

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

December 13, 2010

5:15 p.m.

EXECUTIVE SESSION

- | ITEM | ADMINISTRATION RECOMMENDATION | PAGE |
|------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------|
| 1. <u>Executive Session - Pursuant to RCW 42.30.110.(1)(i) – Potential Litigation.</u> (City Manager, Public Works Director) | --- | |

Regular Meeting of December 13, 2010

6:00 p.m.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
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.

PRESENTATIONS

- | | | |
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| 4. <u>Employee Service Award – Rich Trotter, Property Maintenance Tech II – 25 years.</u> (Mayor) | --- | |
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UNFINISHED BUSINESS CONTINUED

15. <u>Ordinance No. 863-B, Second Reading – Adopting the 2011 Budget.</u> (Finance Manager)	PASS	23
16. <u>Ordinance No. 864-B, Second Reading – Amending the 2010 Budget.</u> (Finance Manager)	PASS	26

NEW BUSINESS

17. <u>Resolution No. 13-2010, First and Final Reading – Adopting the 2011 Budget for the Chehalis-Centralia Airport.</u> (Airport Manager Allyn Roe)	ADOPT	35
18. <u>Resolution No. 14-2010, First and Final Reading – Adopting Identity Theft Policy and Debit/Credit Card Procedures for the Public Works Department.</u> (Public Works Director)	ADOPT	43
19. <u>Resolution No. 15-2010, First and Final Reading – Setting Date for Public Hearing on a Portion of NW Louisiana Avenue.</u> (Community Development Director)	ADOPT	51

**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, JANUARY 10, 2011

PUBLIC HEARING - CONTINUED

5. 2011 Proposed Budget and Revenue Sources. (City Manager, Finance Manager)

CONTINUE PUBLIC HEARING

CONSENT CALENDAR

6. Minutes of the Regular Meeting of November 22, 2010. (City Clerk)

APPROVE

1

7. Vouchers and Transfers. (Finance Manager)

APPROVE

9

8. Interlocal Agreement for Reimbursable Work With Lewis County. Public Works Director)

AUTHORIZE CITY MANAGER TO EXECUTE INTERLOCAL AGREEMENT BETWEEN THE CITY AND LEWIS COUNTY TO PROVIDE CATCH BASIN CLEANING

12

STAFF AND CITY COUNCIL REPORTS

9. Staff Reports.

10. Special Reports.

a. Update on flood meetings. (Julie Balmelli-Powe, City Representative)

INFORMATION ONLY

b. Update of fisheries study. (Edna Fund, City Representative)

INFORMATION ONLY

11. Council Reports.

a. Councilor reports. (City Council)

INFORMATION ONLY

b. Council committee reports. (City Council)

INFORMATION ONLY

UNFINISHED BUSINESS

12. Ordinance No. 860-B, Second Reading – Revision of Sewer Rates for Lewis County Water & Sewer District #4 and Napavine for 2011. (Public Works Director, Wastewater Superintendent)

PASS

16

13. Ordinance No. 861-B, Second Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2011. (Finance Manager)

PASS

19

14. Ordinance No. 862-B, Second Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2011. (Finance Manager)

PASS

19

November 22, 2010

The Chehalis city council met in regular session on Monday, November 22, 2010, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 6:00 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; Mark Scheibmeir, Assistant City Attorney; Judy Schave, City Clerk; Glenn Schaffer, Police Chief; Kelvin Johnson, Fire Chief; Bob Nacht, Community Development Director; Eva Lindgren, Finance Manager, Peggy Hammer, Human Resources Administrator; Becky Fox, Court Administrator; Tim Grochowski, Public Works Director; Dave Vasilauskas, Water Superintendent; Patrick Wiltzius, Wastewater Superintendent; Judith Smith, Public Works Office Manager; and Andy Sennes, Property Manager. Members of the news media included Rachel Thomson from *The Chronicle*.

1. **Santa Parade and Holiday Events.** Jim Valley, Executive Director of the Centralia-Chehalis Chamber, reported on the 61st Annual Santa Parade taking place on Saturday, December 4, at 11:00 a.m. in downtown Chehalis. He announced they had 58 entries for the parade, including Seattle Seahawks mascot, "Blitz" as their special guest. Mr. Valley invited the councilors to participate in the judging of the parade, if any of them were available.

Mr. Valley reported the Chamber would be open on the Friday after Thanksgiving handing out "Shopping Survival Kits" that would include coupons and gift cards from local business members, to hopefully entice people to shop local. He also talked briefly about the 'Santa Drop' at I-5 Toyota on Sunday, November 28, at noon.

2. **SR-6 Property.** Robert (Bob) Sokolove of Womble Carlyle Ecology Innovations, LLC (WCEI), reported he appeared before the council a number of months ago to discuss the National Avenue mitigation bank site, adding he understood there had been some discussion before the council at the previous meeting with regards to the SR-6 site.

Mr. Sokolove reported there had been a lot of effort with regard to what had taken place on the National Avenue site, including: the archeological review; a complete surveying effort; initial design work; and a preliminary plan for the site, which was submitted to the United States Army Corps of Engineers and the Department of Ecology.

Mr. Sokolove stated on November 12 a letter was sent to various members of the council and to the city manager regarding the critical opportunity the city had with the SR-6 site, adding he wanted to clear up any misconceptions. He estimated a mitigation bank on the SR-6 site would produce a large accelerated amount of revenue to be shared between all the parties involved, noting in his opinion, the SR-6 site alone represented about \$1.4 to \$2 million dollars for the city. Mr. Sokolove stated because the SR-6 property sat very high it wouldn't ordinarily be considered for a mitigation bank site; however, the Washington State Department of Transportation (WSDOT) needed to take out about 500,000 cubic yards of dirt to offset a floodplain fill they created with one of their projects and was interested in the SR-6 site for their mitigation.

Mr. Sokolove felt the opportunity before the council would not come up again, and economically it wasn't something any of them could come back and do at a later date. He reported they already had end-users interested in buying the credits, and were shooting for their first sale of the credits in the summer of 2011. Mr. Sokolove asked the council to reconsider their position on the SR-6 property.

Councilor Spahr asked how deep the hole would be that WSDOT would dig out on the SR-6 site. Mr. Sokolove indicated it would go down to the water-table; however, at the end of the day it would look like a restored wetland. He noted it was very possible they would create a forested wetland system on the SR-6 site, in order to make it look more natural.

Councilor Spahr wondered what would prevent the land from filling back in with dirt during future flooding events. Mr. Sokolove stated they were required to design their sites so they maintain healthy wetland systems.

Councilor Pope stated as the city continues to develop it was going to need credits and wondered if any would be set aside for that purpose. Mr. Sokolove reported they could work out any kind of arrangement, adding the city could have the credits or the money. Councilor Pope asked how soon the money would be forthcoming. Mr. Sokolove stated he couldn't guarantee, but they were shooting for the summer of 2011. He indicated they would get 30 percent of the credits the instant they get bank approval and start the construction, adding their goal was to have as much inventory as possible on day one.

Councilor Pope inquired about bonding. Mr. Sokolove stated they were required to have a construction bond on all of their projects, both with the regulators and the land owners. He noted they were also required to have a post-construction

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(maintenance and monitoring) bond.

Councilor Pope stated that if they decide to include the SR-6 site he didn't want there to be any costs to the city, adding the taxpayers could not spend money on speculation. Mr. Sokolove reported the city would have no financial risk, adding the only contribution from the city would be the land itself and even then, at the end of the day, the city would still own it.

Councilor Pope also suggested to Mr. Sokolove that when dealing with other parties they should keep their focus between themselves and not go outside to try to influence the council in any way.

Councilor Dawes stated he too would like to see some credits reserved, should the city decide to proceed. He stated he was a little concerned about the Federal Emergency Management Administration (FEMA) maps that were recently released, wondering how the credits might play into that. Mr. Sokolove indicated what they were doing would not affect the wetland floodplain issue in any way.

Councilor Taylor reported the council's concern from the previous meeting had to do with getting themselves into a position where they wouldn't have enough credits for future growth. He asked Mr. Sokolove if they would need to make the decision on credits versus dollars that evening with regards to the SR-6 site. Mr. Sokolove strongly recommended that the council not make any decisions until they put some thought into it. Councilor Taylor believed the split was already set in the original agreement and it was not something they had to worry about. Mr. Sokolove stated that was correct, adding now it was just a question of whether the city would want credits or currency.

Councilor Taylor asked if there was a difference between a land bank and what the Port of Chehalis had created. Mr. Sokolove explained the difference would be that the Port did not go through the full wetland mitigation banking approval process. He noted under the new federal rule that came out in April 2008, there is an entire review analysis process that one has to go through now. Mr. Sokolove reported they were setting the highest bar for themselves so the credits would meet any potential end-user needs.

Councilor Harris inquired about the number of credits being set aside on the National Avenue site, and asked how many credits they expected to gain on the SR-6 site. Mr. Sokolove noted three credits had been set aside for the city on the National Avenue site; however, they wouldn't know about the SR-6 site until they do the design work and get regulatory approval. He stated the SR-6 site was 69 acres and estimated the viable number would be about 40 credits. Mr. Sokolove reported credits were currently selling for about \$200,000 each, adding there was a hardy amount of money in swamps these days.

Councilor Harris stated it would be interesting to see how the rest of the basin partners felt about us removing 500,000 cubic yards of fill. Councilor Taylor suggested they would love us.

Councilor Lund asked if the credits would increase once the plants grow larger on the site. Mr. Sokolove stated they would agree from the beginning to enter into a mitigation bank instrument, which was the contract between them and the regulators. He noted at the time of bank approval they are granted a certain number of credits for the project and that number never changes. Mr. Sokolove stated the only thing that could change would be how many credits get released at each milestone, which was also set in the agreement from the beginning.

Councilor Spahr asked what kind of time Mr. Sokolove was talking about, with reference to WSDOT. Mr. Sokolove stated as soon as possible would be helpful, adding he felt uneasy about telling WSDOT to continue unless the city agrees to include the SR-6 site.

Councilor Taylor moved to reinstate the SR-6 site as part of the mitigation bank development.

The motion was seconded by Councilor Harris.

Councilor Dawes stated he would like to get staff's perspective to make sure he understood where they were coming from. City Manager MacReynold reported he thought the council had a good discussion during the previous meeting and they gave clear direction. He noted, with the additional information provided, the council could decide to take a different approach, adding those were tough decisions they were elected to make. City Manager MacReynold felt the administration's position

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had not changed. He indicated he did have some reservations and concerns about it, but added it was certainly an opportunity. City Manager MacReynold stated the council could approve it that evening, or ask to have it brought back at the next meeting.

Mayor Ketchum thought it should come back to them so they could discuss the issue of how many credits the city would need to keep. Councilor Dawes understood the motion to be that staff would bring something back for their approval. City Manager MacReynold felt the motion was meant to approve the prior amendment. Councilor Taylor indicated he just wanted to put back in whatever they took out at the previous meeting.

Councilor Harris withdrew his second, in order to clarify what the motion was.

Mr. Sokolove stated all they had to say was they were granting the opportunity to amend the existing contract for the option to include the SR-6 site. He noted at that point he and City Attorney Hillier would go back and negotiate the terms of the new contract.

Councilor Spahr restated the motion to move to direct staff to renegotiate the SR-6 site.

The motion was seconded by Councilor Pope and carried unanimously.

3. **Employee Service Award.** Mayor Ketchum presented Water Superintendent Dave Vasilauskas with a certificate of appreciation for 20 years of service with the city.

4. **Presentation of Sister City Gifts.** Mayor Ketchum reported 14 people went to Inasa, Japan, to celebrate the 20th anniversary of the sister city program. He asked members of the group to talk briefly about their experience and to present the gifts received from the Mayor of Hamamatsu. The gifts included a shadow box with dried chrysanthemums and two colorful coats, one for a small child and one for an adult.

Sue Bellevue, Chair of the Sister City Committee, introduced her husband Gordon Bellevue, who stated they had a blast experiencing the culture of Japan. He reported they stayed with host families for about a week and visited various sites, including a sake factory, a tofu factory, and a Suzuki factory.

Lee McCrite stated it was a great trip, adding by staying with the host families they really got to see how they live. She noted they met some wonderful people and hoped some of them would be able to come over here soon.

Karen Monroe reported they first got involved with the sister city program in 2004, adding they had such a good time hosting visitors that they decided to host an exchange student the following year, which ended up being the sister of one of their guests. She stated they had the pleasure of getting to know her, adding she became very good friends with many kids at W.F. High School and the Chehalis Middle School. Ms. Monroe reported this was the first chance for them to go to Japan and they were glad to be able to stay with the family of their exchange student, who they now consider family, as well. She noted the seeds that were planted through the program were incredible, and the experiences they had were too numerous to mention.

Ms. Bellevue stated they were very fortunate to celebrate the 20th anniversary of the sister city program and would love to be standing in front of the podium 20 years from now to say they'd made it to 40 years. She reported things were different in Japan with the way they had changed their city governments, and the program would have to change in order to survive. Ms. Bellevue felt it was important to find a way to move the program forward and didn't get the feeling that they were ready to give it up either. She thanked the city council for their support for the program.

Mayor Ketchum reported if a delegation comes from Inasa next year, it would probably be the last week of March or the first week of April.

5. **Public Hearing on the 2011 Proposed Budget and Revenue Sources.** City Manager MacReynold reported the public hearing was part of the annual process for the council to consider the future year's budget.

Eva Lindgren talked briefly about the tax levies, noting under the direction of the council, there were no tax increases programmed in. She noted there was a slight increase over the current year budget for the property tax levy in both the general

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and emergency medical services (EMS), which was driven by new construction and increases to the utility value. Ms. Lindgren stated she had been in touch with Lewis County on a regular basis with regards to property tax collections, adding they were still on track for 2010.

Ms. Lindgren reported sales and use taxes were coming in close to the \$3 million they were now projecting. She noted they were going to call the 2011 sales and use tax revenues at the same level.

City Manager MacReynold first thanked the department managers and their support staff for putting their budgets together, adding it was not an easy process. He also thanked the budget advisory committee, Councilors Dawes, Harris and Taylor, for their commitment and time. City Manager MacReynold gave a brief overview of the budget, highlighting some of the 2010 accomplishments, which included:

- Maintained the fiscal viability of the city during the continued major economic downturn
- Completed the Chehalis Avenue pilot project and analysis
- Closed out the Chamber Way project
- Continued progress on the Louisiana Avenue project in cooperation with Lewis County, WSDOT, and Centralia
- Developed a historical walking tour
- Implemented new wayfinding signs throughout the city with the new city logo
- Developed and implemented a new city website
- Continued active participation in the flood control effort through the flood authority
- Provided leadership and efforts concerning the FEMA mapping
- Police department going paperless for all of their police reports
- Continued discussions with Fire District 6 partners concerning regional fire service
- Continued active recreation programs
- Established a chip and crack seal program
- Completed a draft water service plan

City Manager MacReynold listed some of the 2011 goals, which included:

- Continue to maintain the city's fiscal viability
- Increase street repairs throughout the city
- Institute credit card use and electronic payments citywide
- Continue to work towards the development of the Barnes property
- Continue cooperation in regional flood control efforts
- Continue to cooperatively explore how to improve downtown aesthetics and infrastructure
- Actively participate in regional fire service planning, now expanding to include Riverside Fire Authority
- Continue to seek funding for city parks and recreation
- Continue efforts to expand youth programs
- Participate actively in Lewis County's campus project

City Manager MacReynold stated there really wasn't much to say about the individual budgets, other than everything was lower. He noted the 2011 revenues would be down about 8.8 percent from 2010, and 2011 expenditures were projected to be 11.58 percent less than the current year. City Manager MacReynold stated the utility funds were doing all right, due to continuing to defer capital projects. He noted they were going to have to bring some recommended proposed rate increases in 2012, because they couldn't continue the current situation. City Manager MacReynold indicated if they do make money on the SR-6 property, it would certainly help out the sewer fund.

Mayor Ketchum closed the regular meeting at 7:15:32 p.m. and opened the public hearing on the proposed 2011 budget and revenue sources. There being no public comments, Mayor Ketchum closed the public hearing at 7:16 p.m. and reopened the regular meeting.

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

- a. Minutes of the regular meeting of November 8, 2010; and

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- b. Claim Vouchers No. 98428-98566 and 102010 in the amount of \$187,915.70 dated November 15, 2010.

The motion was seconded by Councilor Taylor and carried unanimously.

7. Staff Reports.

a. October Financial Report. Ms. Lindgren reported the property tax revenues from Lewis County were remitted to the city the first week of November, and as indicated earlier, they were on track for 2010 collections. She noted some of the information she would be presenting would tie into the budget amendment that the council would look at later in the meeting. Ms. Lindgren stated one of the key items was the sales and use tax revenues, which would be reduced from \$3.3 to \$3 million. She also talked about the proceeds for long-term debt, noting the budget amendment would remove that revenue since they would not be issuing the debt in 2010.

Ms. Lindgren reported \$1.13 million in the non-departmental fund was for the repayment of the interfund loans to the water and wastewater funds; however, since they were not doing it in 2010, the budget amendment would remove it. She noted, since they were not issuing the debt, the budget amendment would also remove the interfund principal repayment in both water and wastewater.

Ms. Lindgren reported the overestimation of water connection fees and miscellaneous fees was addressed in the budget amendment, as well, to reflect of what they were actually seeing.

b. Update on Transportation Improvement Board (TIB) Grant Award. Tim Grochowski reported the city applied for a TIB grant for Chehalis Avenue to tear up the street and put it back together in 2012. He indicated the city did not receive the award; however, the city did receive a transportation enhancement grant to do 'top' street improvements. Mr. Grochowski noted Toledo received some TIB money, as well as Morton, Mossyrock, and Pe Ell.

8. Council Reports.

a. Update from Councilor Spahr. Councilor Spahr reported he attended the Lewis County Economic Development Council (EDC) meeting, adding there were some real interesting things going on in the industrial arena and hoped they would be getting some good news out of that body in the next few months. He indicated the EDC was struggling with their budget situation just like everybody else, trying to figure out how they can survive next year.

b. Update from Councilor Taylor. Councilor Taylor reported one of the issues that came up during the neighborhood meeting with American Behavior Health Systems (ABHS) was the bus stop located on SE Washington Avenue. He noted he took the issue to the Twin Transit Board to see if they could move or relocate the bus stop. Councilor Taylor noted they came up with two options: the first would be to relocate the bus stop to SE Adams, which would involve construction and right-of-way issues; and the other option was to make it a Do Not Service area. He noted the board had concerns about the second option because of the elderly people who do ride the bus in that area. Councilor Taylor reported the neighbors were now going to different bus stops because they felt threatened at the one in front of ABHS. He noted the transit board didn't want to do anything without understanding what the city wants to do first.

Councilor Taylor reported he spoke with a couple of the neighbors who felt the problems had not been handled, adding even though the blinds are required to be shut the residents of the facility still open them to look out. He noted they still had an issue with debris, and apparently there was a car stolen by one of the residents from the facility.

Councilor Taylor asked what the council would like to do with regard to the bus stop, and wondered if they should try to set up another meeting to see if the problems were being handled by ABHS.

Mayor Ketchum noted if they move the bus stop they would have to move it to where the elderly can still get access to it. Councilor Dawes suggested putting it down closer to Providence Place. He also inquired about the second issue, wanting to know if the neighbors took the administrator up on his offer to call him if they had any problems. Councilor Taylor noted they were having issues getting ABHS staff to respond, so they called the administrator and he called back a couple of days later and showed up on their doorstep at 6:00 p.m. wanting to address the issue.

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City Manager MacReynold reported they were committed to do a follow-up meeting with the neighbors and ABHS in January, noting with the holiday season upon them it might be difficult to pull something together sooner. He reported the Police Chief had regular communications with the Department of Corrections (DOC), and they were seriously monitoring and looking into the facility. City Manager MacReynold noted he used to see a lot of large groups walking by, but that had completely stopped. Councilor Taylor agreed. City Manager MacReynold felt some of the residents who live across the street would continue to feel that nothing was being done, but from what he was hearing there had been a big change. He stated if the council would like staff to try to put a meeting together sooner than January, they certainly could do that. Councilor Taylor agreed that an accelerated meeting was probably not the right way to go with the holidays coming up.

Councilor Harris felt the attraction for those hanging out at the bus stop was that it was a shelter, and suggested removing the shelter aspect of it. Mayor Ketchum asked if Councilor Harris liked the idea of moving the bus stop down in front of Providence Place. Councilor Harris stated he didn't have any objections. Councilor Dawes thought they should check with Providence Place to make sure they don't have any concerns with it, adding it might just take the problem down there.

Councilor Taylor stated he would take the suggestion back to the board.

Tim Grochowski indicated the city really didn't want the buses up on Adams, simply to protect the streets. He thought Councilor Dawes had a good suggestion of moving it down between 2nd and 3rd Streets.

c. Update from Councilor Dawes. Councilor Dawes reported he and Councilor Lund attended the Lewis County Historical Museum annual dinner, adding it was a nice affair.

Councilor Dawes reported on the fire service consolidation discussions, noting the committee determined that once they start having meetings, rather than having four or five different voices giving their interpretation of what came out of the meeting, they would have a public information officer appointed to provide information to the press and public. He noted copies of the release should come out the day after the meeting.

Councilor Dawes reported one of the issues discussed by the fire services committee was deal breakers. He noted he didn't feel comfortable speaking on behalf of the council on one issue, so he was bringing it back to them for their consideration. Councilor Dawes stated one of the potential paths to follow down was annexation. He noted if there was no real interest by any of the parties involved, there was no use taking the time to investigate it.

Councilor Spahr explained the difference between annexation and merger was, with annexation the city wouldn't have a position on the board.

After a brief discussion, the consensus of the council was to not consider annexation. Councilor Dawes stated he would take that back to the committee, adding his feeling was the other committee members were not interested in annexation either.

d. Update from Councilor Harris. Councilor Harris reported they received a letter from the DOC, who were looking for a 60 acre site to build a new 'reception facility.' He noted they were currently using the Shelton facility, which was a 35 acre site and highly self-sustaining. Councilor Harris thought it was something the city should look into and suggested getting some more information from DOC to find out what it's all about.

Councilor Harris noted he was looking at the jobs that would be created in the area, adding they were planning on locating somewhere in Western Washington with I-5 being a necessary component.

Councilor Harris requested the Mayor talk with the City Manager about getting some more information about it.

Councilor Taylor noted the jobs were nice, but there were a lot of other things that come to the community that could be negative. Councilor Harris agreed, noting with the good comes some bad, which was one of the things they need to research. Councilor Taylor stated he would also like to know what the Police and Fire departments think about the idea.

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Councilor Dawes stated they needed to remember that the city had taken a stance many time against locating adult facilities in our area.

Councilor Harris stated fiscally, and for the health and safety of the community, there were a lot of things they need to look at.

Councilor Harris reported he attended a Chehalis River Basin Partnership meeting on Friday. He noted J. Vander Stoep gave a brief presentation as to what the General Investigation study was concerning, trying to make sure they combine water retention facilities into the study. Councilor Harris noted fortunately for Mr. Vander Stoep, the Committee Chair (Centralia Councilor) Bonnie Canaday, did a good job of reining in a couple of people rather vigorously to keep the attacks down.

9. Ordinance No. 860-B, First Reading – Revision of Sewer Rates for Lewis County Water & Sewer District #4 (LCSD#4) and Napavine for 2011. Patrick Wiltzius reported on the annual calculation of monthly rates for treatment for LCSD #4 and Napavine, noting the rates had nothing to do with debt service. He indicated the rates would be going down from \$10,454 to \$8,482 for Napavine; and \$6,230 down to \$5,064 for LCSD#4, which was about an 18 to 19 percent drop.

Mr. Wiltzius reported over time they saw some pretty high swings, and the rates primarily went down this year because expenditures were down substantially due to budget cuts. He added their flow rates as a percentage actually decreased a little this year.

Councilor Spahr moved that the council pass Ordinance No. 860-B amending sewer rates for the City of Napavine and LCSD#4 on first reading.

The motion was seconded by Councilor Lund and carried unanimously.

10. Ordinance No. 861-B, First Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2011, and Ordinance No. 862-B, First Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2011. City Manager MacReynold reported, as was stated earlier, they were not requesting any additional increases in either the regular or EMS levies.

Councilor Spahr asked what a one percent increase in property tax would amount to for the city. Ms. Lindgren reported about \$12,000 to \$14,000.

Councilor Spahr moved to pass Ordinance Nos. 861-B and 862-B on first readings.

Councilor Taylor seconded the motion.

Mayor Ketchum also thanked the budget committee for the work they did this year.

Councilor Dawes stated next year they would probably be forced to raise property tax because the firemen's pension fund was getting severely depleted. He stated he was concerned about the future, but by law they were not going to have any choice about it. Councilor Dawes noted the issue had to do with pre-LEOFF firefighters that were hired before the formation of the LEOFF 1 plan.

The motion carried unanimously.

11. Ordinance No. 863-B, First Reading – Adopting the 2011 Budget. City Manager MacReynold reported they were looking at a significantly reduced budget over the last two years, adding they had gone through a series of layoffs in 2009 and 2010. He noted these were tough times and they were being forced to make difficult decisions.

Councilor Dawes asked that a change be made to the council's budget to reflect the correct years for their goals and accomplishments.

Councilor Dawes moved that the council pass Ordinance No. 863-B on first reading.

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The motion was seconded by Councilor Taylor and carried unanimously.

12. **Ordinance No. 864-B, First Reading – Amending the 2010 Budget.** Ms. Lindgren stated the agenda report spelled out the key changes, but pointed out that the lengthening recession really had adversely affected the pressure put on both the police department and court system. She reported the budget amendment also reflected the fact that they had to layoff employees.

Councilor Spahr moved to pass Ordinance No. 864-B on first reading.

The motion was seconded by Councilor Taylor and carried unanimously.

There being no further business to come before the council, the meeting adjourned at 8:03 p.m.

Mayor



Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of November 22, 2010.

CITY OF CHEHALIS
AGENDA REPORT

DATE: November 30, 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:

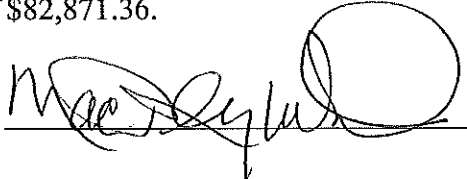
1. Claim Vouchers No. 98567 through 98675 in the amount of \$82,871.36 dated November 30, 2010 and the transfer of \$37,459.32 from the General Fund, \$137.50 from the HUD Block Grant Fund, \$3,000.53 from the Gambling Enforcement Fund, \$24,518.98 from the Wastewater Fund, \$15,245.50 from the Water Fund, \$888.56 from the Storm & Surface Water Utility Fund and \$1,620.97 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the November 30, 2010 Claim Vouchers No. 98567 through 98675 in the amount of \$82,871.36.

SUGGESTED MOTION

I move to approve the November 30, 2010 Claim Vouchers No. 98567 through 98675 in the amount of \$82,871.36.

Reviewed by:  , City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: November 30, 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:

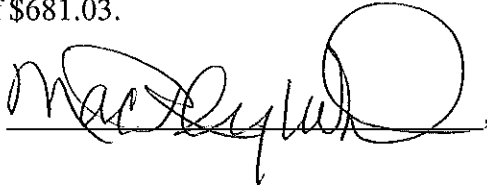
1. Claim Vouchers No. 98676 through 98677 in the amount of \$681.03 dated November 30, 2010 for the transfer of \$681.03 from the General Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED



The administration recommends that the council approve the November 30, 2010 Claim Vouchers No. 98676 through 98677 in the amount of \$681.03.

SUGGESTED MOTION

I move to approve the November 30, 2010 Claim Vouchers No. 98676 through 98677 in the amount of \$681.03.

Reviewed by: , City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: November 30, 2010
TO: The Honorable Mayor and City Council
FROM: Eva Lindgren, Finance Manager 
PREPARED BY: Michelle White, Accounting Tech II 
SUBJECT: Payroll Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

1. Payroll Vouchers No. 34228 through 34303 and Direct Deposit Payroll Vouchers No. 1901 through 1968 in the amount of \$657,473.13 dated November 30, 2010, and the transfer of \$488,821.30 from the General Fund, \$13,477.19 from the Arterial Street Fund, \$629.97 from the Garbage Fund, \$66,850.60 from the Wastewater Fund, \$63,829.82 from the Water Fund, \$19,242.65 from the Storm & Surface Water Utility Fund, and \$4,621.60 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the November 30, 2010, Payroll Vouchers No. 34228 through 34303 and Payroll Vouchers No. 1901 through 1968 in the amount of \$657,473.13.

SUGGESTED MOTION

I move to approve the November 30, 2010, Payroll Vouchers No. 34228 through 34303 and Payroll Vouchers No. 1901 through 1968 in the amount of \$657,473.13.

Reviewed by: , City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: November 29, 2010
TO: The Honorable Mayor and City Council
FROM: Tim Grochowski, Public Works Director
Rick Sahlin, Street/Storm Superintendent
SUBJECT: Interlocal Agreement for Reimbursable Work with Lewis County

ISSUE

The City desires to enter into an Interlocal Agreement with Lewis County Public Works Department authorizing the City to perform reimbursable work for Lewis County. The agreement is being presented for the council's review and consideration.

DISCUSSION

Attached is a copy of the Interlocal Agreement authorizing the city to provide catch basin cleaning with our Vacuum truck at a cost of \$125 per hour with a two hour minimum.

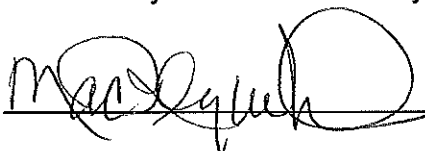
The Public Works Department desires to enter into this agreement; historically the City has provided catch basin cleaning services in exchange for County work/services in lieu of payment. The county is requiring that all work/services provided between the County and the City will be authorized by Interlocal Agreements and reimbursable.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the city council authorize the City Manager to execute the agreement between the City and Lewis County Public Works to provide catch basin cleaning.

SUGGESTED MOTION

I move that the city council authorize the City Manager to execute the Interlocal Agreement between the City and Lewis County to provide catch basin cleaning.

REVIEWED BY:  _____ CITY MANAGER

INTERLOCAL AGREEMENT

THIS AGREEMENT, made and entered into pursuant to authority of R.C.W. 39.34.080 and in conformance with R.C.W. 43.09.210, this ___ day of _____, 2010, by and between LEWIS COUNTY, Washington a political subdivision of the State of Washington, hereinafter referred to as the "County", and the City of Chehalis, a municipal corporation hereinafter referred to as the "Municipality",
WITNESETH:

IT IS HEREBY COVENATED AND AGREED as follows:

1. In the event the County requests that the Municipality perform work of the manner described below and guarantees reimbursement to the Municipality for all work done, the Municipality will upon written notification, provide all necessary labor and equipment incidental to providing such work in the County of Lewis, Washington, or areas in which the County has legal authority to perform the following work:

- a. Provide Vaccon services (cleaning catch basins) to the County as requested at a cost of \$125.00 per hour with a two hour minimum.
2. Each and every work request shall be submitted in writing via letter or email sent to the Chehalis Public Works Director and/or their designated person;
3. Upon completion of the requested work the Municipality will submit an invoice to the Lewis County Public Works Department who will forward it to the Lewis County Fiscal Division for processing.
4. County hereby agrees to reimburse the Municipality for all work done based upon the agreed hourly rate and an administrative fee of 5% or \$100, whichever is greater.
5. County certifies and warrants that it has the legal authority to accomplish the work with its own forces at the location specified in the written work request, but in fact has insufficient personnel/equipment to accomplish said work.
6. It is understood and agreed that the time and hours of performance of reimbursable work is at the Municipality's discretion and all reimbursable work as provided for hereto shall be accomplished only, and if, such work does not interrupt or interfere with the Municipality's regularly scheduled road maintenance activities.

7. It is understood that the County has total responsibility for having in its name all necessary property rights prior to maintenance by the Municipality. The County shall be responsible for obtaining any permits necessary for the performance of the reimbursable work.
8. It is understood and agreed between the parties hereto that the County agrees to protect, defend, indemnify and hold harmless the Municipality, its council, agents, departments and employees against any and all liabilities, claims, damages, penalties, actions, costs, and expenses (including reasonable attorney's fees) which may arise for any reason as a result of the performance of the Agreement by the Municipality, except insofar as any obligation or responsibility is imposed upon the Municipality by statute. County has negotiated and expressly waives any immunity that may be granted it under the Washington Industrial Insurance Act.
9. County hereby confers on the Municipality the authority to perform the category of work listed in paragraph one within the County's jurisdictional limits for the purpose of carrying out this Agreement.
10. The Municipality is a contractor of services only and does not purport to represent the County professionally other than in providing the service requested by the County. As an independent contractor, the Municipality shall control personnel standards of performance, discipline and all other aspects of performance, including that of the dedicated on-site staff.
11. This Agreement will expire December 31, 2015, unless otherwise terminated. Either party may terminate this agreement by depositing in the mail a notice of termination address either the City of Chehalis Public Works Director or the City Manager, respectively.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

APPROVED AS TO FORM:

CITY OF CHEHALIS

BOARD OF COUNTY COMISSIONERS
LEWIS COUNTY, WASHINGTON

Merlin MacReynold, City Manager

F. Lee Grose, Member

William Hillier, City Attorney

Ron Averill, Vice Chairman

P.W. Schulte, Chair

Michael Golden, Prosecuting Attorney

ATTEST:

ATTEST:

Judith A. Schave, City Clerk

Karri Muir, Clerk of the Board

CITY OF CHEHALIS
AGENDA REPORT

DATE: December 10, 2010
TO: The Honorable Mayor and City Council
FROM: Patrick Wiltzius, Wastewater Superintendent
Tim Grochowski, Public Works Director
SUBJECT: Revision of Sewer Rates for Lewis County Water & Sewer District #4 and Napavine for 2011

ISSUE

Proposed new rates for the treatment of sewage for 2011 have been calculated for Lewis County Water & Sewer District #4 (LCSD #4) and the City of Napavine. The proposed rates are being presented for council review and approval.

DISCUSSION

In 1994, Chehalis, Napavine, and LCSD #4 modified their prior interlocal agreement for the provision of sewer services. Governance issues regarding the interceptor and sewage treatment are outlined in this agreement. The agreement provides that Napavine and LCSD #4 pay for the delivery and treatment of sewage based on applicable costs for operation and maintenance of the system.

It has been previously established that calculation of the rates for treatment are to be based on applicable expenditures and flow data from the previous year. No changes have been made to the rate calculation methodology that was initially adopted in 2002. Current and proposed new rates are presented in the table below for comparison.

	Napavine	LCSD #4
2010 rate/month	\$10,454	\$6,230
2011 rate/month	\$8,482	\$5,064
\$ change/month	-\$1,972	-\$1,166
% change/month	-18.9%	-18.7%

The rate changes proposed for next year are a result of differences in expenditures and flows used to calculate the rates. As compared to 2008, the applicable expenditures for 2009 were down by approximately 10.4%. This was primarily due to wastewater division budget cuts mandated for 2009. As compared to 2008, the total flow to the Chehalis treatment plant in 2009 was up by 23.1%.

The flow contributed from LCSD #4 (as a percentage of total flow) was down 0.7% from 2008, and the flow from Napavine was down 1.1% from 2008. This is primarily due to the amount of rainfall received and proportions of inflow and infiltration contributed by each entity.

The result of the decrease in expenditures is that the proposed rates for 2011 are lower than those calculated for 2010. As you recall, they were significantly higher for 2010 as compared to 2009. Over time the trend in rates should average out the annual highs and lows and show a modest increase due to inflation (The table below shows this). On average, rates for Napavine increase by 0.6% per year while those for LCSD #4 increase by 0.2%.

	2005	2006	2007	2008	2009	2010	2011	avg.
Napavine	\$8,912	\$8,980	\$9,018	\$10,194	\$8,122	\$10,454	\$8,482	\$9,166
% difference		0.8	0.4	13.0	-20.3	28.7	-18.9	0.6
LCSD#4	\$5,614	\$5,407	\$5,387	\$5,908	\$4,522	\$6,230	\$5,064	\$5,447
% difference		-3.7	-0.4	9.7	-23.5	37.8	-18.7	0.2

Actual monthly sewer rates paid by customers of each entity vary considerably. The monthly rate for sewage treatment is just one component of each entity's sewer bill. The amount of debt service, collection system maintenance costs, reserve balances and administrative costs for each entity are all considered when each entity sets sewer rates for their customers.

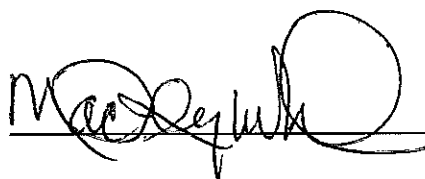
The attached ordinance has been prepared repealing rates for 2010 and establishing rates for 2011. The proposed rates have been discussed with LCSD #4 and the City of Napavine and no objections were raised to their implementation.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council pass Ordinance No. 860-B amending sewer rates for the City of Napavine and Lewis County Water & Sewer District #4 on second and final reading.

SUGGESTED MOTION

I move that the council pass Ordinance No. 860-B amending sewer rates for the City of Napavine and Lewis County Water & Sewer District #4 on second and final reading.

REVIEWED BY:  _____, CITY MANAGER

ORDINANCE NO. 860-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON AMENDING SECTION 13.16.070, ORDINANCE NO. 853-B, PASSED THE 14TH DAY OF DECEMBER, 2009, AS CODIFIED IN THE CHEHALIS MUNICIPAL CODE.

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

Section 1. Section 13.16.070 of the Chehalis Municipal Code shall be, and the same hereby is, amended to read as follows:

13.16.070 Wastewater customers.

A. Rates charged to the city of Napavine and Lewis County Water & Sewer District #4 for the operation and maintenance of the interceptor and related facilities shared with the city and for the treatment of sewage by the city are as follows:

1. Napavine - \$8,482 per month; and
2. Lewis County Water & Sewer District #4 - \$5,064 per month.

B. These rates shall be adjusted annually based upon their flows and operations and maintenance costs of the interceptor and the wastewater treatment plant.

Section 2. Effective date.

The effective date of this ordinance shall be the ____ day of _____, 2011.

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

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Eva Lindgren, Finance Manager
DATE: December 8, 2010
SUBJECT: Adoption of Tax Levies

ISSUE

Two ordinances have been prepared in connection with levying property taxes for collection in 2011. These are required in order for property taxes to be collected on behalf of the City.

DISCUSSION

Ordinance No. 861-B establishes the city's levies of ad valorem taxes (i.e., property taxes) for general operations and emergency medical services (EMS).

Ordinance No. 862-B is required under the provisions of Referendum 47. It identifies the changes, in both dollar amounts and percentage terms, in the City's general operations property tax levy and EMS levy for next year compared to this year.

The general operations property tax levy will increase based on the value of new construction, improvements to property, any increase in the value of state assessed property, and any refunds made this year but will not increase by the one percent allowed by statute. The city will not use any of its "banked capacity." The tax rates for 2011 will be approximately \$1.88 and \$0.36 per \$1,000 of assessed value for general operations and EMS, respectively. The rates for 2010 were \$1.89 and \$0.36 per \$1,000 of assessed value for general operations and EMS, respectively.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council pass Ordinances 861-B and 862-B on second and final reading.

SUGGESTED MOTIONS

I move that the council pass Ordinance No. 861-B on second and final reading.

I move that the council pass Ordinance No. 862-B on second and final reading.

Reviewed by  _____, City Manager

ORDINANCE NO. 861-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, DETERMINING AND FIXING THE AMOUNT OF REVENUE TO BE RAISED BY AD VALOREM TAXES DURING THE CALENDAR YEAR 2011 AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

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

Section 1. The amount of revenue to be raised by ad valorem taxes during 2011 for general city operations shall be, and the same hereby is, determined and fixed in the sum of One Million One Hundred Ninety-Five Thousand Dollars (\$1,195,000).

Section 2. The amount of revenue to be raised by ad valorem taxes during 2011 for emergency medical services shall be, and the same hereby is, determined and fixed in the sum of Two Hundred Twenty-Nine Thousand Dollars (\$229,000).

Section 3. The effective date of the ordinance shall be the 13th day of December, 2010.

PASSED by the city council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this ____ day of December, 2010, on second and final reading.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

ORDINANCE NO. 862-B

**AN ORDINANCE OF THE CITY OF CHEHALIS,
WASHINGTON, STATING THE AMOUNTS AND
PERCENTAGES OF CHANGE IN PROPERTY TAX
LEVY IN CALENDAR YEAR 2011.**

WHEREAS, the City of Chehalis, Washington, properly gave notice of a public hearing held the 29th day of November, 2010, to consider the city budget for 2011, including possible property tax increases and other revenues, pursuant to RCW 84.55.120; and,

WHEREAS, the city's general operations actual levy amount from the previous year was \$1,185,669, and the city's EMS levy amount from the previous year was \$227,000; and,

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

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

Section 1. The 2010 general operations property tax levy for collection in 2011 is One Million One Hundred Ninety-Five Thousand Dollars (\$1,195,000), which is an increase of Zero Dollars (\$0) or Zero Percent (0.0%) over the amount levied in 2009 for collection in 2010. This increase is exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of state assessed property, and any refunds made.

Section 2. The 2009 voter-approved emergency medical services property tax levy for collection in 2011 is Two Hundred Twenty-Nine Thousand Dollars (\$229,000), which is an increase of Zero Dollars (\$0) or Zero Percent (0.0%) over the amount levied in 2009 for collection in 2010, plus the increases for the amounts allowed under the new construction and improvements to property provisions of RCW 84.55.010.

PASSED by the city council of the city of Chehalis, Washington during a regularly scheduled open public meeting thereof this ____ day of December, 2010, on second and final reading.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

Levy Certification

In accordance with RCW 84.52.020, I, Anthony E. Ketchum, Sr., Mayor for the City of Chehalis, Washington, do hereby certify to the Lewis County legislative authority that the Council of said municipality requests that the following levy amounts be collected in 2011 as provided in the municipality's budget, which was adopted following a public hearing held on the 13th of December, 2010.

Regular Levy: One Million One Hundred Ninety-Five Thousand Dollars (\$1,195,000)

Emergency Medical Services Levy: Two Hundred Twenty-Nine Thousand Dollars (\$229,000)

Anthony E. Ketchum, Sr., Mayor

Date

Attest:

Judith A. Schave, City Clerk

Date

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Eva Lindgren, Finance Manager
DATE: December 8, 2010
SUBJECT: 2011 Budget Adoption - Ordinance 863-B

ISSUE

Ordinance 863-B has been prepared for the purpose of adopting the 2011 Budget. The two levy ordinances reflected in this budget are also being presented to the Council this evening for their second and final reading.

DISCUSSION

This month, the city held one public hearing on the proposed 2011 Budget. Ordinance 863-B reflects the budget presented to the Council for its first reading with some minor changes, as outlined below.

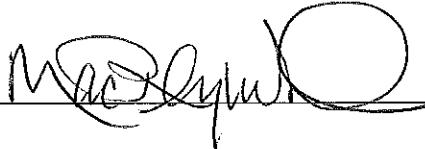
- General Fund revenues are increasing by a net \$6,479. Of this increase, \$6,770 is due to the correction of a formula error. A decrease of \$291 is due to the recalculation of inter-fund revenues.
- Wastewater Fund expenditures are increasing by \$380 due to the recalculation of inter-fund expenditures.
- Water Fund revenues and expenditures are increasing by \$491 and decreasing by \$120, respectively, due to the recalculation of inter-fund revenues and expenditures.
- Storm and Surface Water Fund expenditures are decreasing by \$60 due to the recalculation of inter-fund expenditures.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council make any changes deemed desirable to the proposed 2011 budget, then pass Ordinances 863-B on second and final reading.

SUGGESTED MOTIONS

I move that the council pass Ordinance No. 863-B on second and final reading.

Reviewed by , City Manager

ORDINANCE NO. 863-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
ADOPTING THE BUDGET OF THE CITY FOR THE YEAR 2011
AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**

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

Section 1. Attached hereto and identified as Exhibit "A", in summary form, are the total of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined for the budget of the city for 2011, and by this reference said Exhibit "A," showing a total estimated ending fund balance of \$7,109,718 is incorporated herein as if set forth in full and the same is hereby adopted in full.

Section 2. This ordinance is a legislative act delegated by statute to the City Council of the City of Chehalis, is not subject to referendum and shall take effect January 1, 2011.

PASSED by the City Council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this _____ day of December, 2010, on its second and final reading.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**Ordinance 863-B
Attachment "A"**

CITY OF CHEHALIS PROPOSED BUDGET

**2011 Budget Summary
All Funds**

FUND NAME	Est. Beg. Fund Balance	Revenue	Operating Transfers In	Expenditures	Operating Transfers Out	Est. End. Fund Balance
General Fund	583,736	8,518,630	0	8,686,368	0	415,998
Arterial Street Fund	35,969	154,050	0	187,264	0	2,755
Tourism Fund	86,502	153,000	0	160,900	0	78,602
Compensated Absence Fund	57,268	150	0	55,810	0	1,608
Community Dev. Block Grant Fund	178	0	0	0	0	178
HUD Block Grant Fund	313,193	1,500	0	2,500	0	312,193
Gambling Enforcement	445,428	0	0	165,000	0	280,428
Public Facilities Reserve Fund	46,867	150	0	0	0	47,017
Automotive/Equip. Res. Fund	33,627	100	0	0	0	33,727
1st Quarter REET Fund	149,259	38,550	0	0	0	187,809
2nd Quarter REET Fund	55,796	38,250	0	0	0	94,046
Wastewater Fund	2,442,140	3,961,483	0	4,420,098	0	1,983,525
Water Fund	1,956,382	3,149,533	0	2,282,898	0	2,823,017
Storms & Surface Water Fund	307,535	412,000	0	358,747	0	360,788
Garbage Fund	16,485	5,740	0	12,892	0	9,333
Firemen's Pension Fund	297,688	13,750	0	135,000	0	176,438
City Agency Fund	302,256	0	0	0	0	302,256
TOTALS	7,130,309	16,446,886	0	16,467,477	0	7,109,718

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Eva Lindgren, Finance Manager
DATE: December 9, 2010
SUBJECT: Budget Amendment Ordinance 864-B

ISSUE

Ordinance 864-B amending the 2010 budget is hereby submitted to reflect the changes in estimates and the actual activity of the city. It is needed to ensure compliance with appropriation requirements.

DISCUSSION

The attached spreadsheet provides detailed information on a line-by-line basis for the proposed budget amendment. Additional closer review has resulted in items presented in the first reading being amended and in some additional line items being added – primarily to further reduce appropriations.

The administration has drafted Ordinance No. 864-B that will result in city-wide net decreases to both revenues and appropriations to the 2010 budget for the items detailed in the attached spreadsheet. The net decreases total \$2,726,224 and \$1,069,519 for revenues and transfers in; and expenditures and transfers out, respectively. The ordinance is presented for passage on its second and final reading.

RECOMMENDATION/COUNCIL ACTION DESIRED

The Administration recommends that the council pass Ordinance No. 864-B on second and final reading.

SUGGESTED MOTION

I move that the council pass Ordinance No. 864-B on second and final reading.

Reviewed  _____ City Manager

ORDINANCE NO. 864-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE ANNUAL BUDGET OF THE CITY FOR THE CALENDAR YEAR 2010, BY DECREASING APPROPRIATIONS OF THE GENERAL FUND IN THE SUM OF ONE MILLION TWO HUNDRED FORTY-TWO THOUSAND NINE HUNDRED FIFTY-ONE DOLLARS (\$1,242,951); THE ARTERIAL STREET FUND IN THE SUM OF SIXTEEN THOUSAND SEVEN HUNDRED DOLLARS (\$16,700); AND THE STORM AND SURFACE WATER FUND IN THE SUM OF TWENTY THOUSAND FIVE HUNDRED SIXTY-SIX DOLLARS (\$20,566); AND BY INCREASING APPROPRIATIONS OF THE COMPENSATED ABSENCES FUND IN THE SUM OF TWENTY THOUSAND DOLLARS (\$20,000); THE COMMUNITY DEVELOPMENT BLOCK GRANT FUND IN THE SUM OF TWENTY-THREE THOUSAND FIVE HUNDRED DOLLARS (\$23,500); THE HOUSING AND URBAN DEVELOPMENT FUND IN THE SUM OF TWENTY-FIVE THOUSAND DOLLARS (\$25,000); THE GAMBLING ENFORCEMENT FUND IN THE SUM OF ONE HUNDRED TWENTY-ONE DOLLARS (\$121,000); THE GARBAGE FUND IN THE SUM OF ONE THOUSAND DOLLARS (\$1,000); THE WASTEWATER FUND IN THE SUM OF THIRTY-FIVE THOUSAND AND THIRTY-FOUR DOLLARS (\$35,034); AND THE WATER FUND IN THE SUM OF THREE THOUSAND ONE HUNDRED SIXTY-FOUR DOLLARS (\$3,164); THE FIREMEN'S PENSION FUND IN THE SUM OF SEVEN THOUSAND DOLLARS (\$7,000). AND DIRECTING THE 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 2010 shall be, and the same hereby is, amended so as to increase the General Fund's estimated beginning fund balance to \$1,137,842; decrease revenues by \$1,431,862; decrease expenditures by \$1,242,951; and decrease transfers out by \$25,000. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to decrease appropriations of the General Fund in the sum of one million two hundred sixty-seven thousand nine hundred fifty-one dollars (\$1,267,951).

Section 2. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Arterial Street Fund's estimated beginning fund balance to \$197,796; decrease transfers in by \$20,000; and decrease expenditures by \$16,700. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to decrease appropriations of the Arterial Street Fund in the sum of sixteen thousand seven hundred dollars (\$16,700).

Section 3. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Compensated Absences Fund's expenditures by \$20,000. The

annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the Compensated Absences Fund in the sum of twenty thousand dollars (\$20,000).

Section 4. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Community Development Block Grant (CDBG) Fund's transfers in by \$25,000; and increase expenditures by \$23,500. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the CDBG Fund in the sum of twenty-three thousand five hundred dollars (\$23,500).

Section 5. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Housing and Urban Development (HUD) Fund's transfers out by \$25,000. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the HUD Fund in the sum of twenty-five thousand dollars (\$25,000).

Section 6. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Gambling Enforcement Fund's expenditures by \$121,000. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the Gambling Enforcement Fund in the sum of one hundred twenty-one dollars (\$121,000).

Section 7. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Garbage Fund's estimated beginning fund balance to \$23,730; decrease transfers in by \$5,000; and increase expenditures by \$1,000. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the Garbage Fund in the sum of one thousand dollars (\$1,000).

Section 8. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Wastewater Fund's estimated beginning fund balance to \$3,124,861; decrease revenues by \$565,681 and increase expenditures by \$35,034. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the Wastewater Fund in the sum of thirty-five thousand and thirty-four dollars (\$35,034).

Section 9. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Water Fund's estimated beginning fund balance to \$2,232,093; decrease revenues by \$710,681 and increase expenditures by \$3,164. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the Water Fund in the sum of three thousand one hundred sixty-four dollars (\$3,164).

Section 10. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Storm and Surface Water Fund's estimated beginning fund balance to \$254,379; decrease revenues by \$18,000 and decrease expenditures by \$20,566. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to decrease appropriations of the Storm and Surface Water Fund in the sum of twenty thousand five hundred sixty-six dollars (\$20,566).

Section 11. The annual budget of the city for the calendar year 2010 shall be, and the same hereby is, amended so as to increase the Firemen's Pension Fund's expenditures by \$7,000. The annual budget of the city for the calendar year 2010 shall be, and hereby is amended to increase appropriations of the Firemen's Pension Fund in the sum of seven thousand dollars (\$7,000).

Section 12. 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 2010 for the amended 2010 budget as well as the budget as amended by Ordinance No. 864-B. The Exhibit A, as amended, shows a total estimated ending fund balance of \$7,080,294.

PASSED by the city council of the City of Chehalis, Washington, and **APPROVED** on its second and final reading 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

Attachment A

**CITY OF CHEHALIS AMENDED 2010 BUDGET
2010 Budget Summary - Revised with Ordinance 856-B
All Funds**

FUND NAME	Est. Beg. Fund Balance	Revenue	Operating Transfers In	Expenditures	Operating Transfers Out	Est. End. Fund Balance
General Fund	1,047,000	9,285,083	50,000	9,755,437	68,558	558,088
Arterial Street Fund	163,000	156,500	30,000	348,868	0	632
Tourism Fund	66,259	140,500	0	151,700	0	55,059
Compensated Absence Fund	53,238	350	25,000	0	0	78,588
Community Dev. Block Grant Fund	2,496	4,000	18,558	24,558	0	496
HUD Block Grant Fund	359,334	2,000	0	27,500	10,000	323,834
Gambling Enforcement Fund	0	643,028	0	76,500	0	566,528
Public Facilities Reserve Fund	45,656	200	0	0	0	45,856
Automotive/Equip. Res. Fund	109,883	300	0	31,000	50,000	29,183
1st Quarter REET Fund	109,258	36,600	0	0	0	145,858
2nd Quarter REET Fund	113,113	36,350	0	103,180	0	46,283
Wastewater Fund	2,799,797	4,206,139	0	4,159,492	0	2,846,444
Water Fund	2,189,129	3,078,577	0	2,536,380	0	2,731,326
Storms & Surface Water Fund	225,000	428,000	0	449,541	0	203,459
Garbage Fund	2,220	5,700	5,000	12,467	0	453
Firemen's Pension Fund	387,400	13,700	0	120,000	0	281,100
City Agency Fund	279,257	0	0	0	0	279,257
TOTALS	7,952,040	18,037,027	128,558	17,796,623	128,558	8,192,444

**CITY OF CHEHALIS AMENDED 2010 BUDGET
2010 Budget Summary - Revised with Ordinance 864-B
All Funds**

FUND NAME	Est. Beg. Fund Balance	Revenue	Operating Transfers In	Expenditures	Operating Transfers Out	Est. End. Fund Balance
General Fund	1,137,842	7,853,221	50,000	8,512,486	43,558	485,019
Arterial Street Fund	197,796	156,500	10,000	332,168	0	32,128
Tourism Fund	66,259	140,500	0	151,700	0	55,059
Compensated Absence Fund	53,238	350	25,000	20,000	0	58,588
Community Dev. Block Grant Fund	2,496	4,000	43,558	48,058	0	1,996
HUD Block Grant Fund	359,334	2,000	0	27,500	35,000	298,834
Gambling Enforcement Fund	0	643,028	0	197,500	0	445,528
Public Facilities Reserve Fund	45,656	200	0	0	0	45,856
Automotive/Equip. Res. Fund	109,883	300	0	31,000	50,000	29,183
1st Quarter REET Fund	109,258	36,600	0	0	0	145,858
2nd Quarter REET Fund	113,113	36,350	0	103,180	0	46,283
Wastewater Fund	3,124,861	3,640,458	0	4,194,526	0	2,570,793
Water Fund	2,232,093	2,367,896	0	2,539,544	0	2,060,445
Storms & Surface Water Fund	254,379	410,000	0	428,975	0	235,404
Garbage Fund	23,730	5,700	0	13,467	0	15,963
Firemen's Pension Fund	387,400	13,700	0	127,000	0	274,100
City Agency Fund	279,257	0	0	0	0	279,257
TOTALS	8,496,595	15,310,803	128,558	16,727,104	128,558	7,080,294

City of Chehalis
 2010 Budget Amendment No. 2 - Ordinance 864-B
 12/9/10

Fund No. and Name	Acct. Name	Reason for Amendment	Inc/(Decr) Rev.	Inc/(Decr) Exp.	Net Increase/(Decrease) to Fund Balance
Fund 001 - General Fund					
(1) 001.G1.597.000.12.00	Transfer Out-To Arterial St.	<u>Non-Depl</u> - Transfer reduced		(20,000)	
001.313.010.00	Sales & Use Taxes	Additional drop in revenues from '09	(300,000)		
001.342.033.00	Adult Probation Svc. Chg.	Increased volume	11,500		
001.391.010.00	G.O. Bond Proceeds	G.O. Debt not issued in 2010	(1,131,362)		
001.G1.591.019.78.00	Interfund Loans Principal	<u>Non-Depl</u> : G.O. Debt not issued		(1,131,362)	
001.G1.519.090.53.00	External Taxes & Operating	<u>Non-Depl</u> : Taxes on foreclosed pty.		1,358	
001.C1.512.081.41.00	Professional Services	<u>Court</u> : Indigent defense volume up		26,000	
001.H1.523.060.51.00	Intergovtl. Prof. Svcs.	<u>PD</u> : Prisoner volume up		25,000	
001.H1.521.022.12.00	Overtime	<u>PD</u> : Cashouts		11,000	
001.H1.521.022.21.00	Benefits	<u>PD</u> : Cashouts		1,500	
001.I1.522.020.48.00	Repairs & Maintenance	<u>FD</u> : Unanticipated Tower 48 repairs		19,000	
001.I1.526.080.11.00	Wages & Salaries	<u>FD</u> : Lay offs		(8,920)	
001.I1.526.080.21.00	Benefits	<u>FD</u> : Lay offs		(2,270)	
001.I1.526.080.21.07	Benefits-Unemployment	<u>FD</u> : Lay offs		4,125	
001.367.011.22	Donations - Fire Dept.	<u>FD</u> : AMR Donation passed on		(12,000)	
001.I1.522.020.35.00	Small Tools & Equipment	<u>FD</u> : AMR Donation passed on		(12,000)	
001.I1.522.020.12.00	Overtime	<u>FD</u> : Cashouts		200	
001.I1.522.020.21.00	Benefits	<u>FD</u> : Cashouts			
001.I1.522.020.31.00	Office & Operating Supplies	<u>FD</u> : Deferred expenditures		(5,000)	added for second reading
001.I1.522.020.35.00	Small Tools & Equipment	<u>FD</u> : Deferred expenditures		(20,000)	added for second reading
001.53.594.076.64.00	Machinery & Equipment	<u>CD</u> : Deferred capital purchases		(25,000)	
001.53.576.080.11.00	Wages & Salaries	<u>CD</u> : Lay offs		1,000	
001.53.576.080.21.00	Benefits	<u>CD</u> : Lay offs		2,300	
001.53.576.080.21.07	Benefits-Unemployment	<u>CD</u> : Lay offs		7,400	
001.53.558.060.11.00	Wages & Salaries	<u>CD</u> : Lay offs		(9,770)	
001.53.558.060.21.00	Benefits	<u>CD</u> : Lay offs		(3,075)	
001.53.576.080.41.00	Professional Services	<u>CD</u> : grant true-up		6,892	
001.53.558.010.21.07	Benefits-Unemployment	<u>CD</u> : UI was not collected		(25,000)	added for second reading
001.D1.513.010.11.00	Wages & Salaries	<u>CM</u> : City Manager furloughs		(4,675)	
001.D1.513.010.21.00	Benefits	<u>CM</u> : City Manager furloughs		(875)	
001.E1.514.023.41.00	Professional Services	<u>Fin</u> : Capital asset inventory		6,000	added for second reading
001.E4.514.030.31.00	Office & Operating Supplies	<u>Clerk</u> : Deferred expenditures		(2,000)	amended for second reading
001.K2.518.090.11.00	Wages & Salaries	<u>PW-Eng.</u> : Lay offs		(18,730)	
001.K2.518.090.21.00	Benefits	<u>PW-Eng.</u> : Lay offs		(5,720)	
001.K2.518.090.21.07	Benefits-Unemployment	<u>PW-Eng.</u> : Lay offs		4,350	
001.K1.543.010.11.02	Wages & Salaries	<u>PW-Sis.</u> : Lay offs		(791)	
001.K1.543.010.21.02	Benefits	<u>PW-Sis.</u> : Lay offs		(142)	
001.K1.543.010.21.07	Benefits-Unemployment	<u>PW-Sis.</u> : Lay offs		367	
001.53.558.020.11.05	Wages & Salaries - Temp.	<u>CD</u> : Intern		246	
001.53.558.020.21.05	Benefits - Temp.	<u>CD</u> : Intern		23	
001.D1.513.010.11.05	Wages & Salaries - Temp.	<u>CM</u> : Intern		757	

City of Chehalis
 2010 Budget Amendment No. 2 - Ordinance 864-B
 12/9/10

Fund No. and Name	Acct. Name	Reason for Amendment	Incr/(Decr) Rev.	Incr/(Decr) Exp.	Net Increase/(Decrease) to Fund Balance
001.D1.513.010.21.05	Benefits - Temp.	CM: Intern		71	
001.E1.514.023.11.05	Wages & Salaries - Temp.	Fin.: Intern		1,674	
001.E1.514.023.21.05	Benefits - Temp.	Fin.: Intern		157	
001.G2.516.010.11.05	Wages & Salaries - Temp.	HR: Intern		105	
001.G2.516.010.21.05	Benefits - Temp.	HR: Intern		10	
001.K1.543.010.11.05	Wages & Salaries - Temp.	PW-Sts.: Intern		1,174	
001.K1.543.010.21.05	Benefits - Temp.	PW-Sts.: Intern		110	
001.K1.542.064.31.00	Office & Operating Supplies	PW-Sts.: Deferred expenditures		(15,000)	added for second reading
001.K1.594.042.63.00	Other Improvements	PW-Sts.: Deferred expenditures		(15,000)	added for second reading
001.K1.542.090.11.00	Salaries & Wages	PW-Sts.: Veh. maint. chgd to utilities		(23,000)	added for second reading
001.K1.542.090.21.00	Benefits	PW-Sts.: Veh. maint. chgd to utilities		(7,000)	added for second reading
001.G2.516.010.41.00	Professional Services	HR: costs lower than budgeted		0	amended for second reading
001.G1.517.038.21.01	Fire LEOFF1 Benefits	Non-Deptl: Benefit cost increase		30,250	
001.G1.511.080.51.00	Intergovtl. Prof. Svcs.	Non-Deptl: Election Costs (2 yrs pd)		5,000	amended for second reading
(3) 001.G1.597.000.55.42	Transfer Out to Garbage Fu	Non-Deptl: Transfer not required		(5,000)	
001.G1.592.119.82.00	Interfund Interest Exp.	Non-Deptl: Lower interest rates		(4,500)	
001.G1.592.119.83.00	External Interest Exp.	Non-Deptl: G.O. Debt not issued		(50,750)	
001.G1.591.019.77.00	Other Notes - Principal	Non-Deptl: G.O. Debt not issued		(20,740)	
			(1,431,862)	(1,267,951)	(163,911) General Fund 001
		Less Transfers	0	25,000	
		Net Revenues/Expenditures	(1,431,862)	(1,242,951)	
Fund 102 - Arterial Street Fund					
(1) 102.397.000.01	Transfer in from GF	Non-deptl - Transfer reduced	(20,000)		
102.03.542.G64.11.00	Wages & Salaries	PW-Sts.: Lay offs		(9,500)	
102.03.542.G64.21.00	Benefits	PW-Sts.: Lay offs		(2,375)	
102.03.542.G30.11.00	Wages & Salaries	PW-Sts.: Lay offs		(4,040)	
102.03.542.G30.21.00	Benefits	PW-Sts.: Lay offs		(785)	
			(20,000)	(16,700)	(3,300) Arterial Fund 102
		Less Transfers	20,000	0	
		Net Revenues/Expenditures	0	(16,700)	
Fund 110 - Compensated Absences Fund					
110.47.518.090.11.00	Salaries and wages	Laid off employees - PW		8,050	
110.47.518.090.21.00	Benefits	Laid off employees - PW		1,100	
110.47.526.080.11.00	Salaries and wages	Laid off employee - FD		8,250	
110.47.526.080.21.00	Benefits	Laid off employee - FD		150	
110.47.576.080.11.00	Salaries and wages	Laid off employees - CD		2,250	
110.47.576.080.21.00	Benefits	Laid off employees - CD		200	
			0	20,000	(20,000) Comp. Abs. Fund 102
		Less Transfers	0	0	
		Net Revenues/Expenditures	0	20,000	

City of Chehalis
 2010 Budget Amendment No. 2 - Ordinance 864-B
 12/9/10

Fund No. and Name	Acct. Name	Reason for Amendment	Incr/(Decr) Rev.	Incr/(Decr) Exp.	Net Increase/(Decrease) to Fund Balance
Fund 195 - Community Development Block Grant (CDBG) Fund					
(2)	195.397.000.07	Transfer In - Frm HUD	25,000		
	195.46.558.020.41.00	Professional Services		23,500	
		CD: Comprehensive Plans	25,000	23,500	1,500 CDBG Fund 195
		Less Transfers	(25,000)	0	
		Net Revenues/Expenditures	0	23,500	
Fund 197 - Housing and Urban Development (HUD) Fund					
(2)	195.07.597.000.55.15	Transfer Out - to CDBG	0	25,000	(25,000) CDBG Fund 195
		Transfer: Comprehensive Plan	0	(25,000)	
		Less Transfers	0	0	
		Net Revenues/Expenditures	0	0	
Fund 198 - Gambling Enforcement Fund					
	198.H1.521.022.11.00	Salaries and wages		86,429	
	198.H1.521.022.21.00	Benefits		34,571	
		Gambling enforcement	0	121,000	(121,000) Gmblng Enf. Fund 198
		Gambling enforcement	0		
Fund 402 - Garbage Fund					
(3)	402.397.000.01	Transfers In - GF	(5,000)		
	402.12.537.070.47.01	Util. Svc. - Yard Waste		1,000	added for second reading
		Expenditures increased in 2010	(5,000)	1,000	(6,000) Garbage Fund 402
		Transfer not required	5,000	(1,000)	
		Less Transfers	0	0	
		Net Revenues/Expenditures	0	0	
Fund 404 - Wastewater Fund					
	404.381.020.00	Interfund Loan Receipts			
	404.11.535.010.11.02	Wages & Salaries		(791)	
	404.11.535.010.21.02	Benefits		(142)	
	404.11.535.010.21.07	Benefits-Unemployment		367	
	404.16.535.050.48.00	Repairs & Maintenance		1,500	
	404.17.535.050.31.00	Office & Operating Supplies		4,300	
	404.17.594.035.64.00	Machinery & Equipment		9,000	
	404.16.535.050.48.00	Repairs & Maintenance		4,800	
	404.17.535.050.48.00	Repairs & Maintenance		800	
	404.16.535.050.48.00	Repairs & Maintenance		2,000	
	404.16.535.050.31.00	Office & Operating Supplies		2,800	
	404.16.535.050.48.00	Repairs & Maintenance		1,900	
	404.17.535.050.48.00	Repairs & Maintenance		5,000	
	404.17.535.050.48.00	Repairs & Maintenance		1,500	
	404.16.535.050.31.00	Office & Operating Supplies		2,000	
		G.O. Debt not issued in 2010	(565,681)		
		Lay offs			
		Lay offs			
		Lay offs			
		Repair to Prindle PS & CRWRF fire alarms			
		Repair to Walmart pump #1			
		New Walmart pump #1			
		Repair to flood pump #3			
		Repair of N. National pump #1			
		Repair to SBR blower #1			
		RDP thermoblender VFD replacement			
		MCC generator transfer switch repair			
		SCADA communications repair			
		Riverside PS pump repair			
		Spare decant valve gear box			
			(565,681)	35,034	(600,715) Waste Wtr Fund 404

City of Chehalis
 2010 Budget Amendment No. 2 - Ordinance 864-B
 12/9/10

Fund No. and Name	Acct. Name	Reason for Amendment	Incr/(Decr) Rev.	Incr/(Decr) Exp.	Net Increase/(Decrease) to Fund Balance
Fund 405 - Water Fund					
405.10.534.010.11.02	Wages & Salaries	Lay offs		(791)	
405.10.534.010.21.02	Benefits	Lay offs		(142)	
405.10.534.010.21.07	Benefits-Unemployment	Lay offs		367	
405.10.534.070.21.07	Benefits-Unemployment	Lay offs		3,730	
405.381.020.00	Interfund Loan Receipts	G.O. Debt not issued in 2010	(565,681)		
405.379.000.00	Utility Hook Ups/Connections	Budgetary estimate was too high.	(145,000)		
			(710,681)	3,164	(713,845) Water Fund 405
Fund 406 - Storm and Surface Water Fund					
406.06.538.031.11.02	Wages & Salaries	Lay offs		(791)	
406.06.538.031.21.02	Benefits	Lay offs		(142)	
406.06.538.031.21.07	Benefits-Unemployment	Lay offs		367	
406.06.594.038.65.00	Construction Projects	Came in under budget		(20,000)	added for second reading
406.379.000.00	Utility Hook Ups/Connections	Budgetary estimate was too high.	(18,000)		
			(18,000)	(20,566)	2,566 Storm Fund 406
Fund 611 - Firemen's Pension Fund					
611.36.517.038.21.01	Personnel Benefits	Pre-LEOFF 1 benefits higher than budget		7,000	added for second reading
			0	7,000	(7,000) Pension Fund 611
			(2,726,224)	(1,069,519)	(1,656,705) City-wide

CITY OF CHEHALIS
AGENDA REPORT

Date: December 13, 2010
To: The Honorable Mayor and City Council
From: Merlin MacReynold, City Manager
Subject: 2011 Airport Budget

ISSUE

The airport board has prepared a proposed budget for joint approval by Chehalis and Lewis County in accordance with RCW 14.08. Lewis County is anticipated to approve the 2011 airport budget by resolution in an open meeting in December.

DISCUSSION

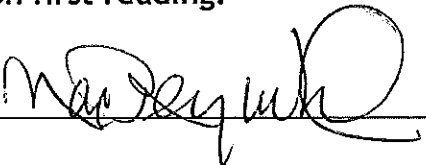
Attached is a line item presentation of the proposed 2011 airport revenues, operating expenses, and capital expenditures.

RECOMMENDATION/COUNCIL ACTION DESIRED

It is recommended that the council approve the 2011 airport budget by adopting Resolution No. 13-2010 on first reading.

SUGGESTED MOTIONS

I move that the council approve the 2011 airport budget by adopting Resolution No. 13-2010 on first reading.

Reviewed By:  _____, City Manager

RESOLUTION NO. 13-2010

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, APPROVING THE 2011 BUDGET FOR
THE CHEHALIS-CENTRALIA AIRPORT.**

WHEREAS, The Chehalis-Centralia Airport Governing Board is organized in accordance with Chapter 14.08 RCW and by agreement with the City of Chehalis, and the County of Lewis dated December 19, 2005; and

WHEREAS, the Chehalis-Centralia Airport Governing Board has proposed a budget for the airport for 2011; and

WHEREAS, said board has developed the proposed budget as part of its regular public meeting schedule; and

WHEREAS, the proposed budget is consistent with the current airport master plan; now, therefore,

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

Section 1. The City of Chehalis hereby approves the Governing Board's proposed 2011 Airport Budget (copy attached).

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 13th day of December, 2010.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

	A	B	C	D	E	F	G	H	I	J
	Lewis County, Washington									
	2011 Budget - Revenues									
	Chehalis/Centralia Airport									
	Account Number	Account Description	2008 Actual	2009 Actual	2010 Budget	FYTD 6/30/10	Estimated Year End	2011 Recommended	Change from 2010 Budget	Revenue Source Detail
1	621-000-000-361.11.00.00	INVESTMENT INTEREST	0	0	0	0	0	0	0.00%	
2	621-427-000-000-331.20.10.60	FAA-AIRPORT IMPROVEM	244,586	94,695	150,000	0	35,000	150,000	0.00%	
3	621-427-000-000-333.97.03.60	FEMA DOM DISASTER RE	153,721	5,508	0	0	0	0	0.00%	
4	621-427-000-000-334.01.80.00	DOM (DEPT OF MILITAR	25,620	918	0	29,867	29,867	0	0.00%	
5	621-427-000-000-334.03.65.00	DOT-AERONAUTICS	4,040	3,460	0	0	0	0	0.00%	
6	621-427-000-000-334.04.25.00	DCIED-ST EMG MGMT	0	0	0	0	0	0	0.00%	
7	621-427-000-000-338.31.00.00	INTRGOVTL-ENVRN/CONS	0	0	0	0	0	0	0.00%	
8	621-427-000-000-338.31.30.00	INTRGOVTL-FLOOD CONT	0	25,000	0	0	0	0	0.00%	
9	621-427-000-000-344.50.00.00	FUEL SALES	538,127	413,836	440,000	174,278	440,000	430,000	-2.27%	
10	621-427-000-000-362.50.00.00	INVESTMENT INTEREST	31,570	9,623	15,000	1,245	3,500	4,500	-70.00%	
11	621-427-000-000-362.30.00.00	PARKING	684	503	2,000	42	100	2,000	0.00%	
12	621-427-000-000-362.50.00.00	SFC&FACILITIES-LONG	69,372	63,907	68,447	30,399	68,447	68,447	0.00%	
13	621-427-000-000-362.60.10.00	MAIN HANGAR LEASE	549	0	0	0	0	0	0.00%	
14	621-427-000-000-362.90.00.00	OTHR RNTS&USE CHRGS	746	100	1,000	0	0	1,000	0.00%	
15	621-427-000-000-367.11.00.00	CON/DON-PRIVATE SOUR	20,000	11,100	0	0	0	0	0.00%	
16	621-427-000-000-369.10.00.00	SALE OF SCRAP & JUNK	0	0	0	51	51	0	0.00%	
17	621-427-000-000-369.90.00.00	MISC REVENUE-OTHER	3,775	2,695	2,000	392	1,000	2,000	0.00%	
18	621-427-000-000-391.10.00.00	GO BOND PROCEEDS	0	0	0	0	0	0	0.00%	
19	621-427-000-000-391.50.00.00	LEASE RCPTS-CAPITAL	767,090	766,729	759,136	386,328	759,136	772,445	1.75%	
20	621-427-000-000-391.90.00.00	PROCEEDS OF OTHER LT	0	0	0	0	0	0	0.00%	
21	621-427-000-000-398.00.00.00	INSURANCE RECOVERIES	5,365	1,662,223	0	0	0	0	0.00%	
22	621-427-000-001-397.00.00.00	OP TRANSFERS IN	0	0	0	0	0	0	0.00%	
23		Chehalis/Centralia Airport	1,865,245	1,564,297	1,437,583	622,602	1,337,101	1,430,392	-0.50%	
30										
31										
32	000-000-000-000-000.00.00.00	New Account	0	0	0	0	0	0	0.00%	
33	000-000-000-000-000.00.00.00	New Account	0	0	0	0	0	0	0.00%	
34	000-000-000-000-000.00.00.00	New Account	0	0	0	0	0	0	0.00%	
35	000-000-000-000-000.00.00.00	New Account	0	0	0	0	0	0	0.00%	
36	000-000-000-000-000.00.00.00	New Account	0	0	0	0	0	0	0.00%	
37		New Accounts	0	0	0	0	0	0	0.00%	
38										
39										
40		Total Revenues	1,865,245	1,564,297	1,437,583	622,602	1,337,101	1,430,392	-0.50%	
41										
42										

A		B	C	D	E	F	G	H	I	J
Lewis County, Washington										
2011 Budget - Expenditures										
Chehalis/Centralia Airport										
Account Number	Account Description	2008 Actual	2009 Actual	2010 Budget	FYTD 6/30/10	Estimated Year End	2011 Recommended	Change from 2010 Budget	Comments/Explanation of change	
7	621-427-000-592.46.70.00	0	0	187,355	92,676	187,355	195,535	4.37%		
8	621-427-000-592.46.80.00	144,201	136,691	128,852	65,427	128,852	120,669	-6.35%		
9	621-427-000-592.46.81.00	0	0	0	0	0	0	0.00%		
10	Chehalis/Centralia Airport	144,201	136,691	316,207	158,103	316,207	316,204	0.00%		
11										
12										
13	621-427-010-000-521.90.49.00	9,810	7,476	0	2,505	0	0	0.00%		
14	621-427-010-000-546.10.10.00	165,270	175,882	180,000	92,190	185,000	185,540	3.08%		
15	621-427-010-000-546.10.12.00	0	0	0	0	0	0	0.00%		
16	621-427-010-000-546.10.20.00	854	489	1,100	371	1,100	1,100	0.00%		
17	621-427-010-000-546.10.21.00	2,953	3,205	4,200	954	4,200	2,750	-34.52%		
18	621-427-010-000-546.10.22.00	12,643	13,455	14,500	6,889	14,500	14,500	0.00%		
19	621-427-010-000-546.10.23.00	11,589	11,598	12,000	4,768	12,000	9,900	-17.50%		
20	621-427-010-000-546.10.24.00	20,116	23,022	23,000	9,514	18,756	18,756	-18.45%		
21	621-427-010-000-546.10.24.08	0	0	0	2,250	4,500	4,500	0.00%		
22	621-427-010-000-546.10.31.00	27,312	26,140	15,000	10,780	15,000	15,000	0.00%		
23	621-427-010-000-546.10.32.00	9,311	3,232	5,000	2,448	5,000	5,000	0.00%		
24	621-427-010-000-546.10.33.00	468,529	370,122	407,000	155,299	407,000	395,000	-2.95%		
25	621-427-010-000-546.10.34.00	0	0	0	0	0	0	0.00%		
26	621-427-010-000-546.10.35.00	47,148	17,814	20,000	6,840	20,000	20,000	0.00%		
27	621-427-010-000-546.10.41.00	56,567	107,643	50,000	17,874	75,000	50,000	0.00%		
28	621-427-010-000-546.10.42.00	4,490	4,900	5,000	1,953	5,000	5,000	0.00%		
29	621-427-010-000-546.10.42.01	5,722	743	800	186	500	800	0.00%		
30	621-427-010-000-546.10.43.00	7,079	6,215	6,000	1,120	3,000	6,000	0.00%		
31	621-427-010-000-546.10.44.00	1,256	1,557	1,000	1,138	1,700	1,500	50.00%		
32	621-427-010-000-546.10.45.00	25,337	5,825	5,000	2,518	5,000	5,000	0.00%		
33	621-427-010-000-546.10.46.00	4,802	20,097	12,000	4,490	12,000	12,000	0.00%		
34	621-427-010-000-546.10.47.00	22,345	15,198	17,000	7,198	17,000	17,000	0.00%		
35	621-427-010-000-546.10.48.00	114,963	22,794	125,000	3,949	25,000	125,000	0.00%		
36	621-427-010-000-546.10.49.00	3,726	801	2,000	130	1,000	12,000	500.00%		
37	621-427-010-000-546.10.49.01	6,505	2,994	3,000	135	1,000	3,000	0.00%		
38	621-427-010-000-546.10.49.02	2,815	3,547	4,000	1,057	4,000	4,000	0.00%		
39	621-427-010-000-546.10.51.00	14,264	16,608	10,000	502	0	10,000	0.00%		
40	621-427-010-000-546.10.53.00	2,372	2,277	2,200	791	0	2,200	0.00%		
41	621-427-010-000-546.10.54.00	0	0	0	0	0	0	0.00%		
42	621-427-010-000-546.10.96.05	0	0	0	0	0	0	0.00%		
43	Administration	1,047,778	863,634	924,800	337,669	837,256	925,546	0.08%		
44										
45										
46	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%		
47	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%		
48	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%		
49	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%		
50	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%		
51	New Accounts	0	0	0	0	0	0	0.00%		
52										
53										
54										
55										
56										

A	B	C	D	E	F	G	H	I	J	
1	Lewis County, Washington									
2	2011 Budget - Expenditures									
3	Chehalis/Centralia Airport									
4	Account Number	Account Description	2008 Actual	2009 Actual	2010 Budget	FYTD 6/30/10	2010 Estimated Year End	2011 Recommended	Change from 2010 Budget	Comments/Explanation of change
57	Contribution / Use of Reserves		304,527	320,441	463,760	487,660	487,660	389,442	389,442	

A		B		C		D		E		F		G		H		I		J		
Lewis County, Washington																				
2011 Budget - Capital Expenditures																				
Chehalis/Centralia Airport																				
Account Number	Account Description	2008 Actual	2009 Actual	2010 Budget	FYTD 6/30/10	Estimated Year End	2011 Recommended	Change from 2010 Budget	Comments/Explanation of change											
7	621-427-000-000-594.46.63.00	0	0	150,000	0	0	150,000	0.00%												
	OTHER IMPROVEMENTS																			
8	621-427-010-000-594.46.61.00	0	165,294	0	(9,055)	0	0	0.00%												
	LAND																			
9	621-427-010-000-594.46.63.00	1,41,964	78,037	0	86,925	135,000	0	0.00%												
	OTHER IMPROVEMENTS																			
10	621-427-010-000-594.46.64.00	26,975	0	0	0	0	0	0.00%												
	MACHINERY & EQPMNT																			
11	Chehalis/Centralia Airport	168,939	243,331	150,000	77,870	135,000	150,000	0.00%												
12																				
13																				
14	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%												
	Description																			
15	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%												
	Description																			
16	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%												
	Description																			
17	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%												
	Description																			
18	000-000-000-000-000.00.00.00	0	0	0	0	0	0	0.00%												
	Description																			
19	New Accounts	0	0	0	0	0	0	0.00%												
20																				
21																				
22	Total Capital Expenditures	168,939	243,331	150,000	77,870	135,000	150,000	0.00%												
23																				
24																				

	A	B	C
1	Lewis County, Washington		
2	2011 Budget - Estimated Fund Balance		
3	Chehalis/Centralia Airport		
4			
5	Estimated Fund Balance		
6			
7	Current Cash per June Treasurers Report	537	
8	Current Investments per June Treasurers Report	1,515,105	
9	Estimated Revenues July - December	714,499	
10	Estimated Expenditures July - December	714,821	
11		1,515,319	Estimated 2010 Ending Fund Balance
12			
13	2011 Estimated Revenues	1,430,392	
14	2011 Recommended Expenditures	1,241,750	
15	2011 Recommended Capital	150,000	
16		1,553,961	Estimated 2011 Ending Fund Balance
17			
18	Balanced Resources and Uses		
19	A budget is balanced when total resources equal total uses of funds.		
20			
21			
22	Estimated Beginning Balance	1,515,319	
23	Estimated Revenues	1,430,392	
24	Total Resources	<u>2,945,711</u>	
25			
26	Recommended Expenditures	1,241,750	
27	Recommended Capital	150,000	
28	Estimated Ending Balance	1,553,961	
29	Total Uses	<u>2,945,711</u>	
30			Totals must match.

SIGNATURE SHEET

THIS IS TO CERTIFY ON THIS _____ 10th _____ DAY OF _____ NOVEMBER _____ 2010

I HAVE SUBMITTED TO THE COUNTY AUDITOR THE ATTACHED PAGES 1 THROUGH _____ 4 _____

FOR _____ CHEHALIS CENTRALIA AIRPORT
 (FUND OR TAXING DISTRICT) _____ 621-427

BUDGET REQUEST AMOUNTS:

\$	<u>1,515,319</u>		FOR ESTIMATED BEGINNING FUND BALANCE
	<u>1,430,392</u>		FOR ESTIMATED REVENUES
	<u>2,945,711</u>		TOTAL (A)
\$	<u>1,391,750</u>		FOR ESTIMATED EXPENDITURE/EXPENSE
	<u>1,553,961</u>		FOR ESTIMATED ENDING FUND BALANCE
	<u>2,945,711</u>		TOTAL (B)

TOTALS (A) & (B) MUST EQUAL

SIGNED: _____

 Dan Foster

 Airport Board Vice Chairman

CITY OF CHEHALIS

AGENDA REPORT

DATE: November 30, 2010

TO: The Honorable Mayor and City Council

FROM: Tim Grochowski, Public Works Director
Dave Vasilauskas, Water Superintendent
Judi Smith, Office Manager

SUBJECT: Implementation and Adoption by Resolution No. 14-2010 - Identity Theft for the Public Works Department

ISSUE

A long-time council goal has been to provide debit/credit card services to our utility customers with the option of making payments to the city for utility bills, account deposits, meter installation, infrastructure repairs and damage to city property such as city signs, light standards, guard rail, etc. The administration has researched implementation of a debit/credit card service for utility customers and is presenting the attached resolution for the council's consideration.

DISCUSSION

To implement this service the city must adopt an **Identity Theft Policy** in accordance with the Federal Trade Commission guidelines set forth in the FACT Act (2003) (as set forth in Federal Register publication – 16 CFT Part 681) by a formal Resolution. Attached is Resolution No. 14-2010 and a copy of the policy that outlines the procedures to be followed to safeguard personal information that may be obtained when processing payments. Also included, is a **Confidentiality Agreement** to be signed by all employees that will be processing payments and may have access to sensitive customer information.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the city council adopt Resolution No. 14-2010 to be in compliance with the FACT ACT (2003) on the first and final reading.

SUGGESTED MOTIONS

I move that the council adopt Resolution No. 14-2010 to be in compliance with the FACT ACT (2003) on first and final reading.

REVIEWED BY:  _____, CITY MANAGER

RESOLUTION NO. 14-2010

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, ADOPTING AN IDENTITY THEFT
PREVENTION POLICY.**

WHEREAS, the City of Chehalis has entered into an Electronic Processing Agreement with Official Payments Corporation to provide its citizens with the ability to process debit/credit card transactions for payments of utility bills, account deposits, meter installation, fees for charges as related to the City's infrastructure for repairs and damage to city property; and

WHEREAS, the City is required to adopt Policies and Procedures that meet standards established by the Federal Trade Commission through the guidelines set fourth in the FACT Act (2003) (as set forth in Federal Register Publication -16 CRF Part 681); and

WHEREAS, each department must have a policy stating what types of payments they will allow; and

WHEREAS, all city employees who assist customers with debit/credit card payments may only use personal customer information when processing a transaction, for the purpose intended and agree to take every precaution necessary to maintain complete confidentiality of this information; **NOW, THEREFORE**,

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

Section 1.

The risk to the municipality, its employees and customers from data loss and identity theft is of significant concern to the municipality and can be reduced only through the combined efforts of every employee.

Section 2.

The municipality adopts this resolution to help protect employees, customers, contractors and the municipality from damages related to the loss or misuse of sensitive information and directs the administration to develop and maintain an identity theft Prevention Policy in compliance with FACT ACT (2003) as set forth in Federal Register Publication - 16-CRF Part 681.

Section 3.

This resolution shall be in full force and effect from and after its adoption and approval.

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 _____, 2010.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CITY OF CHEHALIS
PUBLIC WORKS DEPARTMENT
IDENTITY THEFT PREVENTION POLICY**

I. Scope

The City of Chehalis has entered into an Electronic Processing Agreement (ETP) with Official Payments Corporation (OPC) to provide its citizens with the ability to process debit/credit card transactions for payments of utility bills, account deposits, meter installation, fees and charges as related to the City's infrastructure for repairs and damage to city property such as city signs, light standards, guard rails, etc.

II. Purpose

To create and implement an **Identity Theft Prevention Program** ("Program") for the City of Chehalis Public Works Department that is intended to prevent, detect and mitigate theft in connection with the opening of a covered account, maintenance of any existing covered account, or payment of charges for the installation, repair of City property.

III. Responsibility

The City is required to adopt Policies and Procedures that meet standards established by the Federal Trade Commission through the guidelines set forth in the FACT Act (2003) (as set forth in Federal Register publication – 16 CFR Part 681).

IV. Definitions

Covered Account – an account the City offers or maintains, primarily for commercial, personal, family or household purpose, that involves or is designed to permit multiple payments or transactions and any other account that the City offers or maintains for which there is a reasonably foreseeable risk to customers or the safety and soundness of the City of Chehalis from identity theft, including financial, operations, compliance, reputation or litigation risks.

Identity Theft – Financial identity theft occurs when someone uses another person's information (name, social security number, etc) with the intent of conducting transactions to commit fraud that results in substantial harm or inconvenience to the victim.

Red Flag – a pattern, practice or specific activity that indicates there is a possible existence of identity theft.

V. Procedure

The following steps must be used by all city employees accepting a debit/credit card payment.

- ✓ Verify that the card is actually a Master, Discover or American Express card. **Note: customers may not use a VISA card when paying in person. VISA card customers must use the city's website link to OPC or call the OPC toll free number 1-800-272-9829.**
- ✓ Check the expiration date of the card to confirm that it has not expired.
- ✓ Ask for picture ID and compare the names and verify that the picture belongs to the person presenting the card. If the ID does not match, ask for a second picture ID. If the second ID does not match, return the card to the customer and inform them that you cannot accept the card for payment.
- ✓ Keep the card until the transaction is completed.
- ✓ Print two copies of the receipt. Give one to the customer and keep one for city records in a secured locked place.
- ✓ Inform customers that a convenience fee will be assessed by OPC, not the city, for each transaction whether on-line, over-the-counter or by telephone.
- ✓ All debit/credit card information shall be kept in a secure locked place.
- ✓ If the credit card is declined by OPC, inform the customer that the transaction has not been authorized and return the card to the customer.

V. Payments On-line

Each department must have a policy stating what types of payments they will allow on-line. The following information is to be given to customers who wish to pay on-line with a debit/credit card.

- ✓ Direct them to the City of Chehalis website - www.cityofchehalis.com on the homepage click on "Payment On-line".
- ✓ Provide the Jurisdiction Code, assigned by OPC to each department, must be used when making a payment.

- ✓ Provide any additional information that the customer may need to complete the transaction. Advise customer that on-line payments are not allowed on shut-off day and that payment must be made in person.
- ✓ Remind customers that a convenience fee will be assessed by OPC, not the city, for each transaction whether on-line, over-the-counter or by telephone.

Reports of on-line payments will be forwarded from OPC to the department receiving the payment and the finance manager.

VI. Telephone Payments

Customers may make payments over the telephone with a debit/credit card by:

- ✓ Calling the toll free number for OPC – 1-800-272-9829
- ✓ Using the Jurisdiction Code required to make a payment
- ✓ Completing the required information.
- ✓ Inform customers that a convenience fee will be assessed by OPC, not the city, for each transaction whether on-line, over-the-counter or by telephone.
- ✓ Advise customers that telephone payments are not allowed on shut-off day and that payment must be made in person.

Reports of telephone payments will be forwarded from OPC to the department receiving the payment and the finance manager.

VII. Daily Reporting

All Public Works Department transactions shall be generated through the billing division and will be deposited directly into the appropriate city account. Daily reports received from OPC shall be reconciled with any receipt notations made and all discrepancies will be reported to the department director and the finance department immediately.

Receipts shall be kept in accordance with the billing division's retention schedule. The finance department shall notify the billing division when transaction funds have been received or if any charge backs have occurred.

CONFIDENTIALITY

All city employees who assist customers with debit/credit card payments may only use personal customer information when processing a transaction, for the purpose intended and agree to take every precaution necessary to maintain complete confidentiality of this information. This information may include but is not limited to; credit card number, expiration date, security code of card, name, address, phone number, e-mail address, and date of birth of customer. If an employee becomes aware of an actual breach of confidentiality, or a situation which could potentially result in a breach of confidentiality, the employee must immediately notify his or her supervisor. All employees authorized to accept payments with debit/credit cards must read and sign the attached **Confidentiality Agreement** prior to processing any debit/credit card transactions. Failure to comply with the Confidentiality Agreement by any employee shall lead to disciplinary action up to and including termination. The original signed agreement will be maintained by the Human Resources Manager.

DEBIT/CREDIT CARD PAYMENTS WILL BE ACCEPTED FOR BUT NOT LIMITED TO:

- New Account Deposits
- Payment of Water, Sewer & Stormwater Bills
- Payment of Hydrant Meter Deposits
- Payment for Time & Material Meter Installations
- Payment for Infrastructure Damage or City Signage

Debit/Credit Card Payments made on shut-off day must be made in person at the Utility Billing Division office, as on-line and telephone payments may not post to the account for two or more days.

TYPES OF TRANSACTIONS ALLOWED:

- Over-the-counter transactions (**excluding VISA cards**)
- On-line payments – except on shut-off day
- Telephone payments processed directly through OPC – except on shut-off day

All Public Works Department invoices and utility bill payments must be mailed to/or paid in person at the Utility Billing Division.

CONFIDENTIALITY AGREEMENT

As a City of Chehalis employee, I understand that I may have access to sensitive personal customer information when processing debit/credit card payments. By signing this statement, I affirm my understanding of my responsibilities to maintain confidentiality and agree to the following:

1. I understand that I may have access, read, or handle personal customer information to the extent required in, and for the purpose of, performing my assigned duties as a City of Chehalis employee.
2. I agree not to divulge, publish, or otherwise make known to unauthorized persons or to the public, any personal customer information obtained in the course of my employment with the city. I also understand that;
 - a. I may divulge personal customer information to my supervisor and other authorized employees as is necessary to perform my job duties;
 - b. I may divulge personal customer information to others only if specifically authorized to do so by my supervisor;
 - c. Maintaining confidentiality includes not discussing personal customer information inside or outside of the workplace unless required to do so for the purpose of performing my duties as assigned;
 - d. After termination of my employment with the city, I will not divulge personal customer information obtained during the course of my employment for any reason;
3. I agree to consult my supervisor regarding any questions I may have concerning disclosure of confidential information.
4. I understand that a breach of confidentiality shall be grounds for disciplinary or legal action, up to and including termination.
5. I agree to immediately notify my supervisor should I become aware of an actual breach of confidentiality or a situation which could potentially result in a breach of confidentiality, whether on my part or the part of another person.

Signature

Date

Printed Name

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Judy Schave, City Clerk
Bob Nacht, Community Development Director
Tim Grochowski, Public Works Director

DATE: December 6, 2010

SUBJECT: Resolution No. 15-2010 - Setting a Date for a Public Hearing on a Petition to Vacate a Portion of a Street

ISSUE

The city has received a petition to vacate a portion of the excess right-of-way along NW Louisiana Avenue. A public hearing must be held on this petition, and the date must be set by resolution (RCW 35.79.010).

DISCUSSION

The petition to vacate the subject area is signed by more than two-thirds of the abutting property owners as required. The city must now conduct a public hearing and determine if the requested portions of the right-of-way should be vacated.

The RCW also requires that the date of the subject hearing must be at least twenty days from the date of the resolution.

RECOMMENDATION / COUNCIL ACTION DESIRED

The administration recommends that the council adopt Resolution No. 15-2010, which sets a date of January 10, 2011, at 6:05 PM for a public hearing regarding a petition to vacate a portion of NW Louisiana Avenue as described in the attachments.

SUGGESTED MOTION

I move that the council adopt Resolution No. 15-2010 which sets a date and time of January 10, 2011, at 6:05 PM for a public hearing on a petition to vacate a portion of NW Louisiana Avenue..

Reviewed by  _____ City Manager

RESOLUTION NO. 15-2010

**A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON,
ESTABLISHING THE DATE OF JANUARY 10, 2011, AT 6:05PM FOR
A PUBLIC HEARING REGARDING A PETITION TO VACATE A
PORTION OF NW LOUISIANA AVENUE.**

WHEREAS, the city has received a petition to vacate a portion of the excess right-of-way of NW Louisiana Avenue; and

WHEREAS, the subject petition contains the signatures of more than two-thirds of the property owners abutting the subject street; and

WHEREAS, RCW Chapter 35.79.010 requires that the city establish a public hearing by resolution to consider the subject petition; and

WHEREAS, the subject public hearing must be conducted not less than twenty, nor more than sixty days from the date of the resolution; now, therefore,

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

The city shall conduct a public hearing on Monday, January 10, 2011, at the hour of 6:05 PM regarding a petition to vacate a portion of the excess right-of-way located adjacent to 388 NW Louisiana Avenue.

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 13th day of December, 2010.

Anthony Ketchum, Mayor

Attest:

Judith A. Schave, City clerk

Approved as to form and content:

William T. Hillier, City Attorney

Permit Application

Submit this form and any required attachments to:

City of Chehalis
 Community Development Department
 1321 S. MARKET BLVD.; CHEHALIS WA 98532
 (360) 345-2229

APPLICANT FILL OUT UPPER SECTION:

JOB ADDRESS: 388 NW Louisiana Ave DESIRED START DATE: N/A

APPLICANT:

NAME: Donald Whittington
 ADDRESS: 388 NW Louisiana Ave
 CITY/ST/ZIP: Chehalis, WA 98532
 PHONE#: _____

PROPERTY OWNER (Same as Applicant? Yes No; ROW)

NAME: _____
 ADDRESS: _____
 CITY/ST/ZIP: _____
 PHONE#: _____

CONTRACTOR (Same as Applicant? Yes No N/A)

NAME: N/A
 ADDRESS: _____
 CITY/ST/ZIP: _____

CONTR LICENSE NO: _____
 EXPIRATION DATE: _____
 PHONE#: _____

CONTACT PERSON (Same as Applicant? Yes No)

NAME: Butler Surveying - Chris Butler
 ADDRESS#: P.O. Box 149
 CITY/ST/ZIP: Chehalis, WA 98532
 PHONE #: 748-8803

BONDING/INSURANCE COMPANY (N/A):

NAME: _____
 ADDRESS#: _____
 CITY/ST/ZIP: _____
 PHONE #: _____

DETAILED PROJECT DESCRIPTION: Vacations of portions of Louisiana Ave.

Signature of Authorized Representative: <u>Donald R. Whittington</u>	Date: <u>10/10/2010</u>
Name (print): <u>Donald R. Whittington</u>	Telephone #: <u>248-6619</u>

OFFICE USE ONLY:

Date Received: 11-10-10 By: HH Date Reviewed: _____ By: _____
 Parcel #: R/W Zoning: _____ Flood Zone: _____
 Permit #: _____

Approvals & Additional Information Required

- | | | |
|---------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------------------------------------------|
| Community Development: | <input type="checkbox"/> Building, Plumbing, Mechanical, Sign & Demo, Occupancy (1-A) | <input type="checkbox"/> Subdivision (1-B) |
| <input type="checkbox"/> Administrative Variance (1) | <input type="checkbox"/> Cond. Use, Zoning Var. PUD, & Special/Temp (1-C) | <input type="checkbox"/> Short Plat, BLA, Abatement (1-E) |
| <input type="checkbox"/> Binding Site Plan/Pre-Plat (1-F) | <input type="checkbox"/> SEPA (1-G) <input type="checkbox"/> JARPA (1-H) | <input type="checkbox"/> Zoning/Comp Plan Amendments (1-D) |
| Public Works / Police: | <input type="checkbox"/> Critical Areas/FHZ | <input type="checkbox"/> Historic |
| <input type="checkbox"/> Civil Plans (1) | <input type="checkbox"/> Utility Service (2-A) | <input type="checkbox"/> Right of Way (2-B) |
| <input type="checkbox"/> Administrative Variance | <input type="checkbox"/> Traffic Impact Analysis | <input type="checkbox"/> Earthmoving (2-C) |
| <input type="checkbox"/> Utility Service Annexation Agreement | <input type="checkbox"/> Deferral Agreement | <input type="checkbox"/> F.O.G Form |
| | <input type="checkbox"/> Lewis County Water & Sewer District #4 | <input type="checkbox"/> Utility Easement |
| City Hall / Fire: | <input type="checkbox"/> Business License | <input type="checkbox"/> Occupancy Permit |
| <input type="checkbox"/> Asbestos Abatement | <input type="checkbox"/> Fire Suppression/Sprinkler | <input type="checkbox"/> Fire Dept. Turnaround |
| Lewis County: | <input type="checkbox"/> LC Civil Plan | <input type="checkbox"/> LC Planning |
| <input type="checkbox"/> LC Right of Way/Driveway | <input type="checkbox"/> LC Road Name | <input type="checkbox"/> LC Health (Well) |
| | | <input type="checkbox"/> LC Health (Septic) |

CITY OF CHEHALIS

PETITION FOR RIGHT-OF-WAY VACATION

PETITION CONTACT Name: Donald Whittington
 Address: 388 NW Louisiana Ave
Chehalis, WA 98532
 Phone: _____

We the undersigned property owner(s) with land abutting the public right-of-way in Chehalis, identified in the legal description below, do hereby petition the city to vacate said right-of-way in accordance with the city's Standard Operating Procedure for Vacation and do agree to compensate the city for the vacated land, as provided in RCW 35.79.030.

Property Address	Property Owner(s)	
	Print	Sign
388 NW Louisiana Ave Chehalis, WA 98532	Donald Whittington	<i>Donald R. Whittington</i>

Legal description of right-of-way to be vacated, as prepared by licensed land surveyor or other qualified professional:
see attachments

Total area of right-of-way to be vacated: 6,095 square feet
 Total properties petitioning for vacation: 1 Total properties abutting right-of-way to be vacated: 1
 Ratio of properties petitioning vs. total properties: 100%
 (Note: A minimum 2/3 ratio of abutting property owners must petition for vacation before it will be considered.)

Attach map of right-of-way being petitioned for vacation and surrounding area, including identification of all streets, alleys, and abutting property owners.

Please submit this completed petition with attachments to: Chehalis City Clerk
 P.O. Box 871
 80 NE Cascade Avenue
 Chehalis, WA 98532
 phone 360.748.6664

(Attach additional sheets if necessary)

date received



Description
Area 4
3,849 a.f.

POND

BLOCK C
H.J. DUFFY'S ADDITION

VACATED CHEHALIS STREET

BLOCK E

BLOCK D

Description
Area 3
2,748 a.f.

See detail A

TPN 004088001000
Whittington

Description
Area 1
3,348 a.f.

Interstate 5 right
of way fence
(as-built)

SE corner of the SW 1/4
of the SE 1/4 of Section
30 as per reference
survey # 2

	DISTANCE
F	10.00
F	34.47
F	9.18
F	5.84
F	8.69
W	33.29
W	25.00
E	65.00

RADIUS	LENGTH
820.00	105.87
785.00	101.35

88°24'27" E 328.40

NW Shoreline Drive

Interstate 5 (per plan)



BUTLER SURVEYING INC.

475 NW CHEHALIS AVENUE
P.O. BOX 148, CHEHALIS, WA 98632
360/748-8603

Drawn C. Butler

Date 11-9-10

Checked

Job No. 08-72

Scale 1" = 50'

Sheet 1 of 2

Surveyor's Certificate

This map correctly represents a survey made by me or under my direction in conformance with the requirements of the Survey Recording Act at the request of Don Whittington in November of 2010.

Description Area #1 (Right of Way Vacation and conveyance "City of Chehalis to Whittington")

That portion of the Southwest Quarter of the Southeast Quarter of Section 30, Township 14 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

COMMENCING at the southwest corner of said subdivision; thence S88°24'27"E along the south line of said subdivision a distance of 325.40 feet; thence N02°21'33"E a distance of 10.00 feet; thence S88°24'27"E parallel with said south line a distance of 133.10 feet to the westerly margin of NW Louisiana Avenue and the True Point of Beginning; thence N80°07'50"E a distance of 34.47 feet; thence N00°14'16"W a distance of 223.51 feet to said westerly margin; thence S06°51'43"W along said westerly margin a distance of 242.41 feet to the True Point of Beginning.

Containing 3,349 square feet.

Description Area #2 (Right of Way Dedication and conveyance "Whittington to City of Chehalis")

That portion of the Southwest Quarter of the Southeast Quarter of Section 30, Township 14 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

COMMENCING at the southwest corner of said subdivision; thence S88°24'27"E along the south line of said subdivision a distance of 325.40 feet; thence N02°21'33"E a distance of 10.00 feet; thence S88°24'27"E parallel with said south line a distance of 133.10 feet to the westerly margin of NW Louisiana Avenue; thence N60°07'50"E a distance of 34.47 feet; thence N00°14'16"W a distance of 223.51 feet to said westerly margin and the True Point of Beginning; thence continuing N00°14'16"W a distance of 83.41 feet to a point on said westerly margin; thence S09°34'55"E along said westerly margin a distance of 5.84 feet; thence S88°07'57"E along said westerly margin a distance of 8.69 feet; thence S06°51'43"W along said westerly margin a distance of 77.93 feet to the True Point of Beginning.

Containing 377 square feet.

Description Area #3 (Right of Way Vacation and conveyance "City of Chehalis to Whittington")

That portion of the Southwest Quarter of the Southeast Quarter of Section 30, Township 14 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

COMMENCING at the southwest corner of said subdivision; thence S88°24'27"E along the south line of said subdivision a distance of 325.40 feet; thence N02°21'33"E a distance of 10.00 feet; thence S88°24'27"E parallel with said south line a distance of 133.10 feet to the westerly margin of NW Louisiana Avenue; thence N60°07'50"E a distance of 34.47 feet; thence N00°14'16"W a distance of 306.92 feet to a point on said westerly margin and the True Point of Beginning; thence continuing N00°14'16"W a distance of 9.18 feet to a curve to the left whose radius point bears S89°45'44"W a distance of 785.00 feet; thence Northerly along said curve through a central angle of 07°23'50" on an arc distance of 101.35 feet; thence N07°38'06"W a distance of 33.29 feet to the centerline of vacated Chehalis Street; thence N88°07'56"W along said centerline a distance of 72.76 feet; thence S01°52'04"W a distance of 25.00 feet to the south margin of said vacated Chehalis Street; thence S88°07'56"E along said south margin a distance of 65.00 feet to said westerly right of way; thence S09°34'33"E along said westerly right of way a distance of 120.16 feet to the True Point of Beginning.

Containing 2,746 square feet.

Description Area #4 (Conveyance "Whittington to City of Chehalis")

That portion of the Southwest Quarter of the Southeast Quarter of Section 30, Township 14 North, Range 2 West, W.M. in Lewis County, Washington described as follows:

COMMENCING at the southwest corner of said subdivision; thence S88°24'27"E along the south line of said subdivision a distance of 325.40 feet; thence N02°21'33"E a distance of 329.77 feet to the south line of Block D of H.J. Duffy's Addition to Chehalis as recorded in Book 1 of Plats at Page 6, Records of Lewis County, Washington; thence N88°07'56"W along said south line a distance of 59.93 feet to the True Point of Beginning; thence continuing N88°07'56"W along said south line a distance of 5.51 feet to the centerline of vacated Lake Street; thence N01°52'04"E along said centerline a distance of 148.50 feet to the centerline of vacated Chehalis Street; thence S88°07'56"E along said centerline a distance of 42.28 feet; thence S15°46'32"W a distance of 152.98 feet to the True Point of Beginning.

Containing 3,549 square feet.

Certificate Number: _____		Surv This map correctly or under my direc requirements of th request of Don Wh
Auditor's Certificate		
led for record this _____ day of _____, 20____		
at _____ M. in Book _____ of _____ at Page _____		
at the request of Butler Surveying, Incorporated		
_____ County Auditor		

