pumps	\$4,349.38
3 / 4	Install a new 200-amp meter base rather than reusing the existing 100-amp meter base	\$980.35
5	Install a pump control level transducer	\$3,903.27
6	Add conduit and conductors from the motor oiler to the motor controller (omitted on the original design)	\$2,063.57
7	24 VDC relay for a light that was specified as 120V but was at an outlet from the PLC that was 24V	\$400.43
8	Install a 120 VAC fan, filtered exhaust grill, transformer, fuse blocks with fuses, relay and wiring to keep the VFDs cool while operating the pumps to keep the electrical system from overheating in the cabinet	\$375.00

FISCAL IMPACT

Increases construction costs to an estimated \$882,247.44 (including taxes). This is below the initial construction estimate of \$885,600.

RECOMMENDATION

It is recommended that the City Council approve Change Orders No. 2–8 in the amount of \$12,072 for the Airport Pump Station Project.

SUGGESTED MOTION

I move that the City Council approve Change Orders Change Orders No. 2–8 in the amount of \$12,072 for the Airport Pump Station Project.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Caryn Foley, City Clerk

MEETING OF: December 11, 2017

SUBJECT: Confirmation and Reappointment of Dale McBeth as Municipal Court Judge

ISSUE

Dale McBeth's current term as municipal court judge expires at the end of December.

DISCUSSION

On July 27, 2011, the City Council confirmed the appointment of Dale McBeth as municipal court judge, replacing former Judge Steve Buzzard. Judge McBeth was reappointed to another four-year term, which expires December 31, 2017.

Judge McBeth has served for the last six-plus years in this capacity for the city. He stays up to date with administrative issues involving municipal courts and new legislation about charges that are typically filed in those courts.

He would like to serve another term for Chehalis, and representatives who have roles in the city's criminal justice system support that. By their accounts, he has performed very well as our judge.

Judge McBeth will be sworn in at the first meeting in January 2018, if his reappointment is approved.

FISCAL IMPACT

NA

RECOMMENDATION

It is recommended that the City Council confirm the reappointment of Dale McBeth as municipal court judge to a four-year term expiring December 31, 2021.

SUGGESTED MOTION

I move that the City Council confirm the reappointment of Dale McBeth as municipal court judge to a four-year term expiring December 31, 2021.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Caryn Foley, City Clerk
MEETING OF: December 11, 2017
SUBJECT: Consider Cancellation of December 25 Council Meeting

ISSUE

The City Council has historically cancelled the second meeting in December.

DISCUSSION

The City Council has historically cancelled the second meeting in December. Additionally, the meeting also falls on the Christmas holiday this year. In light of tradition and most of the community being focused on family and holiday festivities, the City Council is being asked to consider cancellation of the December 25 meeting.

FISCAL IMPACT

NA

RECOMMENDATION

It is recommended that the City Council cancel the December 25, 2017 City Council meeting.

SUGGESTED MOTION

I move that the City Council cancel the December 25, 2017 City Council meeting.

**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: December 11, 2017

SUBJECT: Ordinance No. 986-B, Second and Final Reading – Amending the 2017 Annual Budget

ISSUE

This item has been scheduled to provide for the second reading of Ordinance No. 986-B for the third amendment to the 2017 Operating Budget, which was read for the first time at the November 27 City Council meeting. Since that time, the ordinance has been revised to reflect additional expenditures in the Arterial Street Fund to reflect changes in estimates or the actual financial activity of the city.

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. In November of this year, Ordinance No. 981-B was adopted by the City Council as the second budget amendment of the year.

The proposed ordinance is the third amendment to the 2017 Budget. A summary of the proposed changes is provided below, including the change made since the first reading on November 27:

- **CHANGE FROM FIRST READING: Fund 102 – Arterial Street Fund:** \$9,285 for increase in wages and benefits due to new collective bargaining agreement.
- **Fund 404 – Wastewater Fund:** \$750,000 for the Prindle Street Sewer Main Force Line
- **Fund 305 – 1st Quarter REET Reserve Fund:** \$200,000 transfer to Fund 301 (Public Facility Reserve Fund) for accounting purposes
- **Fund 402 – Garbage Fund:** An increase in costs associated with the organic waste disposal site operated by the city for the convenience of residents.

An attached spreadsheet provides information on a line-by-line basis, as well as the summary information of the proposed budget amendment. Changes to the Arterial Street Fund are highlighted. The other items listed have not changed since the first reading of this proposed budget amendment and no changes to the city's general fund are being proposed at this time.

Exhibit A to Ordinance No. 986-B summarizes the revenues and expenditures of all of the city's funds and reflects the changes associated with the first and second budget amendments, as well as the proposed budget amendment.

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 986-B on second and final reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 986-B on second and final reading.

City of Chehalis
 2017 Budget Amendment No. 3 - Ordinance No. 986-B
 12/11/2017

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue Increase/(Decrease)	Appropriation/Transfers Increase/(Decrease)	
Fund 102 - Arterial Street Fund					
102.03.542.G30.11.00	Salaries & Wages	new CBA and hours change monthly		7,355	new for 2nd reading
102.03.542.G30.21.00	Personnel Services	new CBA and hours change monthly		1,930	new for 2nd reading
Total Arterial Street Fund			-	9,285	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		200,000	
Total General Fund			-	200,000	
Fund 402 - Garbage Fund					
402.12.537.070.47.01	Utility Services - Yard Waste	Expenditures More Than Expected		1,500	
Total Garbage Fund			-	1,500	
Fund 404 - Wastewater Fund					
404.17.535.050.48.00	Repairs & Maintenance	Emergency Repair to Prindle Force Main		750,000	
Total Wastewater Fund			-	750,000	
Total of All Funds			-	960,785	

ORDINANCE NO. 986-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 ARTERIAL STREET FUND, 1ST QUARTER REET FUND, THE GARBAGE FUND, AND THE WASTEWATER FUND BY A COMBINED TOTAL OF NINE HUNDRED SIXTY THOUSAND SEVEN HUNDRED EIGHTY-FIVE (\$960,785) 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 Arterial Street Fund's appropriations by \$9,285.

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 1st Quarter Percent REET Reserve Fund's appropriations by \$200,000.

Section 3. The annual budget of the city for the calendar year 2017 shall be, and the same hereby is, amended so as to increase the Garbage Fund's appropriations by \$1,500.

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 Wastewater Fund's appropriations by \$750,000.

Section 5. 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 \$12,975,635.

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 #986-B
DECEMBER 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	-	159,129	-	100,653
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	-	7,240	-	6,868
Wastewater Fund	4,312,826	6,348,672	-	6,536,152	-	4,125,346
Water Fund	4,844,780	3,728,871	-	4,057,800	-	4,515,851
Storm & Surface Water Fund	834,820	556,910	-	524,898	-	866,832
Airport Fund	1,817,718	3,298,534	-	4,878,278	-	237,974
Firemen's Pension Fund	602,022	172,785	-	78,500	-	696,307
City Agency Fund	9,560	360,000	-	360,000	-	9,560
TOTALS	14,421,234	25,935,950	476,170	27,396,989	460,730	12,975,635