

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

Dennis L. Dawes, Position at Large
 Mayor

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

Anthony E. Ketchum Sr., District 3
 Chad E. Taylor, Position at Large
 Robert J. Spahr, Position at Large

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

1. Call to Order. (Mayor)
2. Pledge of Allegiance. (Mayor)

SPECIAL BUSINESS

3. Chehalis Community Renaissance Team Update. (Annalee Tobey, Executive Director)
4. Penny Playground Project Update. (Tom Gorman and Jessica Hoymack)

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 |
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| CONSENT CALENDAR | | |
| 5. <u>Minutes of the Regular City Council Meeting of November 26, 2018.</u> (City Clerk) | APPROVE | 1 |
| 6. <u>Vouchers and Transfers – Accounts Payable.</u> (City Manager, Finance Director) | APPROVE | 4 |
| 7. <u>Vouchers and Transfers – Payroll.</u> (City Manager, Finance Director) | APPROVE | 5 |

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| CONSENT CALENDAR - CONTINUED | | |
| 8. <u>Resolution No. 8-2018, First and Final Reading – Declaring City Property to be Surplus.</u> (City Manager, City Clerk) | ADOPT | 6 |
| 9. <u>Consider Cancellation of the December 24 City Council Meeting.</u> (City Manager) | APPROVE | 9 |
| 10. <u>Amendments to Apron Rehabilitation Project for Engineering Services and Related Expenses.</u> (City Manager, Community Development Director, Airport Operations Coordinator) | APPROVE | 10 |
| 11. <u>Amendment to Professional Services Agreement with Precision Approach Engineering for the Taxiway Realignment and Apron Rehabilitation Projects.</u> (City Manager, Community Development Director, Airport Operations Coordinator) | APPROVE | 19 |

| ITEM | ADMINISTRATION RECOMMENDATION | PAGE |
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| UNFINISHED BUSINESS | | |
| 12. <u>Ordinance No. 996-B, Second and Final Reading – Amending the 2018 Adopted Budget.</u> (City Manager, Finance Director) | PASS | 22 |

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| NEW BUSINESS | | |
| 13. <u>Discussion of Permit Requirements for Use of City-owned Right-of-Way.</u> (City Manager, Community Development Director, Planning & Building Manager) | | 32 |

| ITEM | ADMINISTRATION RECOMMENDATION | PAGE |
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| ADMINISTRATION AND CITY COUNCIL REPORTS | | |
| 14. <u>Administration Reports.</u> | INFORMATION ONLY | - - - |
| a. City Manager Update – Strategic Planning. (City Manager) | | 36 |
| 15. <u>Councilor Reports/Committee Updates.</u> (City Council) | INFORMATION ONLY | - - - |

| | | |
|--|--|--|
| EXECUTIVE SESSION | | |
| 16. <u>Pursuant to RCW 42.30.110(i) – Litigation/Potential Litigation.</u> | | |

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, JANUARY 10, 2019.**

November 26, 2018

The Chehalis city council met in regular session on Monday, November 26, 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, Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Melody Guenther, Court Administrator; Bill Hillier, City Attorney; Hillary Hoke, Planning & Building Manager; Andrew Hunziker, Property/Facilities Manager; Trent Lougheed, Community Development Director; Dale McBeth, Municipal Court Judge; Brandon Rakes, Airport Operations Coordinator; Rick Sahlin, Public Works Director; Chun Saul, Finance Director; Glenn Schaffer, Police Chief; Judy Schave, HR/Risk Manager; Don Schmitt, Street/Storm Superintendent; Dave Vasilauskas, Water Superintendent; Lilly Wall, Recreation Manager; and Patrick Wiltzius, Wastewater Superintendent. Members of the news media in attendance included Will Rubin from *The Chronicle*.

1. **Port of Chehalis Update.** Randy Mueller, Chief Executive Officer of the Port provided an update on recent activities including, hosting a visit by U.S. Senator Maria Cantwell; constructing a new 20,000 sq. ft. building on McBride Court, and looking into redevelopment of R.E. Bennett School.

Mayor Dawes asked if anything had developed in regard to visitors from across the Pacific Ocean. Mr. Mueller stated there should be news coming soon from the international site visit.

Mayor Dawes thanked Mr. Mueller for including the city when Senator Cantwell was in town.

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

- a. Minutes of the regular city council meeting of November 13, 2018;
- b. November 15, 2018 Claim Vouchers No. 124176-124324 and Electronic Funds Transfer No. 1020182 in the amount of \$1,491,575.51; and
- c. Professional services agreement with Allen Unzelman to provide hearings examiner services.

The motion was seconded by Councilor Lund and carried unanimously.

3. **Public Hearing – 2019 Proposed Budget and Revenue Sources, Taxes, and Levies.** Mayor Dawes recessed the regular meeting and opened the public hearing at 5:09 pm for public comment on the 2019 proposed budget and revenue sources, taxes, and levies.

City Manager Anderson stated the council held a public hearing on November 13 on the anticipated revenues and the proposed budget for 2019, with presentations on the highlights and key points. The ordinances before the council today were being presented for second readings. While there were no changes to the budget figures in the ordinance, there was a proposed change to the salary classification schedule related to the wastewater superintendent position from a 7N to an 8N to proceed with recruitment of the position which was scheduled to be vacated in April due to retirement. The annual budget impact of the change is expected to be less than \$5,000 and dependent on the length of time it takes to recruit a new person and what level the person is hired at. This will be monitored in 2019 and a budget amendment will be presented if necessary. City Manager Anderson recommended that the council open the public hearing, receive any public comment, and then adopt Ordinances No. 993-B, 994-B, and 995-B.

Mayor Dawes asked if there was anyone from the public that wanted to comment on the proposed revenue sources, taxes, levies, or the 2019 proposed budget. There being no public comment, Mayor Dawes closed the public hearing at 5:13 pm.

4. **Ordinance No. 993-B, Second and Final Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2019; Ordinance No. 994-B, Second and Final Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2019; and Ordinance No. 995-B, Second and Final Reading – Adopting the Proposed 2019 Budget.** Councilor Spahr moved to pass Ordinances No. 993-B, 994-B, and 995-B on second and final readings. The motion was seconded by Councilor Taylor and carried unanimously.

5. **Ordinance No. 996-B, First Reading – Amending the 2018 Adopted.** Chun Saul stated some revenue figures changed using year-to-date actual receipts through October and looking at current and past year trends to estimate November and December to more closely reflect actual activities. The amendment included a net city-wide increase in fund balance by

November 26, 2018

\$439,465, which includes \$14,215 in the General Fund (increase in revenues of \$108,320 and appropriations of \$94,105). The changes in General Fund estimates were:

- Local Sales Tax – \$150,000
- Utility B&O Taxes – \$(51,800)
- Fees for Services (court revenues, plan checks/permit fees) – \$(70,725)
- Federal & State Grants – \$25,800
- Other Taxes, State Shared Revenue, Recreation, and Interest – \$46,045

Councilor Taylor asked if there was a way to know why the utility B&O taxes were declining. Ms. Saul explained that these taxes are paid on the gross income for such things as gas, electricity, water, wastewater, telephone, and cable. She stated there is a trend that cable and phone taxes were decreasing. It was also a little warmer this year. Mayor Dawes suggested a lot of people are cutting their cable and phone in lieu of other options for those services.

In regard to expenditures and transfers out, a \$244,105 appropriation is needed for:

- \$12,000 – Human Resources for labor negotiation legal fees
- \$57,105 – One-time accrual cash-out (\$41,045); and other
- \$155,100 – CBA retroactive increase (\$138,00 for 2017 and 2018); and other
- \$13,900 – Grant writer and personnel benefits
- \$6,000 – Transfer to Dedicated Street 4% Sales Tax
- \$(150,000) – Budget transfer to HR and Fire related to Firefighters' CBA

Changes in other funds included:

- \$6,000 – Dedicated Street Fund from General Fund (4% sales tax)
- \$250,000 – Transportation Benefit District Fund from TBD sales tax revenue; \$10,000 from interest earnings
- \$24,000 – 1st and 2nd quarter percent REET Funds from tax revenues
- \$45,000 – Wastewater Fund from investment earnings; \$42,000 from utility tax assessment
- \$78,000 – Water Fund from investment earnings; \$21,000 from utility tax assessment
- \$40,000 – Storm Water Fund from fee revenues; \$11,250 interest earnings

Councilor Spahr moved to pass Ordinance No. 996-B on first reading. The motion was seconded by Councilor Lund and carried unanimously.

6. Administration Reports.

a. **City Manager Report.** City Manager Anderson anticipated that December 10 would be the last regular council meeting of the year. The annual Santa Parade is this Saturday at 11:00 am in downtown Chehalis.

7. Councilor Reports/Committee Updates.

a. Councilor Lund thanked Councilor Harris and the parks crew for all the wonderful Christmas lights. The steam train held their first rides last weekend and all went well. Councilor Lund stated he has been to the Community Development office and it is nice to have friendly and knowledgeable staff.

b. Mayor Dawes attended the chamber's Business After Hours event and the state auditor entrance conference. He stated he wanted to bring up a couple items:

- **Right-of-Way Fees.** The City Manager's weekly newsletter included information indicating that the city would begin implementing an existing charge for use of city sidewalks by business owners at the first of the year, and also requiring proof that the city was listed as an additional insured on the owner's insurance. He recalled that the ordinance was prepared to address businesses that wanted to put items on the sidewalk to offer for sale. A few years back various fees were increased and a \$100 fee was attached to a right-of-way permit, which included sidewalk use.

November 26, 2018

He stated the fee to be implemented has raised the ire of some business owners. Mayor Dawes hated to see local businesses having to pay such a fee in addition to the local taxes they already pay. He indicated use of the right-of-way for projects was another thing, and thought they should be addressed differently. He stated another fee also applies to organizations that raise money for charities. Once in a while they put up event signs in the right-of-way that are then taken down and they're being charged \$50. He suggested that there be two requirements – have a current business license and provide evidence showing the city is an additional insured.

Councilor Spahr stated the letter sent to business owners states that any use of the city-maintained sidewalks required a permit. He asked who was required to maintain the sidewalks. City Manager Anderson stated the word "maintained" should not be in the ordinance because the sidewalk was to be maintained by the property owner. That mistake will be corrected.

Councilor Spahr stated he understood that the city has to control what happens on the sidewalks and that the city must be covered for liability. He didn't agree with charging \$100. He suggested charging \$10 or \$20 for the cost of doing business.

Councilor Harris thought in most cities you couldn't place things on the sidewalk because even if the city is named as an additional insured the complaint in an injury will always go after the deeper pocket. He was concerned with the number and condition of clapboards on sidewalks and thought there should be standards. He thought a fee was initially established so people wouldn't be placing items out every which way.

Councilor Lund agreed that the city should be charging businesses and local non-profits the fees.

Councilor Taylor thought there were probably three different issues – putting merchandise on the sidewalk, advertising signs placed in the right-of-way, and event signs in the right-of-way put out by non-profits. Mayor Dawes noted there are also businesses that erect "permanent" outdoor seating areas.

It was the consensus of the council to direct staff to review the ordinances to address the council's concerns.

- **Crosswalk at 16th and Market.** Mayor Dawes stated a lot of the high school kids cross Market to go to Dairy Dan's for lunch. He asked if staff could look into placing a crossing signal like the one on Market by Safeway. He stated the crosswalk would probably have to be reconfigured.
- **National Avenue Realignment Project.** Mayor Dawes asked if the road lane was going to have any reflectors or something to keep people from going off the road. Councilor Harris asked if there was going to be a curb because he has watched people going off the road into the dirt area intentionally. Trent Loughheed stated the way it has been reconstructed does not warrant any curbs. Once it's restriped it will make a difference. He asked for the council's patience until the project was completed and any concerns could be addressed at that time.
- **Use of Tablets by Council Members.** Mayor Dawes asked council members how they felt about using tablets to receive and review council meeting agendas. The general consensus of the council was not use tablets.

There being no further business to come before the council, the meeting was adjourned at 5:52 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved:

Initials: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

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

MEETING OF: December 10, 2018

SUBJECT: Vouchers and Transfers

ISSUE

City Council approval is requested for Vouchers and Transfers dated November 30, 2018.

DISCUSSION

The November 30, 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. 124325-12440 in the amount of \$640,831.13 dated November 30, 2018, which includes the transfer of:

- \$54,797.65 from the General Fund
- \$2,376.68 from the Dedicated Street Fund – 4% Sales Tax
- \$35,000.00 from the Tourism Fund
- \$79,273.35 from the Wastewater Fund
- \$218,847.14 from the Water Fund
- \$1,338.83 from the Storm & Surface Water Utility Fund
- \$248,359.22 from the Airport Fund
- \$838.26 from the Firemen’s Pension Fund

RECOMMENDATION

It is recommended that the City Council approve the November 30, 2018 Claim Vouchers No. 124325-124440 in the amount of \$640,831.13.

SUGGESTED MOTION

I move that the City Council approve the November 30, 2018 Claim Vouchers No. 124325-124440 in the amount of \$640,831.13.

**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: December 10, 2018

SUBJECT: Payroll Vouchers and Transfers

ISSUE

City Council approval is requested for Payroll Vouchers and Transfers dated November 30, 2018.

DISCUSSION

The administration requests City Council approval for Payroll Vouchers No. 40604-40641, Direct Deposit Payroll Vouchers No. 10150-10253, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 211-214 dated November 30, 2018 in the amount of \$755,405.42, which include the transfer of:

- \$499,114.20 from the General Fund
- \$7,124.57 from the Arterial Street Fund
- \$91,873.46 from the Wastewater Fund
- \$98,401.38 from the Water Fund
- \$25,875.84 from the Storm & Surface Water Utility Fund
- \$31,121.05 from the Airport Fund
- \$1,894.92 from the Firemen's Pension Fund

RECOMMENDATION

It is recommended that the City Council approve the November 30, 2018 Payroll Vouchers No. 40604-40641, Direct Deposit Payroll Vouchers No. 10150-10253, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 211-214 in the amount of \$755,405.42.

SUGGESTED MOTION

I move that the City Council approve the November 30, 2018, Payroll Vouchers No. 40604-40641, Direct Deposit Payroll Vouchers No. 10150-10253, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 211-214 in the amount of \$755,405.42.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Caryn Foley, City Clerk

MEETING OF: December 10, 2018

SUBJECT: Resolution No. 8-2018, First and Final Reading – Declaring Surplus Property

ISSUE

The Public Works Department and Airport have property that is no longer needed. State law requires that property must first be declared surplus by the City Council before being sold, transferred, or disposed of.

DISCUSSION

The Public Works Department has several hand-held and vehicle radios that are obsolete.

The Public Works Wastewater Division has a TV/VCR, a VCR, and a fax machine that no longer operate.

The Airport has computers that are obsolete and not worth the cost of repairing, a computer monitor that is broken, a printer that is broken, two mowers that have exceeded their useful life, a blade that is worn out, a utility trailer that has exceeded its useful life, an inoperable pump, heater, and air compressor, and several office chairs that are in poor condition.

The items will be appropriately disposed of as authorized by the City Manager.

FISCAL IMPACT

Any proceeds from items that are sold or auctioned will go to their respective department.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 8-2018.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 8-2018 on the first and final reading.

RESOLUTION NO. 8-2018

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

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

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

| Public Works Department | Identifying Information |
|---|---|
| One (1) Maxon Radio | Model SM4150M |
| Two (2) Midland Radios | Model 70-1337B |
| One (1) Motorola Radio Radius GM300 | Model M33GMC20D2AA |
| One (1) Motorola Radio Radius M1225 | Model M43DGC90E2AA |
| One (1) Motorola Radio Radius GM300 | Model M43GMC29C2AA |
| Two (2) Motorola Radios Radius | Model D33LRA73A5BK |
| One (1) Midland Radio | Model 70-1336B |
| One (1) Motorola Radio Radius M1225 | Model M43GMC20A2AA |
| One (1) I-Com Hand Held Radio | IC-F3GS-2 |
| Public Works Department - Wastewater | Identifying Information |
| One (1) Phillips 20" TV/VCR | Serial 62915789; Model CCC190AT31 |
| One (1) Panasonic VCR | City Tag 60138; Serial L55A26102; Model PV-4601 |
| One (1) Canon Fax Machine | Serial KYC06163; Model F162002 |
| Airport | Identifying Information |
| One (1) Dell Vostro Computer | City Tag 20106; Serial 9DCYTV1; Model D11M |
| One (1) Dell Inspiron Computer | City Tag 0142; Serial 6VGRDX1 |
| One (1) Dell Monitor | City Tag 0135; Serial CN-OR5346-72872-97R-OY7L; Model Rev AOO |
| One (1) Samsung Printer | City Tag 0113; Serial 1461BAGQ50224ON; Model CLX-3175FN |
| One (1) Land Pride Grooming Mower | City Tag 87; Serial 826325K; Model FDR2572 |
| One (1) Moratori Flail Mower | City Tag 86; Serial 67409; Model MT12190 |
| One (1) 78 Ford Back Blade | City Tag 78; Serial 289; Model 782 |

| | |
|-----------------------------------|---|
| One (1) Shelby Utility Trailer | City Tag 97; Serial 5B8400C16X1007825; Model ST6096SA |
| One (1) Honda Pump | City Tag 103; Serial WX10K1A; Model WX10 |
| One (1) Duna Glo Pro Heater | City Tag 104; Serial F080900787; Model GloPro |
| One (1) Air Compressor 2hp, 33gal | City Tag 81; Serial 2702011486; Model 9196167342 |
| Ten (10) Black Office Chairs | NA |

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

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this ____ day of _____, 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
BY: Caryn Foley, City Clerk
MEETING OF: December 10, 2018
SUBJECT: Consider Cancellation of December 24 Council Meeting

ISSUE

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

DISCUSSION

The City Council has historically cancelled the second meeting in December. Additionally, the meeting also falls on Christmas Eve this year. In recognition of the City's tradition and the likelihood that most of the community will be focused on family and holiday festivities, the City Council is being asked to consider cancellation of the December 24 meeting.

FISCAL IMPACT

There is no fiscal impact associated with the proposed meeting cancellation.

RECOMMENDATION

It is recommended that the City Council cancel the December 24, 2018 City Council meeting.

SUGGESTED MOTION

I move that the City Council cancel the December 24, 2018 City Council meeting.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Trent Lougheed, P.E., Community Development Director
Brandon Rakes, Airport Operations Coordinator

MEETING OF: December 10, 2018

SUBJECT: Amendments to Apron Rehabilitation Project for Engineering Services and Related Expenses

ISSUE

The original Task Order Agreement No. 1 for Airport Improvement Project (AIP) Project No. 3-53-0012-016 and 3-53-0012-017 did not cover additional items that were required to complete the project, the Apron Rehabilitation Project, 90% of which has been funded with grant dollars, including the requested amendments.

DISCUSSION

The two amendments address the following additional environmental and design services that were added to the scope of the project during the environmental review process required by the National Environmental Protection Act (NEPA):

- Development of a Cultural Resource Monitoring Plan
- Additional environmental review of future projects
- Additional design services associated with the separation of the Apron Rehabilitation and Taxiway Realignment Projects
- Coordination and Cultural Resource Construction Monitoring
- Additional services during construction

FISCAL IMPACT

The additional work required is reflected in the amendments summarized below:

- Amendment No. 1 to Task Order No. 1 results in a \$28,213 increase to the original contract resulting in a total contract price of \$144,713.
- Amendment No. 2 to Task Order No. 1 results in a \$40,412 increase to the original contract resulting in a total contract price of \$134,912.

These amendments were approved by the FAA and the City will receive 90% reimbursement resulting in the airport absorbing the remaining 10% or \$6,862.50.

RECOMMENDATION

It is recommended that the City Council approve Amendment No. 1 to Task Order No. 1 and Amendment No. 2 to Task Order No. 1 and to authorize the City Manager to execute the documents and make the changes to the 2018 Budget needed to reflect the expenditures.

SUGGESTED MOTION

I move that the City Council approve Amendment No. 1 to Task Order No. 1 and Amendment No. 2 to Task Order No. 1 and authorize the City Manager to execute the documents and make the changes to the 2018 Budget needed to reflect the expenditures.

AMENDMENT NO. 1
to
TASK ORDER NO. 1

REHABILITATE APRON; RECONSTRUCT CONNECTOR TAXIWAYS
PROJECT DESIGN AND SERVICES DURING CONSTRUCTION

CITY OF CHEHALIS
CHEHALIS-CENTRALIA AIRPORT
AIP PROJECT NO. 3-53-0012-016

The original Task Order Agreement No. 1 dated September 3rd, 2015, to the Professional Services Agreement dated September 3rd, 2015, between the CITY OF CHEHALIS, hereinafter referred to as OWNER, and PRECISION APPROACH ENGINEERING, INC., a Professional Consulting Engineering firm, hereinafter referred to as CONSULTANT, shall be amended as follows:

Additional engineering services associated with the project described in the original Task Order No. 1, Section A, Employment of Consultant are in Exhibit A Amendment No. 1, attached.

In consideration for the additional engineering and design services, the OWNER shall pay CONSULTANT the lump sum amount of **TWENTY-EIGHT THOUSAND TWO HUNDRED THIRTEEN Dollars (\$28,213)**. The total design services contract amount, as referenced in Section C1 of Task Order No. 1, is hereby revised to **ONE HUNDRED FORTY-FOUR THOUSAND SEVEN HUNDRED THIRTEEN Dollars (\$144,713)**. All other conditions of the contract shall remain in full force and effect.

WITNESSETH, that the parties hereto do mutually agree to all mutual covenants and agreements contained within the CONTRACT.

OWNER:

CITY OF CHEHALIS

By: _____

Title: _____

Date: _____

CONSULTANT:

PRECISION APPROACH ENGINEERING, INC.

By: _____

Title: _____

Date: _____

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**EXHIBIT A
AMENDMENT NO. 1
TO
TASK ORDER NO. 1**

**SCOPE OF SERVICES FOR
REHABILITATE APRON; RECONSTRUCT CONNECTOR TAXIWAYS PROJECT
ENVIRONMENTAL AND DESIGN**

**CITY OF CHEHALIS – CHEHALIS-CENTRALIA AIRPORT
AIP Project No. 3-53-0012-016-2015
NOVEMBER 2018**

PROJECT DESCRIPTION/JUSTIFICATION

This amendment addresses the following additional environmental and design services not included in the original contract:

- Development of a Cultural Resource Monitoring Plan.
- Additional environmental review of future projects.
- Additional design services associated with the separation of the Apron Rehabilitation and Taxiway Realignment Projects.

CONSULTANT ELEMENTS OF WORK

Precision Approach Engineering (PAE) and its subconsultants will provide environmental and professional civil engineering design services as listed below. Environmental and design work will follow FAA standards and guidelines.

SCOPE OF SERVICES

Task 1 – Development of Cultural Resources Monitoring Plan & Additional Environmental Review

This task was required due to project improvements occurring within existing boundaries of the National Register of Historic Places (NRHP) eligible archaeological sites. As a result, the work is subject to Section 106 of the National Historic Preservation Act (“Section 106”). The FAA conducted a conference call with representatives of the Cowlitz Indian Tribe and Chehalis Tribe to describe the project and discuss their concerns. Following the discussion, FAA requested a scope of work to complete the agreed upon tasks. In addition, there was a desire to include environmental review of two future projects at the airport. ESA Vigil-Agrimis (ESA) provided services for this extra work with support by PAE as follows:

- ESA’s specific responsibilities/activities consisted of:
- Prepare draft Section 106 correspondence for FAA’s signature. Prepare Area of Potential Effect (APE) maps as attachments to the correspondence. Consulting parties include the FAA, the City of Chehalis, Department of Archaeology and Historic Preservation, the Chehalis Tribe, and the Cowlitz Indian Tribe.
 - Develop a Monitoring Plan to describe the procedures that will be followed if cultural resources are identified during construction. An agency draft plan will be submitted for FAA’s review. Following revisions, ESA will submit a draft to FAA for distribution to the Consulting Parties

Following comments from the Consulting Parties (30-day review period), ESA will finalize the Monitoring Plan.

- Additional environmental review of future fence line and taxilane projects.

PAE's specific responsibilities/activities consist of:

- Prepare additional graphics and other data necessary for use by ESA to complete task.

Deliverables:

- Draft APE limits for FAA review and approval.
- Agency Draft, Consulting Party Draft, and Final versions of Monitoring Plan.

Task 2 – Additional Design Services

The Apron Rehabilitation and Taxiway Realignment projects were originally intended to be bid and constructed together under one contract. Following the 90% design submittal, it was determined by FAA that there was insufficient funding available to construct both elements of the project concurrently. At FAA's direction, the two projects were separated and standalone Contract Documents were generated for each project.

PAE's specific responsibilities/activities consist of:

- Revise originally submitted 90% Contract Documents to remove Taxiway Realignment project elements and resubmit to the FAA for review. The additional work associated with this task included:
 - Revise legal specifications, technical specifications, drawings, and CSPP to reflect Apron Rehabilitation Project elements only.
 - Revise construction quantity and cost opinions to reflect Apron Rehabilitation Project only.
 - Revise original Design Report to reflect Apron Rehabilitation Project only.
- Generate a standalone set of Contract Documents for the Taxiway Realignment Project. The additional work associated with this task included:
 - Prepare legal specifications, technical specifications, drawings, and CSPP incorporating Taxiway Realignment Project elements only.
 - 90% and 100% submittal.
 - Provide construction quantity and cost opinions for Taxiway Realignment Project only.
 - 90% and 100% submittal.
 - Prepare Design Report for Taxiway Realignment Project only.
 - 90% and 100% submittal.
 - Compile, prepare, and print contract documents.

Deliverables:

- Revised 90% submittal reflecting only Apron Rehabilitation Project elements.
- Additional draft and final CSPP submittal to FAA for Taxiway Realignment Project.
- Standalone set of Contract Documents for Taxiway Realignment Project.
- Design Report for Taxiway Realignment Project.

Exclusions:

- Does not include additional bidding services for Taxiway Realignment Project.

ADDITIONAL EXCLUSIONS

This scope of services does not include performance of any further special studies or services beyond those specifically stated. Should the project be found to require further studies or services, a revised scope and fee additions will be proposed.

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AMENDMENT NO. 2
to
TASK ORDER NO. 1

**REHABILITATE APRON; RECONSTRUCT CONNECTOR TAXIWAYS
PROJECT DESIGN AND SERVICES DURING CONSTRUCTION**

**CITY OF CHEHALIS
CHEHALIS-CENTRALIA AIRPORT**

The original Task Order Agreement No. 1 dated September 3rd, 2015, to the Professional Services Agreement dated September 3rd, 2015, between the CITY OF CHEHALIS, hereinafter referred to as OWNER, and PRECISION APPROACH ENGINEERING, INC., a Professional Consulting Engineering firm, hereinafter referred to as CONSULTANT, shall be amended as follows:

Additional engineering services associated with the project described in the original Task Order No. 1, Section A, Employment of Consultant are in Exhibit A Amendment No. 2, attached.

In consideration for the additional engineering services, the OWNER shall pay CONSULTANT according to the labor rates and direct non-salary expenses at actual cost. The maximum estimated total cost of these services is **FORTY THOUSAND FOUR HUNDRED TWELVE Dollars (\$40,412)**. The total services during construction contract amount, as referenced in Section C2 of Task Order No. 1, is hereby revised to **ONE HUNDRED THIRTY-FOUR THOUSAND NINE HUNDRED TWELVE Dollars (\$134,912)**. All other conditions of the contract shall remain in full force and effect.

WITNESSETH, that the parties hereto do mutually agree to all mutual covenants and agreements contained within the CONTRACT.

OWNER:
CITY OF CHEHALIS
By: _____
Title: _____
Date: _____

CONSULTANT:
PRECISION APPROACH ENGINEERING, INC.
By: _____
Title: _____
Date: _____

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¹ Reference Construction AIP 3-53-0012-017

**EXHIBIT A
AMENDMENT NO. 2
TO
TASK ORDER NO. 1**

**SCOPE OF SERVICES FOR
REHABILITATE APRON; RECONSTRUCT CONNECTOR TAXIWAYS PROJECT
ENVIRONMENTAL AND SERVICES DURING CONSTRUCTION**

**CITY OF CHEHALIS – CHEHALIS-CENTRALIA AIRPORT
AIP Project No. 3-53-0012-017-2016
NOVEMBER 2018**

PROJECT DESCRIPTION/JUSTIFICATION

This amendment addresses the following additional environmental and services during construction not included in the original contract:

- Coordination and Cultural Resource Construction Monitoring.
- Additional services during construction.

CONSULTANT ELEMENTS OF WORK

Precision Approach Engineering (PAE) and its subconsultants will provide environmental work and services during construction as listed below. Environmental work and services during construction work will follow FAA standards and guidelines.

SCOPE OF SERVICES

Task 1 –Coordination and Cultural Resources Construction Monitoring

This task was required due to project improvements occurring within existing boundaries of the National Register of Historic Places (NRHP) eligible archaeological sites. ESA Vigil-Agrimis (ESA) will conduct construction monitoring of the project and provide curation if necessary. ESA provided services for this extra work is as follows:

- Conduct monitoring of ground disturbing activities at the Apron; an archaeologist meeting the Secretary of the Interior’s Professional Standards will supervise the monitoring.
- Preparation of a report summarizing the results of the monitoring.

Deliverables:

- Draft, Consulting Party Draft, and Final versions of Monitoring Report.

Task 2 – Additional Services During Construction

This task includes additional project management, on-site construction observation, and administrative services for the project. The original services during construction scope of work included a part-time construction observer for the duration of the project (32 hours/week). Due to late funding availability, lack

of Contractor familiarity with FAA construction requirements, and the weather sensitive nature of the work the project required full-time support.

In addition, the project encountered inclement weather and required winterization until the summer of 2017. The poor weather also created inefficiencies for the Contractor to complete paving operations within proper weather windows. This required additional site visits and material testing by the Engineer's independent testing company to comply with FAA requirements.

PAE's specific responsibilities/activities consist of:

- Additional project management/administration during the delay period between project winterization and project completion.
- In-house file and network management and invoicing.
- Prepare final grant amendment request for extra work for City submittal to FAA.
- Prepare additional FAA required Quarterly Performance Reports over life of grants.
- Additional services during construction.
 - Project was scoped for 251 total hours for part-time construction observation. Actual time for construction observation was 414 hours.
 - Additional material testing to comply with FAA requirements.

Deliverables:

- Provide additional FAA AIP quarterly reports as required.
- Final AIP grant amendment request for extra work.

Exclusions:

- Does not include services during construction or project closeout work for Taxiway Realignment Project.

ADDITIONAL EXCLUSIONS

This scope of services does not include performance of any further special studies or services beyond those specifically stated. Should the project be found to require further studies or services, a revised scope and fee additions will be proposed.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Trent Lougheed, P.E., Community Development Director
Brandon Rakes, Airport Operations Coordinator

MEETING OF: December 10, 2018

SUBJECT: Amendment to Professional Services Agreement with Precision Approach Engineering for the Taxiway Realignment and Apron Rehabilitation Projects

ISSUE

The original Professional Services Agreement with Precision Approach Engineering for engineering and consulting has expired.

DISCUSSION

In 2015 Precision Approach Engineering was contracted with to provide services during the engineering and construction of the Apron Rehabilitation and Taxiway Realignment Project. In 2016 the project scope had to be reduced to only address the Apron Rehabilitation Project. Since that time, funding has become available and secured to complete the Taxiway Realignment Project. Due to this relatively recent development it will be necessary to extend the Professional Services Agreement with Precision Approach Engineering to allow them time to complete the Taxiway Realignment Project and to continue completion of the Apron Rehabilitation Project.

Precision Approach Engineering specializes in aviation related engineering activities and is familiar with the applicable FAA and related guidelines. The firm has consistently provided quality engineering services for Airport projects, which will be an asset on the Taxiway Realignment Project, which will begin in 2019.

FISCAL IMPACT

There is no impact to amend the Professional Services Agreement. Services will be rendered in the closeout of the Apron Rehabilitation Project and completion of the Taxiway Realignment Project that is scheduled to be completed September of 2019. Both projects are largely grant funded with a local match of approximately 10%, so the costs associated with the proposed contract will be paid when rendered and be eligible for reimbursement. The City will apply for additional grants from the Washington Department of Transportation in 2019, which could further reduce the local match.

RECOMMENDATION

It is recommended that the City Council approve Amendment No. 1 to the Professional Services Agreement with Precision Approach Engineering for the Taxiway Realignment and Apron Rehabilitation Projects, and authorize the City Manager to execute the document.

SUGGESTED MOTION

I move that the City Council approve Amendment No. 1 to the Professional Services Agreement with Precision Approach Engineering for the Taxiway Realignment and Apron Rehabilitation Projects, and authorize the City Manager to execute the document.

AMENDMENT NO. 1
to
Professional Services Agreement
between
City of Chehalis
and
PRECISION APPROACH ENGINEERING, INC.

Included herein is Amendment No. 1 to the Professional Services Agreement dated September 3, 2015, hereinafter called CONTRACT, between the CITY OF CHEHALIS, hereinafter called OWNER, and PRECISION APPROACH ENGINEERING, INC.

Scope of Services

This amendment extends the contract period through September 3, 2020, as provided as an option in the original agreement.

All other conditions of the contract shall remain in full force and effect.

WITNESSETH, that the parties hereto do mutually agree to all mutual covenants and agreements contained within the CONTRACT.

CITY OF CHEHALIS

By: _____
Title: _____
Date: _____

PRECISION APPROACH ENGINEERING, INC.

By: Corky McFarland
Title: President
Date: 8/24/2018

**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: December 10, 2018

SUBJECT: Ordinance No. 996-B, Second and Final Reading – Third Amendment to the 2018 Budget

ISSUE

Ordinance No. 996-B, amending the 2018 Budget, has been prepared 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.

On November 26, 2018, Ordinance No. 996-B, third amendment to the 2018 Budget, was presented for City Council consideration on first reading. There have been no changes since the first reading on November 26, 2018. This ordinance is presented for City Council consideration on the second of the two required readings.

DISCUSSION

The proposed ordinance is the third 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 increase in fund balances (general and restricted funds) associated with the third budget amendment totals \$439,465 and is summarized below.

GENERAL FUND

The net increase in the estimated ending fund balance for the General Fund associated with the third budget amendment is \$14,215, which includes an increase in revenue estimates by \$108,320 and an increase in total appropriations by \$94,105 (expenditures by \$88,105 and Transfers-out by \$6,000). Forty-six percent of the increase in expenditures is associated with the payment for compensated absences to a general fund employee who retired unexpectedly.

Revenue Estimates

Revenue estimates included in the third budget amendment to the 2018 Budget are based on the year-to-date actual receipts through October and estimates based on current and past year trends for the remaining November and December 2018 to more closely reflect actual.

The local sales tax revenue estimate is increased by \$150,000 (3.2% increase from the 2018 Amended Budget), whereas Utility B&O Taxes is decreased by \$51,800 (3.1% decrease from the 2018 Amended Budget). Fees for community and building service and court revenues are decreased by \$28,125 and \$26,600, respectively. The revenue increase also includes \$25,800 grant payments received that were not included in the current 2018 budget. Overall, the general fund revenue estimate is increased by \$108,320 or 1.2% from the 2018 Amended Budget.

Additional information for the revenue estimates is summarized in the below table.

| Revenue Type | Revenue Estimates | | | Recommended Budget | % Change | Foot Note |
|--|----------------------|---------------------|----------------------|--------------------|----------|-----------|
| | Current 2018 Budget | Increase (decrease) | Amended Budget | | | |
| Local Sales Tax | \$ 4,615,427 | \$ 150,000 | \$ 4,765,427 | 3.2% | | |
| Criminal Justice Sales Tax | 106,101 | 7,000 | 113,101 | 6.6% | | |
| Utility B&O Taxes | 1,677,920 | \$ (51,800) | 1,626,120 | -3.1% | 1 | |
| Franchise Tax | 71,500 | 7,600 | 79,100 | 10.6% | | |
| Grants Revenues | 1,222 | 25,800 | 27,022 | 0.0% | | |
| PUD Privilege Tax | 70,775 | 4,330 | 75,105 | 6.1% | | |
| Marijuana excise tax | 18,946 | 17,115 | 36,061 | 90.3% | | |
| Fees for Services - Security of Persons/Property | 95,410 | (16,000) | 79,410 | -16.8% | 2 | |
| Fees for Services - Community & Building | 61,385 | (28,125) | 33,260 | -45.8% | 3 | |
| Fines & Forfeiture - Court Revenues | 140,685 | (26,600) | 114,085 | -18.9% | 4 | |
| Interest Earnings | 10,350 | 10,000 | 20,350 | 96.6% | | |
| All other revenues | 2,470,481 | 9,000 | 2,489,481 | 0.4% | 5 | |
| All other revenues | 2,460,131 | 9,000 | 2,469,131 | 0.4% | 5 | |
| Total Revenues | \$ 9,329,852 | \$ 108,320 | \$ 9,438,172 | 1.2% | | |

Foot Notes:

1. Increase for electric, solid waste, water and wastewater utilities but decrease for gas, cable, and telephone utilities.
2. Decrease for adult probation and electronic monitoring service fee.
3. Decrease for plant check fees and UGA permitting fee
4. Overall court revenues are declining from recent years.
4. Includes \$5,000 increase for recreation program fees and \$4,000 training cost share with Lewis County FD#6.

Expenditures

The total net increase in appropriations and transfer out is \$94,105, which includes the following:

Human Resources Department: \$12,000 increase for costs related to union labor negotiations.

The 2018 Adopted Budget includes an anticipated expenditure relating to the 2017-2018 firefighters' CBA in the Non-Departmental Department for \$161,609.

A budget transfer of \$12,000 from the Non-Departmental Department to Human Resources Department is proposed with this budget amendment. Therefore, no additional appropriation is requested relating to this item.

Police Department: \$57,105 increase including the following:

- \$41,405 payroll cost increase due to one-time payments for cash out of accrued leaves for one retired employee.
- \$15,700 increase for communications, fuel consumed, equipment rentals, and dispatch center service fee to more closely reflect actual expenditures to-date.

Fire Department: \$155,100 increase including the following:

- \$138,000 estimated payroll cost increase relating to the firefighter's 2017-2018 collective bargaining agreement that was approved in October 2018. This amount includes payments for salary increases retroactive from January 1, 2017 through September 2018, pay increases applicable for October through December 2018, and overtime payments and fringe benefits associated with these payments.

The 2018 Adopted Budget includes an anticipated expenditure relating to the 2017-2018 firefighters' CBA in the Non-Departmental Department for \$161,609.

A budget transfer of \$138,000 from the Non-Departmental Department to the Fire Department is proposed with this budget amendment. Therefore, no additional appropriation is requested relating to this item.

- \$17,100 increase for communications, professional services for grant writer, fuel consumed, and equipment rental to more closely reflect actual expenditures to-date.

Recreation Department: \$13,900 increase including the following:

- \$6,000 expenditures incurred for grant writer service fees for the Penny Playground grant.
- \$7,900 increased cost in personnel benefits due to an employee's health coverage change in 2018.

Non-Departmental Department: A net decrease of \$144,000 in appropriations, which includes a total of \$150,000 budget transfer (decrease) to Fire and Human Resources Departments and \$6,000 transfer out to the Dedicated Street Fund for the following purposes:

The 2018 Adopted Budget includes anticipated expenditures relating to the 2017-2018 firefighters' CBA in the Non-Departmental Department under Suspense Account in the amount of \$161,609. A budget transfer of \$150,000 from Non-Departmental Department to Fire and Human Resources Departments are proposed in this budget amendment as follows:

- \$138,000 budget transfer from Non-Departmental Department to Fire department to fund the retroactive payroll costs relating to the firefighter's CBA.
- \$12,000 budget transfer from Non-Departmental Department to Human Resources Department to fund the increased attorney fees relating to union labor negotiation.
- \$6,000 increase in Transfers Out to the Dedicated Street Fund for adjust 4% sales tax transfer to more closely reflect actual.

Dedicated Street Fund

\$6,000 increase for transfers-in from the General Fund relating to the adjusted sales tax revenue estimates to more closely reflect actual.

Transportation Benefit District Fund

A total of \$260,000 increase in revenue estimates, including increase in TBD sales tax revenue estimates by \$250,000 and \$10,000 in interest earnings, to more closely reflect actual.

First Quarter Percent REET Fund

Increase in REET tax revenue estimates by \$24,000 to more closely reflect actual.

Second Quarter Percent REET Fund

Increase in REET tax revenue estimates by \$24,000 to more closely reflect actual.

Wastewater Fund

\$45,000 increase in interest revenue, and \$42,000 Increase in appropriations for wastewater utility tax to the general fund to more closely reflect actual.

Net increase in estimated ending fund balance is \$3,000.

Water Fund

\$78,000 increase in interest revenue, and \$21,000 increase in appropriations for water utility tax to the general fund to more closely reflect actual.

Net increase in estimated ending fund balance is \$57,000.

Storm & Surface Water Utility Fund

\$40,000 increase storm water fee revenue estimates to more closely reflect actual and an increase in interest revenue by \$11,250.

Net increase in estimated ending fund balance is \$51,250.

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.996-B on second and final reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 996-B on second and final reading.

| Fund No. and Name | Account Name | Reason for Amendment | 2018 | | Revenue | | Appropriation | | Total | |
|---|--------------------------------------|---|------------------|------------------|---------------------|--------------|---------------------|---------------|---------------------|------------------|
| | | | Amended Budget | Amended Budget | Increase (Decrease) | Transfers In | Increase (Decrease) | Transfers Out | Increase (Decrease) | Amended Budget |
| Fund 001 - General Fund | | | | | | | | | | |
| Revenues: | | | | | | | | | | |
| 001.313.011.00 | Local Sales Taxes | Reflect more to actual | 4,615,427 | 150,000 | 150,000 | - | - | - | - | 150,000 |
| 001.313.071.00 | Sales Tax - Criminal Justice Funding | YTD receipt over the budgeted amount | 106,101 | 7,000 | 7,000 | - | - | - | - | 7,000 |
| 001.316.041.00 | B&O Utility Tax - Electric | Reflects more to actual | 515,102 | 68,000 | 68,000 | - | - | - | - | 68,000 |
| 001.316.043.00 | B&O Utility Tax - Gas | Reflects more to actual | 213,794 | (70,000) | (70,000) | - | - | - | - | (70,000) |
| 001.316.045.00 | B&O Utility Tax - Solid Waste | Reflects more to actual | 68,164 | 9,300 | 9,300 | - | - | - | - | 9,300 |
| 001.316.046.01 | B&O Utility Tax - Cable | Reflects more to actual | 132,843 | (56,000) | (56,000) | - | - | - | - | (56,000) |
| 001.316.047.00 | B&O Utility Tax - Telephone | Reflects more to actual | 254,902 | (30,000) | (30,000) | - | - | - | - | (30,000) |
| 001.316.048.00 | Utility taxes - Waster | Reflects more to actual | 176,000 | 2,700 | 2,700 | - | - | - | - | 2,700 |
| 001.316.049.00 | Utility taxes - Wastewater | Reflects more to actual | 279,615 | 24,200 | 24,200 | - | - | - | - | 24,200 |
| 001.321.091.02 | Franchise Tax - Comcast | YTD receipt over the budgeted amount | 71,500 | 7,600 | 7,600 | - | - | - | - | 7,600 |
| 001.331.016.60 | DOJ -BPV Grant | Revenue not budgeted | - | 1,610 | 1,610 | - | - | - | - | 1,610 |
| 001.333.020.60 | US DOT Grant | Revenue not budgeted | - | 1,300 | 1,300 | - | - | - | - | 1,300 |
| 001.333.097.03 | FEMA Grant - 07 Flood | Revenue not budgeted -07 FEMA Flood | - | 19,620 | 19,620 | - | - | - | - | 19,620 |
| 001.334.001.83 | WA Dept of Military | Revenue not budgeted -07 FEMA Flood | - | 3,270 | 3,270 | - | - | - | - | 3,270 |
| 001.342.033.00 | Adult Probation Service | Reflects more to actual | 18,720 | (6,000) | (6,000) | - | - | - | - | (6,000) |
| 001.342.036.00 | Electronic Monitoring-Prison | Reflects more to actual | 18,000 | (10,000) | (10,000) | - | - | - | - | (10,000) |
| 001.335.000.91 | PJD Privilege Tax | YTD receipt over the budgeted amount | 70,775 | 4,330 | 4,330 | - | - | - | - | 4,330 |
| 001.336.006.42 | Marijuana Excise Tax | YTD receipt over the budgeted amount | 18,946 | 17,115 | 17,115 | - | - | - | - | 17,115 |
| 001.337.009.22 | Interlocal Agreement | Lewis County FD#6 Training Cost Share | - | 4,000 | 4,000 | - | - | - | - | 4,000 |
| 001.345.083.00 | Plan Checks | Reflects more to actual | 47,500 | (17,500) | (17,500) | - | - | - | - | (17,500) |
| 001.345.089.02 | Com Dev Fee - UGA Permitting | Reflects more to actual | 10,625 | (10,625) | (10,625) | - | - | - | - | (10,625) |
| 001.347.030.01 | Activity Fee/Pool Admission | YTD receipt over the budgeted amount | 80,000 | 5,000 | 5,000 | - | - | - | - | 5,000 |
| 001.354.009.00 | Parking Infractions | Reflects more to actual | 8,000 | (2,000) | (2,000) | - | - | - | - | (2,000) |
| 001.355.020.00 | Driving While Intoxicated | Reflects more to actual | 11,500 | (3,500) | (3,500) | - | - | - | - | (3,500) |
| 001.354.009.00 | Other Criminal Traffic | Reflects more to actual | 26,175 | (7,600) | (7,600) | - | - | - | - | (7,600) |
| 001.356.050.03 | Drug/Alcohol Spec Assessment | Reflects more to actual | 2,500 | (1,000) | (1,000) | - | - | - | - | (1,000) |
| 001.356.090.00 | Non-Traffic Misdemeanor | Reflects more to actual | 25,000 | (12,500) | (12,500) | - | - | - | - | (12,500) |
| 001.361.011.11 | Investment Interest | Reflects more to actual | 10,350 | 10,000 | 10,000 | - | - | - | - | 10,000 |
| Total General Fund Revenues & Transfers In | | | 9,329,852 | 108,320 | 108,320 | - | - | - | - | 108,320 |
| Expenditures: | | | | | | | | | | |
| 001.G1.589.090.00.00 | Suspense Account | Budget Transfer to Fire & HR Dept for CBA Retro Pays & Legal Fees | 161,609 | (150,000) | (150,000) | - | - | - | - | (150,000) |
| 001.G1.589.090.00.00 | Transfer out to Dedicated Street | Reflect more to actual - sales tax revenue over budget projection | 184,625 | 6,000 | 6,000 | - | - | - | - | 6,000 |
| Sub total - non department | | | 346,234 | (144,000) | (144,000) | - | - | - | - | (144,000) |
| 001.G2.518.010.41.00 | Professional Services | Union labor negotiations attorney fees over budget | 15,000 | 12,000 | 12,000 | - | - | - | - | 12,000 |
| Sub total - HR | | | 15,000 | 12,000 | 12,000 | - | - | - | - | 12,000 |
| 001.H1.521.010.42.00 | Communications | Increased cost - reflects more to actual | 26,000 | 5,700 | 5,700 | - | - | - | - | 5,700 |
| 001.H1.521.021.11.00 | Salaries & Wages | Retiree Accruals Cash out - not budgeted | 167,256 | 26,875 | 26,875 | - | - | - | - | 26,875 |
| 001.H1.521.021.12.00 | Overtime | Retiree Accruals Cash out - not budgeted | 16,286 | 12,530 | 12,530 | - | - | - | - | 12,530 |
| 001.H1.521.021.21.00 | Personnel Benefits | Retiree Accruals Cash out - not budgeted | 109,465 | 2,000 | 2,000 | - | - | - | - | 2,000 |
| 001.H1.521.022.32.00 | Fuel Consumed | Increased cost - reflects more to actual | 25,000 | 4,300 | 4,300 | - | - | - | - | 4,300 |
| 001.H1.521.022.45.00 | Rentals | Increased cost - reflects more to actual | 1,328 | 3,300 | 3,300 | - | - | - | - | 3,300 |
| 001.H1.523.060.51.00 | Intergovernmental Service | Increased cost - reflects more to actual | 80,000 | 2,400 | 2,400 | - | - | - | - | 2,400 |
| Sub-Total Police | | | 80,000 | 57,105 | 57,105 | - | - | - | - | 57,105 |
| 001.I1.522.010.41.00 | Professional Services | Grant writer service fee not budgeted - Penny Playground | - | 2,000 | 2,000 | - | - | - | - | 2,000 |
| 001.I1.522.010.42.00 | Communications | Increased cost - reflects more to actual | 13,800 | 1,700 | 1,700 | - | - | - | - | 1,700 |
| 001.I1.522.010.45.00 | Rentals | Copier Lease increased cost - reflects more to actual | - | 3,000 | 3,000 | - | - | - | - | 3,000 |
| 001.I1.522.020.11.00 | Salaries & Wages | Firefighters' CBA approved - Pay increase & Retro Pay | 165,203 | 21,800 | 21,800 | - | - | - | - | 21,800 |
| Total | | | 9,329,852 | 108,320 | 108,320 | - | - | - | - | 108,320 |
| Total | | | 9,329,852 | 108,320 | 108,320 | - | - | - | - | 108,320 |

| 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 | |
|---|-----------------------|---|---------------------|------------|-----------------------------|---------------------|--------------|-----|-----------------------------------|---------------------|---------------------|---------------------|-------------------------------------|---------|----------------------------|------------|
| | | | Budget | Amended | Increase (Decrease) | Increase (Decrease) | In | Out | Increase (Decrease) | Increase (Decrease) | Increase (Decrease) | Increase (Decrease) | Budget | Amended | | |
| 001.11.522.020.12.00 | Overtime | Firefighters' CBA approved - Pay Increase & Retro Pay | 50,000 | 50,000 | 3,200 | - | - | - | 3,200 | - | - | - | 3,200 | - | 53,200 | 53,200 |
| 001.11.522.028.21.00 | Personnel Benefits | Firefighters' CBA approved - Pay Increase & Retro Pay | 87,410 | 87,410 | 2,500 | - | - | - | 2,500 | - | - | - | 2,500 | - | 89,910 | 89,910 |
| 001.11.522.020.32.00 | Fuel Consumed | Increased cost - reflects more to actual | 8,000 | 8,000 | 6,200 | - | - | - | 6,200 | - | - | - | 6,200 | - | 14,200 | 14,200 |
| 001.11.522.028.11.00 | Salaries & Wages | Firefighters' CBA approved - Pay Increase & Retro Pay | 661,062 | 661,062 | 87,000 | - | - | - | 87,000 | - | - | - | 87,000 | - | 748,062 | 748,062 |
| 001.11.522.020.12.00 | Overtime | Firefighters' CBA approved - Pay Increase & Retro Pay | 200,000 | 200,000 | 13,300 | - | - | - | 13,300 | - | - | - | 13,300 | - | 213,300 | 213,300 |
| 001.11.522.028.21.00 | Personnel Benefits | Firefighters' CBA approved - Pay Increase & Retro Pay | 349,843 | 349,843 | 10,200 | - | - | - | 10,200 | - | - | - | 10,200 | - | 359,843 | 359,843 |
| 001.11.522.050.45.00 | Rentals | Lewis County FD#6, station use fee not budgeted | - | - | 4,200 | - | - | - | 4,200 | - | - | - | 4,200 | - | 4,200 | 4,200 |
| | | Sub-Total Fire | | | 155,100 | | | | 155,100 | | | | 155,100 | | | |
| 001.R1.571.011.21.00 | Personnel Benefits | Increased Cost - Employee benefit, choice change | 70,425 | 70,425 | 7,900 | - | - | - | 7,900 | - | - | - | 7,900 | - | 78,325 | 78,325 |
| 001.R1.571.011.41.00 | Professional Services | Increase costs - Grant Writer - Rec.Park and Penny Playground | 10,000 | 10,000 | 6,000 | - | - | - | 6,000 | - | - | - | 6,000 | - | 16,000 | 16,000 |
| | | Sub-Total Recreation | | | 13,900 | | | | 13,900 | | | | 13,900 | | | |
| Total General Fund Expenditures & Transfers Out | | | 10,402,168 | 10,402,168 | 88,105 | - | - | - | 88,105 | 6,000 | - | - | 94,105 | - | 10,496,273 | 10,496,273 |
| Total General Fund | | | | 108,320 | 88,105 | | | | 6,000 | | | | 14,215 | | | |

Fund 003 - Dedicated Street Fund-4% Sales Tax

| | | | | | | | | | | | | | | | | |
|--|----------------------------|---|---------|---------|-------|---|---|-------|---|---|---|---|-------|---|---------|---------|
| Revenues: | | | | | | | | | | | | | | | | |
| 003.397.000.01 | Transfers in from Fund 001 | Reflects more to actual 4% of Sales Tax | 184,825 | 184,825 | 6,000 | - | - | 6,000 | - | - | - | - | 6,000 | - | 190,825 | 190,825 |
| Total TBD Fund Revenues & Transfers In | | | 185,125 | 185,125 | 6,000 | - | - | 6,000 | - | - | - | - | 6,000 | - | 191,125 | 191,125 |
| Total Transportation Benefit District Fund | | | | | 6,000 | | | 6,000 | | | | | 6,000 | | | |

Fund 103 - Transportation Benefit District Fund

| | | | | | | | | | | | | | | | | |
|--|-------------------|-------------------------|---------|---------|---------|---|---|---------|---|---|---|---|---------|---|-----------|-----------|
| Revenues: | | | | | | | | | | | | | | | | |
| 103.313.021.00 | TBD Sales Taxes | Reflects more to actual | 850,000 | 850,000 | 250,000 | - | - | - | - | - | - | - | 250,000 | - | 1,100,000 | 1,100,000 |
| 103.361.011.00 | Interest Earnings | Reflects more to actual | 600 | 600 | 10,000 | - | - | - | - | - | - | - | 10,000 | - | 10,600 | 10,600 |
| Total TBD Fund Revenues & Transfers In | | | 850,600 | 850,600 | 260,000 | - | - | - | - | - | - | - | 260,000 | - | 1,110,600 | 1,110,600 |
| Total TBD Fund | | | | 260,000 | | | | 260,000 | | | | | 260,000 | | | |

Fund 305 - First Quarter Percent REET Fund

| | | | | | | | | | | | | | | | | |
|---|--------|-------------------------|--------|--------|--------|---|---|--------|---|---|---|---|--------|---|---------|---------|
| Revenues: | | | | | | | | | | | | | | | | |
| 305.318.034.00 | REET 1 | Reflects more to actual | 90,000 | 90,000 | 24,000 | - | - | - | - | - | - | - | 24,000 | - | 114,000 | 114,000 |
| Total First Quarter Percent REET Fund Revenues & Transfers In | | | 90,700 | 90,700 | 24,000 | - | - | - | - | - | - | - | 24,000 | - | 114,700 | 114,700 |
| Total First Quarter Percent REET Fund | | | | 24,000 | | | | 24,000 | | | | | 24,000 | | | |

Fund 306 - Second Quarter Percent REET Fund

| | | | | | | | | | | | | | | | | |
|--|--------|-------------------------|--------|--------|--------|---|---|--------|---|---|---|---|--------|---|---------|---------|
| Revenues: | | | | | | | | | | | | | | | | |
| 306.318.035.00 | REET 2 | Reflects more to actual | 90,000 | 90,000 | 24,000 | - | - | - | - | - | - | - | 24,000 | - | 114,000 | 114,000 |
| Total Second Quarter Percent REET Fund Revenues & Transfers In | | | 90,650 | 90,650 | 24,000 | - | - | - | - | - | - | - | 24,000 | - | 114,650 | 114,650 |
| Total Second Quarter Percent REET Fund | | | | 24,000 | | | | 24,000 | | | | | 24,000 | | | |

| Fund No. and Name | Account Name | Reason for Amendment | 2018 Amended Budget | Revenue | | Appropriation | | Total Amendment | |
|--|---|---|---------------------|---------------------|--------------|---------------------|---------------|---------------------|----------------|
| | | | | Increase (Decrease) | Transfers In | Increase (Decrease) | Transfers Out | Increase (Decrease) | Amended Budget |
| Fund 404 - Wastewater Fund | | | | | | | | | |
| Revenues: | | | | | | | | | |
| 404.361.011.00 | Interest Earnings | Reflects more to actual | 15,000 | 45,000 | | | | 45,000 | 60,000 |
| | <u>Total Wastewater Revenues & Transfers In</u> | | 5,529,897 | 45,000 | - | - | - | 45,000 | 5,574,897 |
| Expenditures: | | | | | | | | | |
| 404.11.535.010.53.01 | Taxes & Oper Assessments - GF | Utility taxes on wastewater sales to GF - reflects more to actual | 261,870 | | | 42,000 | | 42,000 | 303,870 |
| | <u>Total Wastewater Fund Expenditures</u> | | 5,512,192 | - | - | 42,000 | - | 42,000 | 5,554,192 |
| | Total Wastewater Fund | | | 45,000 | - | 42,000 | - | 3,000 | |
| Fund 405 - Water Fund | | | | | | | | | |
| Revenues: | | | | | | | | | |
| 405.361.011.00 | Interest Earnings | Reflects more to actual | 15,000 | 78,000 | | | | 78,000 | 93,000 |
| | <u>Total Water Fund Revenues & Transfers In</u> | | 2,880,084 | 78,000 | - | - | - | 78,000 | 2,958,084 |
| Expenditures: | | | | | | | | | |
| 405.10.534.010.53.01 | Taxes & Oper Assessment - GF | Utility taxes on water sale to GF - reflects more to actual | 157,820 | | | 21,000 | | 21,000 | 178,820 |
| | <u>Total Water Fund Expenditures</u> | | 3,210,767 | - | - | 21,000 | - | 21,000 | 3,231,767 |
| | Total Water Fund | | | 78,000 | - | 21,000 | - | 57,000 | |
| Fund 406 - Storm & Surface Water Fund | | | | | | | | | |
| Revenues: | | | | | | | | | |
| 406.343.010.02 | Stormwater Closed Non-single family | Sales revenue to reflects more to actual | 297,000 | 40,000 | | | | 40,000 | 337,000 |
| 406.361.011.00 | Interest Earnings | Reflects more to actual | 2,000 | 11,250 | | | | 11,250 | 13,250 |
| | <u>Total Storm Water Fund Revenues & Transfers In</u> | | 578,130 | 51,250 | - | - | - | 51,250 | 629,380 |
| | Total Water Fund | | | 51,250 | - | - | - | 51,250 | |
| | Total City-wide All Funds | | | 590,570 | 6,000 | 151,105 | 6,000 | 439,465 | |

ORDINANCE NO. 996-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 FOUR HUNDRED THIRY-NINE THOUSAND FOUR HUNDRED SIXTY-FIVE DOLLARS (\$439,465) FOR THE GENERAL FUND, DEDICATED STREET FUND, TRANSPORTATION BENEFIT DISTRICT FUND, FIRST QUARTER PERCENT REET FUND, SECOND QUARTER PERCENT REET FUND, WASTEWATER FUND, WATER FUND, AND STORM & SURFACE WATER UTILITY 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 \$108,320, increase expenditures appropriations by \$88,105, and increase transfers out by \$6,000.

Section 2. The annual budget of the city for the calendar year 2018 shall be, and the same hereby is, amended so as to increase the Dedicated Street Fund – 4% Sales Tax's transfers in by \$6,000.

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 Transportation Benefit District Fund's estimated revenues by \$260,000.

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 First Quarter Percent REET Fund's estimated revenues by \$24,000.

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 Second Quarter Percent REET Fund's estimated revenues by \$24,000.

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 estimated revenues by \$45,000 and increase expenditure appropriations by \$42,000.

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 estimated revenues by \$78,000 and increase expenditure appropriations by \$21,000.

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 estimated revenues by \$51,250.

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 \$17,114,147.

PASSED by the City Council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this _____ day of December, 2018.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

EXHIBIT A
CITY OF CHEHALIS THIRD AMENDED 2018 BUDGET
2018 Budget Summary Revised with Ordinance No. 996-B

| FUND NAME | FUND NO. | Beginning Fund Balance | Revenues | Transfers In | Expenditures | Transfers Out | Estimated Ending Fund Balance | Change in Fund Balance | Fund Bal. % Chg. Beg - End. |
|--------------------------------------|----------|------------------------|----------------------|---------------------|----------------------|---------------------|-------------------------------|------------------------|-----------------------------|
| General Fund | 001 | \$ 2,042,442 | \$ 9,438,172 | \$ - | \$ 9,933,746 | \$ 562,527 | \$ 984,341 | (1,058,101) | -51.8% |
| Dedicated Street Fund - 4% Sales Tax | 003 | 117,842 | 500 | 190,625 | 180,940 | - | 128,027 | 10,185 | 8.6% |
| 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 | 1,110,600 | - | 500,000 | - | 970,655 | 610,600 | 169.6% |
| 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 | 114,700 | - | - | 242,865 | 47,942 | (128,165) | -72.8% |
| 2nd Quarter REET Fund | 306 | 264,738 | 114,650 | - | - | 323,190 | 56,198 | (208,540) | -78.8% |
| Garbage Fund | 402 | 7,024 | 6,445 | - | 7,505 | - | 5,964 | (1,060) | -15.1% |
| Wastewater Fund | 404 | 4,833,519 | 5,574,897 | - | 5,554,192 | - | 4,854,224 | 20,705 | 0.4% |
| Water Fund | 405 | 7,093,160 | 2,958,084 | - | 3,231,767 | - | 6,819,477 | (273,683) | -3.9% |
| Storm & Surface Water Fund | 406 | 1,098,223 | 629,380 | - | 721,225 | - | 1,006,378 | (91,845) | -8.4% |
| 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% |
| TOTALS | | \$ 17,784,181 | \$ 23,426,728 | \$ 1,228,582 | \$ 24,096,762 | \$ 1,228,582 | \$ 17,114,147 | \$ (670,034) | -3.8% |

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Trent J. Lougheed, P.E., Community Development Director
Hillary Hoke, Planning & Building Department Manager

MEETING OF: December 10, 2018

SUBJECT: Discussion of Permit Requirements for Use of City-owned Right-of-Way

ISSUE

At the November 26, 2018, City Council meeting, the City Council directed staff to explore a possible code modification relating to the fee charged to businesses for a permit to use the City owned right-of-way (ROW) for sidewalk sales, outdoor seating, and other similar uses of the public right-of-way for private business activity.

BACKGROUND

CMC Title 12.56.060 currently requires permits to occupy and/or perform work within the City's rights-of-way (ROW). There are three types of permits:

1. ***Disturbance of Right-of-Way:*** for activities that will alter the appearance of or disturb the surface, supersurface, or subsurface of the right-of-way (i.e., boring, painting, curb cuts/driveways, utility installations, etc.)
2. ***Short-Term Temporary Use of Right-of-Way:*** for uses and activities that do not physically disturb or alter the right-of-way and are on a temporary basis (i.e., festivals, parades, displays, sandwich board signs, etc.)
3. ***Long-Term and Permanent Use of the Rights-of-Way:*** for structures and activities on a permanent or long-term basis (i.e., construction haul roads, seasonal cafes, fountains, fences, clocks, etc.)

CMC Appendix A – Schedule of Fees and Charges.

Right-of-Way Permit:

- For construction activity: \$50.00
- For temporary (less than 30 days) occupancy: \$50.00
- For permanent occupancy associated with an adjacent business: \$100.00 annually

SOME POTENTIAL OPTIONS FOR ROW PERMIT REQUIREMENTS:

Option 1: Revise the Fee Schedule to Remove Annual Fee

One option is to revise CMC Appendix A – Schedule of Fees and Charges to reflect no annual fee for right-of-way permits for permanent occupancy associated with adjacent business and keep current business license and permit processes or requirements in place.

This option would require staff time to review and process each proposed ROW occupancy at no charge to the business owner. If the proposal includes construction of an actual structure, such as a deck, ramp, awning, etc., that structure would require a standard building permit application subject to the current fee schedule; however, the annual ROW fee would no longer be applied.

In addition, a revision to the Code can be prepared that would exempt non-profits from paying the fee for temporary, short-term use of the City's ROW. For example, non-profits posting event signs in the City's ROW would no longer have to pay the current \$50 fee upon passage of this type of code amendment.

This option would require a few weeks to draft the CMC amendment and present to City Council for consideration. **In the meantime, the City Council can take action to direct the staff to suspend collection of the fee until the related amendments to the code are adopted.**

Option 2: Create a "Sidewalk Business License" to Replace Current Process

Revisions to the appropriate business license and ROW code sections can be done to create a distinction between temporary and long-term/permanent ROW uses specific to adjacent business operations. Construction and other ROW use processes would remain unchanged. Then, create a "Sidewalk Business License" process. Those ROW uses that are dismantled and removed from the sidewalk nightly, are only used during normal business hours, and do not include intended regular human occupancy, may be considered temporary and would no longer require a ROW permit, but would require a Sidewalk Business License in addition to a General Business License. Such temporary uses could include, but are not limited to, tables for display of merchandise, sandwich board signs, banners, products for sale, etc.

A Sidewalk Business License process would provide staff the means to review the proposal for compliance with the ADA open sidewalk space and insurance requirements, as well as determine the appropriateness of the use. The Sidewalk Business License could be an endorsement to a General Business License at no fee, or a completely separate business license process with a small fee. If a small fee is proposed, our current licensing ordinance contains a provision that allows flexibility on fees for non-profit organizations. Adopted ROW permit fees have no such flexibility. Other jurisdiction permit fees for ROW use were generally in the \$10-\$50 range; however, the low was \$0 and the high was \$420.

Those uses that are not dismantled and removed outside of normal business hours, and/or include intended regular human occupancy, are considered long-term/permanent and require an annual \$100 ROW permit and insurance. Such uses could include, but are not limited to, fences, outdoor seating areas, ramps, decks, etc.

This option will require approximately one month for drafting of a new or amended ordinance and code sections.

Option 3: Take No Action

If the City Council takes no action, the permit process will remain as is with \$100 ROW permit fee and insurance required for businesses who wish to use the public right-of-way for private business gain/profit.

INSURANCE ISSUES

The City is a member of the Washington Cities Insurance Authority (WCIA). WCIA conducts annual audits of its member agencies and makes recommendations to improve processes and procedures to increase safety and/or reduce exposure to liability that is ultimately the authority of the WCIA and its members, including the City of Chehalis. It is the recommendation of Tanya Crites, Senior Risk Management Representative, WCIA, that insurance policy requirements be applied to all ROW occupancies. The recommendation for policy components are Commercial General Liability insurance of at least \$1,000,000 per occurrence and no less than \$2,000,000 general aggregate, and \$2,000,000 products-completed operations aggregate limit, naming the City as an additional insured using endorsement CG 20 12 or at least as broad coverage.

CMC 12.56.110 would need to be revised to reflect these amounts recommended by WCIA for all uses, not just uses at the discretion of the City Manager. The current code, CMC 12.56.110 Performance deposits/insurance, states:

- A. If the city manager determines that there is a potential for injury, damage, or expense to the city as a result of damage to persons or property arising from an applicant's proposed use of any right-of-way, the applicant may be required to make a cash deposit with the finance department or to provide a security device or insurance in a form acceptable to the director for the activities described in the subject permit. The amount of the cash deposit, security device, or insurance shall be determined by the city manager.
- B. The requirements for performance deposits and insurance are based on consideration of applicants' prior performance, nature of the proposed use, cost of the activity, length of use, public safety, potential damage to right-of-way, and potential liability or expense to the city. [Ord. 831B, 2007; Ord. 760B, 2003; Ord. 749B, 2003; Ord. 574B, 1995.]

Therefore, it is proposed that the municipal code be revised to reflect the recommendations of WCIA. Regardless of whether a right-of-way permit is required, with or without a fee, it is also recommended that the following existing requirements be reiterated:

- All uses should be immediately adjacent to the business wall.
- A minimum of 3' - 5' of sidewalk, measured perpendicular from the curb or nearest obstruction, should remain clear and open at all times. Preferably a minimum of 5' to allow for the ease of maneuvering. The nearest obstruction may include, but is not limited to, light poles, planters, refuse containers, landscaping islands, etc.

FISCAL IMPACT

The fiscal impact is unknown at this time. There will be a loss of revenue if ROW permits are no longer required or the permit fee is eliminated.

RECOMMENDATION

It is recommended that the City Council provide comment on the proposed options presented, which can then be incorporated into a draft ordinance and presented for further consideration in January. In the meantime, the City Council can take action to temporarily suspend collection of the \$100 right-of-way occupancy permit for permanent occupancy associated with an adjacent business as currently identified in CMC Appendix Chapter A. Suspension would remain in effect until such time as a new or amended process and/or ordinance has been adopted. All other right-of-permit requirements and fees will remain as currently written.

SUGGESTED MOTION

I move that the City Council require the right-of-way permits and insurance as currently written in CMC 5.04 and 12.56, but temporarily suspend collection of the \$100 right-of-way occupancy permit for permanent occupancy associated with an adjacent business as currently identified in CMC Appendix Chapter A. Suspension shall remain in effect until such time as a new or amended process and/or ordinance has been adopted. All other right-of-permit requirements and fees will remain as currently written.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
MEETING OF: December 10, 2018
SUBJECT: Strategic Plan Update

ISSUE

This item has been scheduled to provide an update on the City's strategic plan.

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. At that time, 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 report on the progress being made toward accomplishing those goals which are driven by the desire to maintain and improve services while using public resources effectively. The reports provide the City Council and staff an opportunity to monitor progress, as well as revise objectives and timelines as conditions warrant. 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.