

PLEASE NOTE SPECIAL MEETING TIME

CHEHALIS CITY COUNCIL AGENDA

CITY HALL

350 N MARKET BOULEVARD, CHEHALIS, WA 98532

Anthony E. Ketchum Sr., District 3
Mayor

Terry F. Harris, District 1
Daryl J. Lund, District 2
Dr. Isaac S. Pope, District 4

Dennis Dawes, Position at Large, Mayor Pro Tem
Chad E. Taylor, Position at Large
Bob Spahr, Position at Large

September 27, 2010

5:15 p.m.

EXECUTIVE SESSION

- | | | |
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| 1. <u>Executive Session Pursuant to RCW 42.30.140(4)(a) – Collective Bargaining.</u>
(City Manager, City Attorney) | --- | |
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Regular Meeting of September 27, 2010

6:00 p.m.

ITEM

ADMINISTRATION
RECOMMENDATION

PAGE

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| 2. <u>Call to Order.</u> (Mayor) | | |
| 3. <u>Pledge of Allegiance.</u> (Mayor) | | |

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.

PROCLAMATIONS/PRESENTATIONS

4. <u>Employee Service Award – Andy Sennes, 25-years.</u> (Mayor)	---	
5. <u>Domestic Violence Awareness Month - October.</u> (Mayor)	---	
6. <u>Fire Prevention Week – October 3-9, 2010.</u> (Mayor)	---	

CONSENT CALENDAR

7. <u>Minutes of the Special Meeting of August 30, 2010, and the Regular Meeting of September 13, 2010.</u> (City Clerk)	APPROVE	1
8. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	12

STAFF AND CITY COUNCIL REPORTS

9. <u>Staff Reports.</u>		
a. August Financial Report. (Finance Manager)	INFORMATION ONLY	13
b. Update on website design project. (City Clerk)	INFORMATION ONLY	
c. Neighborhood meeting - October 13, 2010. (City Manager)	INFORMATION ONLY	
10. <u>Council Reports.</u>		
a. Councilor reports. (City Council)	INFORMATION ONLY	
b. Council committee reports. (City Council)	INFORMATION ONLY	

NEW BUSINESS

11. <u>Lodging Tax Advisory Committee Recommendation – Special Request for Funding.</u> (Councilor Harris, Lynn Ford – Visiting Nurses, Debbie Knapp – Lewis County Historical Museum)	APPROVE THE RECOMMENDATION OF THE LODGING TAX ADVISORY COMMITTEE FOR THE VISITING NURSES FOUNDATION AND LEWIS COUNTY HISTORICAL MUSUEM	18
12. <u>Ordinance No. 859-B – First and Final Reading - Amending Ordinance 841-B.</u> (Court Administrator, City Attorney)	PASS	23

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON
OTHER ITEMS NOT LISTED ON THIS AGENDA**

NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, OCTOBER 11, 2010

August 30, 2010

The Chehalis city council met in special session on Monday, August 30, 2010, in the Chehalis city hall. Mayor Ketchum called the special meeting to order at 5:03 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Dennis Dawes. Staff present included: Merlin MacReynold, City Manager; Bill Hillier, City Attorney; Judy Schave, City Clerk; and Bob Nacht, Community Development Director. Others present included: Airport Board Members Dan Foster, Frank DeVaul, Jerry Zabriskie, Ken Sabin, John Spears, and Robert Schroeter; Allyn Roe, Airport Manager; Ladonna Neiser, Administrative Assistant; Commissioner Ron Averill; Attorney J. Vander Stoep; and Bob Montgomery, Hydrologist/Engineer. Attorney Don Marcy participated telephonically.

1. **Airport Levee Discussion.** City Manager MacReynold reported, with regards to the Federal Emergency Management Administration (FEMA) mapping issue, the partners had been looking at a wide range of possibilities on how to approach the issue of the proposed floodway maps. He noted, in discussion over the past few weeks, one thing that came up was the idea of applying for a permit to raise the airport levee to meet the 100 year flood level. City Manager MacReynold reported the Chehalis City Council met last week to talk about the feasibility of requesting the Airport Board to consider applying for a permit to raise the levee, and doing it as soon as possible. He noted the council felt it was clearly a possibility and asked that a meeting be set up to discuss it with the Airport Board.

J. Vander Stoep reported the current preliminary maps indicated the airport would continue to be in the floodway, which would do tremendous harm to the development of the city and airport. He talked briefly about the current proposed Twin City Corps Levee Plan, which included 11 miles of levee around the airport. Mr. Vander Stoep indicated the hydraulic model showed if they had retention in the upper basin they would only need to improve the current airport levee.

Mr. Vander Stoep stated the question before the Airport Board would be, should they promptly take the necessary steps to file a permit with the city and vest their right to complete the levee at a later time? He noted under Washington State law, if the land owners had a permit, the rules for building would apply at the time the permit was submitted. He felt it made sense to spend a little now to at least preserve the option in the event the FEMA maps get changed.

Attorney Don Marcy stated he concurred with the concept of moving forward to try to vest the right to raise the airport levee above the anticipated 100 year flood level. He indicated if they could get the application prepared and submitted prior to the time the new regulations become effective, they would certainly have a good argument that they would be vested to the current rules and regulations. He noted, at such time, the airport could go ahead and raise the levee to provide protection for a fair amount of property, thereby protecting a fair amount of economic development opportunities for the community. Mr. Marcy stated they were looking at every possible option to try and keep the property out of the floodway. He felt it was a viable option that should be considered.

City Attorney Hillier stated the airport property had always been part of the floodplain, which allowed it to be developed under certain regulations; however, if it became part of the floodway it would prevent any commercial development without significant expense beyond what most developers would want to spend. He noted it would also have an impact on the aeronautical side because it would thwart the reconstruction of existing buildings unless they met certain required criteria, which was the risk the airport was currently facing.

Councilor Dawes stated he was glad City Attorney Hillier brought that issue up because unless they had significantly changed the airport's development plan, any aviation related use and development would seriously be impacted if the property were to be included in the floodway.

City Manager MacReynold felt they could have the information the Airport Board would need for submitting a permit application in a fairly short period of time. He noted Bob Montgomery indicated he could do the modeling and hydrology in about four weeks, which was around the same time RB Engineering had identified.

Airport Board Members noted concern about modifying the current levee, noting it might bring a change of ownership that would end up being a tremendous cost. Board members also wanted to know more about the elements of risk involved with the process. Mr. Marcy reported if FEMA were to try and take a hard-line stance and oppose the

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community's effort to raise the levee there would be a couple of legal arguments they could make in order to try to defeat the vested rights claimed. He noted the legal argument would revolve around the fact that they would try to characterize it as a life/safety issue, or they may try to raise some sort of federal pre-emption type argument.

Mr. Marcy thought FEMA should be supportive because by increasing the levee it would protect a lot of property from future floodwater claims directed by the National Flood Insurance Program. He noted the vesting point would be at the time the application was filed, adding they would need to file the application prior to the FEMA maps being finalized in order to be vested to the current maps and their provisions.

Bob Schroeter inquired about the release of the FEMA maps, adding he thought they anticipated on releasing them sometime in the coming month.

Mr. Marcy talked briefly about the preliminary maps, noting regulations provide that local governments do not have to adopt revisions to their flood regulatory program until six months after they receive a letter of final determination, which would not be issued until the maps were finalized. When asked if the preliminary maps would be issued on or before September 22, Mr. Marcy indicated FEMA said they would be issued on the 24th, but it could be pushed back to October 15.

In response to a question from the Airport Board regarding making the levee higher, Mr. Vander Stoep stated, in order for FEMA to certify one of their levees it had to be three feet higher than what they consider to be the 100 year flood. Bob Nacht reported the topographic information he had on file indicated the current levee would be about five feet higher for the most part, noting some of the north-end of the dike had already been added to by the Corps from their repair project. He noted the primary issue with the certification of a levee would be the attempt to remove the airport property from the regulatory floodway, adding it wouldn't necessarily protect it from the 100 year flood level.

The issue of costs was briefly discussed; however, there were no cost estimates at this time.

Airport Manager Allyn Roe inquired as to what would be required in addition to RB Engineering's proposal. Mr. Nacht reported in order to file for a permit under the city's current regulations there would have to be an application for an earthmoving permit, and once the permit was submitted for the filling activity it would then trigger the State Environmental Policy Act (SEPA). He noted in order to get through the SEPA process they would need a hydraulic analysis of what would happen to the floodplain; and a civil plan on what the structural integrity of the levee would be.

Mr. Schroeter asked if the project would count as an in-kind match for the purpose of whatever comes about by the Corps. Mr. Vander Stoep stated he didn't believe they knew that yet, but would not assume it would. He noted there were still a lot of questions that needed to be answered, but felt it only made sense to preserve their right to do the project by filing a permit.

It was asked how long the permit would be good for. Mr. Nacht reported the current regulations provided that a permit issued by the city would be good for either 90 or 180 days. He noted the permit would not expire as long as they continued to do work on the project every 90 or 180 days, depending on the permit type.

Ken Sabin asked if the project would keep FEMA from making any decisions until they complete the work. Mr. Hillier noted the permit would only preserve the right for FEMA to come back and revise their map, to take the airport out of the floodway.

Councilor Harris stated if a permit was not requested they would almost certainly be at the mercy of the FEMA flood maps once they are issued. He felt it was better to have a foot in the door, rather than risk losing all the potential financial generation they had over there.

Mr. Montgomery reported he and Mr. Marcy had met with FEMA and their contactors earlier, noting they talked about a lot of different issues. He characterized FEMA's stance as, they were in the middle of their process and they were going to issue the maps. Mr. Montgomery felt FEMA didn't want to stop the process at this time, and

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indicted after the maps were issued they could talk about parts of the mapping model that were not correct and appealable. He noted FEMA recommended the communities get together and file a letter of revision to modify the floodways, which meant we would have to work with Centralia and Lewis County to work out where the floodways would be.

Mr. Marcy felt the meeting with FEMA was very cordial, adding they were definitely interested in trying to provide the additional information that Mr. Montgomery needed to further analyze what was going on there. He stated it became apparent to him that they were very focused on getting the preliminary maps issued, and they definitely believed the city or communities thought the floodway was wrong, and recommended we collectively ask for a letter of map revision after the maps are released. Mr. Marcy noted they were very skeptical of our ability to file an appeal that would challenge their floodway determination. He reported they clearly made some choices in figuring out what the map would look like in the area around Chehalis and the airport. Mr. Marcy stated there were clearly alternative ways of doing things, adding they ran a model taking out all the storage they had built into the model around the airport, and it didn't seem to have any negative impact based on what he saw. He felt it was a positive meeting and FEMA was interested in working with us, but they had a schedule they were moving toward and the only way they could derail them from that was to play on things they should really re-do at this point, or get some assistance from the federal delegation.

Mr. Montgomery noted FEMA did say a couple of times during their meeting that there hadn't been a successful appeal of a floodway determination. He felt they needed to sit down and look at the floodways more carefully and perhaps see where they could be modified, not just in Chehalis, but downstream as well.

Commissioner Ron Averill thought it was a good idea to move ahead and pursue options.

Mr. Sabin asked if they would go to FEMA to ask them to take the airport out of the floodway before they do the project. It was noted they would first need to submit an application for permit; however, Mr. Hillier indicated, as of August 24, Mt. Vernon received a letter of map revision based upon a permit, vesting some levees around their city.

Councilor Pope stated, as a councilman, he had concerns about the future of our city and how we were going to generate revenue to support the things that needed to be done in the city. He noted it was already proven that the development done had been very rewarding to the city, with reference to revenue. He asked what the Airport Board needed from the council.

City Manager MacReynold reported based on Council's direction it was very clear it needed to be a viable option to consider.

Mayor Ketchum stated the council felt very strongly that the Airport Board needed to start the permit process in order to have their rights afforded to them, in case they need to develop anything further.

Mr. Schroeter asked if the council would be willing to do a resolution to that affect at their next regular city council meeting. He noted the Airport Board's next meeting was scheduled for September 15.

Councilor Lund didn't think they could wait that long

City Attorney Hillier felt timing was important, but obviously there was the financial aspect to it. He noted Mr. Nacht estimated it was going to cost about \$35,000 to get the permitting process started without the hydrology aspect of it. City Attorney Hillier indicated the city didn't have the money, and asked if the Airport Board was in the position to be able to put the money out to pay for the cost of getting the permit in place.

Mr. Schroeter suggested the city make a formal recommendation to the Airport Board at their next meeting on September 15.

City Manager MacReynold suggested a letter from the city council giving clear direction on the issue.

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Councilor Dawes felt they were very clear on what they would like to see done, adding it was important not only to the city, but to the airport. He talked briefly about preserving their rights, so they could at least explore it down the road.

Mr. Vander Stoep suggested the big issue wasn't about allowing new development, but rather, preserving what was already there. He stated if anything happened to any of the buildings that end up in the floodway that would cause them to spend 51 percent of the value of that property to repair it they would not be able to do it. Mr. Nacht stated he would rather see a permit come in as an attempt to protect the airport operation, as opposed to creating an opportunity for new development.

City Manager MacReynold pointed out the key was to get vested as quickly as they could, which was a decision the Airport Board would have to make. He stated he would prepare a letter outlining the direction of the council that each of them would sign.

There being no further business to come before the council, the special meeting adjourned at 6:02 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the special city council meeting of August 30, 2010.

September 13, 2010

The Chehalis city council met in regular session on Monday, September 13, 2010, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 6:02 p.m. with the following council members present: Terry Harris, Bob Spahr, Daryl Lund, Chad Taylor, and Dennis Dawes. Councilor Pope was absent (excused). Staff present included: Merlin MacReynold, City Manager; Brian Kelly, Assistant City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Kelvin Johnson, Fire Chief; Bob Nacht, Community Development Director; Peggy Hammer, Human Resources Administrator; Tim Grochowski, Public Works Director; Rick Sahlin, Street Superintendent; and Barb Lovelady, Fire Department Administrative Assistant. Members of the news media included Adam Pearson of *The Chronicle* and Ron Hall of KITV.

1. Briefing from Department of Transportation (DOT) on Various Projects. DOT Regional Engineer Bart Gernhart and Area Engineer Colin Newell, and Lewis County Commissioner Ron Averill briefed the council on the current I-5 widening projects in Lewis and Thurston Counties, which included: I-5, Rush Road to 13th Street; I-5, Mellen Street to Blakeslee Junction; I-5, Blakeslee Junction to Grand Mound; the Grand Mound Interchange; and I-5, Grand Mound to Maytown. The briefing also included information on the upcoming projects in Lewis County.

Mr. Gernhart reported the Grand Mound to Maytown project was on schedule and would be finished by the end of the year. He noted the Blakeslee Junction to Grand Mound project would include three general-purpose lanes in each direction, and was anticipated to be finished sometime in the next year. Mr. Gernhart talked briefly about the Grand Mound Interchange project, noting Senator Dan Swecker helped to get funding appropriated to rebuild the Interchange in its entirety.

Mr. Gernhart provided several drawings, including those for the Mellen Street to Blakeslee Junction project. He reported the proposed project would help address the weaving and congestion issues between the Mellen Street and Harrison Avenue interchanges. Mr. Gernhart explained the traffic flow of the new proposed couplet system, adding the scope of work would include: collector-distributor roads along either side of I-5, which would include two new one-lane bridges on either side of the existing Skookumchuck River Bridge; the relocation of interstate ramps; and a new I-5 overcrossing south of the current Mellen Street interchange. He noted the anticipated construction start date was in 2012.

Mr. Gernhart reported on the Louisiana Avenue to Airport Road series of projects, noting Lewis County would pave and re-build the sub-structure on the existing portion of Airport Road. He reported Senator Swecker left \$2.5 million in the budget for flood control, which would be used to connect Louisiana Avenue to Airport Road. Mr. Gernhart stated they hoped to have the project out to construction in 2012, but it could be as late as 2013. He noted they were really trying to merge it into the same construction start time as the Mellen Street project, adding they could get better bids if they have them all going out at once.

Commissioner Averill reported the city of Centralia requested that they not have Airport Road connected to Louisiana Avenue until the Mellen Street Project was finished. He noted the project had always been designed so that when they complete the Mellen Street project, they would then finish the connection between Airport Road and Louisiana Avenue. Commissioner Averill reported the county would upgrade Airport Road to base, in order to handle the additional traffic. He noted they also had a Transportation Improvement Board grant to finish the trail coming out of Centralia over to the levee.

Mr. Gernhart talked briefly about the Long Road Dike project, noting it would tie into the existing Long Road Dike in an effort to increase access to the hospital during a major flood event via Mellen Street. He noted the plan was to extend the Long Road Dike to the south to tie into the future ramps in 2012, adding it was a relatively inexpensive project.

Commissioner Averill reported access to the hospital from Centralia would continue to be at the current underpass, but instead of traffic going in both directions they would have two one-way lanes going west, and eastbound traffic coming out of the hospital would have to go south a quarter-mile on the new couplet in order to get back over to the east side of I-5. Commissioner Averill stated the connection to the Long Road Dike was needed to keep Salzer and Coal Creek from flowing into the area of the underpass. Mr. Gernhart also brought up the issue of China Creek, noting they weren't really sure exactly when China Creek would go over its top if they didn't have the Chehalis River backing up, or coming over the interstate.

Councilor Harris noted previously there was some discussion about widening the underpass at Mellen Street by taking out the two hollows and creating two east and west bound lanes of traffic. Mr. Gernhart indicated that was the original plan, but they were not doing that now. He noted the soils under the overpass at Mellen Street were a little more porous than what they thought, which would make the project more difficult and much more expensive.

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Mr. Gernhart reported the various projects would put roughly 300,000 yards of fill into the floodplain. He provided a map showing the different increases in flood water due to the new fill, using 2007 flood data. Mr. Gernhart noted in their modeling, if they were to do nothing, areas in Chehalis on both sides of I-5 would get about an eighth-inch rise in floodwater. He reported once they connect the Long Road dike to the interstate, the east side of I-5 in Chehalis would continue to see the eighth-inch rise; however, the west side of I-5 would increase to a one-inch rise.

Commissioner Averill stated, in 1997, a Chehalis River Basin Flood Zone District was formed, which operated for about three years. He noted one of the projects that came out of the committee was to try to protect the Miracle Mile by putting in a berm on the Centralia-Alpha Road; however, that project died along with the committee.

Commissioner Averill reported if they looked at the United States Army Corps of Engineer's (Corps) Twin Cities Project, they do recognize the contribution that Salzer Creek makes to flooding in the area. He stated their plan was to run a dike parallel to Kresky Avenue until it reached just north of the Lewis County Mall. Commissioner Averill noted if the Chehalis River was already backed-up the water couldn't get into the river and it would just continue to backup, which puts the businesses on the east side of I-5 out of business. He added it cost the county \$66,000 just to remove the garbage out of Yardsbirds after the 2007 flood.

Commissioner Averill believed the new project was better, adding they estimated they could hold back three days of water behind a berm in the Salzer Valley, which would reduce the contribution of the Salzer to the flooding, giving them instead a one inch drop down south. He felt it wouldn't completely correct the problem, but it would go a long way to help. Commissioner Averill reported they were able to get some federal money through Mr. Gernhart to hire a consultant to study the projects feasibility and viability, and if it proved to be as viable as they thought it would, they may use it as mitigation for the rise. He believed it would give them the first real project to control water since they started studying it in the 1930s.

Councilor Dawes asked if they were going to need to get the Corp's blessing to do the project. Commissioner Averill stated he proposed that question, noting the Corps would not do it because they had the Twin Cities Project. He reported if the county and DOT do the project as mitigation, a different department within the Corps would be involved in the approval process, adding it would take a maximum of six months to get approval from them.

Councilor Taylor asked Commissioner Averill if that type of project had to pass the cost benefit ratio. Commissioner Averill stated it would not, because the county would be building it. Mr. Gernhart noted the project was going to save DOT about \$2 million dollars, which would allow them to contribute several million dollars elsewhere.

Councilor Spahr stated he remembered the project back in the 1990s a little differently, adding there was going to be a floodgate down by the fairgrounds and they would allow Salzer Creek to flood to a certain point before pumping it into the Chehalis River Basin.

Commissioner Averill reported the Corps would be holding a meeting on September 23, at the Centralia Middle School, from 5:00 p.m. to 8:00 p.m., to discuss design, and perhaps then they would know how they plan to handle Salzer Creek.

2. Initiatives Filed to Privatize Liquor Sales – Statewide November 2 Ballot. Margie Engle (3107 Impala Drive S.E. Lacey, WA) provided the council with some information pertaining to two initiatives that would appear on the November 2 Ballot: I-1100 and I-1105. She noted if passed, both I-1100 and I-1105 would put our communities at risk, threaten jobs and small businesses, and threaten our local budget.

Ms. Engle reported there were currently 315 hard liquor retail stores in our State, adding if the initiatives pass there could be as many as 5,000 retailers, which was three times the number of liquor outlets per capita currently in California. She talked briefly about compliance issues; the number of family wage jobs that would be lost; and the harm it would do to local businesses, such as: Widgeon Hill Winery; Heymann Winery, Dick's Brewery, etc.

Ms. Engle felt the city could not afford to lose the substantial revenue liquor sales generated for the city, noting Chehalis stood to lose around \$90,000 per year, while Washington State stood to lose up to \$730 million. She urged the council to stand together and pass a resolution to oppose I-1100 and I-1105.

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Councilor Dawes reported he remembered when the issue was first talked about a couple of years ago, noting one of the legislators indicated if it ever passed they would just add tax to make up the money. He felt the 'yes' side probably had something similar, and asked Ms. Engle if anyone had any information on what taxing laws it would fall under, or if it would be treated any different. Ms. Engle stated there were some statistics; however, she was not the correct person to ask and offered to provide a name and phone number of a union representative for Councilor Dawes to call. She noted it was her understanding that the tax was already instilled in the bottles and the law would have to be changed in order to change the taxation.

Councilor Spahr asked if the numbers Ms. Engle provided were accurate with what the city was reporting. City Manager MacReynold indicated he had asked Finance Manager Eve Lindgren to analyze it, adding the tax portion of it was about \$35,000, but the sharing of the profits was not that easy to figure. He felt they should know more in the next couple of days. Councilor Spahr suggested they find out that information before November. City Manager MacReynold agreed.

3. Questions Concerning Layoff at the Fire Department and Budget. Kevin Reynolds (1915 S.E. Maple Drive, Chehalis) stated over the last several years he had watched as members of the Chehalis City Council made decisions that had led the city to financial despair, and the economy had not helped. He felt it was not entirely the council's fault, adding a disconnect between city departments and the council had been created, which he believed restricted constructive ideas, and had most certainly limited the city's options for financial reprieve.

Mr. Reynolds stated, as far as he can tell, the council were all acting in their own best interest, standing on a re-election platform of no new taxes while ignoring the citizens request for services. He reported he was mainly speaking of the recent EMS levy that passed at 80 percent.

Mr. Reynolds asked the following questions of the council.

- What serves the citizens best, you and your families having an insurance plan, or keeping a firefighter or police officer employed?
- Why was the council not taking the full amount of the EMS Levy? He noted it was voter approved; it would preserve current staffing levels; past practice showed it had been done before and it was legal; it was also more cost effective for the city because of cash outs, overtime, and other consequences of the planned layoff of a firefighter.
- Had the city done anything to modify the rules of the tourism tax in order to preserve services that bring in business and tourism, as opposed to buying signs and creating catch phrases?
- Why were temporary and seasonal employees still working? Does their work influence the ISO rating? Mr. Reynolds stated he spoke specifically to that because it directly affected city businesses.
- Was it the council's plan to renovate Chehalis Avenue only to qualify for another grant so they can demolish all of that work and renovate it again? Mr. Reynolds noted it was a question he had been asked by a couple of people on the street.

Mr. Reynolds stated he wanted to make the council aware that Local #2510 Firefighters had made a concerted effort to reduce healthcare costs and to negotiate their contract to keep their bottom firefighter employed, but their efforts had not been effective. He asked the council what they had planned to prevent the one firefighter from being laid off, and what they planned to do to prevent other layoffs in the future.

Mr. Reynolds offered to answer any questions the council might have. He indicated he was speaking for himself as a citizen and would like to have answers to his questions at a future meeting.

4. Health and Wellness Week Proclamation. Mayor Ketchum presented a proclamation to Maretta Berg and Chris Thomas declaring September 18, 2010, as 'Health and Wellness Day' in the city of Chehalis.

5. Update on Fisheries Study. Centralia City Councilor Edna Fund reported she was nominated at the flood authority meeting by Councilor Taylor to represent both Chehalis and Centralia on the \$900,000 Fisheries Study. She noted they received and reviewed several studies from interested applicants, and selected a company by the name of Anchor to do the study. Ms. Fund reported Anchor was currently negotiating with Vince Panesko, CR Pacific, and Weyerhaeuser to obtain access to the river from their properties.

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Ms. Fund noted there were concerns about timing, adding they were in communication with the Governor's Office to alert them that this was not exactly the study they had in mind. She stated they were counseling the Governor's Office before the bill was signed, that it was an impossible study to do in 12 months. Ms. Fund indicated they received the money in July and the study had to be done by June 15, 2011. She noted they were working on it, and thanked Councilor Taylor for his confidence in her to represent the city. Ms. Fund stated she would keep the council updated as things progress.

6. Update on Flood Authority Issues. Julie Balmelli-Powe thanked Councilor Taylor and the council for appointing her to represent the city on the Flood Authority, and for having faith in her to represent the city's interest on the Sub-zone District Committee. Ms. Balmelli-Powe reported the zone district meetings were held at the Veterans Memorial Museum from 9:30 a.m. to 11:30 a.m., the same day as the flood authority meetings. She stated she appreciated City Manager MacReynold attending the meetings, adding there was a lot of city information that he could answer to.

Ms. Balmelli-Powe reported they had not made any huge decisions yet, adding they were just getting into discussions on advisory committees and such. She indicated the next few months were going to be pretty critical in forming the multi-county flood zone district.

Ms. Balmelli-Powe reported the Chehalis Basin Flood Zone had met three times and were currently getting their by-laws in place. She stated they had selected Jason Humphry as their Chair, and she was selected as vice-chair.

Ms. Balmelli-Powe noted there were a few issues that had been brought up, one being the Conservation Service (CS) approach to maybe building smaller water retention structures. She noted they were encouraging the Lewis County Commissioners to sign and move forward with a letter that needed to be sent out in order to proceed with it. Ms. Balmelli-Powe reported they also had a discussion on the Highway 6 resurfacing project, adding the project raised the highway about three inches. She noted Highway 6 was one of the problems in that area for flooding, especially for the residents of Riverside Road, and they were hoping to get the Commissioners to talk to the State about addressing that problem.

Ms. Balmelli-Powe talked briefly about the basin-wide General Investigation (GI) that was coming up for discussion at the flood authority meeting on Thursday. She reported the Corps had said they could not incorporate water retention into the Twin Cities Project and instructed them that the only way they could look at it was if they signed the basin-wide GI. Ms. Balmelli-Powe stated she was hoping to get a little input from the council on what their feelings were regarding that issue. She noted the GI was the same 14 year, \$24 million dollar study that would look at restoration, as well as flood protection. Ms. Balmelli-Powe stated she didn't see any rush to sign the GI.

Councilor Taylor felt the consensus of many people was the GI was too much, too long, and it wouldn't solve anything. He stated he would object to signing the GI. Mayor Ketchum and Councilor Lund stated they would go along with Councilor Taylor's recommendation. Councilor Harris noted it had always been a bone of contention at the Chehalis Basin Partnership meetings for exactly the same reasons. He noted there hadn't been much support of it, and he wasn't a fan of it himself.

Councilor Dawes stated if the money spent on studies since 1930 was used for a solution, they wouldn't even be talking about it now. He indicated he didn't trust the Corps, adding they were only going to do what they were ordered to do. Councilor Harris agreed. Councilor Dawes felt all of the side issues they were dealing with were a tremendous waste of everybody's time and money. He believed if they could get representatives from all the various interests at one meeting to oversee it, perhaps they could make some logic of it, or at least drown out all the noise makers and progress along.

Councilor Harris reported the Chehalis River Basin Partnership was the group that originally spearheaded it, and decided to not become the flood authority because they were not primarily discussing flood issues. He noted, because of all the little sub-groups, there was no real opportunity to control what was going on.

Ms. Balmelli-Powe agreed with Councilor Harris, noting she had the opportunity to sit on several of the different sub-committees. She also agreed that it would be ideal to have everyone in the same room, but the issue was there were too many personal agendas.

Councilor Harris made a comment about what Commissioner Averill stated earlier regarding the Centralia-Alpha Road, noting from the very beginning they were saying, "look at water retention." He suggested they should be looking at the smaller

September 13, 2010

lead-ins that feed into the area. Ms. Balmelli-Powe stated in order to deal with those issues they were going to need federal money; however, the small projects were not going to get them any federal money. She felt the only way they were going to get the help they needed was if they get the federal government involved, and the only way they would get involved was if it had to do with protecting I-5.

Councilor Harris suggested there were already studies completed and mountains of information out there about every part of the Chehalis River Basin and all anyone would have to do was compile the information, but nobody was willing to do it.

Councilor Dawes thanked Ms. Balmelli-Powe for her willingness to represent the city, adding he appreciated her time and efforts. Ms. Balmelli-Powe thanked the council for their trust. She stressed that the council needed to send a letter of support to the commissioners regarding the National Resource Conservation Service approach, to encourage them to move forward on that to see if it was a possibility.

Councilor Taylor also thanked Ms. Balmelli-Powe for representing the city, adding he hoped she felt comfortable enough to make the kind of decisions the council knew she would make to represent them. He encouraged her to have no fear when making decisions, adding the council had all the confidence in the world that she would represent the city as well as any one of them would. Councilor Taylor stated he also appreciated the report they received from Dan Maughan, adding it was really helpful.

7. **Consent Calendar.** Councilor Dawes moved to approve the consent calendar comprised of the following:

- a. Minutes of the regular meeting of August 23, 2010;
- b. Claim Vouchers No. 97647-97791 and 72010 in the amount of \$133,745.16 dated August 13, 2010; Claim Vouchers No. 97792-97913 in the amount of \$113,070.09 dated August 31, 2010; and Payroll Vouchers No. 33945-34048 and 1689-1758 in the amount of \$718,143.17 dated August 31, 2010; and
- c. Accept the Coal Creek Wing Wall Project as complete and authorize payment of \$41,653.92 to Hamilton Rocking & Contracting, Inc., and release retainage in the amount of \$2,024 after all statutory requirements were met.

The motion was seconded by Councilor Lund and carried unanimously.

8. **Staff Reports.**

a. **Update on Amended 2011 Budget Development Timeline.** City Manager MacReynold reported they were looking at compressing the proposed timeline for the 2011 budget process because of recent challenges they were facing. He noted he had a discussion with the council budget committee about the consideration of shortening the number of reports the administration gives to the full council, and they supported it. City Manager MacReynold reported the question had come up before asking why they couldn't just go from the proposed budget to the formal hearings before the full council, eliminating the work sessions. He proposed that they do that this year to see how it works.

Mayor Ketchum stated he had full and complete faith in the budget committee, adding he would accept the proposal.

b. **Puget Sound Energy - Notification of Upcoming Project on State Avenue.** Tim Grochowski provided the council with information on the State Avenue Natural Gas Line Replacement Project, which they received from Puget Sound Energy. He reported they would be upgrading their 4-inch gas line that ran along NW State Street from NW Prindle Street to NW Sitka Street to an 8-inch line. Mr. Grochowski indicated they anticipated the project to be complete by the end of the year. He noted information about the project would be posted on the city's website.

Councilor Dawes inquired as to what side of State Street the gas line was located on. Mr. Grochowski believed the current line ran along the right-hand side of the street and the new line would go down the left-hand side.

c. **Upcoming Meetings.** City Manager MacReynold reminded the Councilor about the Fire District #6 meeting on Tuesday, September 14, at 7:00 p.m. to discuss merger. He added the Chiefs had also put together some information on

September 13, 2010

forming a stakeholders group.

City Manager MacReynold reported on Wednesday, September 15, at 5:30 p.m., the Airport Board would be meeting to discussing the council's proposal, with reference to the permit application to raise the levee.

9. **Council Reports.**

a. **Events and Meetings Attended by Councilor Spahr.** Councilor Spahr reported he attended the Lewis County Economic Development Council Committee meeting, adding they had a lot of things going on, but they just had to get something to pop. He noted one the members indicated things seemed to be getting better and they were seeing jobs coming in on the horizon, and it wasn't as bad as it was looking. He hoped they were right, adding they would just have to wait and see.

Councilor Spahr reported he also met the new city manager for the city of Centralia, noting he was a nice guy and felt he would do very well over there.

b. **Meetings and Events Attended by Mayor Ketchum.** Mayor Ketchum reported he attended the following meetings and events:

- August 27, 28 and 29 – worked from opening to close at the Chehalis Garlic Fest and Craft Show at the SW Washington Fairgrounds
- September 3 – attended the monthly Mayors meeting
- September 7 – attended the Chehalis Business Association Social at the Lewis County Historical Museum
- September 13 – met with representatives from Congressman Brian Baird's Office and Senator Patty Murray's Office to discuss the FEMA mapping issue and ask for a letter of support requesting FEMA to stop the release of the maps coming out in two weeks

c. **Events Attended by Councilor Dawes.** Councilor Dawes reported he also helped out at the Garlic Fest, noting he put in a couple of shifts. He reported the attendance was up slightly over last year.

10. **Comments on Item No. 2 - Initiatives Filed to Privatize Liquor Sales – Statewide November 2 Ballot.**

Councilor Taylor inquired about the specific services the city provided in order to receive liquor tax and profits. Councilor Dawes believed years ago the money was brought in that way to get folks to support the idea of the State monopolizing and controlling the liquor industry in our state.

Councilor Taylor felt the presentation seemed like a union representative coming to preach about saving union jobs, which he was all in favor of saving jobs. He noted the part that bothered him was the city taking tax dollars for something that we're not providing a direct service for, adding he understood other services were paid for out of the general fund using that money.

Councilor Taylor noted he worked with companies like Dick's Brewery who thought privatizing liquor was a good idea, and others felt it was a way to bring people into their stores to sell product. He noted he liked the idea of privatizing liquor sales and he would not be in support of any resolution.

Councilor Spahr thought they should be able to calculate how much the city stood to lose if the initiatives should pass, but what they couldn't calculate was how much they might gain on the other side. Councilor Dawes suggested the State probably already had a plan should the initiatives pass, so everyone would still get their dime. Councilor Spahr indicated he would like to see the numbers. He stated when they eliminated the gambling tax it was suggested the city would be run over with casinos, and that didn't happen.

Councilor Harris stated the thing that concerned him was when they asked for the numbers and Ms. Engle responded by saying she could give them the number to the union representative.

Councilor Lund felt the State Liquor Stores were a pain to deal with, and if someone had liquor in a store where you could just go in and buy it, he would be happy.

September 13, 2010

Councilor Harris reported the Liquor Control Board was one of the state agencies that didn't have to take furloughs because they were their own revenue stream. Councilor Taylor stated you would think the Governor would support the initiatives because it would help solve her budget deficit.

There being no further business to come before the council the meeting adjourned at 7:22 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION


I move that the council approve the minutes of the regular city council meeting of September 13, 2010.


CITY OF CHEHALIS

AGENDA REPORT

DATE: September 14, 2010

TO: The Honorable Mayor and City Council

FROM: Eva Lindgren, Finance Manager 

PREPARED BY: Michelle White, Accounting Tech II 

SUBJECT: Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

1. Claim Vouchers No. 97914 through 98046 and Claim Voucher 82010 in the amount of \$428,414.61 dated September 15, 2010 and the transfer of \$163,617.54 from the General Fund, \$1,964.83 from the Arterial Street Fund, \$4,490.00 from the Tourism Fund, \$4,000.00 from the 1982-93 Community Development Block Grant Fund, \$914.92 from the HUD Block Grant Fund, \$66.26 from the Automotive Equipment Reserve Fund, \$585.08 from the Garbage Fund, \$79,814.55 from the Wastewater Fund, \$167,566.39 from the Water Fund, \$1,747.04 from the Storm & Surface Water Utility Fund, and \$3,648.00 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the September 15, 2010 Claim Vouchers No. 97914 through 98046 and Claim Voucher No. 82010 in the amount of \$428,414.61.

SUGGESTED MOTION

I move to approve the September 15, 2010 Claim Vouchers No. 97914 through 98046 and Claim Voucher No. 82010 in the amount of \$428,414.61.

Reviewed by:  Acting City Manager

To: The Honorable Mayor and Council
 Via: Merlin MacReynold, City Manager
 From: Eva K. Lindgren, Finance Manager
 Date: September 14, 2010
 Subject: Monthly Financial Reports for August

City of Chehalis
 Comparative Financial Reports
 August 2009 and 2010

GENERAL FUND (#001) REVENUES	A August 2009		B August 2009		C=B/A		D August 2010		E August 2010		F=E/D		G Expected % Rec'd*		H^ Var'nc Expected		I=F-G % Variance	
	Budget	Actual	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd	% Rec'd	Var'nc Expected	% Rec'd	% Rec'd	Var'nc Expected	% Variance				
General Property Taxes	\$1,181,000	\$659,486	\$1,212,580	\$658,544	55.8%	\$1,212,580	\$658,544	54.3%	\$658,544	66.7%	66.7%	(\$149,843)	-12.4%					
EMS Property Taxes	226,000	125,377	230,920	126,044	55.5%	230,920	126,044	54.6%	126,044	66.7%	66.7%	(27,903)	-12.1%					
Sales & Use Tax	3,700,000	2,200,820	3,300,000	2,015,586	59.5%	3,300,000	2,015,586	61.1%	2,015,586	66.7%	66.7%	(184,414)	-5.6%					
Electricity Tax	370,000	250,100	400,000	236,566	67.6%	400,000	236,566	59.1%	236,566	66.7%	66.7%	(30,101)	-7.6%					
Gas/Natural Gas Tax	261,500	197,805	284,000	170,689	75.6%	284,000	170,689	60.1%	170,689	66.7%	66.7%	(18,844)	-6.6%					
Criminal Justice Tax	110,000	63,866	100,000	58,616	58.1%	100,000	58,616	58.6%	58,616	66.7%	66.7%	(8,051)	-8.1%					
Interfund Water/Sewer Tax	330,200	215,876	328,200	215,550	65.4%	328,200	215,550	65.7%	215,550	66.7%	66.7%	(3,250)	-1.0%					
Garbage Tax	80,000	47,117	65,000	47,157	58.9%	65,000	47,157	72.5%	47,157	66.7%	66.7%	3,824	5.8%					
Cable Tax	85,000	41,788	80,000	85,398	49.2%	80,000	85,398	106.7%	85,398	66.7%	66.7%	32,065	40.0%					
Telephone Tax	350,000	228,587	335,000	215,812	65.3%	335,000	215,812	64.4%	215,812	66.7%	66.7%	(7,521)	-2.3%					
Leasehold Excise Tax	34,000	25,133	34,000	25,720	73.9%	34,000	25,720	75.6%	25,720	66.7%	66.7%	3,053	8.9%					
Other Taxes	0	17	0	0	N/A	0	0	N/A	0	66.7%	66.7%	0	N/A					
Total Tax Revenues	6,727,700	4,055,972	6,369,700	3,855,682	60.3%	6,369,700	3,855,682	60.5%	3,855,682	66.7%	66.7%	(390,785)	-6.2%					
Licenses & Permits	240,984	46,796	66,080	44,920	19.4%	66,080	44,920	68.0%	44,920	66.7%	66.7%	867	1.3%					
Intergov't Grants/Entitlements	2,828,581	3,007,900	432,650	206,934	106.3%	432,650	206,934	47.8%	206,934	66.7%	66.7%	(81,499)	-18.9%					
Charges for Goods and Svcs.	1,069,254	679,633	1,052,589	718,429	63.6%	1,052,589	718,429	68.3%	718,429	66.7%	66.7%	16,703	1.6%					
Fines and Forfeitures	114,375	66,165	96,360	72,745	57.8%	96,360	72,745	75.5%	72,745	66.7%	66.7%	8,505	8.8%					
Interest Earnings	32,200	23,261	28,200	13,448	72.2%	28,200	13,448	47.7%	13,448	66.7%	66.7%	(5,352)	-19.0%					
Rents/Leases	89,375	43,046	64,215	45,241	48.2%	64,215	45,241	70.5%	45,241	66.7%	66.7%	2,431	3.8%					
Contributions/Donations	7,090	10,952	36,969	32,801	154.5%	36,969	32,801	88.7%	32,801	66.7%	66.7%	8,155	22.0%					
Misc. Revenue/Insurance	2,700	36,313	3,000	3,632	1344.9%	3,000	3,632	121.1%	3,632	66.7%	66.7%	1,632	54.4%					
Non-Revenues	0	3,321	3,958	3,754	N/A	3,958	3,754	94.8%	3,754	66.7%	66.7%	1,115	28.1%					
Total Non-Tax Revenues	4,384,559	3,917,387	1,784,021	1,141,904	89.3%	1,784,021	1,141,904	64.0%	1,141,904	66.7%	66.7%	(\$47,443)	-2.7%					
Proceeds of Long-Term Debt	1,131,362	0	1,131,362	0	0.0%	1,131,362	0	0.0%	0	66.7%	66.7%	(754,241)	-66.7%					
Operating Transfers-In	422,240	417,638	50,000	25,000	98.9%	50,000	25,000	50.0%	25,000	66.7%	66.7%	(8,333)	-16.7%					
Total Other Financing Sources	1,553,602	417,638	1,181,362	25,000	26.9%	1,181,362	25,000	2.1%	25,000	66.7%	66.7%	(\$762,575)	-64.8%					
TOTALS	\$12,665,861	\$8,390,997	\$9,335,083	\$5,022,586	66.2%	\$9,335,083	\$5,022,586	53.8%	\$5,022,586	66.7%	66.7%	(\$1,200,803)	-12.9%					

Key:
 * The expected percentage is calculated as follows: since the report is for the 8th month of the year, 8 is divided by 12-the number of months in the year.
 ^ To calculate the dollar variance between expected and actual expenditures, the following formula is used:
 H=(D*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis
Comparative Financial Reports
August 2009 and 2010

GENERAL FUND (#001) EXPENDITURES	A August 2009		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Exp'd	%	Budget	Actual	Exp'd	%	Exp'd	Actual	Exp'd	%	Expected % Exp*	Var'nc	frm Expected	Variance	%	
City Council	\$68,801	\$45,852	66.6%		\$97,431	\$61,326	62.9%				66.7%		66.7%	\$3,628		3.8%		
Municipal Court	320,380	203,551	63.5%		325,256	208,341	64.1%				66.7%		66.7%	8,496		2.6%		
City Manager#	166,282	126,253	75.9%		351,343	235,331	67.0%				66.7%		66.7%	(1,102)		-0.3%		
Finance	482,679	332,883	69.0%		496,314	344,238	69.4%				66.7%		66.7%	(13,362)		-2.7%		
City Clerk	97,366	60,371	62.0%		95,912	61,916	64.6%				66.7%		66.7%	2,025		2.1%		
City Attorney#	90,850	67,570	74.4%		0	0	N/A				66.7%		66.7%	0		N/A		
Non-Departmental	1,822,941	564,556	31.0%		1,534,163	217,047	14.1%				66.7%		66.7%	805,728		52.6%		
Human Resources	136,521	97,689	71.6%		140,962	86,478	61.3%				66.7%		66.7%	7,497		5.4%		
Police	2,456,673	1,596,765	65.0%		2,403,537	1,582,982	65.9%				66.7%		66.7%	19,376		0.8%		
Fire	1,899,679	1,187,537	62.5%		1,913,269	1,254,940	65.6%				66.7%		66.7%	20,573		1.1%		
Public Works - Streets	2,969,551	2,844,203	95.8%		615,696	282,303	45.9%				66.7%		66.7%	128,161		20.8%		
Public Works - Engineering	273,257	174,678	63.9%		289,837	196,481	67.8%				66.7%		66.7%	(3,256)		-1.1%		
Economic Development	140,529	102,237	72.8%		0	0	N/A				66.7%		66.7%	0		N/A		
Community Development	1,732,287	1,200,702	69.3%		1,560,275	1,054,387	67.6%				66.7%		66.7%	(14,204)		-0.9%		
TOTALS	\$12,657,796	\$8,604,847	68.0%		\$9,823,995	\$5,585,770	56.9%				66.7%		66.7%	\$963,560		9.8%		

Net Budget/Income: \$8,065 (\$213,850) (\$488,912) (\$563,184)

Key:

* The expected percentage is calculated as follows: since the report is for the 8th month of the year, 8 is divided by 12-the number of months in the year.

^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

H=(D*G) - E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

#In 2010, the City Attorney's budget is budgeted for within the City Manager's budget.

- (1) Property Taxes are not remitted evenly throughout the year.
- (2) Grant revenues are not remitted evenly throughout the year.
- (3) Proceeds of long-term debt are dependent upon the issuance of the G.O. Debt.
- (4) Inter-fund loan repayment is dependent upon the issuance of G.O. Debt.
- (5) Capital project is progressing; invoice submission and payment lag behind actual activity.

**City of Chehalis
Comparative Financial Reports
August 2009 and 2010**

	A August 2009		B		C=B/A		D		E		F=E/D		G		H^A		I=F-G		
	Budget	Actual	Budget	Actual	% Rec'd	%	Budget	Actual	Budget	Actual	% Rec'd	%	Expected % Rec'd*	Var'nc frm Expected	%	Expected % Rec'd*	Var'nc frm Expected	%	
WASTEWATER FUND (#404)																			
REVENUES																			
Intergovernmental Revenues	\$165,530	\$191,365			115.6%		\$0		\$0		N/A		66.7%	\$0		66.7%	\$0	N/A	
Wastewater Fees	3,359,740	2,375,059			70.7%		3,510,208	2,293,185	2,293,185		65.3%		66.7%	(46,954)		66.7%	(46,954)	-1.4%	
Sewer Connection/Misc. Fees	30,000	131,050			436.8%		70,000	44,479	44,479		63.5%		66.7%	(2,188)		66.7%	(2,188)	-3.2%	
Rentals	0	4,150			N/A		3,750	3,750	3,750		100.0%		66.7%	1,250		66.7%	1,250	33.3%	
Misc. Revenues/Insurance	500	85,970			17194.0%		2,500	2,744	2,744		109.8%		66.7%	1,077		66.7%	1,077	43.1%	
Interfund Principal Repayment	600,000	34,319			5.7%		565,681	0	0		0.0%		66.7%	(377,121)		66.7%	(377,121)	-66.7%	(1)
Loan Proceeds	0	492,532			N/A		0	0	0		N/A		66.7%	0		66.7%	0	N/A	
Proceeds from Sale of Capital Assets	0	783			N/A		0	3,668	3,668		N/A		66.7%	3,668		66.7%	3,668	N/A	
Interest Earnings	52,000	37,186			71.5%		54,000	11,642	11,642		21.6%		66.7%	(24,358)		66.7%	(24,358)	-45.1%	
Totals:	\$4,207,770	\$3,352,414			79.7%		\$4,206,139	\$2,359,468	\$2,359,468		56.1%		66.7%	(\$444,625)		66.7%	(\$444,625)	-10.6%	

	A August 2009		B		C=B/A		D		E		F=E/D		G		H^A		I=G-F		
	Budget	Actual	Budget	Actual	% Exp'd	%	Budget	Actual	Budget	Actual	% Exp'd	%	Expected % Exp*	Var'nc frm Expected	%	Expected % Exp*	Var'nc frm Expected	%	
WASTEWATER FUND (#404)																			
EXPENSES																			
Operating Expenses	\$2,119,975	\$1,479,966			69.8%		\$2,292,351	\$1,562,454	\$1,562,454		68.2%		66.7%	(\$34,220)		66.7%	(\$34,220)	-1.5%	
Capital Outlay	542,300	30,859			5.7%		70,000	14,859	14,859		21.2%		66.7%	31,808		66.7%	31,808	45.5%	
Debt Principal	1,956,098	912,267			46.6%		1,737,660	954,351	954,351		54.9%		66.7%	204,089		66.7%	204,089	11.8%	
Interest Expense	68,344	45,202			66.1%		59,481	41,916	41,916		70.5%		66.7%	(2,262)		66.7%	(2,262)	-3.8%	(2)
Totals:	\$4,686,717	\$2,468,294			52.7%		\$4,159,492	\$2,573,580	\$2,573,580		61.9%		66.7%	\$199,415		66.7%	\$199,415	4.8%	

Net Budget/Income: (\$478,947) \$884,120
\$46,647 (\$214,112)

Key:

* The expected percentage is calculated as follows: since the report is for the 8th month of the year, 8 is divided by 12-the number of months in the year.

^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

H=(D*G) - E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

(1) Inter-fund loan repayment is dependent upon the issuance of G.O. Debt.

(2) Principal payments are not made evenly throughout the year.

**City of Chehalis
Comparative Financial Reports
August 2009 and 2010**

WATER FUND (#405) REVENUES	A August 2009		B		C=B/A		D August 2010		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	% Rec'd	Budget	Actual	% Rec'd*	Budget	Actual	% Rec'd	Expected % Rec'd*	Expected % Rec'd*	Var'nc frm Expected	% Variance					
Water Sales	\$2,258,873	\$1,511,185	66.9%	\$2,298,896	\$1,454,706	63.3%	200,000	42,836	21.4%	66.7%	(\$77,891)	-3.4%						
Water Connection/Misc. Fees	200,000	137,570	68.8%	0	0	N/A	0	115	N/A	66.7%	(90,497)	-45.3%						
Misc. Revenues	0	0	N/A	0	0	N/A	0	0	N/A	66.7%	115	N/A						
Intergovernmental Revenues	2,000	2,689	134.5%	0	0	N/A	0	0	N/A	66.7%	0	N/A						
Interfund Principal Repayment	850,000	284,319	33.4%	565,681	0	0.0%	0	0	0.0%	66.7%	(377,121)	-66.7%						
Intergovernmental Ln Proceeds	0	90,283	N/A	0	0	N/A	0	0	N/A	66.7%	0	N/A						
Proceeds from Sale of Capital Assets	0	0	N/A	14,000	1,692	N/A	0	1,692	N/A	66.7%	1,692	N/A						
Interest Earnings	12,705	5,601	44.1%	14,000	882	6.3%	0	0	0.0%	66.7%	(8,451)	-60.4%						
Totals:	\$3,323,578	\$2,031,647	61.1%	\$3,078,577	\$1,500,231	48.7%				66.7%	(\$552,154)	-17.9%						

(1)

WATER FUND (#405) EXPENSES	A August 2009		B		C=B/A		D August 2010		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Expected % Exp*	Expected % Exp*	Var'nc frm Expected	% Variance					
Operating Expenses	\$1,910,195	\$1,158,944	60.7%	\$1,803,191	\$1,197,504	66.4%	577,000	420,950	73.0%	66.7%	\$4,623	0.3%						
Capital Outlay	436,495	338,371	77.5%	127,464	16,000	12.6%	28,725	9,750	33.9%	66.7%	(36,263)	-6.3%						
Debt Principal	119,638	14,000	11.7%	0	0	0.0%	0	0	0.0%	66.7%	68,976	54.1%						
Interest Expense	30,482	10,475	34.4%	\$2,536,380	\$1,644,204	64.8%	0	0	0.0%	66.7%	9,400	32.8%						
Totals:	\$2,496,810	\$1,521,790	60.9%							66.7%	\$46,716	1.9%						

Net Budget/Income: \$826,768 \$509,857
\$542,197 (\$143,973)

Key:

* The expected percentage is calculated as follows: since the report is for the 8th month of the year, 8 is divided by 12-the number of months in the year.

^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

H=(D*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

(1) Inter-fund loan repayment is dependent upon the issuance of G.O. Debt.

City of Chehalis
Comparative Financial Reports
August 2009 and 2010

STORM FUND (#406) REVENUES	A August 2009		B		C=B/A		D August 2010		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd*	Budget	Actual	% Rec'd	% Rec'd*	Expected	% Exp*	Var'nc frm Expected	% Variance	Expected	% Variance		
Storm & Surface Water Fees	\$405,000	\$272,155	\$402,500	\$266,319	67.2%	66.2%	\$402,500	\$266,319	66.2%	66.7%	(\$2,014)	-0.5%						
Storm Connection/Misc. Fees	30,000	18,533	24,000	5,090	61.8%	21.2%	24,000	5,090	21.2%	66.7%	(10,910)	-45.5%						
Interest Earnings	6,000	0	1,500	0	0.0%	0.0%	1,500	0	0.0%	66.7%	(1,000)	-66.7%						
Misc. Revenues	0	48	0	0	N/A	N/A	0	0	N/A	66.7%	0	N/A						
Totals:	\$441,000	\$290,736	\$428,000	\$271,409	65.9%	63.4%	\$428,000	\$271,409	63.4%	66.7%	(\$13,924)	-3.3%						

STORM FUND (#406) EXPENSES	A August 2009		B		C=B/A		D August 2010		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	Expected	% Exp*	Var'nc frm Expected	% Variance	Expected	% Variance		
Operating Expenses	\$384,631	\$235,997	\$376,541	\$224,551	61.4%	59.6%	\$376,541	\$224,551	59.6%	66.7%	\$26,476	7.1%						
Capital Outlay	60,000	18,943	73,000	213	31.6%	0.3%	73,000	213	0.3%	66.7%	48,454	66.4%						
Totals:	\$444,631	\$254,940	\$449,541	\$224,764	57.3%	50.0%	\$449,541	\$224,764	50.0%	66.7%	\$74,930	16.7%						

Net Budget/Income: (\$3,631) \$35,796 (\$21,541) \$46,645

Key:

- * The expected percentage is calculated as follows: since the report is for the 8th month of the year, 8 is divided by 12-the number of months in the year.
- ^To calculate the dollar variance between expected and actual expenditures, the following formula is used:
H=(D*G) - E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

RECOMMENDATION/COUNCIL ACTION DESIRED

This report is for the Council's information only. No action is necessary.

Received by  City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: September 10, 2010

TO: The Honorable Mayor and City Council

FROM: Lodging Tax Advisory Committee
Terry Harris, Council Member (LTAC Chair)
Rick Burchett, Chehalis-Centralia Railroad & Museum
Lee Grimes, Veterans Memorial Museum
Natalie Ketchum, Best Western Park Place Inn & Suites
Satpal "Paul" Sohal, Chehalis Inn

SUBJECT: Lodging Tax Advisory Committee Recommendation – Special Request for Funding

ISSUE

The Lodging Tax Advisory Committee (LTAC) met on September 10 to review a special request for a joint event between the Visiting Nurses Foundation and the Lewis County Historical Museum.

DISCUSSION

During last year's lodging tax funding request process, the city council awarded \$2,500 to The Visiting Nurses Foundation for their 2010 Spring Home Tour; however, the tour was ultimately cancelled.

In an effort to utilize the funding for an event that would bring out-of-town visitors to Chehalis, the Foundation joined forces with the Lewis County Historical Museum to create an event to take place on November 20-21. The funding would be used to promote a Women's Suffrage Event as outlined in the attached proposal.

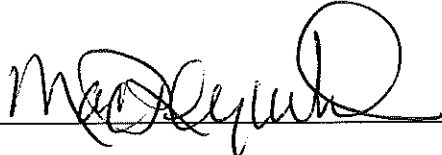
After review and discussion, the committee recommended funding the event.

RECOMMENDATIONS/COUNCIL ACTION DESIRED

The Lodging Tax Advisory Committee recommends that the council approve its recommendation for The Visiting Nurses Foundation and Lewis County Historical Museum to use the \$2,500 that was to be used for the Spring Home Tour for the Women's Suffrage Event.

SUGGESTED MOTION

I move that the council approve the recommendation of the Lodging Tax Advisory Committee for The Visiting Nurses Foundation and Lewis County Historical Museum to use the \$2,500 that was to be used for the Spring Home Tour to be used for the Women's Suffrage Event.

Reviewed by  _____, City Manager



Visiting Nurses Foundation

Board of Directors

President
Debbie Schinnell

Vice President
Jay Brown

Secretary
Kris Backa

Treasurer
Shirley Billings

Directors
Mike Alexander
Maretta Berg
Jerry Boes
Todd Chaput
Dr. Anthony Fritz
Amy Gibson
Rosemarie Hartgroves
Kaye Hubbert
Debbie Kaylor
Walter King
Peggy Laso
Jeff Mecca
John Mosier
Melody Nelson
Lynn Peterson
Mary Rakoz
Sonja Sorenson
Ellen Stonecypher
Dr. Richard Tausch
Russ Trentlage
Wilma Wayson

Executive Director
Lynn Ford

Thrift Shop Managers
Georgie Johnston
Centralia
Jenny Collins
Chehalis

Charitable Tax
ID# 91-1467848

September 9, 2010

City of Chehalis
Hotel/Motel Tax Committee
350 N Market Blvd
Chehalis, WA 98532

Dear Hotel/Motel Tax Committee:

In the early spring of this year, I tried to recruit home owners from the Historic Pennsylvania Neighborhood to participate in the Spring Home Tour. However I was only able to recruit two home owners that were willing to be on the tour. Our Board felt that their there was not enough time to regroup and try another strategy, so the Visiting Nurses Foundation Annual Spring Home Tour was cancelled.

We so appreciate your trust in Visiting Nurses Foundation to put on an event that would draw out of town visitors to our wonderful community, that I have been working on a possibility that you may be interested in. The year 2010 is the 100th Anniversary of a Women's Right to Vote in Washington State, the fifth state in the Union and the first state in the 20th century to allow women the right to vote. It followed a series of Western states, including Idaho, Utah, Colorado, and Wyoming that had already granted women a political voice.

Pioneers in Washington State first gave women the right to vote in 1883 to 1888, but their voting rights were revoked by the Washington Territorial Supreme Court and then voted back in, in 1910. To honor this important milestone in our state's History we have arranged for a Traveling Exhibit November 1st thru December 15th to come to the Lewis County Historical Museum, called a "Century of Caring" highlighting the nursing profession. How does that tie with women's suffrage you may ask? The same Washington Legislature that gave women the right to vote also approved the Nurse Practice Act that gave legally recognized graduates of nursing schools recognized as "Registered Nurses". At the Federal level, in 1917, Mary O. Stevens, from the Association of Army Nurses of the Civil War sent a letter to the U.S. Judiciary Committee demanding the right of women to vote as the appropriate course of great act of justice. Nursing was also one of the few options women had for employment. Women did not receive the right to vote nationally until 1920.

Advertising:

- Country Pleasures.
- Antique Quarterly – 20,000 copies printed, 15,000 sent out in direct mail, 5,000 distributed
- Chamber Connections - Their November issue will carry a feature article plus pictures – 16,000 in newspapers + 750 direct mail to Chamber Members
- Various newspaper ads in major markets from Seattle, WA to Salem, OR

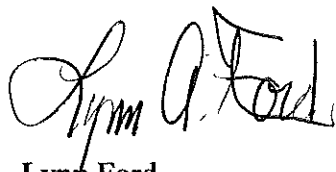
Publicity for Women's Suffrage printed by Visiting Nurses Foundation:

- 250 posters
- 500 flyers
- Distribution points: Longview to Olympia, Shelton to Packwood.
- 2,100 save the date post cards, sent to donors, antique dealers and Women's Organizations.
- 1,800 invitations sent to our donors in Lewis, Thurston, Mason, Pierce and King County.
- 400 tickets
- SAVE DATE Notice via e-mail to all our listings

Media releases to 67 different media outlets throughout Washington/Oregon through public service announcements. Calendar of events placements throughout Western Washington and Oregon.

Thank you for your consideration. I appreciate the opportunity to appear before you on September 10th to answer any questions you may have.

Sincerely,



**Lynn Ford
Executive Director
Visiting Nurses Foundation**



**Debbie Knapp
Executive Director
Lewis County Historical Museum**

61% of those surveyed out of town

ENTER TO WIN

TWO FREE TICKETS TO OUR NEXT
SPRING HOME TOUR

Kent Siremb-dones

Name 9925 NE 1st St Apt 27 Bellevue WA 98004

Address 206-934-3288 City Bellevue State WA Zip 98004

Phone 206-934-3288 E-mail burnabyboard@gmail.com

in Group 2

Are you staying in the area? Yes No

If so, how many nights? 3

How did you hear about us:

<input type="checkbox"/> Chronicle	<input type="checkbox"/> Country/Pleasures	<input type="checkbox"/> Poster/Flyer
<input type="checkbox"/> Radio	<input type="checkbox"/> Sifting Duck	<input type="checkbox"/> Internet
<input checked="" type="checkbox"/> Family/Friends	<input type="checkbox"/> Coffee News	<input type="checkbox"/> Other

*Enter once per ticket holder. Drawing will be held 7/15/08 and winner notified by mail or e-mail.

CITY OF CHEHALIS

AGENDA REPORT

DATE: September 22, 2010
TO: The Honorable Mayor and City Council
FROM: Becky Fox, Court Administrator
SUBJECT: Ordinance No. 859-B

ISSUE

Attached is proposed Ordinance No. 859-B for council's consideration.

DISCUSSION

Due to a Scribner's error when Ordinance No. 841-B was passed on December 8, 2008, Section 240 of Title 7.04 was repealed, when it was intended that it remain in full force and effect. This ordinance amends Ordinance 841-B to provide for the inclusion of Section 240 of Title 7.04.

RECOMMENDATION/COUNCIL ACTION DESIRED

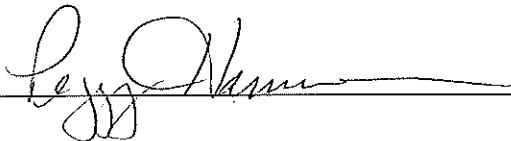
It is recommended that the council suspend the rules requiring two readings of an ordinance.

It is recommended that the council pass Ordinance No. 859-B on first and final reading.

SUGGESTED MOTION

I move that that council suspend the rules requiring two reading of an ordinance.

I move that the council pass Ordinance No. 859-B on first and final reading.

Reviewed by:  _____, Acting City Manager

ORDINANCE NO. 859-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING ORDINANCE NO. 841-B, PASSED THE 8TH DAY OF DECEMBER, 2008, TO PROVIDE FOR THE INCLUSION OF SECTION 240 OF TITLE 7.04 OF THE CHEHALIS MUNICIPAL CODE; AND ESTABLISHING AN EFFECTIVE DATE HEREOF.

WHEREAS, as a result of a Scribner's error, when Ordinance No. 841-B was passed the 8th day of December, 2008, repealing Title 7.04 of the Chehalis Municipal Code, Section 240 of Title 7.04 of the Chehalis Municipal Code was omitted from exclusion, when in fact it was intended that said Section 240 of Title 7.04 remain in full force and effect; now, therefore,

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

Section 1. The title of Ordinance No. 841-B, passed the 8th day of December, 2008, shall be, and the same hereby is, amended to read as follows:

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, REPEALING TITLE 7.04 OF THE CHEHALIS MUNICIPAL CODE - THE CHEHALIS CRIMINAL CODE, WITH THE EXCEPTION OF CHEHALIS MUNICIPAL CODE TITLE 7.04, SECTION 130 AND SECTION 240, WHICH SHALL REMAIN IN FULL FORCE AND EFFECT AND REPLACING THE SAME BY ADOPTING SELECTED PROVISIONS OF THE REVISED CODE OF WASHINGTON PERTAINING TO GROSS MISDEMEANOR AND MISDEMEANOR CRIMES.

Section 2. The first **WHEREAS** of Ordinance No. 841-B, passed the 8th day of December, 2008, shall be, and the same hereby is, amended to read as follows:

WHEREAS, the City Council of the city of Chehalis has determined that it is in the best interests of the city and its citizens that Title 7.04 of the Chehalis Municipal Code be repealed, except and excluding 7.04.130 - Nuisances, and 7.04.240 – MTO, which sections shall remain in full force and effect.

Section 3. Section 1 of Ordinance No. 841-B, passed the 8th day of December, 2008, shall be, and the same hereby is, amended to read as follows:

Section 1. Title 7.04 of the Chehalis Municipal Code shall be, and the same hereby is, repealed, except and excluding Title 7.04, Section 130 and Section 240, which sections shall remain in full force and effect.

Section 4. Section 4 of Ordinance No. 841-B, passed the 8th day of December, 2008, shall be, and the same hereby, amended to read as follows:

Section 4. The City Clerk shall be, and she hereby is, instructed to repeal Title 7.04 of the Chehalis Municipal Code, except and excluding Title 7.04, Section 130 and Section 240, which sections shall remain in full force and effect.

Section 5. The effective date of this ordinance shall be the _____ day of _____, 2010.

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 _____, 2010.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney