

**CHEHALIS CITY COUNCIL AGENDA**

CITY HALL  
350 N MARKET BLVD | CHEHALIS, WA 98532

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

**Regular Meeting of Monday, September 10, 2018  
5:00 p.m.**

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

PROCLAMATIONS / PRESENTATIONS		
3. <u>Proclamation – Childhood Cancer Awareness Month.</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.		

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
CONSENT CALENDAR		
4. <u>Minutes of the Regular City Council Meeting of August 27, 2018, and the Special City Council Meeting of August 30, 2018.</u> (City Clerk)	APPROVE	1
5. <u>Vouchers and Transfers – Accounts Payable.</u> (City Manager, Finance Director)	APPROVE	6
6. <u>Vouchers and Transfers – Payroll.</u> (City Manager, Finance Director)	APPROVE	7
7. <u>Accept the Public Works Reroof Project as Complete and Release Retainage After All Statutory Requirements Have Been Met.</u> (City Manager, Public Works Director)	APPROVE	8

**CONSENT CALENDAR CONTINUED ON NEXT PAGE**

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>CONSENT CALENDAR - CONTINUED</b>		
8. <u>Award Bid for the Discover! Children's Museum Parking Lot to Sterling Breen Crushing in the Amount of \$273,516.</u> (City Manager, Community Development Director, Airport Operations Coordinator)	APPROVE	9
9. <u>Settlement with Waste Action Project.</u> (City Manager, Public Works Director, Wastewater Superintendent)	APPROVE	12

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>UNFINISHED BUSINESS</b>		
10. <u>Ordinance No. 990-B, Second and Final Reading – Providing for an Interfund Loan between the Water Fund and the Airport Fund.</u> (City Manager, Finance Director)	PASS	28

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>NEW BUSINESS</b>		
11. <u>Interlocal Agreement with Lewis County Fire District 6 for Temporary Station Use by Chehalis.</u> (City Manager, Fire Chief)	APPROVE	34
12. <u>Ordinance No. 991-B, First Reading – Amending the 2018 Adopted Budget.</u> (City Manager, Finance Director)	PASS	40

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>ADMINISTRATION AND CITY COUNCIL REPORTS</b>		
13. <u>Administration Reports.</u> a. City Manager Update – August 30 Strategic Planning Results. (City Manager)	INFORMATION ONLY	52
14. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	- - -

<b>EXECUTIVE SESSION</b>		
15. Pursuant to RCW 42.30.140(4)(b) – Collective Bargaining		

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.  
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, SEPTEMBER 24, 2018.**

August 27, 2018

The Chehalis city council met in regular session on Monday, August 27, 2018, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Tony Ketchum was absent (excused). Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Lougheed, Community Development Director; Brandon Rakes, Airport Operations Coordinator; Rick Sahlin, Public Works Director; Chun Saul, Finance Director; Judy Schave, Human Resources/Risk Manager; and Patrick Wiltzius, Wastewater Superintendent. News media in attendance included Will Rubin from *The Chronicle*.

1. **Consent Calendar.** Councilor Spahr moved to approve the consent calendar comprised of the following:
  - a. Minutes of the regular meeting of August 13, 2018;
  - b. August 15, 2018 Claim Vouchers No. 123280-123460 and Electronic Funds Transfer No. 720181 in the amount of \$456,555.40.
  - c. Reappointments of Scott Blinks and Jeff Mecca to the Planning Commission for four-year terms expiring December 31, 2021;
  - d. Award National Avenue Slide Repair and Traffic Revision Project to Gill Construction and Development in the amount of \$219,925;
  - e. Award Taxiway Realignment Project to Sterling Breen Crushing, Inc., in the amount of \$2,521,908.83;
  - f. Memorandum of Understanding with the Washington State Office of Minority and Women's Business Enterprises and the Washington State Department of Transportation for the State of Washington Unified Certification Program; and
  - g. Annual debt compliance update.

The motion was seconded by Councilor Lund and carried unanimously.

2. **Agreement with Lewis Economic Development Council (EDC) for Economic Development Services.** City Manager Anderson stated the city has been a member of the EDC for many years and over the course of the last several years the city has been paying an amount of \$6,000 a year. This year the city is being asked to consider an additional contribution of \$2,000, bringing the annual total to \$8,000. The increase was included in the 2018 budget. The EDC has been an advocate for .09 funding, working with the city on water rights and making initial contact and payment for a water rights attorney to address the issue, and they have had a positive working relationship with the Port of Chehalis. City Manager Anderson stated Councilor Spahr is the city's representative on the EDC board. She also noted the proposed agreement would cover 2018 and 2019.

Councilor Spahr stated the EDC does a lot of things that are not seen. They have brought many businesses to Chehalis and the community, and he supported the agreement.

Matt Matayoshi, EDC Executive Director, thanked the council for their consideration and the partnership between the city and the EDC. He stated recently, the EDC has recruited Price Containers to the Port of Chehalis; recruited TransCold Distribution; supported a number of .09 projects; and continued entrepreneurial activities.

Councilor Lund stated Chehalis was lucky to have Matt Matayoshi as the EDC director.

Councilor Spahr moved to approve the agreement with the Lewis Economic Development Council to provide economic development services in 2018 and 2019. The motion was seconded by Councilor Lund and carried unanimously.

3. **Ordinance No. 990-B, First Reading – Providing for an Interfund Loan between the Water Fund and the Airport Fund.** City Manager Anderson noted Section 5 of the ordinance should read, "Said funds shall be available for use by the Airport Fund of the city" not the Water Fund. She stated the correction would be included in second reading of the ordinance.

Chun Saul stated the city took out a bank loan to fund the Airport Tract A site preparation work with an interest rate of 5% over a 10-year term. Staff is recommending that the loan be paid off using an interfund loan from the Water Fund to the

August 27, 2018

Airport Fund with a lower interest rate and shorter repayment period, which would save the city approximately \$58,000 in interest costs over the next four years. The city's Airport debt service budget will increase by \$8,641.71 in 2018, by \$34,567 for years 2019 through 2021, and \$25,925 in 2022. She believed the budget increase could be absorbed by the Airport's operating revenues.

Councilor Spahr asked if the payments to the bank could just be escalated on the current loan. City Manager Anderson stated there was no prepayment penalty on the loan. She stated staff would look into Councilor Spahr's suggested alternative and report back to council on second reading of the ordinance.

Councilor Spahr moved to pass Ordinance No. 990-B on first reading, including the amendment to Section 5 as noted by the City Manager. The motion was seconded by Councilor Harris and carried unanimously.

#### **4. Administration Reports.**

a. **City Manager Update.** City Manager Anderson provided a strategic planning update. The three-year goals established by the council in January included:

##### **Maintain and enhance financial stability**

- Present plan for future annexations – *Done. Proposed annexation area maps presented at May 14 council meeting.*
- Present a scope of work and potential funding for an updated utility rate study – *To be completed in 2019 following completion of the Water System Plan.*
- Present financial software upgrade recommendations to City Manager – *Done. Priorities are cash receipting and new utility billing system.*
- Present a commercial development master plan for the leasable property at the airport – *Done. Presented at April 23 council meeting.*
- Formulate and present a plan to re-establish dedicated reserve funding – *In progress. First budget amendment included initial allocations to Compensated Absences and Automotive/Equipment Reserve Funds.*

##### **Enhance and modernize technology**

- Evaluate current virus protection products and policies and recommend changes as needed. *Done. Assessment completed; current protocols okay with continuing updates.*
- Evaluate the feasibility of having an IT department vs. a contract IT employee. *Done. Current contract arrangement proved most cost effective.*
- Identify citywide training needs on IT and use of existing software. Create a plan for training employees as needed. *Ongoing. A variety of training resources are provided online.*

##### **Increase and optimize staffing levels**

- Evaluate staffing needs. *Done. Departments have submitted analysis and requests.*
- Conduct a cost analysis of each position needed. *In progress. 11 positions submitted for consideration from various departments.*
- Identify ways to finance staffing needs. *In progress. City Council work session held July 26 to review position requests and associated budget impact; Council directed administration and budget committee to evaluate funding available for the top priority positions during 2019 budget process.*

##### **Improve and maintain the infrastructure**

- Present consultant contract for design of Sanitary Sewer Forcemain Improvement Project. *Done. Council approved contract on February 26.*
- Complete the Transportation Benefit District Market Boulevard grind and inlay multi-use land project. *Done: Project completed in June.*

August 27, 2018

- Complete Stan Hedwall sewer service. *Almost Complete. Pipe work completed; grinder pump stations anticipated to be delivered first week of September; project scheduled for completion September 14.*
- Complete design of the Sanitary Sewer Forcemain Improvement Project. *Future Objective for December 2018*

#### Enhance and maintain facilities (Recreation Park, Dispatch Center, and Fire Station)

- Update and present the Park, Recreation, and Open Space Plan. *Done. Adopted March 12.*
- Report final results of District #6 fire consolidation. *Done. Met May 10; numbers do not work; keep working together for training and response; meet again in September.*
- Complete Phase 1 of the Recreation Park design and recommend funding sources. *Nearly done. Grants submitted to State; update on rankings expected in September or October; donations and LTAC funding identified for this project.*
- Report on grant success for components of Recreation Park. *Revised. Submitted three RCO grants on May 1; formal presentations made in August; info on City's ranking in September or October.*
- Report on results of feasibility study regarding Dispatch Center and make recommendation. *Revised. Feasibility study presented July 9; Council subcommittee appointed July 23; next steps to be discussed August 30.*

City Manager Anderson stated the next strategic planning session is August 30 at 8:30 am at the V.R. Lee Community Building.

City Manager Anderson asked Fire Chief Cardinale to provide a brief update on the state of the fire station. She thanked Chief Cardinale, Chief Schaffer, Rick Sahlin, Andrew Hunziker, and Trent Lougheed for their work on this issue while she was on vacation.

Chief Cardinale reported they were in the final phases of the asbestos abatement, finishing up on the second half of the station, which included the ambulance and apparatus bays, kitchen, captains' offices, alarm room, administrative offices, dorms, and bathrooms. All personal protective gear was cleaned and tested even though it came back as having no asbestos, along with any remaining uniforms. They expect the testing to come back next week. Lastly, the ambulance and ladder truck will be finished being cleaned and put back in service by the end of this week. Chief Cardinale stated all engines and equipment that are in service are stationed at District 6. Some utility and investigation equipment is still at the Chehalis station because they need to be plugged in.

City Manager Anderson thanked District 6 for hosting the city's firefighters. She also thanked the Chehalis firefighters for their flexibility during this time. She stated the administration is making every effort to make sure the work is being done to appropriate state standards.

b. **Finance Report.** Chun Saul provided a summary of financial activities of the city through the end of July. She noted the budget to actual comparison target was 58.3%, and overall, the city operated within normal budget parameters.

#### General Fund Overview

- Total revenues and other receipts 59.2% of 2018 budget.
- Total expenditures/transfers out 56.4% of 2018 budget.
- Total expenditures/transfers out exceeded total revenues/other receipts by \$304,490 or 30.2% of total projections.
- 88% of General Fund revenues received from taxes; major sources include sales/use, utility, and property taxes; two-year comparison shows about \$90,000 above 2017.
- Some departments' General Fund expenditures above the target of 58.3% as explained in previous meetings.
- General Fund expenditures come from Police and Fire at 53%, all other 36%, and capital debt & transfers 11%.

#### Enterprise Funds Overview

- **Wastewater:** Total revenues 58.0% of budget; total operating expenditures 56.0% of budget.
- **Water:** Total revenues 55.8% of budget; total operating expenditures 50.3% of budget.

August 27, 2018

- **Storm & Surface Water:** Total revenues 68.1% of budget; total operating expenditures 54.8% of budget.
- **Airport:** Total revenues 60.4% of budget; total operating expenditures 55.4% of budget.

5. Councilor Reports/Committee Updates.

a. Councilor Harris met with some citizens. He stated it was a good meeting and nice when citizens get involved and ask questions. Some things they would like to see included: road maintenance/improvements; police and fire department funding; increased, localized patrols and more citizen engagement; increased co-working with Centralia and Tacoma regarding homeless/transient issues; coordinate with the state to replace the Highway 6 bridge; pave the levee trail; and additional crosswalks. He also noted that the Chehalis Basin Partnership's September 28 meeting will include strategic planning to address the "Hirst decision."

b. Councilor Pope stated staff did an excellent job presenting grant requests to the state for Recreation Park. He stated he's noticed a couple properties that have been cleaned and that people in the community have also noticed.

c. Councilor Spahr attended the EDC membership meeting where a representative from SATECH gave a presentation on Impact Washington, a lean manufacturing consultant.

d. Councilor Taylor asked that the Twin Transit General Manager come to a future meeting to provide an update on the expansion of the transit system countywide, how buses move through and where stops are located, and the new transit hub in Centralia. He also noted that citizens have asked if the city can place "no camping" signs in city-owned parking lots as one citizen has reported almost running over a person that was sleeping in a lot and he didn't see.

e. Mayor Dawes attended the following: Business After Hours at ToledoTel, and a communications center meeting.

6. **Executive Session.** Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation and RCW 42.30.140(4)(b) – Collective Bargaining not to exceed 7:00 pm and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting at 5:59 pm. The executive session began at 6:02 pm. At 7:00 pm Mayor Dawes reopened the regular meeting and announced the council would continue in executive session until 7:30 pm and there would be no decision following conclusion of the executive session. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 7:30 pm.

Note: Councilor Spahr left the meeting at 6:16 pm.

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Dennis L. Dawes, Mayor

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Caryn Foley, City Clerk

Approved:  
Initials: \_\_\_\_\_

August 30, 2018

The Chehalis city council met in special session on Thursday, August 30, 2018, in the V.R. Lee Community Building at Recreation Park. Mayor Dennis Dawes called the meeting to order at 8:30 am with the following council members present: Terry Harris, Daryl Lund, and Bob Spahr. Councilors Tony Ketchum, Dr. Isaac Pope, and Chad Taylor were absent (excused). Staff present included: Jill Anderson, City Manager; Ken Cardinale, Fire Chief; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Bill Hillier, City Attorney; Andrew Hunziker, Property/Facilities Manager; Randy Kaut, Deputy Police Chief; Trent Loughheed, Community Development Director; Brandon Rakes, Airport Operations Coordinator; Rick Sahlin, Public Works Director; Chun Saul, Finance Director, Judy Schave, HR/Risk Manager; Glenn Schaffer, Police Chief; Dave Vasilauskas, Water Superintendent; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. No members of the media or public were present.

1. **Strategic Planning Session.** Mayor Dawes welcomed everyone and stated the purpose of the special meeting was to hold a strategic planning session.

City Manager Anderson stated the group would be following up on the three-goals and six-month objectives set in the January planning session, and to revise, if needed, the three-year goals and set new six-month objectives. The session would also include the development of core values. She welcomed Marilyn Snider, a strategic planning facilitator with Snider and Associates, and Gail Tsuboi, a graphic recorder with Tsuboi Design.

Ms. Snider led the group through a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis since the January 19 planning session, and external factors/trends that will/might have an impact on the city – both positively and negatively. The group brainstormed core values and identified and adopted those of most importance. The three-years goals identified during the January planning session were reaffirmed as still being relevant. Additional six-month objectives were identified for each goal.

The next six-month planning session was set for February 28, 2019.

There being no further business to come before the council, the meeting was adjourned at 2:46 pm.

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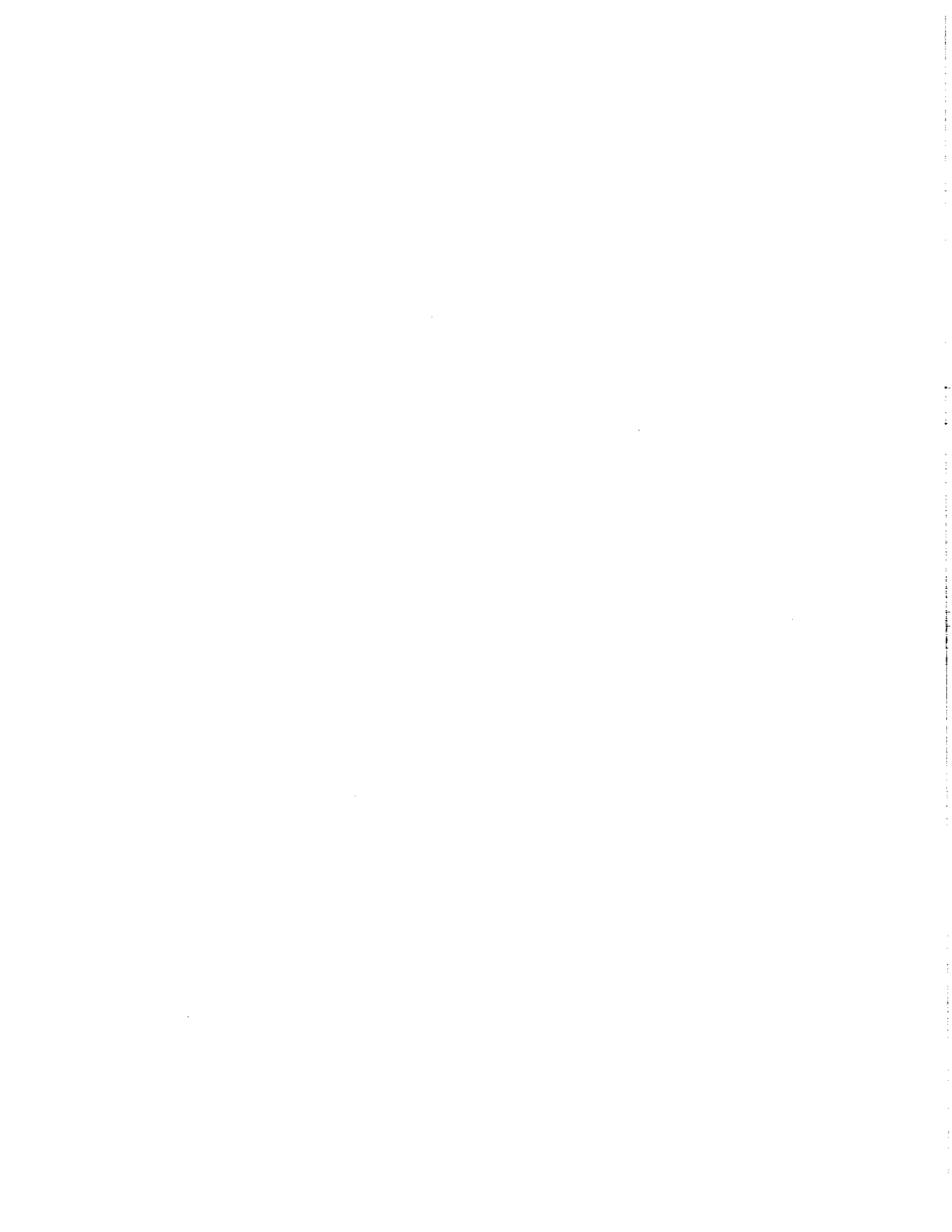
Dennis L. Dawes, Mayor

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Caryn Foley, City Clerk

Approved:

Initials: \_\_\_\_\_





**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Chun Saul, Finance Director  
Michelle White, Accounting Tech II

**MEETING OF:** September 10, 2018

**SUBJECT:** Vouchers and Transfers

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**ISSUE**

City Council approval is requested for Vouchers and Transfers dated August 31, 2018.

**DISCUSSION**

The August 31, 2018 claim vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Claim Vouchers No. 123461-123592 in the amount of \$172,890.93 dated August 31, 2018, which includes the transfer of:

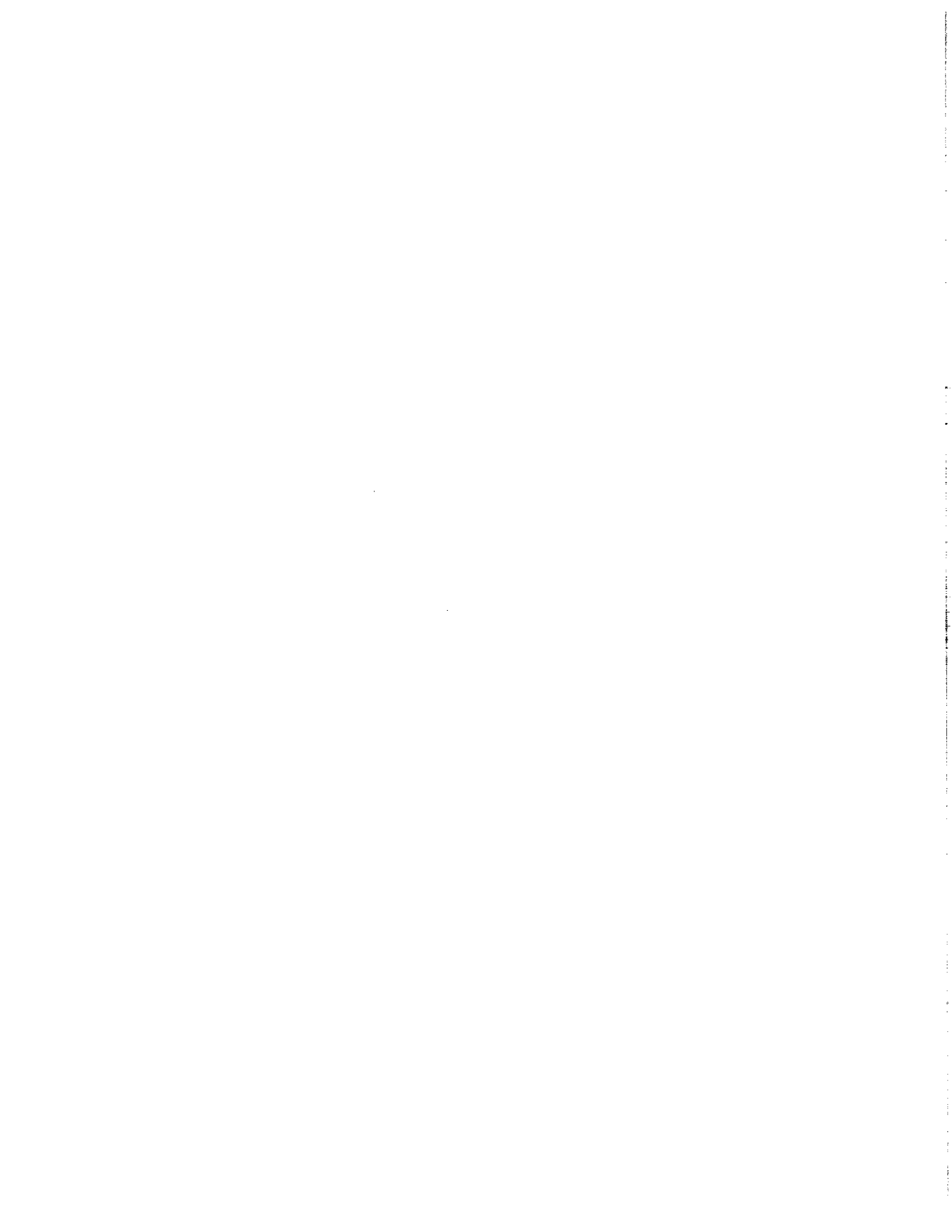
- \$46,063.46 from the General Fund
- \$15,286.07 from the Dedicated Street Fund – 4% Sales Tax
- \$14,265.54 from the Tourism Fund
- \$641.70 from the Public Facilities Reserve Fund
- \$41,095.48 from the Wastewater Fund
- \$11,602.91 from the Water Fund
- \$318.35 from the Storm & Surface Water Utility Fund
- \$42,779.16 from the Airport Fund
- \$838.26 from the Firemen’s Pension Fund

**RECOMMENDATION**

It is recommended that the City Council approve the August 31, 2018 Claim Vouchers No. 123461-123592 in the amount of \$172,890.93.

**SUGGESTED MOTION**

I move that the City Council approve the August 31, 2018 Claim Vouchers No. 123461-123592 in the amount of \$172,890.93.



**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Chun Saul, Finance Director  
Betty Brooks, Payroll Accountant

**MEETING OF:** September 10, 2018

**SUBJECT:** Payroll Vouchers and Transfers

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**ISSUE**

City Council approval is requested for Payroll Vouchers and Transfers dated August 31, 2018.

**DISCUSSION**

The administration requests City Council approval for Payroll Vouchers No. 40444-40509, Direct Deposit Payroll Vouchers No. 9825-9932, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 197-200 dated August 31, 2018 in the amount of \$807,305.76, which include the transfer of:

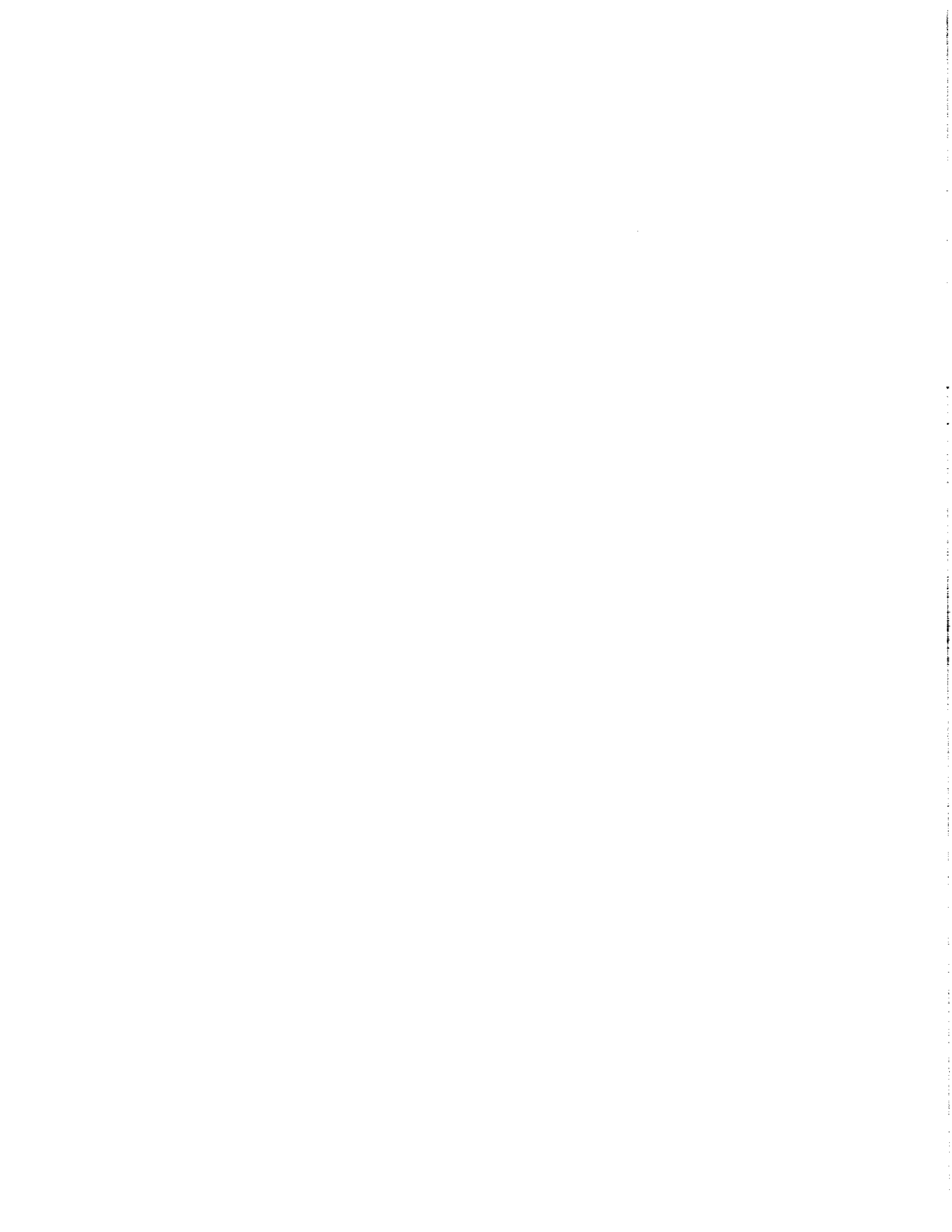
- \$554,898.05 from the General Fund
- \$6,695.23 from the Arterial Street Fund
- \$89,069.89 from the Wastewater Fund
- \$101,045.22 from the Water Fund
- \$22,465.84 from the Storm & Surface Water Utility Fund
- \$31,236.61 from the Airport Fund
- \$1,894.92 from the Firemen's Pension Fund

**RECOMMENDATION**

It is recommended that the City Council approve the August 31, 2018 Payroll Vouchers No. 40444-40509, Direct Deposit Payroll Vouchers No. 9825-9932, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 197-200 in the amount of \$807,305.76.

**SUGGESTED MOTION**

I move that the City Council approve the August 31, 2018, Payroll Vouchers No. 40444-40509, Direct Deposit Payroll Vouchers No. 9825-9932, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 197-200 in the amount of \$807,305.76.



**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council  
**FROM:** Jill Anderson, City Manager  
**BY:** Rick Sahlin, Public Works Director  
**MEETING OF:** September 10, 2018  
**SUBJECT:** Accept Public Works Office Building Reroof Project as Complete

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**ISSUE**

The Public Works office building was constructed in 1978 and the forty-year-old roof had developed several leaks, so the cost of a roof replacement project was included in the 2018 budget.

**DISCUSSION**

The administration budgeted to replace the roof in the 2018 budget that was approved by the City Council. In June, the administration solicited bids from contractors on the Small Works Roster. C.B. Metal Buildings and Construction was the low bidder and completed the project in July.

**FISCAL IMPACT**

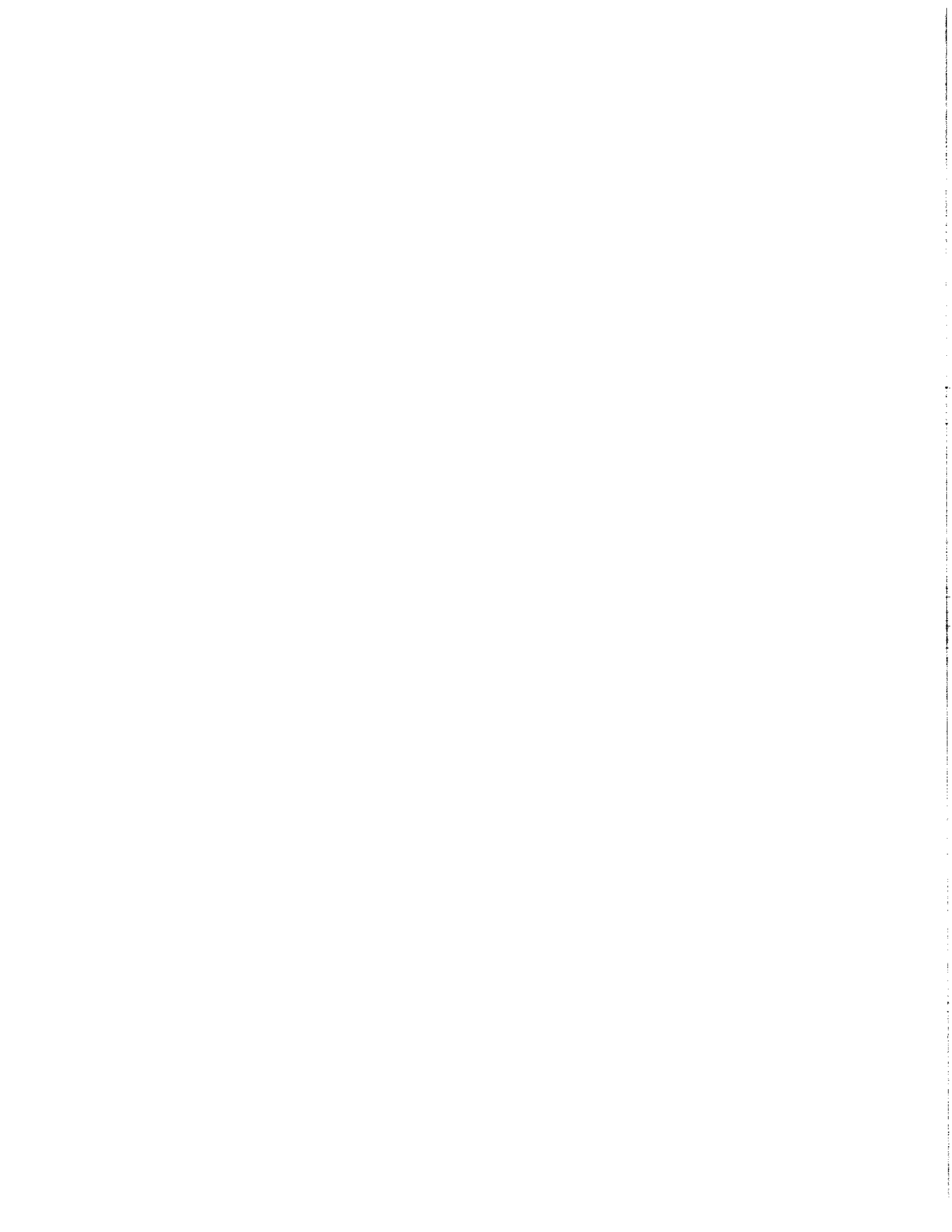
The cost of the project was \$51,072.09. Funding was split evenly between the wastewater utility, water utility, stormwater utility, and the street division. Each division budget includes the respective share of the cost of the roofing project.

**RECOMMENDATION**

The administration recommends that the City Council accept the Public Works Office Building Reroof Project as complete and authorize the release of retainage after all statutory requirements have been met.

**SUGGESTED MOTION**

I move that the City Council accept the Public Works Office Building Reroof Project as complete and authorize the release of retainage after all statutory requirements have been met.



**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Trent Lougheed, Community Development Director  
Brandon Rakes, Airport Operations Coordinator

**MEETING OF:** September 10, 2018

**SUBJECT:** Award Discover! Children's Museum Infrastructure Bid to Sterling Breen  
Crushing, Inc.

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**ISSUE**

The Chehalis-Centralia Airport would like to execute a bid offer from Sterling Breen Crushing, Inc. This contract would provide infrastructure to the area that will serve the planned Discover! Children's Museum.

**DISCUSSION**

If approved, this project will provide construction of the following:

- Create a new paved access road
- 8 parking stalls as part of the base bid
- 1,030 LF of new 4" diameter electrical conduit
- Concrete barrier curb and sidewalk
- Installation of lighting
- Clearing, grading and rocking a new 25,500 square foot parking lot with associated storm drainage structures, pipe, and connection.
- 9 additional asphalt parking stalls, curbing, and pavement markings as part of Bid Alternate 1.
- Construction is planned to start September 17, 2018.

**FISCAL IMPACT**

Total cost of the project is estimated at \$257,516, which includes 8.2% sales tax. These costs will initially be paid by the airport but are reimbursable through the .09 grant for this project. Bid alternate number 1 is estimated at \$16,000, which includes 8.2% sales tax. These costs will be paid by the airport separately as they provide additional infrastructure that is not part of the required infrastructure for the Discover! Children's Museum. This project is planned and included in the Airport's Capital Improvement Plan.

**RECOMMENDATION**

It is recommended that the City Council:

- Award the Discover! Children’s Museum Parking Lot Project to Sterling Breen Crushing, Inc., in the amount of \$273,516;
- Authorize an additional 5% contingency budget of \$13,676; and
- Authorize the City Manager to execute change orders that do not exceed a total project cost of \$287,192.

**SUGGESTED MOTION**

I move that the City Council:

- Award the Discover! Children’s Museum Parking Lot Project to Sterling Breen Crushing, Inc., in the amount of \$273,516;
- Authorize an additional 5% contingency budget of \$13,676; and
- Authorize the City Manager to execute change orders that do not exceed a total project cost of \$287,192.



Proposal to:

City of Chehalis  
 350 N. Market Blvd  
 Chehalis, WA 98532

The bidder will complete the Work in accordance with the Contract Documents for the following price:

	LUMP SUM PROJECT BASE BID			\$ 238,000.00
	STATE SALES TAX @ 8.2%			\$19,516.00
	TOTAL LUMP SUM PROJECT BASE BID			\$ 257,516.00
	(words)			
	Two hundred fifty-seven thousand, five hundred and sixteen dollars.			
	BID ALTERNATE NO. 1			
	Provide 1,800 SF of new asphalt parking, pavement markings and 128 LF of additional concrete curb.			
	BID ALTERNATE NO. 1 LUMP SUM BID (ADDITIVE)			\$16,000.00

**Non Collusion Declaration**

I, by signing the proposal, hereby declare, under penalty of perjury under the laws of the United States that the following statements are true and correct:

1. That the undersigned person(s), firm, association or corporation has (have) not, either directly or indirectly, entered into any agreement, participation in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the project for which this proposal is submitted.
2. That by signing the signature page of this proposal, I am deemed to have signed and have agreed to the provisions of this declaration.



**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

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

**MEETING OF:** September 10, 2018

**SUBJECT:** Lawsuit by Waste Action Project

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**ISSUE**

In January of this year, a notice of intent to file a lawsuit against the City was received from Waste Action Project (WAP). This legal action was for alleged violations of the Clean Water Act by the Chehalis Regional Water Reclamation Facility (CRWRF). City Council directed staff to attempt to reach a settlement in lieu of a lengthy court battle. Both parties have recently agreed to a settlement which is attached for council review and approval.

**DISCUSSION**

WAP identified 66 alleged violations of the City's NPDES permit (out of a potential 35,000+) by the CRWRF in a 5-year period. Some of the alleged violations were incorrectly identified as violations and others were removed after reporting errors were addressed and corrected by amending monthly reports to Ecology (6% of alleged violations). Other alleged violations were due to factors beyond the City's control such as storm/flood events or equipment failure (44% of alleged violations). The City was already working diligently under Ecology's guidance to develop procedures and operational controls to address the remaining violations. As a result, the City does not have any pending enforcement actions from Ecology. Despite this, the law allows for citizen lawsuits for the violations regardless of the cause or their severity.

Our legal team believes that the City would prevail in a court of law but the time and legal costs to do so would be substantial and that a settlement at this point would be the best use of City resources. To that end, the administration and our legal team have negotiated a settlement.

A consent decree that formalizes the details of the settlement is attached. The main settlement terms in the decree are summarized below:

- For a period of two years the City will on a quarterly basis electronically forward to WAP copies of all communications to and/or from Ecology related to its NPDES permit or wastewater discharges from the facility.
- The City will contribute \$39,000 to the Chehalis Basin Land Trust.
- The City will pay WAP attorney's fees of \$20,000.
- The City will complete a project to modify the SBR waste sludge piping by 12/31/2020.

Once WAP signs the decree, it will be lodged with the court for 45 days. After that time, the judge will sign and enter the decree. All fees will be due 30 days from the date of entry.

### **FISCAL IMPACT**

Costs of the final settlement are:

- \$20,000 for WAP attorney fees
- \$39,000 for Chehalis Basin Land Trust
- \$200,000 (estimated) for sludge piping project to be constructed in 2020

As the first two of these items were not in the approved 2018 budget, a budget amendment to the wastewater utility budget will be needed. In anticipation that the settlement would be approved, the proposed budget amendment scheduled for consideration during the course of the September 10, 2018 meeting includes the settlement costs.

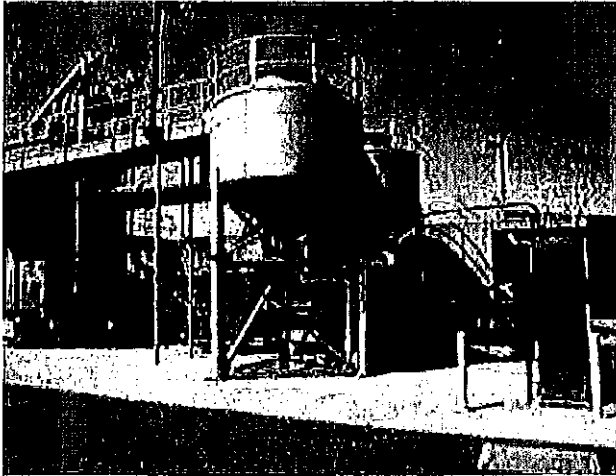
### **RECOMMENDATION**

The administration recommends that the City Council accept the terms of the settlement and authorize the City Manager to sign the consent decree.

### **SUGGESTED MOTION**

I move that the City Council accept the terms of the settlement and authorize the City Manager to sign the consent decree.

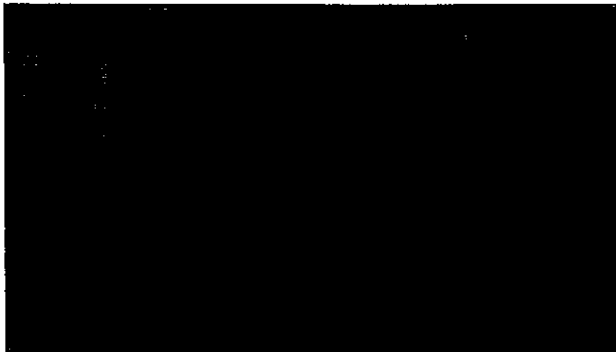
# ATTACHMENT A



# Regional Water Reclamation Facility Operations and Capacity Assessment

City of Chehalis  
Final Report

April 6, 2015





reduce or eliminate the need to decant liquid from the Solids Holding Tank, minimizing the uncontrolled recycle of solids to the biological treatment process.

Other improvements are recommended to address hydraulic capacity limitations. Actual dry season peak flow has exceeded the design projection, and modifications to the Reuse Pump Station are recommended. The SBR control panel should be replaced, since the current one is obsolete and replacement parts are not available. The piping size between the SBRs and the winter equalization basin should also be increased. The recommended improvements are summarized in Table ES-1.

**Table ES-1: Recommended Capital Improvements**

Project Number	Project Name	Estimated Construction Cost	Estimated Project Cost	Project Justification
01	Auxiliary Reclaimed Water Pumps	\$269,000	\$363,000	Dry season discharge permit compliance
02	Waste Activated Sludge Piping Connections	\$132,000	\$178,000	Increased organic and solids processing capacity
03	Facility Pump Station Sampler	\$41,000	\$55,000	Improved process control
04	Recuperative Sludge Thickening	\$1,168,000	\$1,577,000	Increased organic and solids processing capacity
05	SBR Control System Upgrade	\$22,000	\$30,000	Improved plant operability and reduced operator demands
06	Equalization Basin 2 Influent Piping	\$260,000	\$351,000	Increased hydraulic capacity
07	Discharge Structure Modifications	\$8,000	\$11,000	Increased hydraulic capacity
08	Equalization Basin 1 Influent Piping	\$203,000	\$274,000	Reduced operator demands
09	Waste Sludge Pump Electrical Modifications	\$30,000	\$41,000	Improved operability
10	Facility Pump Station Connection to Solids Holding Tank	\$16,000	\$22,000	Improved operability
	<b>Total</b>	<b>\$1,864,000</b>	<b>\$2,517,000</b>	
	Level 5 Estimate +50/-30%			
	High Estimate Value	\$2,796,000	\$3,776,000	
	Low Estimate Value	\$1,305,000	\$1,762,000	

# ATTACHMENT B





*Chehalis River Basin*  
**LAND TRUST**

P.O.Box 563  
Centralia, WA 98531

August 23, 2018

Mr. Greg Wingard  
Waste Action Project  
PO Box 9281  
Covington, WA 98042

Dear Mr. Wingard,

This letter is intended to provide assurance that I have received the Consent Decree in the matter of *Waste Action Project v. City of Chehalis*; 3:17-cv-05782-RBL (W.D. Wash September 29, 2017), and that I am authorized to make the following binding commitments on behalf of the Chehalis River Basin Land Trust:

1) I understand that Chehalis River Basin Land Trust should receive funds from City of Chehalis as specified in the Consent Decree.

2) Chehalis River Basin Land Trust shall only use these City of Chehalis funds for a project or projects that benefit the water quality of the Chehalis River.

3) After the funds have been disbursed, Chehalis River Basin Land Trust shall send a report to the Parties describing how the funds were utilized and demonstrating conformance with the nexus of the Consent Decree.

4) Chehalis River Basin Land Trust is a 501(c)(3) tax exempt organization.

The funds received from the City of Chehalis will be used for the project described here:

We will either 1) acquire a parcel within the City limits of Elma which includes a portion of McDonald Creek. This creek flows into the Chehalis River. The riparian vegetation on this site is in good to excellent condition. A small portion of the parcel (5-10%) contains invasive plant species which we will work to eliminate. The purchase will protect the waters of McDonald Creek; it is known that salmon use this creek. The parcel is being sold to close an estate and the price is approximately \$50,000; however, we believe the executor is willing to help us find the remainder.

Or we will 2) continue restoration efforts along the Chehalis River north of Centralia. We own an easement of over 1 mile at this site and the restoration which began in 2008 has been on-going. The northern-most 0.35 mile needs more work to be a successful riparian zone.

Sincerely,

*Jan Robinson*

Jan Robinson  
President

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

WASTE ACTION PROJECT,	)	
	)	
Plaintiff,	)	No. 3:17-cv-05782-RBL
v.	)	
	)	[DRAFT] CONSENT DECREE
CITY OF CHEHALIS,	)	
	)	
Defendant.	)	
	)	

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**I. STIPULATIONS**

Waste Action Project sent a sixty day notice of intent to sue letter to defendant City of Chehalis (the “City”) on or about January 24, 2017, and filed a complaint on September 29, 2017, alleging violations of the Clean Water Act, 33 U.S.C. § 1251 et seq., relating to discharges of municipal wastewater from the Chehalis Regional Wastewater Reclamation Facility in Chehalis, Washington and seeking declaratory and injunctive relief, civil penalties, and attorneys’ fees and costs. The City denies the allegations contained in the sixty day notice and complaint.

Waste Action Project and the City agree that settlement of these matters is in the best interest of the parties and the public, and that entry of this Consent Decree is the most appropriate

1 means of resolving this action.

2 Waste Action Project and the City stipulate to the entry of this Consent Decree without  
3 trial, adjudication, or admission of any issues of fact or law regarding Waste Action Project's  
4 claims or allegations set forth in its complaint and its sixty-day notice.

5 DATED this \_\_th day of August, 2018

6 FOSTER PEPPER PLLC

SMITH & LOWNEY PLLC

8 By s/ \_\_\_\_\_  
9 Lori A. Terry, WSBA # 22006  
10 Attorney for Defendant  
11 City of Chehalis

By s/Alyssa Englebrecht  
Alyssa Englebrecht, WSBA #46773  
Richard Smith, WSBA #21788  
Attorneys for Plaintiff  
Waste Action Project

12 CITY OF CHEHALIS

WASTE ACTION PROJECT

13  
14 By \_\_\_\_\_  
Jill Anderson, City Manager

By \_\_\_\_\_  
Greg Wingard  
Executive Director

15  
16 **II. ORDER AND DECREE**

17 THIS MATTER came before the Court upon the foregoing Stipulations of the parties.  
18 Having considered the Stipulations and the promises set forth below, the Court hereby ORDERS,  
19 ADJUDGES, and DECREES as follows:

- 20 1. This Court has jurisdiction over the parties and subject matter of this action.  
21 2. Each signatory for the parties certifies for that party that he or she is authorized to  
22 enter into the agreements set forth below.  
23 3. This Consent Decree applies to and binds the parties and their successors and  
24 assigns.  
25  
26

1           4.       This Consent Decree applies to the City's operation of the Chehalis Regional  
2 Water Reclamation Facility at 420 NW Louisiana Avenue, Chehalis, WA 98532 (the  
3 "Facility"), which is subject to National Pollutant Discharge Elimination System Permit No.  
4 WA0021105 (the "NPDES permit").

5           5.       This Consent Decree is a full and complete settlement and release of all the claims  
6 in the complaint, the sixty-day notice, and all other claims known and unknown existing as of the  
7 date of entry of this Consent Decree, that could be asserted under the Clean Water Act, 33 U.S.C.  
8 §§ 1251-1387 arising from operations of the Facility. These claims are released and dismissed  
9 with prejudice.  
10

11           6.       This Consent Decree is a settlement of disputed facts and law. This Consent  
12 Decree is not an admission or adjudication regarding any allegations by Waste Action Project in  
13 this case or of any fact or conclusion of law related to those allegations, nor evidence of any  
14 wrongdoing or misconduct on the part of the City.  
15

16           7.       The City agrees to the following terms and conditions in full and complete  
17 satisfaction of all the claims covered by this Consent Decree:

18           a.       The City will comply fully with all conditions of its NPDES Permit No.  
19 WA0021105 and any successor, modified, or replacement permit authorizing discharges  
20 of wastewater from the Facility.  
21

22           b.       For a period of two (2) years after the entry of this Consent Decree, the  
23 City will, on at least a quarterly basis, electronically forward to Waste Action Project  
24 copies of all communications to and/or from Ecology related to its NPDES permit or  
25 wastewater discharges from the facility;  
26

1 c. By December 31, 2020, the City will complete "Project 02" as  
2 identified in the HDR Report dated April 6, 2015, attached hereto as **Attachment A**.

3 8. Not later than thirty (30) days after the entry of this Consent Decree by this Court,  
4 the City will pay Thirty-Nine Thousand Dollars (\$39,000.00) to the Chehalis River Basin Land  
5 Trust, as described in **Attachment B** to this Consent Decree. The check will be made to the order  
6 of and delivered to: the Chehalis River Basin Land Trust, P.O. Box 563, Centralia, WA 98531.  
7 Payment will include the following reference in a cover letter or on the check: "Consent Decree,  
8 Waste Action Project v. City of Chehalis." A copy of the check and cover letter, if any, will be  
9 sent simultaneously to Waste Action Project and its counsel.  
10

11 9. Within thirty (30) days of entry of this Consent Decree by the Court, the City  
12 will pay Twenty Thousand Dollars (\$20,000.00) dollars to cover Waste Action Project's  
13 litigation fees, expenses, and costs (including reasonable attorney and expert witness fees) by  
14 check payable and mailed to Smith & Lowney, PLLC, 2317 East John St., Seattle, WA  
15 98112, attn: Richard Smith. The City's payment will be in full and complete satisfaction of  
16 any claims Waste Action Project has or may have, either legal or equitable, and of any kind or  
17 nature whatsoever, for fees, expenses, and costs incurred in the Litigation.  
18

19 10. A force majeure event is any event outside the reasonable control of the City  
20 that causes a delay in performing tasks required by this Consent Decree that cannot be cured  
21 by due diligence. Delay in performance of a task required by this Consent Decree caused by a  
22 force majeure event is not a failure to comply with the terms of this decree, provided that the  
23 City timely notifies Waste Action Project of the event; the steps that the City will take to  
24 perform the task; the projected time that will be needed to complete the task; and the  
25  
26

1 measures that have been taken or will be taken to prevent or minimize any impacts to  
2 stormwater quality resulting from delay in completing the task.

3 The City will notify Waste Action Project of the occurrence of a force majeure event as  
4 soon as reasonably possible but, in any case, no later than fifteen (15) days after the occurrence of  
5 the event. In such event, the time for performance of the task will be extended for a reasonable  
6 period of time following the force majeure event.  
7

8 By way of example and not limitation, force majeure events include:

- 9 a. Acts of God, war, insurrection, or civil disturbance;
- 10 b. Earthquakes, landslides, fire, floods;
- 11 c. Actions or inactions of third parties over which defendant has no control;
- 12 d. Unusually adverse weather conditions;
- 13 e. Restraint by court order or order of public authority;
- 14 f. Strikes;
- 15 g. Any permit or other approval sought by the City from a government  
16 authority to implement any of the actions required by this Consent Decree  
17 where such approval is not granted or is delayed, and where the City has  
18 timely and in good faith sought the permit or approval; and  
19
- 20 h. Litigation, arbitration, or mediation that causes delay.  
21

22 11. This Court retains jurisdiction over this matter until terminated in accordance  
23 with paragraph 13 below. While this Consent Decree remains in force, this case may be  
24 reopened without filing fees so that the parties may apply to the Court for any further order  
25 that may be necessary to enforce compliance with this decree or to resolve any dispute  
26 regarding the terms or conditions of this Consent Decree. In the event of a dispute regarding

1 implementation of, or compliance with, this Consent Decree, the parties must first attempt to  
2 resolve the dispute by meeting to discuss the dispute and any suggested measures for  
3 resolving the dispute. Such a meeting should be held as soon as practical, but must be held  
4 within thirty (30) days after notice of a request for such a meeting to the other party and its  
5 counsel of record. If no resolution is reached at that meeting or within thirty (30) days of the  
6 Notice (unless extended by mutual written agreement of the parties), either party may file a  
7 motion with this Court to resolve the dispute. The provisions of section 505(d) of the Clean  
8 Water Act, 33 U.S.C. § 1365(d), regarding awards of costs of litigation (including reasonable  
9 attorney and expert witness fees) to any prevailing or substantially prevailing party, will apply  
10 to any proceedings seeking to enforce the terms and conditions of this Consent Decree.  
11

12           12. The parties recognize that, pursuant to 33 U.S.C. § 1365(c)(3), no consent  
13 judgment can be entered in a Clean Water Act suit in which the United States is not a party prior  
14 to forty-five (45) days following the receipt of a copy of the proposed consent judgment by the  
15 U.S. Attorney General and the Administrator of the U.S. EPA. Therefore, upon the filing of this  
16 Consent Decree by the parties, Waste Action Project will serve copies of it upon the  
17 Administration of the U.S. EPA and the Attorney General, with a copy to the City.  
18

19           13. This Consent Decree will take effect upon entry by this Court. It terminates two  
20 years after that date, or ninety (90) days after the parties' completion of all obligations imposed  
21 by this Consent Decree, whichever is later.  
22

23           14. Both parties have participated in drafting this Consent Decree.

24           15. This Consent Decree may be modified only upon the approval of the Court.

25           16. If for any reason the court should decline to approve this Consent Decree in the  
26 form presented, this Consent Decree is voidable at the discretion of either party. The parties

1 agree to continue negotiations in good faith in an attempt to cure any objection raised by the court  
2 to entry of this Consent Decree.

3 17. Notifications required by this Consent Decree must be in writing. The sending  
4 party may use any of the following methods of delivery: (1) personal delivery; (2) registered or  
5 certified mail, in each case return receipt requested and postage prepaid; (3) a nationally  
6 recognized overnight courier with all fees prepaid; or (4) email. For a notice or other  
7 communication regarding this Consent Decree to be valid, it must be delivered to the receiving  
8 party at the one or more addresses listed below or to any other address designated by the receiving  
9 party in a notice in accordance with this paragraph 17.  
10

11 if to Waste Action Project:

12 Greg Wingard  
13 PO Box 9281  
14 Covington, WA 98042  
15 Email: gwingard@earthlink.net

16 and to:

17 Alyssa Englebrecht  
18 Richard Smith  
19 Smith & Lowney PLLC  
20 2317 East John St.  
21 Seattle, WA 98112  
22 email: alyssa@smithandlowney.com,  
23 richard@smithandlowney.com

24 if to the City:

25 Jill Anderson  
26 City Manager  
City of Chehalis  
350 N. Market Boulevard, Room 101  
Chehalis, WA 98532  
janderson@ci.chehalis.wa.us

and to:

CONSENT DECREE: No. 2:17-cv-00524-TSZ

7

Smith & Lowney, p.l.l.c.  
2317 East John St.  
Seattle, Washington 98112  
(206) 860-2883



1  
2 Lori Terry Gregory  
3 Foster Pepper PLLC  
4 1111 Third Avenue, Suite 3000  
5 Seattle, WA 98101  
6 lori.terry@foster.com

7 A notice or other communication regarding this Consent Decree will be effective when  
8 received unless the notice or other communication is received after 5:00 p.m. on a business day,  
9 or on a day that is not a business day, then the notice will be deemed received at 9:00 a.m. on the  
10 next business day. A notice or other communication will be deemed to have been received: (a) if  
11 it is delivered in person or sent by registered or certified mail or by nationally recognized  
12 overnight courier, upon receipt as indicated by the date on the signed receipt; or (b) if the  
13 receiving party rejects or otherwise refuses to accept it, or if it cannot be delivered because of a  
14 change in address for which no notice was given, then upon that rejection, refusal, or inability to  
15 deliver; or (c) for notice provided by e-mail, upon receipt of a response by the party providing  
16 notice or other communication regarding this Consent Decree.

17 18. If Waste Action Project decides to send a subsequent sixty-day notice of intent to  
18 sue letter to the City, Waste Action Project will meet and confer, in good faith, with the City  
19 about the alleged violations within one week before sending the sixty-day notice to the City.

20 DATED this \_\_\_\_ day of \_\_\_\_\_, 2018.

21  
22  
23 \_\_\_\_\_  
24 HON. THOMAS S. ZILLY  
25 UNITED STATES DISTRICT JUDGE

26 Presented by:

CONSENT DECREE: No. 2:17-cv-00524-TSZ

8

Smith & Lowney, p.l.l.c.  
2317 East John St.  
Seattle, Washington 98112  
(206) 860-2883

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FOSTER PEPPER PLLC

SMITH & LOWNEY PLLC

By s/  
Lori A. Terry, WSBA # 22006  
Attorney for Defendant  
City of Chehalis

By s/Alyssa Englebrecht  
Alyssa Englebrecht, WSBA #46773  
Richard Smith, WSBA #21788  
Attorneys for Plaintiff  
Waste Action Project

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Chun Saul, Finance Director

**MEETING OF:** September 10, 2018

**SUBJECT:** Ordinance No. 990-B, Second Reading and Final Reading – Providing for an Interfund Loan from Water Fund to Airport Fund

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**ISSUE**

City Council approval is requested for an interfund loan from the city's Water Fund to the Airport Fund in the amount of \$279,426.60 to provide funding to pay off an existing bank loan taken out for the Airport Tract A site project in November 2017.

**DISCUSSION**

In November 2017, the city took out a bank loan in the amount of \$300,000 with an annual interest rate of 5% over a 10-year term for the Airport Tract A site preparation project. The bank loan will have 110 monthly payments (9 years and 2 months) remaining as of October 1, 2018.

The city is desirous of paying off the bank loan using an interfund loan from the Water Fund to the Airport Fund with a lower interest rate equal to the Local Investment Pool net earnings rate and a shorter repayment period (over 4 years), which will save the city approximately \$58,700 in interest costs.

If the city were to make additional principal payments to pay off the bank loan in 4 years (48 months) at the current bank interest rate of 5%, the city would save approximately \$40,560 in interest costs, when compared to keeping the original loan repayment schedule.

The proposed interfund loan arrangement would save an additional \$18,162 in interest costs. Therefore, the administration recommends that the City Council approve the interfund loan from the city's Water Fund to the Airport Fund in the amount of \$279,426.60, effective October 1, 2018, over a period of four years (48 monthly payments) at an interest rate of 2% per annum. The interest rate shall be adjusted to match the Local Government Investment Pool rate if the LGIP rate rises above 2%.

A summary for estimated interest cost savings and an interfund loan repayment amortization schedule (Ordinance 990-B Attachment "A") are attached to this report.

**FISCAL IMPACT**

The city's Airport debt service budget will increase by approximately \$8,641 in 2018, \$34,567 for years 2019 through 2021, and \$25,925 in 2022.

However, based on the estimated fund balance at the end of December 31, 2018 and 2019 preliminary budget estimates for the Airport Fund, the administration believes that the debt service budget increase can be absorbed by the Airport Fund's operating revenues without an issue.

The city's Water Fund has an adequate unreserved fund balance (cash) to provide the funding.

**RECOMMENDATION**

It is recommended that the City Council pass Ordinance No. 990-B on second and final reading.

**SUGGESTED MOTION**

I move that the council pass Ordinance No. 990-B on second and final reading.

**Proposal for Interfund Loan and Pay Off Bank Loan**

9/4/2018  
Chun Saul

**Loan for Airport Tract A Site Preparation Project**

Security State Bank Loan  
Original Loan Amount \$ 300,000.00  
Term (10 Year, 120 monthly payments) 120

**Interfund loan from Water Fund to Airport Fund**

	<b>Current @ SSB</b>	<b>SSB Loan (Expedite Payment)*</b>	<b>Interfund Loan</b>
Term	<b>10 Years</b>	<b>10 Years</b>	<b>4 Years</b>
Payment Begin	11/15/2017	11/15/2017	10/31/2018
Payment Ends	11/15/2027	9/30/2022	9/30/2022
Interest Rate (365/360)	5.0%	5.0%	2.0%
<b>Remaining Loan Balance 10/1/2018</b>	<b>\$ 279,426.60</b>	<b>\$ 279,426.60</b>	<b>\$ 279,426.60</b>
<b>Remaining Months to Maturity</b>	<b>110</b>	<b>48</b>	<b>48</b>
Monthly Payment	\$ 3,185.00	\$ 6,443.94	\$ 6,065.57
X 12	12	12	12
Annual Payment	\$ 38,220.00	\$ 77,327.28	\$ 72,786.84
<b>Increase in Annual Payment</b>	<b>n/a</b>	<b>\$ 39,107.28</b>	<b>\$ 34,566.84</b>
Interest Payment			
From October 2018 to Nov 2027	\$ 70,447.95	\$ 29,882.49	\$ 11,720.70
<b>Interest cost savings over life of loan</b>	<b>n/a</b>	<b>\$ 40,565.46</b>	<b>\$ 58,727.25</b>

\* Keep the loan as is but make additional monthly payments to pay off the loan over 48 months.

Airport Fund Estimated Fund Balance 12/31/2018 \$ 558,252.00  
Water Fund Estimated Fund Balance 12/31/2018 \$ 6,861,925.00

**ORDINANCE NO. 990-B  
Attachment "A"**

**Interfund Loan from Water Fund to Airport Fund  
AMORTIZATION SCHEDULE**

Interest Rate @ 2% , Over 4-years						
	Interest Rate	Interest begin	1st payment	Monthly Pmt	Interest	Due
	2.00%	10/1/2018	10/31/2018	\$ 6,065.57	365/360	30th
Payment No.	Beginning Balance	Interest	Principal	Total Payment	Ending Principal	Month Ending
1	279,426.60	481.23	5,584.34	6,065.57	273,842.26	10/31/2018
2	273,842.26	456.40	5,609.17	6,065.57	268,233.09	11/30/2018
3	268,233.09	461.96	5,603.61	6,065.57	262,629.48	12/31/2018
4	262,629.48	452.31	5,613.26	6,065.57	257,016.22	1/31/2019
5	257,016.22	399.80	5,665.77	6,065.57	251,350.45	2/28/2019
6	251,350.45	432.88	5,632.69	6,065.57	245,717.76	3/31/2019
7	245,717.76	409.53	5,656.04	6,065.57	240,061.72	4/30/2019
8	240,061.72	413.44	5,652.13	6,065.57	234,409.59	5/31/2019
9	234,409.59	390.68	5,674.89	6,065.57	228,734.70	6/30/2019
10	228,734.70	393.93	5,671.64	6,065.57	223,063.06	7/31/2019
11	223,063.06	384.16	5,681.41	6,065.57	217,381.65	8/31/2019
12	217,381.65	362.30	5,703.27	6,065.57	211,678.38	9/30/2019
13	211,678.38	364.56	5,701.01	6,065.57	205,977.37	10/31/2019
14	205,977.37	343.30	5,722.27	6,065.57	200,255.10	11/30/2019
15	200,255.10	344.88	5,720.69	6,065.57	194,534.41	12/31/2019
16	194,534.41	335.03	5,730.54	6,065.57	188,803.87	1/31/2020
17	188,803.87	293.69	5,771.88	6,065.57	183,031.99	2/29/2020
18	183,031.99	315.22	5,750.35	6,065.57	177,281.64	3/31/2020
19	177,281.64	295.47	5,770.10	6,065.57	171,511.54	4/30/2020
20	171,511.54	295.38	5,770.19	6,065.57	165,741.35	5/31/2020
21	165,741.35	276.24	5,789.33	6,065.57	159,952.02	6/30/2020
22	159,952.02	275.47	5,790.10	6,065.57	154,161.92	7/31/2020
23	154,161.92	265.50	5,800.07	6,065.57	148,361.85	8/31/2020
24	148,361.85	247.27	5,818.30	6,065.57	142,543.55	9/30/2020
25	142,543.55	245.49	5,820.08	6,065.57	136,723.47	10/31/2020
26	136,723.47	227.87	5,837.70	6,065.57	130,885.77	11/30/2020
27	130,885.77	225.41	5,840.16	6,065.57	125,045.61	12/31/2020
28	125,045.61	215.36	5,850.21	6,065.57	119,195.40	1/31/2021
29	119,195.40	185.42	5,880.15	6,065.57	113,315.25	2/28/2021
30	113,315.25	195.15	5,870.42	6,065.57	107,444.83	3/31/2021
31	107,444.83	179.07	5,886.50	6,065.57	101,558.33	4/30/2021
32	101,558.33	174.91	5,890.66	6,065.57	95,667.67	5/31/2021
33	95,667.67	159.45	5,906.12	6,065.57	89,761.55	6/30/2021
34	89,761.55	154.59	5,910.98	6,065.57	83,850.57	7/31/2021
35	83,850.57	144.41	5,921.16	6,065.57	77,929.41	8/31/2021
36	77,929.41	129.88	5,935.69	6,065.57	71,993.72	9/30/2021
37	71,993.72	123.99	5,941.58	6,065.57	66,052.14	10/31/2021
38	66,052.14	110.09	5,955.48	6,065.57	60,096.66	11/30/2021
39	60,096.66	103.50	5,962.07	6,065.57	54,134.59	12/31/2021
40	54,134.59	93.23	5,972.34	6,065.57	48,162.25	1/31/2022
41	48,162.25	74.92	5,990.65	6,065.57	42,171.60	2/28/2022
42	42,171.60	72.63	5,992.94	6,065.57	36,178.66	3/31/2022
43	36,178.66	60.30	6,005.27	6,065.57	30,173.39	4/30/2022
44	30,173.39	51.97	6,013.60	6,065.57	24,159.79	5/31/2022
45	24,159.79	40.27	6,025.30	6,065.57	18,134.49	6/30/2022
46	18,134.49	31.23	6,034.34	6,065.57	12,100.15	7/31/2022
47	12,100.15	20.84	6,044.73	6,065.57	6,055.42	8/31/2022
48	6,055.42	10.09	6,055.42	6,065.51	(0.00)	9/30/2022
<b>TOTAL</b>		<b>11,720.70</b>	<b>279,426.60</b>	<b>291,147.30</b>		

**ORDINANCE NO. 990-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AUTHORIZING AN INTERFUND LOAN FROM THE WATER FUND FOR TWO HUNDRED SEVENTY-NINE THOUSAND FOUR HUNDRED TWENTY-SIX AND 60/100 DOLLARS (\$279,426.60) TO THE AIRPORT FUND; PROVIDING FOR THE TERMS OF REPAYMENT; PROVIDING FOR THE INTEREST RATE; AND AUTHORIZING THE EXPENDITURE OF SAID FUNDS FOR THE OPERATION OF THE AFORE-NAMED FUNDS OF THE CITY.**

**WHEREAS**, the city of Chehalis has an existing bank loan taken out for the Airport Tract A site project with an annual interest rate of 5%; and

**WHEREAS**, the city is desirous of paying off the bank loan using an interfund loan from the Water Fund to the Airport Fund with a lower interest rate and a shorter repayment period; and

**WHEREAS**, said interfund loan will save the city approximately \$58,700 in interest costs; Now, therefore;

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

**Section 1.** The city is authorized to transfer funds pursuant to an interfund loan from the Water Fund to the Airport Fund a total sum up to Two Hundred Seventy-Nine Thousand Four Hundred Twenty-Six and 60/100 Dollars (\$279,426.60).

**Section 2.** Said funds shall be transferred on October 1, 2018.

**Section 3.** Said funds shall be repaid at the end of each month from the Airport Fund to the Water Fund over a period of four years (48 monthly payments) in accordance with the

attached amortization schedule (Attachment A).

**Section 4.** Interest on the loan shall accrue at the rate of 2% per annum. Said interest rate shall be adjusted to match the Local Government Investment Pool rate if said rate rises above 2%.

**Section 5.** Said funds shall be available for use by the Airport Fund of the city.

**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 \_\_\_\_\_, 2018.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form and for content:

\_\_\_\_\_  
City Attorney



**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Ken Cardinale, Fire Chief

**MEETING OF:** September 10, 2018

**SUBJECT:** Interlocal Agreement for Lewis County Fire District Six Fire Station Use by the City of Chehalis

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**ISSUE**

An Interlocal Agreement with Lewis County Fire District Six has been prepared for the temporary use of their fire station by the City of Chehalis Fire Department employee's and the housing of our emergency apparatus due to the finding of asbestos at the Chehalis Fire Station during a renovation project. It is proposed that this arrangement continue for the duration of the renovation project to prevent any further disruption to the fire operation while the planned repairs of the building, which was built in the 1920's, are completed in the next 45 to 60 days, barring any additional unforeseen circumstances.

**DISCUSSION**

Lewis County Fire District Six is providing the temporary housing of the City of Chehalis Fire department personnel, apparatus, and associated equipment at their fire station located at 2123 Jackson Highway, Chehalis. The District agrees to allow the city the nonexclusive use of those portions of the station to house our personnel, fire apparatus, storing of equipment and supplies, and the use of adjacent parking areas.

Each party shall procure and maintain a comprehensive general liability policy covering all claims for personal injury and/or property damage. The liability limit should be not less than one million for each occurrence and a two million aggregate. Participation in a self-insured governmental risk pool will satisfy the insurance requirements.

This agreement does not establish a separate legal entity and shall be administered jointly by the chief officers or the respective parties.

**FISCAL IMPACT**

The impact to the Fire Department budget will be \$1,400 per month to offset the City's impact on the wear and tear of the District's facilities and use of utilities for the duration of the agreement. The agreement shall be effective on the date of the mutual execution and shall continue until terminated by either party within seven days' written advance notice. This

expense is related to an unforeseen event and will need to be added to the budget if savings in other areas of the fire operation are not sufficient to cover the costs of the temporary housing. Barring unforeseen circumstances, it is anticipated that the temporary housing will only be needed until November 1.

**RECOMMENDATION**

It is recommended that the City Council approve the agreement and authorize the City Manager to execute the document.

**SUGGESTED MOTION**

I move that the City Council approve the Interlocal Agreement with Lewis County Fire District Six and authorize the City Manager to execute the document.

## STATION USE INTERLOCAL

This agreement is entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2018 between Lewis County Fire Protection District No. 6 "District", and the City of Chehalis referred to as "City".

### RECITALS

1. District owns a fire station located at 2123 Jackson Hwy., Chehalis, WA 98532 "Station."
2. City has a temporary emergency need to house 12 Employees and 7 City Fire Apparatus and associated equipment in an operating fire station.
3. District, in an effort to assist City in addressing its emergency need and to minimize the impact of the City's emergency needs on the District's mutual aid obligations in the City is willing to allow City to temporarily use those portions of the Station identified in Exhibit A.
4. This agreement is entered into under the authority of RCW 52.12.031 and in conformity with chapter 39.34 RCW, the Interlocal Cooperation Act.

### AGREEMENT

1. **Use of Station by City.** District agrees to allow the City the nonexclusive use of those portions of the Station identified in Exhibit A. for the following purposes:
  - 1.1. Stationing of a City fire apparatus;
  - 1.2. Storing of associated City equipment and supplies;
  - 1.3. Use of parking area adjacent to Station as necessary and provided that such use does not interfere with District's operations; and
  - 1.4. As a response base for responses into City and for mutual aid responses outside of the City. Such use to include stationing of City personnel on 24 hour basis including use of necessary bathroom, sleeping, lounge areas and kitchen facilities. City personnel shall be responsible for purchasing and preparing their own meals.
2. **No shared property or shared use.** The parties agree that City's rights are limited to the uses specified in Paragraph 1 of this Agreement and that City has no right to use District property stored in the Station. City agrees that District personnel may move the City apparatus as necessary to allow for Station access, cleaning, maintenance, etc. All property acquired by City related to the use of the Station shall remain the property of City in the event of the termination of this agreement. All property acquired by District related to the use of the Station, shall remain the property of District in the event of the termination of this agreement. The Station shall remain the sole property of District and this Agreement does create any ownership interests in the Station by any other entity or individual.

3. **Security and Building Access.** City shall maintain the security of the Station at all times and shall only provide access codes and or keys to those City personnel with a need to access the Station. Authorized personnel of City shall have access to the Station on a twenty-four hour per day, seven day per week basis. City agrees that if City or City personnel are negligent in the use and occupation of the Station and if such negligence is the cause of damage to the facility or damage to or loss of District property located in the Station, that City shall be solely responsible for such damages or loss.
4. **Term.** This Agreement shall be effective on the date of mutual execution and shall continue until terminated by either party with 7 days written advance notice.
5. **Consideration.** The consideration for this Agreement is 1) the benefit to District of having the City fire apparatus in a position to provide a quicker response to mutual aid incidents in the District, 2) to decrease the impact on the District's mutual aid obligations in the City, 3) the City's agreement to indemnify and hold District harmless in the manner specified in Paragraph 6, and 4) The City's payment of \$1,400.00 per month to offset the City's impact on the wear and tear of the Station and the City's use of Station utilities.
6. **Indemnification/Hold Harmless.** City agrees to assume responsibility for all liabilities that occur or arise in any way out of the use of the Station by its elected officials, officers, employees, agents or guests and to save and hold District, its elected officials, employees and officers harmless from all costs, expenses, losses and damages, including the costs of defense, incurred as a result of any acts or omissions of City, its elected officials, officers, employees, agents or guests during the use of the Station and shared equipment. For purposes of this indemnification, District, its elected officials, officers and employees, shall not be considered to be agents of the City. IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES City's WAIVER OF IMMUNITY UNDER THE INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY TO CARRY OUT THE PURPOSES OF THIS INDEMNIFICATION CLAUSE. City FURTHER ACKNOWLEDGES THAT IT HAS MUTUALLY NEGOTIATED THIS WAIVER.
7. **Insurance.**
  - 7.1. Each party shall procure and maintain a comprehensive general liability policy covering all claims for personal injury (including death) and/or property damage (including all real and personal property located on or in the Station) arising at the Station or arising out of the parties performance of their obligations under this agreement by its elected officials, officers, employees and agents. The limit of liability should not be less than one million (\$1,000,000.00) dollars for each occurrence and two million (\$2,000,000.00) dollars aggregate. Participation in a self insured governmental risk pool will satisfy the insurance requirements herein.
  - 7.2. District shall maintain an insurance policy on the Property in the amount of the replacement cost, for damage from fire; earthquake; and other perils.
  - 7.3. City shall be responsible for maintaining its own fire and hazard insurance on City owned personal property located in the Station

**8. Miscellaneous.**

**8.1. No Separate Entity Created.** This Agreement does not establish a separate legal entity, joint board, or administrative section for the purpose of acquiring, managing, or disposing of property, or any other financial obligation.

**8.2. Administration.** This Agreement shall be administered jointly by the chief officers of the respective Parties.

**8.3. Benefits.** This agreement is entered into for the benefit of the parties to this agreement only and shall confer no benefits, direct or implied, on any third persons.

**8.4. Assignment.** City shall not assign its rights under this Agreement without the prior written consent of District.

**8.5. Entire Agreement/Modification.** This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior negotiations or discussions with respect thereto. This Agreement may be amended or modified by written instrument signed by the Parties.

**8.6. Publication on Website.** This Agreement shall either be filed with the County Auditor or listed on each party's website in compliance with RCW 39.34.040. The failure to correctly list this Agreement shall not nullify any term of this Agreement.

**8.7. Notice.** All communications regarding this Agreement shall be sent to the parties at the parties regular business address unless notified to the contrary. Any written notice hereunder shall become effective upon personal service or three (3) business days after the date of mailing by first class or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

By: \_\_\_\_\_  
City of Chehalis City Manager

By: \_\_\_\_\_

Print Name: \_\_\_\_\_  
City Manager

Print Name: \_\_\_\_\_  
Fire Chief

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

## **EXHIBIT A**

- 1. Apparatus Floor**
- 2. Day Room**
- 3. Alarm Room**
- 4. Training Room**
- 5. Administration Offices**
- 6. Meeting Rooms**
- 7. Bathrooms**
- 8. Dormitory**
- 9. Physical Fitness Area**
- 10. Apparatus Tarmac**
- 11. Parking Lot**

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**BY:** Chun Saul, Finance Director

**MEETING OF:** September 10, 2018

**SUBJECT:** Ordinance No. 991-B, First Reading – Second Amendment to the 2018 Budget

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**ISSUE**

Ordinance No. 991-B, amending the 2018 Budget, is hereby submitted to reflect the changes in estimates and actual activity of the city. This ordinance is necessary to ensure compliance with state appropriation requirements and to document adjustments to the 2018 Budget.

**DISCUSSION**

In June of this year, Ordinance No. 987-B was adopted to amend the 2018 budget, which was the first budget amendment of the year.

This proposed ordinance is the second amendment to the 2018 Budget. The attached spreadsheet provides information on a line-by-line basis, as well as the summary information of the proposed budget amendment. The net city-wide decrease in fund balances associated with the second budget amendment totals \$793,125 which includes the following:

**General Fund**

Increase in revenue estimates by \$43,038, including a \$21,560 donation from the Chehalis Foundation, \$10,853 from drug seizures, and \$10,625 fees for UGA permitting services.

Total net increase in appropriations is \$32,635, which includes the following:

- \$21,560 increase for unanticipated tree removal costs at Lintott Alexander Park which is reimbursed by the Chehalis Foundation donation.
- \$10,853 increase for operating supplies and small equipment needed for drug enforcement activities.
- \$20,381 increase in personnel costs relating to a new Planning and Building Manager and a reclassification of a Property Maintenance Tech II position to a Property/Facilities Manager.
- \$8,973 increase in software (Building Permit) support costs that were omitted from the adopted 2018 budget.

- \$77,650 contributions made to the Fire Fighters' Health Savings Account that was omitted from the adopted 2018 budget.
- \$66,782 decrease in the City Council, City Manager, City Clerk, Human Resources, and Finance department expenditures collectively, resulting from adjustments of contra expenses (administrative support cost allocation to other funds, thus reducing the support departments' expenditures) based on actual activities through July 2018 to reflect more to the actual.
- \$40,000 decrease in the Non-departmental budget for professional services and communications budget lines that we do not plan on spending the entire amount.

Total of \$75,600 transfer outs are requested for the following:

- \$75,000 to the Public Facilities Reserve Fund for fire station repair costs due to asbestos testing and cleanup.
- \$600 to the 1982-1993 Community Building Block Grant (CDBG) Fund to cover unexpected legal service costs incurred.

### **1982-93 Community Block Grant Fund (CDBG)**

The CDBG fund has a negative fund balance due to unexpected legal work done on a parcel.

Increase in appropriations by \$915 is requested.

A \$600 transfer in from the General Fund is requested to bring the fund balance above zero.

The 2018 adopted budget includes an estimated revenue of \$10,000, however, no revenues are expected to be received. A decrease in revenue estimates in the amount of \$9,700 is proposed.

### **Public Facilities Reserve Fund**

Additional funds (appropriation) in the amount of \$84,515 are needed for the following:

- \$75,000 to cover unexpected asbestos cleanup cost at the fire station, and
- \$9,515 for the Architecture & Engineering service costs for the Recreation Park project.

Total of \$84,515 transfer in is requested as follows:

- \$75,000 transfer in from the General Fund for the asbestos cost, and
- \$9,515 from the Second Quarter REET Fund for the Recreation Park project cost.

### **Second Quarter Percent REET Fund**

It is proposed that \$9,515 be transferred out to the Public Facilities Reserve Fund to provide additional funds needed for the Recreation Park Architecture & Engineering service costs.

### **Garbage Fund**

\$1,500 increase in appropriation is needed to cover increased costs in yard waste and organic dump usage.



### **Wastewater Fund**

A net total increase in appropriations for \$355,987, including the following:

- \$299,000 increase in attorney fees and settlement cost.
- \$108,968 increase for Stan Hedwall sewer connection project scope of work change.
- \$2,687 increase in payroll costs relating to a new Planning & Building Manager.
- \$29,976 decrease in indirect support cost allocations (contra expenses) from the General Fund and the Water Fund.
- Other net decrease \$24,692.

### **Water Fund**

Total net increase in appropriations for \$310,906, including the following:

- \$279,430 interfund loan to the Airport Fund proposed
- \$40,272 increase in payroll costs relating to a new Water Distribution Maintenance Worker and a new Planning and Building Manager
- \$8,796 net decrease in indirect support cost allocations/charges (contra expense) from the General Fund and to the other utilities funds.

Total increase in revenues for \$18,200 relating to interfund loan repayments from the Airport Fund.

### **Storm & Surface Water Utility Fund**

Total increase in appropriation for \$23,035, including the following:

- \$2,687 increase in payroll costs relating to a new Planning and Building Manager
- \$20,348 increase in indirect cost allocations/charges (contra expenses) from the General Fund and from the Water Fund for administrative support cost.

### **Airport Fund**

Increase in revenues by \$279,430, which is an interfund loan from the Water Fund to the Airport Fund to pay off a bank loan taken out for the Tract A site preparation in November 2017.

Increase in appropriation by \$314,600, including the following:

- \$292,960 increase in debt service payments for paying off existing bank loan and three-monthly repayment of interfund loans to the Water Fund.
- \$2,687 increase in payroll costs relating to a new Planning and Building Manager.
- \$18,953 increase in indirect support costs allocations/charges (contra expenses) from the General Fund.

A summary of the proposed budget amounts and estimated ending fund balances, as well as full details of the proposed budget amendment are attached to the proposed ordinance as exhibit "A" and exhibit "A-1".

**RECOMMENDATION**

It is recommended that the City Council pass Ordinance No. 991-B on first reading.

**SUGGESTED MOTION**

I move that the City Council pass Ordinance No. 991-B on first reading.

**EXHIBIT A**  
**CITY OF CHEHALIS SECOND AMENDED 2018 BUDGET**  
**2018 Budget Summary Revised with Ordinance No. 991-B**

FUND NAME	FUND NO.	Est. Beg. Fund Balance	Revenue	Transfers In	Expenditures	Transfers Out	Est. End. Fund Balance	Change in Est. Fund Balance	Fund Bal. % Chg Beg - End.
General Fund	001	\$ 2,041,941	\$ 9,329,852	\$ -	\$ 9,845,641	\$ 556,527	\$ 969,625	(1,072,316)	-52.5%
Dedicated Street Fund - 4% Sales Tax	003	117,842	500	184,625	180,940	-	122,027	4,185	3.6%
Building Abatement Fund	004	90,313	200	9,596	-	-	100,109	9,796	10.8%
Arterial Street Fund	102	114,125	148,500	-	160,060	-	102,565	(11,560)	-10.1%
Transportation Benefit Fund	103	360,055	850,600	-	500,000	-	710,655	350,600	97.4%
Tourism Fund	107	313,086	233,800	-	217,435	100,000	229,451	(83,635)	-26.7%
Compensated Absence Fund	110	-	-	92,868	-	-	92,868	92,868	0.0%
Community Dev. Block Grant Fund	195	111	300	600	990	-	21	(90)	-81.1%
HUD Block Grant Fund	197	70,943	100	-	-	-	71,043	100	0.1%
2011 G.O. Bond Fund	200	-	-	102,510	102,510	-	-	-	0.0%
Public Facilities Reserve Fund	301	90,185	189,233	739,515	829,660	-	189,273	99,088	109.9%
Automotive/Equip. Res. Fund	302	463	-	92,868	-	-	93,331	92,868	20057.9%
1st Quarter REET Fund	305	176,107	90,700	-	-	242,865	23,942	(152,165)	-86.4%
2nd Quarter REET Fund	306	264,738	90,650	-	-	323,190	32,198	(232,540)	-87.8%
Garbage Fund	402	7,024	6,445	-	7,505	-	5,964	(1,060)	-15.1%
Wastewater Fund	404	4,822,426	5,529,897	-	5,512,192	-	4,840,131	17,705	0.4%
Water Fund	405	7,192,608	2,880,084	-	3,210,767	-	6,861,925	(330,683)	-4.6%
Storm & Surface Water Fund	406	1,100,553	578,130	-	721,225	-	957,458	(143,095)	-13.0%
Airport Fund	407	371,625	2,369,689	-	2,218,232	-	523,082	151,457	40.8%
Firemen's Pension Fund	611	729,330	177,478	-	78,500	-	828,308	98,978	13.6%
City Agency Fund	633	10,890	360,000	-	360,000	-	10,890	-	0.0%
<b>TOTALS</b>		<b>\$ 17,874,365</b>	<b>\$ 22,836,158</b>	<b>\$ 1,222,582</b>	<b>\$ 23,945,657</b>	<b>\$ 1,222,582</b>	<b>\$ 16,764,866</b>	<b>\$ (1,109,499)</b>	<b>-6.2%</b>

M:\Budget Amendments\2018\2018 Budget Amendment #2\2018 2nd Budget Amendment Exhibit A for 1st reading 9.10.18

Fund No. and Name	Account Name	Reason for Amendment	2018 Amended Budget	Revenue Increase (Decrease)	Transfers In	Appropriation Increase (Decrease)	Transfers Out	Total Amendment Increase (Decrease)	Recommended Amended Budget
<b>Fund 001 - General Fund</b>									
<b>Revenues:</b>									
001.345.089.02	Com Dev Admin Fee - UGA Permitting	Anticipated Revenue from UGA Permitting	-	10,625	-	-	-	10,625	10,625
001.369.030.00	Confiscated & Forfeiture-Drug/JNET Facilities Donation	Drug Unit increased costs to be reimbursed.	10,000	10,853	-	-	-	10,853	20,853
001.387.011.76	Total General Fund Revenues & Transfers In	Chehalis Foundation for tree removal at Lintoft/Alexander	9,286,814	21,560	-	-	-	21,560	9,329,852
<b>Expenditures:</b>									
<b>Contra expenses:</b>									
001.B1.511.069.1C.00	Council-Wage Contra Expense	Review of Contra Accounts-Reflects more to actual	(1,800)	(1,263)	-	(1,263)	-	(1,263)	(3,063)
001.B1.511.069.2C.00	Council-Benefit Contra Expense	Review of Contra Accounts-Reflects more to actual	(17,800)	(14,743)	-	(14,743)	-	(14,743)	(32,543)
001.B1.511.069.3C.00	Council-Supplies Contra Expense	Review of Contra Accounts-Reflects more to actual	(285)	(460)	-	(460)	-	(460)	(745)
001.B1.511.069.4C.00	Council-Services Contra Expense	Review of Contra Accounts-Reflects more to actual	(4,461)	1,250	-	(3,211)	-	(3,211)	(3,211)
001.D1.513.019.1C.00	City Manager-Wage Contra Expense	Review of Contra Accounts-Reflects more to actual	(55,895)	(4,713)	-	(60,608)	-	(60,608)	(60,608)
001.D1.513.019.2C.00	City Manager-Benefit Contra Expense	Review of Contra Accounts-Reflects more to actual	(31,200)	5,388	-	(25,812)	-	(25,812)	(25,812)
001.D1.513.019.3C.00	City Manager-Supplies Contra Expense	Review of Contra Accounts-Reflects more to actual	(420)	49	-	(371)	-	(371)	(371)
001.D1.513.019.4C.00	City Manager-Services Contra Expense	Review of Contra Accounts-Reflects more to actual	(4,975)	(4,332)	-	(9,307)	-	(9,307)	(9,307)
001.D1.515.019.3C.00	City Manager-Supplies Contra Expense	Review of Contra Accounts-Reflects more to actual	(422)	(7)	-	(429)	-	(429)	(429)
001.D1.515.019.4C.00	City Manager-Services Contra Expense	Review of Contra Accounts-Reflects more to actual	(23,581)	(11,357)	-	(34,938)	-	(34,938)	(34,938)
001.E1.514.028.1C.00	Finance-Wage Contra Expense	Review of Contra Accounts-Reflects more to actual	(84,000)	(15,505)	-	(99,505)	-	(99,505)	(99,505)
001.E1.514.028.2C.00	Finance-Benefit Contra Expense	Review of Contra Accounts-Reflects more to actual	(36,600)	(2,751)	-	(39,351)	-	(39,351)	(39,351)
001.E1.514.029.2C.00	Finance-Supplies Contra Expense	Review of Contra Accounts-Reflects more to actual	(2,901)	1,400	-	(1,501)	-	(1,501)	(1,501)
001.E1.514.029.3C.00	Finance-Services Contra Expense	Review of Contra Accounts-Reflects more to actual	(13,347)	(12,827)	-	(26,174)	-	(26,174)	(26,174)
001.E1.514.029.4C.00	Finance-Supplies Contra Expense	Review of Contra Accounts-Reflects more to actual	(16,815)	(7,035)	-	(23,850)	-	(23,850)	(23,850)
001.E4.514.028.1C.00	City Clerk-Wage Contra Expense	Review of Contra Accounts-Reflects more to actual	(4,825)	(4,480)	-	(9,305)	-	(9,305)	(9,305)
001.E4.514.028.2C.00	City Clerk-Benefit Contra Expense	Review of Contra Accounts-Reflects more to actual	(324)	195	-	(129)	-	(129)	(129)
001.E4.514.028.3C.00	City Clerk-Supplies Contra Expense	Review of Contra Accounts-Reflects more to actual	(2,700)	494	-	(2,206)	-	(2,206)	(2,206)
001.E4.514.028.4C.00	City Clerk-Services Contra Expense	Review of Contra Accounts-Reflects more to actual	(361)	361	-	-	-	-	-
001.G1.518.080.5C.00	Non-departmental Inter Svs Contra Expense	Review of Contra Accounts-Reflects more to actual	(26,740)	(925)	-	(27,665)	-	(27,665)	(27,665)
001.G2.518.019.1C.00	HR/Risk Mgmt-Benefit Contra Expense	Review of Contra Accounts-Reflects more to actual	(10,045)	(626)	-	(10,671)	-	(10,671)	(10,671)
001.G2.518.019.2C.00	HR/Risk Mgmt-Supplies Contra Expense	Review of Contra Accounts-Reflects more to actual	(1,693)	1,222	-	(471)	-	(471)	(471)
001.G2.518.019.3C.00	HR/Risk Mgmt-Services Contra Expense	Review of Contra Accounts-Reflects more to actual	(6,553)	3,863	-	(2,690)	-	(2,690)	(2,690)
001.G2.518.019.4C.00	HR/Risk Mgmt-Services Contra Expense	Review of Contra Accounts-Reflects more to actual	(6,553)	3,863	-	(2,690)	-	(2,690)	(2,690)
<b>Sub total -contra expenses</b>									
001.F2.518.030.11.00	Salaries & Wages	Reclassification Facility Manager	276,505	-	-	(66,782)	-	(66,782)	246,887
001.F2.518.030.12.00	Overtime	Reclassification Facility Manager	6,000	-	-	(29,638)	-	(29,638)	5,420
001.F2.518.030.21.00	Personnel Benefits	Reclassification Facility Manager	152,951	-	-	(580)	-	(580)	156,741
001.F2.518.031.11.00	Salaries & Wages	Reclassification Facility Manager	20,261	-	-	(16,210)	-	(16,210)	33,361
001.F2.518.031.21.00	Personnel Benefits	Reclassification Facility Manager	7,189	-	-	33,361	-	33,361	53,622
<b>Sub total - facility manager reclassification</b>									
001.F2.518.030.48.00	Repair & Maintenance	Unfresen Tree Removal at Lintoft Alexander Park	74,500	-	-	4,257	-	4,257	96,060
<b>Sub total - facility other</b>									
001.G1.518.080.41.00	Professional Services	Not planning on spending the entire amount	48,000	-	-	21,560	-	21,560	23,000
001.G1.518.080.42.00	Communications	Not planning on spending the entire amount	25,000	-	-	(25,000)	-	(25,000)	10,000
001.G1.597.000.05.31	Transfer Out to Fund 301	Fire station Repairs - asbestos testing/clean up cost	75,000	-	-	(15,000)	75,000	75,000	150,000
001.G1.597.000.05.95	Transfer Out - Fund 195 (CDBG)	Transfer out to CDBG fund to cover legal service fees	-	-	-	-	600	600	600
<b>Sub total - non department</b>									
001.H1.521.022.24.00	Uniforms & Clothing	Rifle ballistic vests JNET	13,500	-	-	(40,000)	75,600	35,600	15,129
001.H1.521.022.35.00	Small Tools and Minor Equipment	SWAT rifle & drug scale JNET	18,000	-	-	1,629	-	1,629	23,594
001.H1.521.022.41.00	Professional Services	Drug patrol car tinting	3,000	-	-	5,594	-	5,594	3,300
001.H1.521.022.45.00	Rentals	Undercover vehicle rental JNET	-	-	-	300	-	300	2,981
001.H1.521.040.43.01	Training Staff	Vital training for JNET	2,000	-	-	1,328	-	1,328	981
001.H1.521.040.49.00	Registration	Vital training for JNET	1,800	-	-	1,021	-	1,021	2,821
<b>Sub-Total Police</b>									
001.H1.522.020.21.00	Personnel Benefits	HR/AVEBA contribution for firefighters omitted in the original budget	71,880	-	-	10,853	-	10,853	87,410
001.H1.522.028.21.00	Personnel Benefits	HR/AVEBA contribution for firefighters omitted in the original budget	287,523	-	-	15,530	-	15,530	349,643
<b>Sub-Total Fire</b>									
001.K1.543.010.11.00	Salaries & Wages	New position - Planning & Building Manager (Oct- Dec.)	64,624	-	-	1,758	-	1,758	66,382
001.K1.543.010.21.00	Personnel Benefits	New position - Planning & Building Manager (Oct- Dec.)	25,154	-	-	929	-	929	26,083
<b>Sub-Total Street</b>									
<b>Sub-Total</b>									
			9,286,814	43,038	-	-	-	43,038	9,329,852

Fund No. and Name	Account Name	Reason for Amendment	2018 Amended Budget	Revenue Increase (Decrease)	Transfers In	Appropriation Increase (Decrease)	Transfers Out	Total Amendment Increase (Decrease)	Recommended Amended Budget
001.P2.554.011.49.00	Software Maintenance & Training	Annual software support cost. Not in the 2018 original budget.	-	-	-	8,973	-	8,973	8,973
001.P2.559.030.11.00	Salaries & Wages	New position - Planning & Building Manager (Oct.- Dec.)	65,700	-	-	8,791	-	8,791	74,491
001.P2.559.030.21.00	Personnel Benefits	New position - Planning & Building Manager (Oct.- Dec.)	27,794	-	-	4,646	-	4,646	32,440
	<b>Sub-Total Planning &amp; Building</b>					<b>22,410</b>		<b>22,410</b>	
	<b>Total General Fund Expenditures &amp; Transfers Out</b>		<b>10,293,933</b>			<b>32,635</b>	<b>75,600</b>	<b>108,235</b>	<b>10,402,168</b>
	<b>Total General Fund</b>			<b>43,038</b>		<b>32,635</b>	<b>75,600</b>	<b>(65,197)</b>	

**Fund 195 - 1982-93 Community Development Block Grant Fund**

Revenues									
195.345.090.00	CDBG loan principal payment	Not expect to receive budgeted amount	10,000	(9,700)	-	-	-	(9,700)	300
195.397.000.01	Transfers in - Fund 001	Transfer from General Fund	-	-	600	-	-	600	600
	<b>Total 1982-93 Community Development Block Grant Revenues and Transfer in</b>		<b>10,000</b>	<b>(9,700)</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>(9,100)</b>	<b>900</b>
Expenditures:									
195.46.559.030.41.00	Professional Services	Legal work necessary on a parcel	75	-	-	915	-	915	990
	<b>Total 1982-93 Community Development Block Grant Expenditures</b>		<b>75</b>	<b>-</b>	<b>-</b>	<b>915</b>	<b>-</b>	<b>915</b>	<b>990</b>
	<b>Total 1982-93 Community Development Block Grant Fund</b>			<b>(9,700)</b>	<b>600</b>	<b>915</b>	<b>-</b>	<b>(10,015)</b>	

**Fund 301 - Public Facilities Reserve Fund**

Revenues:									
301.397.000.01	Transfer in - Fund 001	Fire Station asbestos testing/cleanup costs	75,000	75,000	-	-	-	75,000	150,000
301.397.000.36	Transfer in - Fund 306	Recreating Park A & E expenditures over budget	280,000	9,515	-	-	-	9,515	289,515
	<b>Total Public Facilities Reserve Fund Revenues &amp; Transfers In</b>		<b>844,233</b>	<b>84,515</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,515</b>	<b>928,748</b>
Expenditures:									
301.44.594.022.62.00	Bldgs./Structures - Fire Station	Fire Station Repair	195,000	-	-	75,000	-	75,000	270,000
301.44.594.076.63.01	Other Improvements-Rec Parks	Progress for A&E service Recreation Park faster than expected	110,000	-	-	9,515	-	9,515	119,515
	<b>Total Public Facilities Reserve Fund Expenditures and Transfers Out</b>		<b>745,145</b>	<b>-</b>	<b>-</b>	<b>84,515</b>	<b>-</b>	<b>84,515</b>	<b>829,660</b>
	<b>Total Public Facilities Reserve Fund</b>			<b>84,515</b>	<b>-</b>	<b>84,515</b>	<b>-</b>	<b>-</b>	

**Fund 306 - Second Quarter Percent REET Fund**

Expenditures:									
306.44.597.000.05.31	Transfer out to 301	Recreating Park A & E expenditures over budget	280,000	-	-	9,515	-	9,515	289,515
	<b>Total Second Quarter Percent REET Fund Expenditures &amp; Transfers Out</b>		<b>373,675</b>	<b>-</b>	<b>-</b>	<b>9,515</b>	<b>-</b>	<b>9,515</b>	<b>323,190</b>
	<b>Total Second Quarter Percent REET Fund</b>					<b>9,515</b>	<b>-</b>	<b>(9,515)</b>	

**Fund 402 - Garbage Fund**

Expenditures:									
402.12.537.070.47.01	Utility Service-Yard Waste	Increase in yard waste and organic dump usage	5,775	-	-	1,500	-	1,500	7,275
	<b>Total Garbage Fund Expenditures</b>		<b>6,005</b>	<b>-</b>	<b>-</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>	<b>7,505</b>
	<b>Total Garbage Fund</b>					<b>1,500</b>	<b>-</b>	<b>(1,500)</b>	

**Fund 404 - Wastewater Fund**

Expenditures:									
404.11.535.091.1A.00	Wastewater Wage Contra Offsets	Review of Contra Accounts-Reflects more to actual	91,330	-	-	9	-	9	91,339
404.11.535.091.2A.00	Wastewater Benefits Contra Offsets	Review of Contra Accounts-Reflects more to actual	49,700	-	-	399	-	399	50,099
404.11.535.091.3A.00	Wastewater Supplies Contra Offsets	Review of Contra Accounts-Reflects more to actual	4,200	-	-	(2,650)	-	(2,650)	1,550
404.11.535.091.4A.00	Wastewater Prof Svs Contra Offsets	Review of Contra Accounts-Reflects more to actual	35,800	-	-	(2,814)	-	(2,814)	32,986
	<b>Total 404.11.535.091.1A.00 Wastewater Wage Contra Offsets</b>	<b>Review of Contra Accounts-Reflects more to actual</b>	<b>75,197</b>	<b>-</b>	<b>-</b>	<b>(22,897)</b>	<b>-</b>	<b>(22,897)</b>	<b>52,300</b>

Fund No. and Name	Account Name	Reason for Amendment	2018 Amended Budget	Revenue Increase (Decrease)	Transfers In	Appropriation Increase (Decrease)	Transfers Out	Total Amendment Increase (Decrease)	Recommended Amended Budget
404.11.535.099.2A.00	Wastewater Benefits Contra Offsets	Review of Contra Accounts-Reflects more to actual	42,095	(6,700)	-	3,996	-	(6,700)	35,395
404.11.535.099.3A.00	Wastewater Supplies Contra Offsets	Review of Contra Accounts-Reflects more to actual	2,310	3,996	-	681	-	3,996	6,306
404.11.535.099.4A.00	Wastewater Prof Svs Contra Offsets	Review of Contra Accounts-Reflects more to actual	13,161	(29,976)	-	1,758	-	(29,976)	13,842
	<b>Subtotal for Wastewater Contras</b>		117,765	1,758	-	929	-	1,758	119,523
404.11.535.010.11.00	Salaries & Wages	New position - Planning & Building Manager (Oct- Dec.)	49,049	929	-	108,968	-	929	49,978
404.11.535.010.21.00	Personnel Benefits	Stan Hedwall Sewer Connection project scope change	180,905	108,968	-	299,000	-	108,968	289,873
404.11.594.035.65.00	Construction Projects	Solids removal by contractor not done	58,300	(28,000)	-	299,000	-	(28,000)	30,300
404.16.535.050.48.00	Repairs & Maintenance-Facilities	Attorney fees & settlement (contribution to a Land Trust)	66,000	299,000	-	3,308	-	299,000	365,000
404.16.535.080.41.00	Professional Services	Disposal of debris for Fire at WWTP	106,000	3,308	-	385,963	-	3,308	109,308
404.16.535.080.47.00	Public Utility Service								
	<b>Subtotal for Wastewater Other</b>		5,156,205	-	-	355,987	-	355,987	5,512,192
	<b>Total Wastewater Fund Expenditures</b>					355,987		(355,987)	

**Fund 405 - Water Fund**

<b>Revenues:</b>									
405.361.040.07	Interest on interfund loan	New interfund loan interest from Airport Fund (Oct-Dec)	-	1,400	-	-	-	1,400	1,400
405.381.020.07	Interfund loans repayment received	New interfund loan repayment from Airport Fund (Oct-Dec)	-	16,800	-	-	-	16,800	16,800
	<b>Total Water Fund Revenues</b>		2,661,884	18,200	-	-	-	18,200	2,880,064
<b>Expenditures:</b>									
405.10.534.071.1C.00	Wage Contra Expenditures	Correction for budget entry for charges to other utility funds	(52,975)	(27,039)	-	-	-	(27,039)	(80,014)
405.10.534.071.2C.00	Benefit Contra Expenditures	Correction for budget entry for charges to other utility funds	(29,655)	(22,641)	-	-	-	(22,641)	(52,296)
405.10.534.071.3C.00	Supplies Contra Expenditures	Correction for budget entry for charges to other utility funds	(1,628)	(9,924)	-	-	-	(9,924)	(11,552)
405.10.534.071.4C.00	Services Contra Expenditures	Correction for budget entry for charges to other utility funds	(9,272)	(16,087)	-	-	-	(16,087)	(25,359)
405.10.534.091.1A.00	Water Wage Contra Offsets	Review of Contra Accounts-Reflects more to actual	3,315	54,256	-	28,683	-	54,256	57,571
405.10.534.091.2A.00	Water Benefits Contra Offsets	Review of Contra Accounts-Reflects more to actual	1,362	28,683	-	(12,194)	-	28,683	30,045
405.10.534.091.3A.00	Water Supplies Contra Offsets	Review of Contra Accounts-Reflects more to actual	22,741	(3,850)	-	(8,796)	-	(3,850)	970
405.10.534.091.4A.00	Water Prof Svs Contra Offsets	Review of Contra Accounts-Reflects more to actual	108,870	1,758	-	1,758	-	1,758	110,628
405.10.534.010.11.00	Salaries & Wages	New position - Planning & Building Manager (Oct- Dec.)	54,892	929	-	20,940	-	929	55,821
405.10.534.010.21.00	Personnel Benefits	A new water distribution operator/meter reader position	188,528	16,645	-	16,645	-	20,940	209,468
405.10.534.070.21.00	Salary & Wages	A new water distribution operator/meter reader position	111,873	279,430	-	319,702	-	16,645	128,518
405.10.591.010.07.00	Interfund loan to 407 Airport Fund	Interfund loan issue to Airport Fund 10/1/2018	-	319,702	-	-	-	279,430	279,430
	<b>Total Water Fund Expenditures</b>	<b>Subtotal for Water other</b>	2,899,861	310,906	-	310,906	-	319,702	3,210,767
	<b>Total Water Fund</b>			18,200	-	-	-	(292,706)	

**Fund 406 - Storm & Surface Water Utility Fund**

<b>Expenditures:</b>									
406.06.531.031.11.00	Salaries & Wages	New position - Planning & Building Manager (Oct- Dec.)	64,625	1,758	-	929	-	1,758	66,383
406.06.531.031.21.00	Personnel Benefits	New position - Planning & Building Manager (Oct- Dec.)	25,605	2,687	-	7,440	-	929	26,534
	<b>Subtotal for Storm other</b>		6,993	7,440	-	3,874	-	2,687	14,433
406.06.531.091.1A.00	Stormwater Wage Contra Offsets	Review of Contra Accounts-Reflects more to actual	3,974	3,874	-	31	-	3,874	7,788
406.06.531.091.2A.00	Stormwater Benefits Contra Offsets	Review of Contra Accounts-Reflects more to actual	215	31	-	3,620	-	31	246
406.06.531.091.3A.00	Stormwater Supplies Contra Offsets	Review of Contra Accounts-Reflects more to actual	1,324	1,130	-	1,340	-	3,620	4,944
406.06.531.091.4A.00	Stormwater Prof Svs Contra Offsets	Review of Contra Accounts-Reflects more to actual	26,584	1,130	-	1,340	-	1,130	27,714
406.06.531.099.1A.00	Stormwater Wage Contra Offsets	Review of Contra Accounts-Reflects more to actual	18,241	(1,340)	-	9,871	-	(1,340)	16,901
406.06.531.099.2A.00	Stormwater Benefits Contra Offsets	Review of Contra Accounts-Reflects more to actual	1,645	(4,278)	-	9,871	-	(4,278)	5,246
406.06.531.099.3A.00	Stormwater Supplies Contra Offsets	Review of Contra Accounts-Reflects more to actual	1,645	9,871	-	20,348	-	9,871	11,516
406.06.531.099.4A.00	Stormwater Prof Svs Contra Offsets	Review of Contra Accounts-Reflects more to actual			-		-		
	<b>Subtotal for Storm Contras</b>			20,348	-		-		

Fund No. and Name	Account Name	Reason for Amendment	2018		Transfers		Appropriation		Transfers		Total	
			Amended Budget	Revenue Increase (Decrease)	In	Out	Increase (Decrease)	Out	Increase (Decrease)	Amended Budget		
Total Storm & Surface Water Utility Fund Expenditures			698,190	-	-	-	23,035	-	-	-	23,035	721,225
Total Storm & Surface Water Utility Fund			-	-	-	-	23,035	-	-	-	(23,035)	-

**Fund 407 - Airport Fund**

Revenues:												
407.381.010.05	Interfund Loan Received	Interfund Loan from Water Fund (to payoff bank loan)	-	279,430	-	-	-	-	-	-	279,430	279,430
Total Airport Fund Revenues			2,090,259	279,430	-	-	-	-	-	-	279,430	2,369,689
Expenditures:												
407.09.546.091.1A.00	Airport Wage Contra Offsets	Review of Contra Accounts-Reflects more to actual	47,868	-	-	-	1,281	-	-	-	1,281	49,149
407.09.546.091.2A.00	Airport Benefits Contra Offsets	Review of Contra Accounts-Reflects more to actual	26,796	-	-	-	4,954	-	-	-	4,954	31,750
407.09.546.091.3A.00	Airport Supplies Contra Offsets	Review of Contra Accounts-Reflects more to actual	1,470	-	-	-	(588)	-	-	-	882	882
407.09.546.091.4A.00	Airport Prof Svs Contra Offsets	Review of Contra Accounts-Reflects more to actual	8,378	-	-	-	13,306	-	-	-	13,306	21,684
Subtotal for Airport Contras			82,512	-	-	-	18,953	-	-	-	18,953	104,426
407.09.546.010.11.00	Salaries & Wages	New position - Planning & Building Manager (Oct- Dec.)	190,954	-	-	-	1,758	-	-	-	1,758	192,712
407.09.546.010.21.00	Personnel Benefits	New position - Planning & Building Manager (Oct- Dec.)	110,605	-	-	-	929	-	-	-	929	111,534
407.09.591.020.05.00	Interfund Loan Repayments	Principal interfund loan repayment to WA fund (Oct-Dec)	-	-	-	-	16,800	-	-	-	16,800	16,800
407.09.591.046.71.02	Loan Principal Tract 5A	Early payoff SSBank loan principal (Tract A)	21,000	-	-	-	276,105	-	-	-	276,105	297,105
407.09.592.046.83.02	Loan Interest Tract 5 A	SSB loan interest - early payoff (Tract A)	12,400	-	-	-	(1,345)	-	-	-	11,055	11,055
407.09.592.046.83.05	Loan Interest Tract 5 A-Interfund loan	Interfund loan interest to WA fund (Oct-Dec)	-	-	-	-	1,400	-	-	-	1,400	1,400
Subtotal for Airport other			334,959	-	-	-	295,647	-	-	-	295,647	630,601
Total Airport Fund Expenditures			1,903,632	-	-	-	314,600	-	-	-	314,600	2,218,232
Total Airport Fund			-	279,430	-	-	314,600	-	-	-	(35,170)	-
Total City-wide All Funds			330,968	85,115	1,124,093	85,115	85,115	85,115	(793,125)			

**ORDINANCE NO. 991-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE 2018 FISCAL YEAR BUDGET ADOPTED BY ORDINANCE NO. 985-B BY REVISING THE BUDGETED AMOUNTS BY A COMBINED TOTAL OF SEVEN HUNDRED NINETY THREE THOUSAND ONE HUNDRED TWENTY FIVE DOLLARS (\$793,125) FOR THE GENERAL FUND, 1982-93 COMMUNITY DEVELOPMENT BLOCK GRANT FUND , PUBLIC FACILITIES RESERVE FUND, SECOND QUARTER PERCENT REET FUND, GARBAGE FUND, WASTEWATER FUND, WATER FUND, STORM & SURFACE WATER UTILITY FUND, AND AIRPORT FUND AND DIRECTING THE FINANCE DIRECTOR 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 2018 shall be, and the same hereby is, amended so as to increase the General Fund's estimated revenues by \$43,038, increase appropriations by \$32,625, and increase transfers out by \$75,600.

**Section 2.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to decrease the 1982-93 Community Development Block Grant Fund's estimated revenues by \$9,700, increase transfer in by \$600, and increase appropriations by \$915.

**Section 3.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Public Facilities Reserve Fund's transfer in by \$84,515 and increase appropriations by \$84,515.

**Section 4.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Second Quarter Percent REET Fund's transfers out by \$9,515.

**Section 5.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Garbage Fund's appropriations by \$1,500.

**Section 6.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Wastewater Fund's appropriations by \$355,987.

**Section 7.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Water Fund's revenues by \$18,200 and increase appropriations by \$310,906.



**Section 8.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Storm & Surface Water Fund's appropriations by \$23,035.

**Section 9.** The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Airport Fund's revenues by \$279,430 and increase appropriations by \$314,600.

**Section 10.** Attached hereto and identified as Exhibit A, in summary form, are the total of estimated revenues, transfers in, expenditures, and transfers out for each separate fund and the aggregate totals for all such funds combined for the city for the amended 2018 budget which shows a total estimated ending fund balance of \$16,764,866.

**PASSED** by the city council of the City of Chehalis, Washington, and **APPROVED** on its first reading at a regularly scheduled open public meeting thereof this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form and content:

\_\_\_\_\_  
City Attorney

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council

**FROM:** Jill Anderson, City Manager

**MEETING OF:** September 10, 2018

**SUBJECT:** Strategic Plan Update

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**ISSUE**

This item has been scheduled to provide an update on the City's semi-annual strategic planning workshop held on August 30, 2018.

**DISCUSSION**

In August, the City Council met with the City Manager and the Management Team to update the strategic plan developed in January 2018 so that limited resources continue to be directed toward the City's highest priorities consistent with its mission and responsibility as a municipal government. In August, the City's mission statement and three-year goals were reaffirmed.

**MISSION STATEMENT**

*While honoring the past and preparing for the future,  
the City of Chehalis provides municipal services and programs  
for the benefit of residents, businesses, and visitors in our community.*

**THREE-YEAR GOALS**

2018-2021 \* not in priority order

- **Maintain** and enhance financial stability
- **Enhance** and modernize technology
- **Increase** and optimize staffing levels
- **Improve** and maintain the infrastructure
- **Enhance** and maintain facilities  
(Recreation Park, Dispatch Center, Fire Station)

For each goal, specific, measurable objectives have been established for the six-month planning period. This presentation has been scheduled to highlight some of the key objectives for the next six months. A detailed list is also attached for your reference. Future reports will provide the City Council and staff an opportunity to monitor progress, as well as revise objectives and timelines as conditions warrant.

During the August 30 workshop, the City Council and Management Team identified the core values of the organization, which are:

**CORE VALUES**

(not in priority order)

**The City of Chehalis values...**

- ◆ ***Ethical Behavior***
- ◆ ***Honesty and Integrity***
- ◆ ***Professionalism***
- ◆ ***Reliability***
- ◆ ***Dedication and Hard Work***
- ◆ ***Collaboration and Teamwork***
- ◆ ***Service to the Community***

The City's next strategic planning session is scheduled for Thursday, March 7, 2019.

**RECOMMENDATION**

This is an informational item and no action is needed at this time.

**SUGGESTED MOTION**

There is no motion needed.

**CITY OF CHEHALIS**  
**SIX-MONTH STRATEGIC OBJECTIVES**  
 30 August 2018 through 1 March 2019

<b>THREE-YEAR GOAL: IMPROVE AND MAINTAIN THE INFRASTRUCTURE</b>						
WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. October 1, 2018	Community Development Dir./Construction Manager – lead, Facilities Manager	Complete the Star Hedwall Sewer service.				
2. December 1, 2018	Wastewater Mgr. – lead, Community Development Director, Engineering Tech 3, working with a consultant	Complete the design of the Sanitary Sewer Forcemain Improvement Project (Riverside and Prindle).				
3. At the Dec. 10, 2018 City Council meeting	Community Development Dir. and Streets Supt.	Present to the City Council for action a Transportation Benefit District Implementation Plan.				
4. At the Feb. 25, 2019 City Council meeting	A Chehalis Beautification Committee (City Manager – lead, Planning Building Mgr., Recreation Mgr., Public Works Dir., Facilities Mgr., CCRT Liaison, Foundation Liaison)	Present to the City Council for action a Chehalis Beautification Plan, including programs to beautify the city.				

**THREE-YEAR GOAL: ENHANCE AND MODERNIZE TECHNOLOGY**

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the Jan. 22, 2019 City Council meeting	Finance Director	Make a recommendation to the City Council for action a vendor payment program				
2. At the Feb. 25, 2019 City Council meeting	IT Committee (Dep. Chief of Police Dept. – lead)	Present to the City Council for action a citywide camera and alarm system for City facilities.				
3. March 1, 2019	Finance Director	Research and present to the City Manager for review and ultimate City Council consideration a program to facilitate credit card or bank account payments to all departments that accept payments.				

**THREE-YEAR GOAL: INCREASE AND OPTIMIZE STAFFING LEVELS**

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. October 1, 2018	HR Dir./Risk Manager	As part of the FY 2019 budget process, review potential funding for prioritized positions, as identified by the City Manager and City Council, and make a recommendation in the budget the number of positions, if any, that can be added.				
2. At the Dec. 10, 2018 City Council meeting	HR Dir./Risk Mgr. – lead, City Clerk, Mayor Pro Tem Terry Harris, Mayor Dennis Dawes, Airport Operations Coordinator	Develop and present to the City Council for action a new Employee Recognition Program.				
3. March 1, 2019	HR Dir./Risk Mgr. – lead, City Manager	Develop/Identify a Professional Development Program for managers and supervisors.				

**THREE-YEAR GOAL: MAINTAIN AND ENHANCE FINANCIAL STABILITY**

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. At the Sept. 2018 Budget Committee meeting	Finance Director	Ensure all Enterprise Funds establish designated fund accounts for capital improvement projects for 2019.				
2. At the Sept. 24, 2018 City Council meeting	Finance Director	Formulate and present to the City Manager and City Council Budget Committee for consideration policies and levels to re-establish dedicated reserve funding.				
3. At the Oct. 8, 2018 City Council meeting	Airport Operations Coordinator	Present to the City Council a status update for the Rich Development lease for Tracts 7A, 8, and 9.				
4. At the Jan. 14, 2019 City Council meeting	Community Development Dir., working with the City Attorney and Department Heads and Superintendents	Commence the annexation process and present an update to the City Council.				
5. At the Feb. 25, 2019 City Council meeting	Public Works Director, working with a consultant	Present to the City Council for action a scope of work and potential funding plan for an updated Utility Rate Study.				

**THREE-YEAR GOAL: ENHANCE AND MAINTAIN FACILITIES  
(Recreation Park, Dispatch Center, Fire Station)**

WHEN	WHO	WHAT	STATUS			COMMENTS
			DONE	ON TARGET	REVISED	
1. September 15, 2018	City Manager and the City Council 911 Committee	Draft a letter to Lewis County asking for a commitment to change the current government structure and to incorporate the new structure into a new Interlocal Agreement.				
2. October 15, 2018	Recreation Manager	Present to the City Manager a Marketing Plan for fundraising for the Penny Playground Project.				
3. At the Oct. 22, 2018 City Council meeting	Recreation Manager	Report to the City Council the success in receiving grants for components of Recreation Park and a proposed funding plan.				
4. At the Oct. 22, 2018 City Council meeting	Police Chief and Fire Chief	Report to the City Council the feasibility of Centralia, RFA, and Chehalis utilizing Thurston County 911 for dispatch services.				
5. November 1, 2018	Fire Chief	Re-evaluate the current Fire station facility to establish the feasibility of continued use and present a report to the City Manager.				
6. March 1, 2019 at a City Council meeting to be determined	Fire Chief and Police Chief, (co-leads), City Manager, with input from the City Council Dispatch Committee	Recommend to the City Council a 911 dispatch service organization to provide dispatch services to Chehalis.				