

**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, July 8, 2019**  
**5:00 p.m.**

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

**SPECIAL BUSINESS**

3. Port of Chehalis Update. (Randy Mueller, Chief Executive Officer)

**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
<b>CONSENT CALENDAR</b>		
4. <u>Minutes of the Regular City Council Meeting of June 24, 2019.</u> (City Clerk)	APPROVE	1
5. <u>Vouchers and Transfers – Accounts Payable.</u> (City Manager, Finance Director)	APPROVE	3
6. <u>Vouchers and Transfers – Payroll.</u> (City Manager, Finance Director)	APPROVE	5

**CONSENT CALENDAR CONTINUED ON NEXT PAGE**

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>CONSENT CALENDAR – CONTINUED</b>		
7. <u>Amendment # 1 to Engineering Services Agreement with Jacobs Engineering Group in the Amount of \$20,000 to Address Air Emissions at the Chehalis Regional Water Reclamation Facility.</u> (City Manager, Public Works Director/City Engineer, Wastewater Supt.)	APPROVE	7
8. <u>Award Recreation Park Improvement Project to KBH Construction in the Amount of \$2,281,383.</u> (City Manager, Public Works Director/City Engineer, Recreation Manager)	APPROVE	12
9. <u>Construction Services Agreement with Skillings Connolly, Inc., in an Amount Not to Exceed \$157,927 for the Recreation Park Improvement Project.</u> (City Manager, Public Works Director/City Engineer, Recreation Manager)	APPROVE	17
10. <u>Resolution No. 9-2019, First and Final Reading – Declaring Property to be Surplus.</u> (City Manager, City Clerk)	ADOPT	36

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
<b>NEW BUSINESS</b>		
11. <u>Ordinance No. 999-B, First Reading – Providing for the Issuance and Sale of a Limited Tax General Obligation Bond Not to Exceed \$1 Million to Finance the Recreation Park Renovation Project.</u> (City Manager, Finance Director)	PASS	38
12. <u>Interlocal Agreement with Lewis County Fire District #6 for Sharing of Fire Chief Services.</u> (City Manager)	APPROVE	50

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

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.  
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, JULY 22, 2019.**

June 24, 2019

The Chehalis city council met in regular session on Monday, June 24, 2019, in the Chehalis city hall. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Tony Ketchum, Daryl Lund, Dr. Isaac Pope, Bob Spahr, and Chad Taylor. Terry Harris arrived at 5:10 pm. Staff present included: Ken Cardinale, Fire Chief; Kiley Franz, Acting City Clerk; Brian Kelly, Assistant City Attorney; Trent Loughheed, Public Works Director/City Engineer (Acting City Manager); Brandon Rakes, Airport Operations Coordinator; Glenn Schaffer, Police Chief; and Dave Vasilauskas, Water Superintendent. Members of the news media included Will Rubin of *The Chronicle*.

1. **Public Hearing – City’s Water Use Efficiency Plan.** Mayor Dawes closed the regular meeting at 5:00 pm and opened the public hearing.

Dave Vasilauskas stated the city’s Water Use Efficiency (WUE) Plan needed to be updated. One of the steps includes getting input from citizens regarding water conservation measures. Mr. Vasilauskas stated that citizens are welcome to contact him if they have any thoughts on the matter.

Mayor Dawes asked if the information was on the city’s website. Mr. Vasilauskas stated the city’s water quality report is available online.

Mayor Dawes called for comment on the WUE Plan. There being no public comment, Mayor Dawes closed the public hearing and reopened the regular meeting at 5:03 pm.

2. **Proclamation – General Aviation Appreciation Month.** Mayor Dawes read and presented a proclamation to Brandon Rakes proclaiming June as General Aviation Appreciation Month.

3. **Chehalis Community Renaissance Team Update (CCRT).** Annalee Tobey reported on recent activities:

- Business Academy offering various classes
- Façade grant – five in progress; microgrants also available
- Only four vacant spaces currently available downtown
- Totally Pawsome moving to new location across from current location to expand their business
- Coworks doing well with 18 monthly memberships; courtyard space coming soon
- Artists continue to work on building murals, trash can lids, and benches
- ChehalisFest is July 27

Ms. Tobey stated that 2019 marks 10 years since the Renaissance Plan was adopted. The group is beginning to look at developing a mission and vision statement, as well as reviewing the current logo and organization name. She thanked the city for its continued support of the program.

4. **Lewis EDC Update.** Matt Matayoshi reported on various partnerships with the city, including providing data for various grants; beautification sponsor; funding of study relating to water rights; and support of .09 grants. In addition to .09 grants for city projects, the EDC has supported various grants county-wide. Mr. Matayoshi stated the second annual Smart Tank event had 13 participants. The next event is set for July 12.

Councilor Lund asked who the “sharks” included. Mr. Matayoshi stated the EDC partners with an organization that provides some of the “sharks” and they also have a couple local people – Dr. Joe Dolezal and Amanda Hubbert-Smith.

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

- a. Minutes of the regular meeting of June 10, 2019;
- b. June 14, 2019 Claim Vouchers No. 126038-126185 and Electronic Funds Transfer No. 520191 in the amount of \$341,446.21; and
- c. Acceptance of public infrastructure project at the Discover! Children’s Museum site – project and bid alternate closeout.

The motion was seconded by Councilor Lund and carried unanimously.

June 24, 2019

**6. Ordinance No. 998-B, Second and Final Reading – Granting a Non-exclusive Franchise to Puget Sound Energy.** Acting City Manager Lougheed indicated there were no changes since first reading of the ordinance.

Councilor Taylor moved to pass Ordinance No. 998-B on second and final reading. The motion was seconded by Councilor Lund and carried unanimously.

**7. Financial Feasibility Study of Potential Annexation of the City of Chehalis into the Lewis County Fire District 6 Service Area.** Chief Cardinale stated this item moves ahead a study on the possible annexation of the fire department into Lewis County Fire District 6, by having a financial consultant look at the numbers. He stated the scope of work was included in the agenda. The timeframe for completion of the study depends on how fast the city and district provide information to the consultant. Once all the information is presented, Chief Cardinale stated he would provide the council with an update and timeframe for completion.

Mayor Dawes understood it could be about six months as some information may need a little updating. Chief Cardinale stated a significant amount of information was already provided to the consultant back in January and that information has been updated. The consultant provided a list of further information that will be needed, which both the city and district are working on.

Chief Cardinale stated the consultant was Bill Cushman, who was the financial consultant for Snohomish County Fire District 1 and has done work with Riverside Fire Authority and Lewis County District 6. He is well respected in his field and thought the city and district would be happy with the end product.

Councilor Ketchum moved to authorize the City Manager to execute a contract with William Cushman, Financial Consultant for a Fire Service Annexation Feasibility Study and approve the expenditure of up to \$8,000 for the project. The motion was seconded by Councilor Pope and carried unanimously.

**8. Administration Reports.**

b. **City Manager Update.** Acting City Manager Lougheed stated bids were opened on Thursday for the Recreation Park project. Seven bids were received and are being reviewed.

**9. Councilor Reports/Committee Updates.**

a. Councilor Ketchum stated the Lewis County Historical Museum will be selling slices of pie at Borst Park on July 4.

b. Mayor Dawes stated he and Councilor Lund met with Fire District 6 commissioners regarding the annexation study taken care of previously on the agenda. He also attended a .09 committee meeting, the Business After Hours event, and the luncheon for former Public Works Director Rick Sahlin.

There being no further business to come before the council, the meeting was adjourned at 5:35 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:** July 8, 2019

**SUBJECT:** Vouchers and Transfers

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**ISSUE**

City Council approval is requested for Vouchers and Transfers dated June 28, 2019. In addition to the Vouchers and Transfers, approval is requested for voided Check No. 126132 and Check No. 126134, original issue date June 14, 2019, which results in an increase to the General Fund balance in the amount of \$220.57.

**DISCUSSION**

The June 28, 2019 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. 126186-126273 in the amount of \$139,427.69 dated June 28, 2019, and voided Check No. 126132 in the amount of \$204.57 and Check No. 126134 in the amount of \$16.00 for a net total transfer of \$139,207.12 as follows:

- \$ 57,708.21 from the General Fund
  - \$ 11,689.70 from the Dedicated Street Fund – 4% Sales Tax Fund
  - \$ 28,654.58 from the Wastewater Fund
  - \$ 6,209.78 from the Water Fund
  - \$ 295.05 from the Storm & Surface Water Utility Fund
  - \$ 33,725.09 from the Airport Fund
  - \$ 1,145.28 from the Firemen’s Pension Fund
- \$139,427.69 Total Vouchers for June 28, 2019
- \$ <220.57> Voided checks for June 14, 2019
- \$139,207.12 Net Total Transfers

**RECOMMENDATION**

It is recommended that the City Council approve the June 28, 2019 Claim Vouchers No. 126186-126273 in the amount of \$139,427.69 and the voided Check No. 126132 in the amount of \$204.57 and Check No. 126134 in the amount of \$16.00.

**SUGGESTED MOTION**

I move that the City Council approve the June 28, 2019 Claim Vouchers No. 126186-126273 in the amount of \$139,427.69 and voided Check No. 126132 in the amount of \$204.57 and Check No. 126134 in the amount of \$16.00.

**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:** July 8, 2019

**SUBJECT:** Payroll Vouchers and Transfers

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**ISSUE**

City Council approval is requested for Payroll Vouchers and Transfers dated June 28, 2019.

**DISCUSSION**

The administration requests City Council approval for Payroll Vouchers No. 40871-40926, Direct Deposit Payroll Vouchers No. 10887-11010, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 244-249 dated June 28, 2019 in the amount of \$982,986.55, which include the transfer of:

- \$667,321.89 from the General Fund
- \$8,877.45 from the Arterial Street Fund
- \$123,969.41 from the Wastewater Fund
- \$106,408.44 from the Water Fund
- \$39,313.88 from the Storm & Surface Water Utility Fund
- \$35,013.48 from the Airport Fund
- \$2,082.00 from the Firemen's Pension Fund

**RECOMMENDATION**

It is recommended that the City Council approve the June 28, 2019 Payroll Vouchers No. 40871-40926, Direct Deposit Payroll Vouchers No. 10887-11010, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 244-249 in the amount of \$982,986.55.

**SUGGESTED MOTION**

I move that the City Council approve the June 28, 2019, Payroll Vouchers No. 40871-40926, Direct Deposit Payroll Vouchers No. 10887-11010, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 244-249 in the amount of \$982,986.55.



**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

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

**FROM:** Jill Anderson, City Manager

**BY:** Trent Lougheed, Public Works Director/City Engineer  
Patrick Wiltzius, Wastewater Superintendent

**MEETING OF:** July 8, 2019

**SUBJECT:** Amendment # 1 to Engineering Services Agreement with Jacobs Engineering Group to Address Air Emissions at the Chehalis Regional Water Reclamation Facility

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**ISSUE**

The administration is presenting an amendment to the engineering services agreement with Jacobs Engineering Group for City Council's review and consideration.

**DISCUSSION**

The SWCAA (Southwest Clean Air Agency) issued a Clean Air Permit to the CRWRF in 2007. In general, the CRWRF has been exceeding air emission limits for hydrogen sulfide and chloroform. These emissions are beyond the control of the CRWRF.

To address the issue, the city hired Jacobs Engineering Group to conduct a modeling effort to identify and quantify sources of these emissions within the CRWRF. Unfortunately, the modeling effort was unable to prove CRWRF emissions were below SWCAA emissions thresholds.

The next step to address the issue is to conduct air dispersion modeling. This effort will build upon the model developed as part of the previous effort and take into account geography and weather data to determine if the thresholds set by SWCAA can be met at the property line. To that end, Jacobs Engineering has provided a scope and budget to perform that work.

**FISCAL IMPACT**

Jacobs Engineering Group has provided an amendment to their original engineering services agreement to conduct the additional modeling work for a lump sum of \$20,000. The funds would come from the wastewater utility and require a future budget amendment.

**RECOMMENDATION**

The administration recommends that the City Council approve Amendment #1 to the engineering services agreement with Jacobs Engineering Group in the amount of \$20,000 to address air emissions at the Chehalis Regional Water Reclamation Facility and authorize the City Manager to execute the document.

**SUGGESTED MOTION**

I move that the City Council approve Amendment #1 to the engineering services agreement with Jacobs Engineering Group in the amount of \$20,000 to address air emissions at the Chehalis Regional Water Reclamation Facility and authorize the City Manager to execute the document.

June 17, 2019

Mr. Patrick Wiltzius  
Wastewater Superintendent  
City of Chehalis  
2007 NE Kresky Ave  
PO Box 871  
Chehalis, WA 98532

**Subject: City of Chehalis Proposal – Air Dispersion Modeling Analysis  
Amendment #1**

Dear Mr. Wiltzius,

Jacobs Engineering, Inc. is pleased to present this proposal to the City of Chehalis (City) to amend our existing contract and continue assisting the City in addressing air emissions concerns from the Chehalis Regional Water Reclamation Facility.

## Background

The City has an Air Discharge Permit issued by the Southwest Clean Air Agency (SWCAA). Previous work by Jacobs using Bay Area Sewage Treatment Emissions (BASTE) model shows the resulting emissions are above the Small Quantity Emission Rate (SQER) thresholds for H<sub>2</sub>S and chloroform. Air dispersion modeling is recommended as the next step to move into compliance with SWCAA.

## Team

The same team that performed the BASTE modeling analysis will continue to serve you in this effort, with Melissa Wu as project manager, Julia DeGagne as lead modeler, and Michelle Neuman as permitting lead and model reviewer. Scott Cowden will serve as the overall senior reviewer and technical consultant.

## Scope of Work

Jacobs proposes the following additional tasks to complete this scope of services:

- Task 1—Project Management
- New Task 5—Air Dispersion Modeling and Evaluation of Results

The work activities associated with each task are detailed below.

### **Task 1 – Project Management**

This amendment includes adding effort to support the air dispersion modeling analysis:

- Manage the scope, schedule, quality, and budget of the project.
- Prepare and submit a monthly narrative report and invoice.

### **Deliverables:**

A monthly narrative report and invoice.

**Assumptions:**

The project will be completed within 8 weeks of notice to proceed.

**New Task 5 – Air Dispersion Modeling and Evaluation of Results**

- Participate in a conference call with the City and SWCAA to agree to a modeling approach and emissions estimates to be used for the analysis. This includes discussion of the sample averaging methodology and requesting SWCAA approval to treat nondetect samples as having concentrations equal to half the detection limit.
- Prepare a written dispersion modeling protocol for submittal to SWCAA.
- Build the air dispersion model using the BASTE emissions as inputs.
- Run the air dispersion model to quantify if H2S and chloroform exceed the Ambient Source Impact Level (ASIL).
- Provide a summary of results and course of action.
- Meet with SWCAA to discuss results and next steps

**Deliverables:**

- Conference call notes.
- Technical memo summarizing the methodology and results of the analysis.
- Presentation materials and notes for meeting with SWCAA.

**Assumptions:**

- City and SWCAA conference call to be attended by up to 4 Jacobs staff members.
- SWCAA meeting to be attended by up to 3 Jacobs staff members.

**Budget**

Jacobs proposes to complete this scope of work for a lump sum price of \$20,000.

**Consulting Agreement**

Attached is the signature page to amend the Professional Services Agreement. Please sign the acceptance and return to authorize this work.

Regards,

Melissa Wu  
Project Manager

Attachment: Chehalis Contract Amendment Signature Page



# PROFESSIONAL SERVICES AGREEMENT

**PROJECT NAME:** Air Permitting Assistance Amendment 01  
**CLIENT:** City of Chehalis  
**ADDRESS:** 2007 NE Kresky Ave  
PO Box 871  
Chehalis, WA 98532

**PROJECT NUMBER:** TBD

hereby requests and authorizes Jacobs Engineering Group Inc. ("Jacobs") to perform the following Services:

**SCOPE OF SERVICES:** As defined in attached proposal dated June 17, 2019. There are no other changes to the provisions of the contract.

**COMPENSATION to be on a basis of:**

Services will be performed for a lump sum price of \$20,000 and invoiced monthly based upon a percent complete basis.

Accepted for **CLIENT**

Accepted for **JACOBS ENGINEERING GROUP INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

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

**FROM:** Jill Anderson, City Manager

**BY:** Trent Lougheed, Public Works Director/City Engineer  
Lilly Wall, Recreation Manager

**MEETING OF:** July 8, 2019

**SUBJECT:** Acceptance of Bid for Recreation Park Improvement Project (Ballfields Renovation)

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**ISSUE**

The administration recently advertised for bids for the renovation of the Ballfields at Recreation Park and other related improvements which are a major part of the Recreation Park Improvement Project. The results of the bidding and a recommendation to award a contract have been prepared for the City Council's consideration.

**DISCUSSION**

The renovation of the ballfield complex includes new drainage and irrigation systems, installation of 4 all-weather turf infields, a main storm drain, ADA walkways through and around the west side of the park, and the installation of electrical conduits down the main walkway for pedestrian lighting.

Bids were opened on June 20, 2019 and seven bids were received. They are summarized below, including lowest total Base Bid plus Additive Alternates No. 1 (swirl sidewalk finish), No. 2 (artificial turf on fields 3 & 4), and No. 3 (asphalt walkways along perimeter of park).

Bidder	Amount*
KBH Const	\$2,104,704.24
Tapani, Inc	\$2,481,799.63
Schwiesow Const	\$2,619,522.00
Premier Field Development	\$2,664,246.47
Active Const	\$2,730,318.80
C & R Tractor & Landscaping	\$2,755,963.43
Ohno/Touchdown JV	\$3,420,526.40

\* Including sales tax

The engineering consultant tabulated the bids and checked references of the lowest bidder. Since KBH appears to be able to complete the job and is the lowest bidder, the administration recommends they be awarded the contract to complete the work.

### **FISCAL IMPACT**

KBH is the lowest responsible bidder with a Base Bid of \$1,806, 937.84. With the three additive alternates, KBH's bid is \$2,104,704.24. This is \$177,133 under the engineer's estimate of \$2,281,838.00.

The project budget for this phase of work (ballfields, all weather infields, drainage, irrigation, park walkways/trails) is \$2,330,627. The total bid plus engineering construction services of \$157,927 results in a total project cost of \$2,262,631, which is approximately \$68,000 less than the estimated budget.

With a recommended 3% contingency of \$63,141 for unanticipated change orders, the total project cost would be authorized for a not-to exceed budget of \$2,167,845.24.

This project will be funded utilizing State and Federal grants, local grants/community donations, and a City-secured loan (anticipated to be funded by LTAC with annual payments for loan reimbursement).

While the project has been planned for this year, it is not included in the City's current budget. The actual project costs will be included in a future budget amendment after City Council approval of the contracts related to the various project components.

### **RECOMMENDATION/COUNCIL ACTION DESIRED**

The administration recommends that the City Council:

- Award the Recreation Park Improvements Project to KBH Construction Company in the amount of \$2,104,704.24;
- Authorize an additional 3% contingency budget of \$63,141; and
- A-authorize the City Manager to execute change orders that do not exceed a total project cost of \$2,167,845.24.

### **SUGGESTED MOTION**

I move that the City Council:

- Award the Recreation Park Improvements Project to KBH Construction Company in the amount of \$2,104,704.24 (including sales tax);

- Authorize an additional 3% contingency budget of \$63,141; and
- Authorize the City Manager to execute change orders that do not exceed a total project cost of \$2,167,845.24.





June 28, 2019

Project No. 16310

Trent Lougheed, PE  
City of Chehalis  
Community Development Director  
1321 S Market Blvd.  
Chehalis, WA 98532

**Re: City of Chehalis Recreation Park Improvement Project**

Dear Trent:

The Bid Opening for the subject project was held on June 20, 2019. Skillings Connolly has reviewed all of the bid submittals for conformity to the Project Provisions. Enclosed is a Bid Summary Sheet.

KBH is considered to be the lowest responsible bidder with a base bid of \$1,806,937.84. With the three Add-Alternates, KBH's bid is \$2,104,704.24. This is \$177,133.76 under the Engineer's Estimate of Probable Cost to Construct. The Engineer's Estimate for Base plus all three Add-Alternates was \$2,281,838.00.

We have checked the Bidder's qualifications and found KBH has experience with ball field construction and has the capacity to perform the work. Therefore, it is our recommended that the City award the contract to KBH Construction Company of Olympia, WA.

Sincerely,

**Skillings Connolly, Inc.**

A handwritten signature in cursive script, appearing to read 'Tomas E. Skillings', written over a faint, larger version of the same signature.

Tomas E. Skillings, PE  
President

Enclosure

**ENGINEERING • SURVEYING • ENVIRONMENTAL • REAL ESTATE SERVICES**

PO Box 5080 • Lacey, WA 98509

(360) 491-3399 • Fax: (360) 491-3857

[www.skillings.com](http://www.skillings.com)

**CITY OF CHEHALIS  
RECREATION PARK IMPROVEMENT PROJECT  
BID OPENING: JUNE 20, 2019**

**CITY PROJECT #16310**

	Schwiesow Const	KBH Const	Ohio/Touchdown JV	Active Const	C&R Tractor & Landscape	Premier Field Develop	Tappan, Inc.
Engineers Estimate							
BASE BID	\$1,919,849.00	\$1,806,937.84	\$2,997,140.00	\$2,324,244.20	\$1,763,865.56	\$2,328,409.90	\$2,063,644.50
ADD/ALTERNATE NO. 1	\$2,258,134.00	\$9,306.20	\$26,076.00	\$21,748.20	\$170,209.39	\$23,953.89	\$70,854.77
ADD/ALTERNATE NO. 2	\$301,608.00	\$242,259.80	\$344,184.20	\$313,888.20	\$786,108.39	\$246,816.10	\$292,659.36
ADD/ALTERNATE NO. 3	\$46,376.00	\$46,201.40	\$53,136.20	\$70,438.20	\$85,780.09	\$65,666.58	\$54,641.00
<b>Lowest Total Base Bid</b>	<b>\$2,525,134.00</b>	<b>\$1,806,937.84</b>	<b>\$2,997,140.00</b>	<b>\$2,324,244.20</b>	<b>\$1,763,865.56</b>	<b>\$2,328,409.90</b>	<b>\$2,063,644.50</b>
<b>Preference 1</b>	<b>\$2,544,864.00</b>	<b>\$2,049,197.64</b>	<b>\$3,341,324.20</b>	<b>\$2,638,132.40</b>	<b>\$2,549,973.95</b>	<b>\$2,575,226.00</b>	<b>\$2,956,303.86</b>
<b>Preference 2</b>	<b>\$2,616,276.00</b>	<b>\$2,095,399.04</b>	<b>\$3,394,450.40</b>	<b>\$2,708,570.60</b>	<b>\$2,635,754.04</b>	<b>\$2,640,892.58</b>	<b>\$2,410,944.85</b>
<b>Preference 3</b>	<b>\$2,619,522.00</b>	<b>\$2,104,704.24</b>	<b>\$3,430,526.40</b>	<b>\$2,730,318.80</b>	<b>\$2,755,963.43</b>	<b>\$2,664,246.47</b>	<b>\$2,481,799.63</b>
<b>Preference 4</b>							

**CONTRACT SPECIFICATION REFERENCE: 01 22 00 [1.3]**

- Preference 1
- Preference 2
- Preference 3
- Preference 4



6-28-19

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

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

**FROM:** Jill Anderson, City Manager

**BY:** Trent Lougheed, Public Works Director/City Engineer  
Lilly Wall, Recreation Manager

**MEETING OF:** July 8, 2019

**SUBJECT:** Construction Services Agreement with Skillings Connolly for the Recreation Park Improvements Project

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**ISSUE**

A Construction Services Agreement, Supplement Agreement No. 4 with Skillings Connolly, Inc., for the Chehalis Recreation Park Improvement Project has been prepared for City Council's review and approval. This agreement provides all engineering efforts needed from the bidding process through completion of the project, including construction services

**DISCUSSION**

The City entered into an agreement with Skillings Connolly for engineering and design services related to Recreation Park in 2015. As the project moved forward, supplements to that agreement have been approved by the City Council. At this time, the fourth supplemental agreement for construction services related to the renovation of the ballfields and related park improvements has been prepared for consideration and action by the City Council.

Monitoring, management and grant administration related to the work planned to improve the ballfields, including drainage improvements, will require large amounts of time and/or expertise not available on staff. Therefore, it is proposed that the City engage a consultant to: assure best industry practices are used during construction, provide project construction contract administration, and to coordinate the work of all parties to deliver the project in accordance with the construction contract documents.

**PROPOSED SCOPE OF WORK**

The proposed scope of work includes:

- Project Management
- Preconstruction Services

- Project Controls/Scheduling
- Project Controls, Cost Control and Cost Estimating
- Information Management and Document Control
- Construction Management Administration
- Field Inspection Services
- Change Order and Contractor Payments
- Post Construction Tasks
- Community relations (in consultation with the City as needed)

The project timeline and level of effort are based on bid support and evaluation services that began with the bid opening on June 20, 2019. The attached Construction Services Agreement with Skillings Connolly, Inc. includes the items listed within the attached Scope of Work with the following assumptions:

- Construction project duration is 60 working days.
- Notice to Proceed to the general contractor on or about August 5, 2019, a sixty [60] working- day performance period [approximately 12 calendar weeks].
- Substantial Completion is anticipated on or about October 25, 2019.
- No overtime work is anticipated.
- This scope of work specifically excludes any work associated with the Penny Playground, or other miscellaneous park improvements, or any work outside the project timelines.

### **FISCAL IMPACT**

The proposed cost for the Construction Services Agreement is \$157,927 and will not be exceeded without permission from the City.

With a recommended 5% contingency of \$7,896 for unanticipated changes in Scope of Work, the total cost would be authorized for a not-to exceed budget of \$165,823.

The project budget for this phase of work (ballfields, all weather infields, drainage, irrigation, park walkways/trails) is \$2,330,627. The total bid plus engineering construction services of \$157,927 results in a total project cost of \$2,262,631, which is approximately \$68,000 less than the estimated budget.

This project will be funded utilizing State and Federal grants, local grants/community donations, and a City secured loan (anticipated to be funded by LTAC with annual payments for loan reimbursement).

While the project has been planned for this year, it is not included in the City's current budget. The actual project costs will be included in a future budget amendment after City Council approval of the contracts related to the various project components.

**RECOMMENDATION**

The administration recommends that the City Council:

- Approve the Construction Services Agreement with Skillings Connolly, Inc., for an amount not to exceed \$157,927;
- Authorize an additional 5% contingency budget of \$7,896; and
- Authorize the City Manager to execute changes to the Scope of Work that do not exceed a total supplemental agreement amount of \$165,823.

**SUGGESTED MOTION**

I move that the City Council:

- Approve the Construction Services Agreement with Skillings Connolly, Inc., for an amount not to exceed \$157,927 for the Recreation Park Improvements Project;
- Authorize an additional 5% contingency budget of \$7,896; and
- Authorize the City Manager to execute changes to the Scope of Work that do not exceed a total supplemental agreement amount of \$165,823.

<b>Supplemental Agreement No. 4</b>	Organization and Address <b>Skillings Connolly, Inc. 5016 Lacey Blvd. SE Lacey, WA 98503</b>
Original Agreement Number <b>16310</b>	Phone: 360.491.3399
Project Number <b>16310</b>	Completion Date <b>December 31, 2019</b>
Project Title <b>Chehalis Recreation Park Design</b>	Maximum Billable Amount <b>\$337,600.00</b>
Description of Work <b>Construction Services</b>	

The Local Agency of **City of Chehalis** desires to supplement the agreement entered into with **Skillings Connolly, Inc.** and executed on **March 3, 2017** and identified as Agreement No. **16310**. All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

**I**

Section 1, SCOPE OF WORK, is hereby changed:  
**See Exhibit A and by this referenced is made part of this Agreement.**

**II**

Section IV, TIME FOR BEGINNING AND COMPLETION, the completion date is changed to **December 31, 2019**.

**III**

Section V, PAYMENT, remains unchanged as follows:

Original Agreement – 30% Design	\$ 85,000.00
Supplemental Agreement 1 – Time Extension Only	0.00
Supplemental Agreement 2 – Final Design	86,165.00
Supplemental Agreement 3 – Artificial Turf	8,508.00
<b>Supplemental Agreement 4 – Construction Services</b>	<b><u>157,927.00</u></b>
New Maximum Billable Amount	<b><u>\$337,600.00</u></b>

If you concur with this supplement and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: **Skillings Connolly, Inc.**

By: **City of Chehalis**

\_\_\_\_\_  
Consultant Signature

\_\_\_\_\_  
Approving Authority Signature

\_\_\_\_\_  
Date

**EXHIBIT A  
SCOPE OF SERVICES**

Prepared for:

**CITY OF CHEHALIS  
REC PARK RECONSTRUCTION  
CONSTRUCTION SERVICES**

July 2, 2019

**BACKGROUND**

Subsequent to the design, bid proposal and acceptance process for general construction, the City of Chehalis (City) has requested Skillings Connolly, Inc., (Consultant) to provide Construction Services for the Recreation Park Improvement Project. The site is located south of Williams Ave. SW, west of 13<sup>th</sup> St. SW and East of Park Access Road.

The basis of our proposal and Scope of Services utilizes best industry practices, providing project Construction Contract Administration for the City, working with all parties to deliver the project in accordance with the construction contract documents.

Our project timelines and level of effort are based upon providing the City bid support and evaluation services beginning at Bid Opening on June 20, 2019. The scope of work also includes project close-out services and turn-over of project records to the City.

It is understood the City may have other construction activities occurring on or adjacent to the project site, such as a new Penny Playground, modifications to the existing restroom facilities and new picnic shelter facilities.

**Project Assumptions**

- Construction project duration is 60 working days.
- Notice to Proceed to the general contractor on or about August 5, 2019, a sixty [60] working-day performance period [approximately 12 calendar weeks]
- Substantial Completion is anticipated on or about October 25, 2019.
- No overtime work is anticipated
- Our scope of work specifically excludes any work associated with the Penny Playground, or other miscellaneous park improvements, or any work outside the project timelines noted above, except as identified below

Anticipated work tasks for this scope of work included following items:

<b>Task 13.1 – Project Management</b>
---------------------------------------

Provide overall Construction Services in coordination with the CITY. This effort will include the following elements:

1. Monthly Progress Reports, Invoices. The CONSULTANT will develop and issue monthly progress reports to the CITY. The progress report will detail the status of the project, as well as monthly expenditures and be accompanied by a monthly invoice.
2. Management Team Meetings. The CONSULTANT will meet weekly to discuss the project and issues, including assuring appropriate resources are assigned to the project. Participants will include the

CONSULTANT project manager, CONSULTANT administrator, resident engineer, inspectors, and subconsultants and CITY staff where applicable.

3. Project Management Plan. The CONSULTANT will develop a Project Management Plan to reflect the specific requirements for the construction phase of the project. This will be used to address roles, responsibilities, reporting, mobilization and logistics, field procedures and document control. This plan will be used to help define the expected roles and responsibilities for the CONSULTANT, and the CITY staff. The Draft Project Management Plan will be provided to the CITY for review and comments within 10 days of contract approval. The final Project Management plan will be provided within 10 days of receipt of comments by the CITY.
4. Not used
5. The CONSULTANT will coordinate access and other communications with property owners from whom the CITY has obtained easements. The CONSULTANT will manage the Contractor's use of the construction easement areas and assure the requirements of the CITY's Construction Memorandum of Understanding are met.
6. The CONSULTANT will manage the permitting requirements outlined in this Scope of Work.
7. The CONSULTANT will document (hand-written notes are acceptable) all verbal and other communications associated with this project.

#### **Deliverables**

- Monthly progress reports
- Meeting agendas and notes
- Documentation of all communications associated with this project.
- Draft Project Management Plan – 1 hard copy and electronic files (PDF)
- Final Project Management Plan – 1 hard copy and electronic files (PDF)

#### **Task 13.2 – Preconstruction Services**

The Design phase scope of work concluded with the bid opening. The initial scope of work for the construction phase is to assist in bid evaluation and making a recommendation to the CITY for award of the contract.

#### **Assumptions**

- Bid opening has occurred

#### **Task Description:**

1. Bid evaluation, recommendation: The CONSULTANT will review all of the bids received along with all of the add-alternates for responsiveness. The CONSULTANT will check references and the bidder's ability to perform the work. Based on the results of the bid evaluation and reference checks, the CONSULTANT will provide a bid abstract and a letter of recommendation to the CITY.
2. Notice of Award: Upon CITY Council's authorization to award the contract to the lowest responsive, responsible bidder, the CONSULTANT will prepare a draft Notice of Award letter for the CITY's signature. The CONSULTANT will assist the CITY in the preparation of the contract documents and distribute to the bidder for execution.
3. Pre-construction site survey: The CONSULTANT will provide precondition surveys of the area homes and/or businesses adjacent to the project. This will include field notes, photographs and video of existing conditions of each business or others property potentially affected by the project.



4. Preconstruction Meeting: The CONSULTANT will prepare a detailed draft agenda for the CITY's review prior to the meeting and meeting attendance list. The CONSULTANT will invite attendees and distribute notices in advance of the meeting. The CONSULTANT will prepare a final agenda, distribute it prior to the meeting (3 days in advance) and will conduct a pre-construction conference in the CITY's offices. The CONSULTANT's Project Manager, Resident Engineer, and Lead Inspector will attend the preconstruction conference. The CONSULTANT's Project Manager will prepare a written record of the meeting. The CONSULTANT will distribute copies of the minutes to attendees.

**Deliverables**

- Bid Tabulation and Recommendations for Award
- Detailed Draft Preconstruction Conference Agenda
- Final Preconstruction Conference Agenda for distribution
- Preconstruction Conference notice
- Preconstruction Conference minutes
- Preconstruction photographs, and notes

**Task 13.3 - Project Controls, Scheduling**

**Task Description:**

1. The CONSULTANT will make sure that required contract meetings are established and held in accordance with the contract documents.
2. Baseline Schedule Review. The CONSULTANT will review the contractor's proposed construction schedule and verify that a logical, accurate and detailed project construction schedule is implemented consistent with the requirements of the project.
3. Review contractors schedule and monthly progress payment applications. The CONSULTANT will review the schedule to verify the contractor is in compliance with the overall schedule. This review will verify that the progress payments are in line with the work. The CONSULTANT will promptly report any schedule slippage to the team so that appropriate action may be taken to mitigate delays. The CONSULTANT will work in close connection with the contractor if needed to verify that recovery schedules are prepared and implemented as well as recovery techniques to mitigate delays.

**Task 13.4 – Project Controls, Cost Control and Cost Estimating**

**Task Description:**

1. The contractor will be required to prepare a schedule of values (SOV) for all of the work. The CONSULTANT will review the Schedule of Values for consistency and assure the document reflects an accurate distribution of the project cost. The SOV will be used as the basis for preparing progress payments.
2. The CONSULTANT will review the initial Contractor prepared schedule of values against the original Engineer's Estimate of Cost to Construct unit cost breakdown; review with contractor and finalize an agreed-upon Schedule of Values.

**Deliverables:**

- Final Schedule of Values

### **Task 13.5 – Information Management and Document Control**

#### **Task Descriptions:**

Document Tracking and Management. The CONSULTANT will identify, secure, maintain and control all construction contract documents. This includes establishing an audit process to verify that documents are properly distributed to and available for the project team.

1. The CONSULTANT will prepare a comprehensive list of submittals, shop drawings and samples required for each type of materials, equipment and systems.
2. The CONSULTANT will prepare a communication log to facilitate filing and recall of project communication (as specified in the Project Management Plan).
3. The CONSULTANT will prepare a Draft RFI log for distribution to the project team.

#### **Deliverables:**

- Submittal log
- Shop Drawing and sample Log
- Communication Log
- RFI Log

### **Task 13.6 – Construction Management Administration**

Using the forms and process developed in Task 13.5, the CONSULTANT will provide the following:

#### **Assumptions:**

- The Consultant will assist in preparation of draw request from funding agencies.
- Assume there will be a total of 4 draw request.

#### **Task Description:**

1. Not used
2. Submittal Control: Key submittals will be transmitted to the Engineer for their review. Submittals will be logged and tracked. The CONSULTANT will process project submittals and will distribute the documents to the individual responsible for review and response. This may include our Subconsultant, DA Hogan, the engineer of record, and or to the City for review and response back to the CONSULTANT.
3. Shop drawings: Coordinate review process for shop drawings, samples, traffic control plans, test reports, and other data submitted by the contractor for compliance with the information required by the contract documents. The CONSULTANT will track the shop drawing review schedule to facilitate timely response.
4. Forward copies of all submittals to the CITY for their information and review.
5. Coordinate review process for shop drawings, samples, traffic control plans, test reports and other data submitted by the contractor for compliance with the information required by the contract documents. (Submittals to be transmitted to the Engineer for their review).
6. Log and track submittals. Provide updates of the log to the CITY on a weekly basis.
7. Requests for Information (RFI). The CONSULTANT will review and respond to RFI's or obtain response from the Engineer of Record. RFI's will be tracked and logged weekly.
8. Contractor Progress Payment Review. The CONSULTANT will prepare and submit monthly pay requests. This will include verification of bid items and schedule of values and review with the Contractor, Engineer and the CITY and recommend approval of the progress payments.

9. The CONSULTANT will prepare a monthly status report and submit to the City detailing the work completed, funds expended to date, percent complete and work yet to be completed.
10. Coordinate with funding agencies. Provide grant draw request and documentation and status reports.

**Deliverables:**

- Submittal Log
- Shop Drawing Log
- RFI Log
- Monthly progress payments
- Monthly status reports

<b>Task 13.7 – Field Inspection Services</b>
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**Task Description:**

Field Inspection. The CONSULTANT will provide comprehensive field inspection services that will observe the technical conduct of the construction, including providing day-to-day contact with the Contractor and the CITY. By providing such assistance, the CONSULTANT will assume no responsibility for the Contractor's proper construction techniques, ways, means or methods used by the contractor and the CONSULTANT will not be responsible for job site safety. The presence of the CONSULTANT's personnel at the construction site is for the purpose of providing to the CITY a greater degree of confidence that the completed work will conform to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by the construction contractor(s). The CONSULTANT's personnel will act in accordance with Section 1-05.1 and 1-05.2 of the current WSDOT Standard Specifications. The CONSULTANT will endeavor to protect all parties against defects and deficiencies in the work of the Contractor(s), but cannot guarantee the Contractors' performance and will not be responsible for construction means, methods, techniques, sequences of procedures, or for safety precautions and programs in connection with the work performed by the construction contractor(s) and any subcontractors. Inspection time is based upon an 8-hour workday. Field Inspection will include the following:

**Assumptions:**

- The construction contract duration is 60 working days.
- The field representative (inspector) will be on on-site as necessary to provide assurances the contractor is performing the work consistent with the construction contract documents.
- The field representative will not be on site full-time.
- The CONSULTANT will be required to provide pre-construction services in preparation of the start of construction and prior to the Notice to Proceed.
- The Contractor will be responsible for developing and maintaining a field set of record drawings, (a field redline set)
- The field representative (inspector) will not have the authority to change contract plans
- All field directions and instructions to the contractor shall go through the Engineer.
- There will be one (1) punch list follow-up inspection.

**Task Description:**

The CONSULTANT will provide an on-site representative. The field representative will prepare daily field reports tracking contractor's personnel, equipment on site, weather conditions, work accomplished, and other details and issues that develop on a daily basis.

1. The CONSULTANT will periodically review the Contractor prepared Record Drawings (field redline set) for consistency and completeness throughout the duration of the project to provide up to date plans for the project team.
2. Prepare daily written construction reports (Inspector's daily reports), detailing the contractor's operations performed for each day the CONSULTANT is on site; log equipment and staff used, and other items.
3. Provide assistance to the CITY in deciding questions, which may arise as to the quality and acceptability of material furnished, work performed, and rate of progress of work performed by the Contractor.
4. Review Contractor prepared written field records and as built red-lined drawings during construction to assure the project is administered in accordance with Federal, State, and/or funding CITY requirements. Upon completion of construction, the Contractor will submit the redline drawings to the Engineer.
5. Provide daily photographs during the course of construction as needed to adequately document the work. Photographs to be labeled with date taken and subject matter.
6. Attend and actively participate in weekly on-site construction meetings. It is assumed that Construction Manager/Project Manager, Resident Engineers, and Inspectors will be present. The CONSULTANT will document and publish the weekly meeting minutes.
7. Perform wage check interviews to verify compliance with prevailing wages.
8. Upon substantial completion of work, coordinate with the CITY and perform a project inspection and develop a comprehensive 'punch list' of items to be completed. The CONSULTANT will provide support to the CITY in preparation of the Certificate of Substantial Completion.
9. The CONSULTANT will perform the Punch list follow-up to verify all items on the initial punch list have been completed and accepted.
10. The CONSULTANT will prepare a letter of recommendation of final acceptance.
11. The CONSULTANT will prepare the as-built record drawings in AutoCAD based on the Contractor's redlines.

**Deliverables**

- Daily Reports (provided weekly)
- Test Reports
- Record Drawings (field redlined set)
- Construction Photographs
- Weekly Meeting Minutes
- Wage check verification notes
- Certificate of Substantial Completion
- Punchlist
- As-built Cad drawings

<b>Task 13.8 – Change Order and Contractor Payments</b>
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Change Order Control. Change Orders are an integral part of the construction process.  
Change Analysis or Alternative Approach Document Preparation.

**Assumptions:**

- It is assumed that there will be no more than 5 change orders.
- Change orders that may affect project performance will be transmitted to the Engineer and City for review and concurrence.
- Claims Assistance. The CONSULTANT will provide claims assistance on an as needed basis. This will constitute extra work if deemed necessary and will require a supplement to this scope of work.

**Task Description:**

1. The CONSULTANT will provide technical assistance to negotiate the change order process.
2. The CONSULTANT will analyze potential change and offer an alternative if feasible.
3. The CONSULTANT will provide projections to include pending change orders, quantity projections, and other information.
4. The develop change order and circulate for signatures.

**Task 13.9 – Post Construction Tasks**

1. The CONSULTANT will:
  - a. Prepare “notice of completion of public works contract”
  - b. Verify contractor has paid all applicable taxes.
2. The CONSULTANT will transfer of all project documents to the CITY for permanent storage.

**Deliverables**

- Notice of substantial completion
- Notice of completion of public works contract
- Verification taxes paid
- All project documents at completion

**Task 13.10 – Community Relations**

The CONSULTANT may be requested to give presentations to community groups and council from time to time to provide project status updates.

**Assumptions:**

- Daily communications with the public at the jobsite will be part of the resident on-site representative’s project duties.
- It is assumed there will be up to a combined two (2) presentations at council meetings and/or at community groups, such as the Chehalis foundation or others.
- The presentations will be provided by the Principal in Charge and/or the Construction Manager.
- It is assumed there will be 1 graphic prepared for each presentation.

**Task Descriptions:**

1. The CONSULTANT will perform the daily community relation’s functions with the public and interested parties. Covered in Task 13.7 above. All significant communications with the public will be documented.
2. It is anticipated the CONSULTANT will be requested to give a periodic project update to special interest groups, organizations or City Council meetings. (assume 2 total)

3. Prepare an exhibit appropriate for each of the presentation.

**Deliverables:**

- 2 graphic boards, 24 X 36 mounted
- PDF copy of each graphic

**END SCOPE OF WORK**

Prepared by: Thomas E. Skillings, PE 07/02/2019

**EXHIBIT B-1  
CONSULTANT COST COMPUTATION – MAN-HOURS**

PROJECT NO. 16310 CITY OF CHEHALIS CHEHALIS RECREATION PARK IMPROVEMENTS CONSTRUCTION SERVICES		PRINCIPAL-IN-CHARGE	TECHNICIAN	SENIOR CONSTRUCTION MANAGER	CONSTRUCTION ENGINEER/OFFICE	CONSTRUCTION ENGINEER/FIELD	PROJECT ADMINISTRATOR
TASK #	TASK DESCRIPTION						
<b>1</b>	<b>PROJECT MANAGEMENT</b>						
1	Develop and issue monthly progress reports to the City.			12			2
2	Meet weekly to discuss the project and issues with staff and City staff where applicable.			12	12		2
3	Develop a Project Management Plan to reflect specific requirements for the construction phase of the project.			8			2
4	Not used.	Not in scope of work					
5	Coordinate access and other communications with RR owners that the City has obtained easements from.			4			
6	Manage the permitting requirements outlined in this scope of work.			8			
7	Document all verbal and other communications associated with this project.			12			
8	Project Management	16		12			4
<b>2</b>	<b>PRECONSTRUCTION SERVICES</b>						
1	Review all of the bids received along with all of the add-alternates for responsiveness. Check references and the bidder's ability to perform the work.			16	6		
2	Prepare a draft Notice of Award letter for City signature. Assist City in the preparation of the contract documents and distribute to the bidder for execution.	1		4			
3	Provide precondition surveys of the area homes and/or business adjacent. This include field notes, photographs and video of existing conditions of each business or other property potentially affected by the project.			8		16	
4	Prepare a detailed draft agenda for the City's review prior to the meeting and meeting attendance list. Conduct a pre-construction conference in the City's offices.	2		12		8	

PROJECT NO. 16310 CITY OF CHEHALIS CHEHALIS RECREATION PARK IMPROVEMENTS CONSTRUCTION SERVICES		PRINCIPAL-IN-CHARGE	TECHNICIAN	SENIOR CONSTRUCTION MANAGER	CONSTRUCTION ENGINEER/OFFICE	CONSTRUCTION ENGINEER/FIELD	PROJECT ADMINISTRATOR	
TASK #	TASK DESCRIPTION							
<b>3</b>	<b>PROJECT CONTROLS, SCHEDULING</b>							
1	Assure that required contract meetings are established and held in accordance with this scope of work.			2				
2	Review the contractor's proposed construction schedule and verify that a logical, accurate, and detailed project construction schedule is implemented consistent with the requirements of the project.			8	2			
3	Review contractor's schedule and monthly progress payment applications. Review the schedule to verify the contractor is in compliance with the overall schedule.			8		4		
<b>4</b>	<b>PROJECT CONSTOLS, COST CONTROL &amp; COST ESTIMATING</b>							
1	Review the initial Contractor prepared schedule of values against the original Engineer's Estimate of Probable Cost to Construct.	1		4	2	2		
<b>5</b>	<b>INFORMATION MANAGEMENT &amp; DOCUMENT CONTROL</b>							
1	Prepare a comprehensive list of submittals, shop drawings, and samples required for each type of materials, equipment and systems.			4		16		
2	Prepare a communication log to facilitate filing and recall of project communication (as specified in the Project Management Plan).			4		4	4	
3	Prepare a Draft RFI log for distribution to the project team.			2	4			
<b>6</b>	<b>CONSTRUCTION MANAGEMENT ADMINISTRATION</b>							
1	Not used.	Not used, included in 5.1 above						
2	Key submittals will be transmitted to the Engineer for their review. Submittals will be logged and tracked. Process project submittals and distribute the documents to the individual response for review and response. May include DA Hogan and/or to the City for review and comments.			12	12	16	8	



PROJECT NO. 16310 CITY OF CHEHALIS CHEHALIS RECREATION PARK IMPROVEMENTS CONSTRUCTION SERVICES		PRINCIPAL-IN-CHARGE	TECHNICIAN	SENIOR CONSTRUCTION MANAGER	CONSTRUCTION ENGINEER/OFFICE	CONSTRUCTION ENGINEER/FIELD	PROJECT ADMINISTRATOR
TASK #	TASK DESCRIPTION						
3	Coordinate review process for shop drawings, samples, traffic control plans, test reports, and other data submitted by the Contractor for compliance with the information required by this scope of work. Track the shop drawing review schedule to facilitate timely response.			8	6	8	
4	Forward copies of all submittals to the City for their information and review.			2			8
5	Coordinate review process for shop drawings, samples, traffic control plans, test reports, and other data submitted by the Contract for compliance with the information required by this scope of work.			12			
6	Log and track submittals. Provide updates of the log to the City on a weekly basis.			6	8		
7	Review and respond to RFIs or obtain response form the Engineer of Record. RFIs will be tracked and logged weekly.			6	8		
8	Prepare and submit monthly pay requests. This will include verification of bid items and schedule of values and review with the Contractor, Engineer, and the City and recommend approval of the progress payments.			12		24	
9	Prepare a monthly status report and submit to the City detailing the work completed, funds expended to date, percent complete, and work yet to be completed.	2		12			
<b>7</b>	<b>FIELD INSPECTION SERVICES</b>						
1	Provide an onsite field representative who will prepare daily field reports tracking contractor's personnel, equipment onsite, weather conditions, work completed, and other details and issues that develop on a daily basis.					280	
2	Periodically review the Contractor Record Drawings (field redline set) for consistency and completeness throughout the duration of the project to provide to date plans for the project team.					12	
3	Prepare daily written Inspector's Daily Report (IDR) detailing the contractor's operations performed for each the day Consultant is on site; log equipment and staff used, and other items.					24	

PROJECT NO. 16310 CITY OF CHEHALIS CHEHALIS RECREATION PARK IMPROVEMENTS CONSTRUCTION SERVICES		PRINCIPAL-IN-CHARGE	TECHNICIAN	SENIOR CONSTRUCTION MANAGER	CONSTRUCTION ENGINEER/OFFICE	CONSTRUCTION ENGINEER/FIELD	PROJECT ADMINISTRATOR
TASK #	TASK DESCRIPTION						
4	Provide assistance to City in deciding questions which may arise as to the quality and acceptability of material furnished, work performed, and rate of progress of work performed by the Contractor.			24	8		
5	Review Contractor prepared written field records and as-built redlined drawings during construction to assure the project is administered in accordance with Federal, State, and/or funding City requirements. Upon complete of construction, the Contractor will submit the redline drawings to the Consultant.			24	6		4
6	Provide daily photographs during the course of construction as needed to adequately document the work. Photographs to be labeled with date taken and subject matter.					8	
7	Attend and actively participate in weekly onsite construction meetings. Record minutes and distribute to attendees.			36	6	12	
8	Perform wage check interviews to verify compliance with prevailing wages.					8	
9	Upon substantial completion of work, coordinate with the City and perform a project inspection and develop a comprehensive punch list of items to be completed. Consultant will provide support to the City in preparation of the Certificate of Substantial Completion.	2		8		8	
10	Perform the punch list follow-up to verify all items on the initial punch list have been completed and accepted.			8		8	
11	Prepare a letter of recommendation of final acceptance.			4			
12	Prepare the as-built record drawings in AutoCAD based on the Contractor's redlines.		30		4		
8	<b>CHANGE ORDER AND CONTRACTOR PAYMENTS</b>						
1	Provide technical assistance to negotiate the change order process.	4		16	4		
2	Analyze potential change and offer an alternative if feasible.			8	4		
3	Provide projections to include pending change orders, quantity projects, and other information.			8			
4	Develop change order and circulate for signatures.	4		10			

PROJECT NO. 16310 CITY OF CHEHALIS CHEHALIS RECREATION PARK IMPROVEMENTS CONSTRUCTION SERVICES		PRINCIPAL-IN-CHARGE	TECHNICIAN	SENIOR CONSTRUCTION MANAGER	CONSTRUCTION ENGINEER/OFFICE	CONSTRUCTION ENGINEER/FIELD	PROJECT ADMINISTRATOR
TASK #	TASK DESCRIPTION						
<b>9</b>	<b>POST CONSTRUCTION TASKS</b>						
1	Prepare Notice of Completion of Public Works Contract.			4			
2	Verify Contractor has paid all applicable taxes.			4			
3	Transfer project documents to the City for permanent storage.		8				2
<b>10</b>	<b>COMMUNITY RELATIONS</b>						
1	Perform the daily community relation's functions with the public and interested parties. All significant communications with the public will be documented.	8		4			
2	Provide periodic project updates to special interest groups or organizations and City Council.	16		4			
3	Prepare exhibits appropriate for each of the presentations.	2	12				
	<b>HOURS PER DISCIPLINE</b>	<b>32</b>	<b>38</b>	<b>364</b>	<b>92</b>	<b>458</b>	<b>36</b>

**EXHIBIT B-2  
CONSULTANT COST COMPUTATION – SUMMARY**

<b>NEGOTIATED HOURLY RATE (NHR):</b>					
<b>Classification</b>	<b>Man Hours</b>	<b>X</b>	<b>Rate</b>	<b>=</b>	<b>Cost</b>
PRINCIPAL-IN-CHARGE	32	x	\$233.89	=	\$7,484.37
TECHNICIAN	38	x	\$106.92	=	\$4,062.95
SENIOR CONSTRUCTION MANAGER	364	x	\$151.47	=	\$55,134.89
CONSTRUCTION ENGINEER/OFFICE	92	x	\$151.47	=	\$13,935.19
CONSTRUCTION ENGINEER/FIELD	458	x	\$118.80	=	\$54,410.22
PROJECT ADMINISTRATOR	36	x	\$115.83	=	\$4,169.87
<b>Total Hours =</b>	<b>1020</b>				<b>Total NHR =</b> <span style="border: 1px solid black; padding: 2px;"><b>\$139,197.49</b></span>
<b>REIMBURSABLES:</b>					
Mileage	1,000	x	\$0.580	=	\$580.00
Miscellaneous Expenses	\$1,500.00	x	10%	=	\$1,650.00
					<b>Total Expenses=</b> <span style="border: 1px solid black; padding: 2px;"><b>\$2,230.00</b></span>
<b>SUBCONSULTANT COST (See Exhibit E):</b>					
DA Hogan	\$15,000	x	10%	=	\$16,500
					<b>Total Subconsultants =</b> <span style="border: 1px solid black; padding: 2px;"><b>\$16,500.00</b></span>
<b>SUB-TOTAL (NHR + REIMBURSABLES + SUBCONSULTANTS):</b>					
					<b>Sub Total =</b> <span style="border: 1px solid black; padding: 2px;"><b>\$157,927</b></span>
<b>MANAGEMENT RESERVE FUND:</b>					
SUB TOTAL =	\$157,927	x	0%	=	<b>MRF =</b> <span style="border: 1px solid black; padding: 2px;"><b>\$0.00</b></span>
<b>GRAND TOTAL</b>					
					<b>GRAND TOTAL =</b> <span style="border: 1px solid black; padding: 2px;"><b>\$157,927</b></span>
<b>PREPARED BY:</b> <u>Thomas E, Skillings, P.E.</u>					<b>DATE:</b> <u>7/2/2019</u>

**EXHIBIT B-3  
CONSULTANT COST COMPUTATION – EXPENSES**

Item	Description	Basis	Quantity	Rate	Total
1	Telephone	Month			\$0.00
2	Auto Rental	Each			\$0.00
3	Lodging	Day			\$0.00
4	Per Diem-Meal	Day			\$0.00
5	Photo Copies - Blk & White	Each	1000	\$0.10	\$100.00
6	Photo Copies - Color	Each		\$0.35	\$0.00
7	Half Sized Prints	Each	1000	\$0.50	\$500.00
8	Full Sized Prints	Each	50	\$6.00	\$300.00
9	Postage	Month			\$0.00
10	Shipping	Month			\$0.00
11	FAXs	Each			\$0.00
12	Miscellaneous Project Costs	Month	12	\$50.00	\$600.00
13	Miscellaneous Survey Costs	Estimated			\$0.00
14	Traffic Control	Estimated			\$0.00
	<b>Total Miscellaneous Expenses</b>				<b>\$1,500.00</b>
	Mileage	Per Mile	1000	0.580	\$580.00
	<b>Total Expenses</b>				<b>\$2,080.00</b>
<b>Assumptions</b>					
1	Telephone	Estimated			
2	Auto Rental	Estimated trips			
3	Mileage	Estimated miles			
4	Lodging				
5	Per Diem-Meal				
6	Photo Copies - Blk & White	Estimated			
7	Photo Copies - Colored	Estimated			
8	Half Sized Prints				
9	Full Sized Prints				
10	Postage	Estimated			
11	Shipping	Estimated			
12	FAXs	Estimated			
13	Miscellaneous Project Costs	Estimated			
14	Miscellaneous Survey Costs	Estimated			
15	Purchase Order	Estimated			
Prepared by: Thomas E. Skillings		July 2, 2019			

**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:** July 8, 2019  
**SUBJECT:** Resolution No. 9-2019, First and Final Reading – Declaring Surplus Property

---

**ISSUE**

The Police Department has 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 Police Department has two vehicles that have run their life expectancy and would require more to repair than they are worth.

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/division.

**RECOMMENDATION**

It is recommended that the City Council adopt Resolution No. 9-2019.

**SUGGESTED MOTION**

I move that the City Council adopt Resolution No. 9-2019 on the first and final reading.

**RESOLUTION NO. 9-2019**

**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.

<b>Chehalis Police Department</b>	<b>Identifying Information</b>
One (1) - 2006 Chrysler 300C Sedan	VIN: 2C3KA63H36H487990
One (1) – 2000 Buick Lesabre 4 door	VIN: 1G4HP54K5Y4132677

**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 \_\_\_\_\_, 2019.

\_\_\_\_\_  
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:** Chun Saul, Finance Director

**MEETING OF:** July 8, 2019

**SUBJECT:** Ordinance No. 999-B, First Reading – Providing for the Issuance and Sale of a Limited General Obligation Bond Not to Exceed \$1 Million to Finance the Recreation Park Renovation Project

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**ISSUE**

Bond Ordinance No. 999-B is presented for consideration to the City Council. The Bond Ordinance has been prepared for issuance and sale of a Limited Tax General Obligation (“LTGO” or “council-manic”) Bond, 2019 in connection with the Recreation Park renovation project.

**DISCUSSION**

On February 25, 2019, the City Council approved a council-manic debt issue not to exceed \$1 million, for a maximum maturity term of 15 years through a private placement, to finance the Recreation Park renovation project (the “Project”).

The Bond Ordinance appoints the City Manager, or the Finance Director in absence of the City Manager, as the designated representative of the City and delegates the authority to approve the final terms of the Bond sales as the designated representative deems advisable and authorizes the issuance and sale of a limited tax general obligation bond, within the following parameters:

- Principal Amount: Not to exceed \$1 million
- Issuance Date: No later than December 2019
- Interest Rate: Not to exceed 4.5%
- Final Maturity: No later than 15 years

As of June 17, 2019, the preliminary schedule of events for the bond issue are as follows:

<i>Date</i>	<i>Event</i>	<i>Participants</i>
July 1-3	Distribute first draft RFP term sheet to finance team	DAD



July 8-10	Provide comments on draft RFP term sheet	All
July 8	First Reading of Bond Ordinance	Staff, Council, BC
July 22	Second Reading of Bond Ordinance	Staff, DAD
July 23	Distribute RFP term sheet to bidders	Staff, DAD, BC
August 6	RFP bids due @ 3 P.M.	Staff, DAD, BC
August 8	Bid summary; distribute final numbers, select bidder	Staff, DAD, BC
August 23	Bond closing, funds available	
<i>Staff=city staff; DAD = D. A. Davidson &amp; Co (Private Placement Agent); BC = Bond Counsel</i>		

The below table provides the estimated project costs and funding status as of June 11, 2019:

**Project Budget:**

Ballfields complex construction - essentials	\$ 2,330,627
Penny Playground	1,350,000
Additional Improvements	<u>388,000</u>
<b>Total construction budget</b>	<b>\$ 4,068,627</b>
Secured Funds:	
Federal & State Grants	1,350,000
Donations	<u>1,340,694</u>
<b>Total Secured Funds</b>	<b>2,690,694</b>
Pledges Chehalis Foundation	355,086
Ingwersen Ballfield Endowments (final 1/2)	<u>400,000</u>
<b>Total estimated grants and donations</b>	<b>\$ 3,445,780</b>
Estimated Funding Gap	<u>\$ 622,847</u>

The construction bid opening for the Recreation Park ballfields and site-improvement work was June 20, 2019, with construction starting the first part of August. Funds to pay the contractor(s) are needed by early September. At the time this report was written, the construction bids had not been opened. When the bid is awarded, the project budget will be updated, including the anticipated funding gap.

On June 11, 2019, the Lodging Tax Advisory Committee (LTAC) voted to pay the annual debt service payments up to \$75,000 a year (which is an estimated annual debt service payment for a bond issue of \$825,000 - \$850,000), over the life of the bond (15 years).

Second reading for the Bond Ordinance is scheduled on July 22, and updates on the project costs estimates and funding status will be provided to the City Council at that time.

**FISCAL IMPACT**

The Bond constitutes a general indebtedness of the City and is payable from tax revenues of the City and such other money as is lawfully available and pledged by the City for payment of principal and interest on the Bond, including lodging taxes and real estate excise taxes (REET).

The bond price, interest rate, and required annual debt service payments will be determined upon bond closing.

**RECOMMENDATION**

It is recommended that the City Council pass Bond Ordinance No. 999-B on first reading.

**SUGGESTED MOTION**

I move that the City Council pass Bond Ordinance No. 999-B on first reading.

**ORDINANCE NO. 999-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF A LIMITED TAX GENERAL OBLIGATION BOND IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$1,000,000 TO BE USED TO FINANCE THE RECREATION PARK RENOVATION PROJECT AND OTHER CAPITAL IMPROVEMENTS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE BOND; APPOINTING THE CITY'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE SALE OF THE BOND; AND PROVIDING FOR OTHER RELATED MATTERS.**

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

Section 1.     Definitions. As used in this ordinance, the following capitalized terms shall have the following meanings:

(a)     “*Bond*” means the “City of Chehalis, Washington Limited Tax General Obligation Bond, 2019” authorized by this ordinance.

(b)     “*Bond Fund*” means the debt service fund of the City created for the payment of the principal of and interest on the Bond.

(c)     “*Bond Register*” means the registration records for the Bond maintained by the Bond Registrar.

(d)     “*Bond Registrar*” means the City Finance Director, whose duties include registering and authenticating the Bond, maintaining the Bond Register, transferring ownership of the Bond, and paying the principal of and interest on the Bond.

(e)     “*City*” means the City of Chehalis, Washington, a municipal corporation duly organized and existing under the laws of the State of Washington.

(f)     “*City Council*” means the legislative authority of the City, as duly and regularly constituted from time to time.

(g)     “*Code*” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(h)     “*Designated Representative*” means the officer of the City appointed in Section 4 of this ordinance to serve as the City's designated representative in accordance with RCW 39.46.040(2).

(i)     “*Issue Date*” means the date of the delivery of the Bond to the Purchaser.

(j) “*Project*” means the recreation park renovation project, which may include improvements to Penny Playground, the ballfields, walkways and trails, and other capital improvements.

(k) “*Project Fund*” means the fund or account designated or created by the City for the purposes of carrying out the Project.

(l) “*Purchaser*” means the corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser for the Bond.

Section 2. Findings and Determinations. The City takes note of the following facts and makes the following findings and determinations:

(a) *Authority and Description of the Project.* The City is in need of financing its recreation park renovation project, including improvements to Penny Playground, the ballfields, walkways and trails, and other capital improvements. The City Council therefore finds that it is in the best interests of the City to carry out the Project.

(b) *Plan of Financing.* Pursuant to applicable law, including without limitation chapters 35.37, 39.36, 39.44, 39.46 and 39.52 RCW, the City is authorized to issue general obligation bonds for the purpose of financing the Project. The total expected cost of the Project is approximately \$4,100,000, which is expected to be made up of proceeds of the Bond, grants, donations and other available money of the City.

(c) *Debt Capacity.* The maximum amount of indebtedness authorized by this ordinance is \$1,000,000. Based on the following facts, this amount is to be issued within the amount permitted to be issued by the City for general municipal purposes without a vote:

(1) The assessed valuation of the taxable property within the City as ascertained by the last preceding assessment for City purposes for collection in the calendar year 2019 is \$717,643,811.

(2) As of April 30, 2019, the City had limited tax general obligation indebtedness, consisting of bonds and loans outstanding in the principal amount of \$2,136,003, which is incurred within the limit of up to 1½% of the value of the taxable property within the City permitted for general municipal purposes without a vote.

(3) As of April 30, 2019, the City had no unlimited tax general obligation indebtedness outstanding.

(d) *The Bond.* For the purpose of providing the funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bond, the City Council finds that it is in the best interests of the City and its taxpayers to issue the Bond consistent with this ordinance.

Section 3. Authorization of the Bond. The City is authorized to borrow money on the credit of the City and issue a limited tax general obligation bond evidencing indebtedness in the

aggregate principal amount not to exceed \$1,000,000 to provide funds necessary to finance the Project and to pay the costs of issuance and sale of the Bond.

Section 4. Description of the Bond; Appointment of the Designated Representative. The City Manager, or the Finance Director in the absence of the City Manager, is appointed as the Designated Representative of the City and is authorized and directed to approve the final terms of the Bond, with such additional terms and covenants as the Designated Representative deems advisable, within the following parameters.

(a) *Principal Amount.* The Bond shall not exceed the aggregate principal amount of \$1,000,000.

(b) *Date.* The Bond shall be dated as of its date of delivery to the Purchaser, which date may not be later than December 31, 2019.

(c) *Interest Rate(s).* The Bond shall bear interest at a fixed rate or rates per annum as acceptable to the Designated Representative, which rate shall not exceed 4.50%.

(d) *Payment Dates.* Interest will be payable at the rate(s) and on such dates as are acceptable to the Designated Representative. Principal payments will be payable and shall commence on such payment date acceptable to the Designated Representative.

(e) *Final Maturity.* The Bond shall mature no later than 15 years from the Issue Date.

(f) *Price.* The purchase price for the Bond may be in an amount as is acceptable to the Designated Representative.

(g) *Other Terms and Conditions.*

(1) The Bond may not be issued if it would cause the indebtedness of the City to exceed the City's legal debt capacity on the Issue Date.

(2) The Bond may be sold in accordance with Section 13 of this ordinance.

(3) The Designated Representative may accept such additional terms, conditions and covenants as she or he may determine are in the best interests of the City, consistent with this ordinance.

Section 5. Bond Registrar; Registration and Transfer of the Bond. Pursuant to RCW 39.46.030(4) the City's Finance Director shall serve as initial fiscal agent for the City (the "Bond Registrar") with respect to the Bond and is authorized, on behalf of the City, to authenticate and deliver the Bond in accordance with the provisions of the Bond and this ordinance. The Bond shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained by the Bond Registrar (the "Bond Register"). The Bond Register shall contain the name and mailing address of the owner of the Bond.

Upon a determination by the Finance Director that maintenance of the duties of the Bond Registrar is no longer convenient, the fiscal agent of the State of Washington shall act as Bond Registrar.

The Bond Registrar shall keep, or cause to be kept, at its office, sufficient books for the registration, assignment or transfer of the Bond, which books shall be open to inspection by the City at all times. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver the Bond transferred or exchanged in accordance with the provisions of the Bond and this ordinance, to serve as the City's paying agent for the Bond and to carry out all of the Bond Registrar's powers and duties under this ordinance.

The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on the Bond.

The Bond may be assigned or transferred only in whole by the Purchaser to a single investor that is a financial institution or an entity reasonably believed to be a qualified institutional buyer within the meaning of the applicable federal securities laws. Any transfer shall be without cost to the owner or transferee, except for governmental charges imposed on any such transfer or exchange. The Bond Registrar shall not be obligated to exchange or transfer the Bond during the 15 days preceding any payment or prepayment date. When the Bond has been paid in full, both principal and interest, the Bond shall be surrendered to the Bond Registrar, who shall cancel the Bond.

#### Section 6. Form and Execution of the Bond.

(a) *Form of the Bond; Signatures and Seal.* The Bond shall be prepared in a form consistent with the provisions of this ordinance and Washington law. The Bond shall be signed by the Mayor and the City Clerk, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon. If any officer whose manual or facsimile signature appears on the Bond ceases to be an officer of the City authorized to sign bonds before the Bond bearing his or her manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the City, the Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the City as though that person had continued to be an officer of the City authorized to sign bonds. The Bond also may be signed on behalf of the City by any person who, on the actual date of signing of the Bond, is an officer of the City authorized to sign bonds, although he or she did not hold the required office on its Issue Date.

(b) *Authentication.* Only the Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance: "Certificate of Authentication. This Bond is the fully registered City of Chehalis, Washington, Limited Tax General Obligation Bond, 2019, described in the Bond Ordinance." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this ordinance.

Section 7. Payment of the Bond. Both principal of and interest on the Bond shall be payable in lawful money of the United States of America and shall be paid by electronic transfer, unless payment by check or draft of the Bond Registrar is permitted by the Purchaser, and sent to the Purchaser so that the Purchaser receives said payments when due at the address appearing on the Bond Register. The Bond is not subject to acceleration under any circumstances.

Upon receipt of the final payment of principal of and interest on the Bond, whether at maturity or upon prepayment, the Purchaser shall present and surrender the Bond to the Bond Registrar to be destroyed or cancelled in accordance with law. The City and the Bond Registrar may deem and treat the Purchaser as the absolute owner of the Bond for the purpose of receiving payment of principal and interest and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary other than proper notice of assignment or transfer.

Section 8. Funds and Accounts; Deposit of Bond Proceeds.

(a) *Bond Fund.* The Bond Fund of the City is created for the sole purpose of paying principal of and interest on the Bond. All amounts allocated to the payment of the principal of and interest on the Bond shall be accounted for separately and shall be deposited in the Bond Fund as necessary for the timely payment of amounts due with respect to the Bond. The principal of and interest on the Bond shall be paid out of the Bond Fund. Until needed for that purpose, the City may invest money in the Bond Fund temporarily in any legal investment, and the investment earnings shall be retained in the Bond Fund and used for the purposes of that fund.

(b) *Project Fund.* The Project Fund is a fund of the City to be used to pay the costs of the Project. Proceeds received from the sale and delivery of the Bond shall be deposited into the Project Fund and used to pay the costs of the Project and costs of issuance of the Bond. Until needed to pay such costs, the City may invest those proceeds temporarily in any legal investment, and the investment earnings shall be retained in the Project Fund and used for the purposes of that fund, except that earnings subject to a federal tax or rebate requirement (if applicable) may be withdrawn from the Project Fund and used for those tax or rebate purposes.

Section 9. Prepayment. The City may prepay the Bond upon such terms as is acceptable to the Designated Representative.

Section 10. Failure to Pay the Bond. If any payment of the Bond is not paid when due, the City shall be obligated to pay interest on the Bond at the same rate provided in the Bond from and after its maturity or date fixed for prepayment until the Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Purchaser.

Section 11. Pledge of Taxes. The Bond constitutes a general indebtedness of the City and is payable from tax revenues of the City and such other money as is lawfully available and pledged by the City for the payment of principal of and interest on the Bond, including lodging taxes [and real estate excise taxes (REET)]. For as long as the Bond is outstanding, the City irrevocably pledges that it shall, in the manner provided by law within the constitutional and

statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Bond as the same become due. The full faith, credit and resources of the City are pledged irrevocably for the prompt payment of the principal of and interest on the Bond and such pledge shall be enforceable in mandamus against the City.

Section 12. Tax Covenants.

(a) *Preservation of Tax Exemption for Interest on the Bond.* The City covenants that it will take all actions necessary to prevent interest on the Bond from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bond or other funds of the City treated as proceeds of the Bond that will cause interest on the Bond to be included in gross income for federal income tax purposes. The City also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bond, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bond.

(b) *Post-Issuance Compliance.* The Finance Director is authorized and directed to adopt and implement the City's written procedures to facilitate compliance by the City with the covenants in this ordinance and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bond from being included in gross income for federal tax purposes.

(c) *Designation of the Bond as a "Qualified Tax-Exempt Obligation."* The City designates the Bond as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code, and makes the following findings and determinations:

(1) the Bond does not constitute a "private activity bond" within the meaning of Section 141 of the Code;

(2) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the City and any entity subordinate to the City (including any entity that the City controls, that derives its authority to issue tax-exempt obligations from the City, or that issues tax-exempt obligations on behalf of the City) will issue during the calendar year in which the Bond is issued will not exceed \$10,000,000; and

(3) the amount of tax-exempt obligations, including the Bond, designated by the City as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bond is issued does not exceed \$10,000,000.

Section 13. Sale of the Bond. The Designated Representative shall request bids for the purchase of the Bond under or within the terms of this ordinance. A pricing certificate shall set forth the final terms of the Bond. The Designated Representative is authorized to execute the pricing certificate on behalf of the City, so long as the terms provided therein are consistent with the terms of this ordinance.



Section 14. Reporting Requirements. While the Bond is outstanding, the City shall submit to the Purchaser its annual financial reports within 30 days after receipt of such annual financial report from the Washington State Auditor and such additional information as the Purchaser may reasonably request.

Section 15. Default. The following events shall constitute a default under the Bond:

- (a) a failure to pay principal or interest on the Bond when due,
- (b) a failure by the City to comply with any of its obligations, or to perform any of its duties, under this ordinance, which failure continues and is not cured for a period of more than 60 days after the Purchaser has made written demand on the City to cure such failure, or
- (c) a material misrepresentation to the Purchaser by the City in the purchase of the Bond, as reasonably concluded by the Purchaser after investigation and discussion with the City.

If any default occurs as delineated in this section, the interest rate may be increased to a default interest rate (if any) acceptable to the Designated Representative and will be described in the pricing certificate, and the Purchaser may pursue any other remedies to which it is entitled under the Bond and this ordinance, at law or in equity.

Section 16. Governing Law; Waiver of Jury Trial. The Bond shall be governed and interpreted according to the laws of Washington. The City hereby irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any legal proceeding relating to this ordinance.

Section 17. General Authorization and Ratification. The Mayor, City Manager, Finance Director, City Clerk and other appropriate officers of the City are severally authorized to take such actions and to execute such documents as in their judgment may be necessary or desirable to carry out the transactions contemplated in connection with this ordinance, and to do everything necessary for the prompt delivery of the Bond to the Purchaser thereof and for the proper application, use and investment of the proceeds of the Bond. All actions taken prior to the effective date of this ordinance in furtherance of the purposes described in this ordinance and not inconsistent with the terms of this ordinance are ratified and confirmed in all respects.

Section 18. Severability. The provisions of this ordinance are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this ordinance to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this ordinance in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 19. Effective Date of Ordinance. This ordinance shall take effect and be in force from and after its passage and five days following its publication as required by law.

PASSED by the City Council of the City of Chehalis, Washington, at an open public meeting thereof, on its second and final reading this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form and content:

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

**CERTIFICATION**

I, the undersigned, City Clerk of the City of Chehalis, Washington (the "City"), hereby certify as follows:

1. The attached copy of Ordinance No. 999-B (the "Ordinance") is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on \_\_\_\_\_, 2019, as that ordinance appears on the minute book of the City.

2. The Ordinance will be in full force and effect five days after publication in the City's official newspaper, which publication date is expected to be July \_\_\_\_\_, 2019.

3. A quorum of the members of the City Council was present throughout the meeting and a majority of the members voted in the proper manner for the passage of the Ordinance.

Dated: \_\_\_\_\_.

CITY OF CHEHALIS, WASHINGTON

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

**CHEHALIS CITY COUNCIL MEETING  
AGENDA REPORT**

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

**FROM:** Jill Anderson, City Manager

**MEETING OF:** July 8, 2019

**SUBJECT:** Interlocal Agreement with Lewis County Fire District #6 for the Sharing of Fire Chief Services

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**ISSUE**

Lewis County Fire District #6 (LCFD #6 or District) has asked the City to consider entering into an interlocal agreement (ILA) for the sharing of Fire Chief Administration and Management Services.

**BACKGROUND**

The District's Fire Chief resigned in April and the District approached the City shortly thereafter regarding an ILA for sharing of the City's Fire Chief, Ken Cardinale. At that time, the City Manager indicated that the timing was not conducive for a service sharing arrangement due to the Department's multiple priorities, including proceeding with the plans to find a suitable site for a new Chehalis Fire Station. The District's efforts to find an interim Fire Chief have not proven successful and they again approached the City Manager regarding the possibility of allowing Chief Cardinale to provide services to the District.

LCFD #6 provided emergency and now semi-permanent housing to the City of Chehalis Fire Department when it had to vacate the old station in August of 2018, which is very much appreciated by the City. This arrangement is not convenient for the District and yet, they have gone out of their way to make space and accommodate the City of Chehalis staff. As a result of the District's sacrifices on behalf of the City, the City Manager in consultation of the Fire Chief, revisited how the City could assist the District with their situation.

The City Manager met with the Chairman of the LCFD #6 Board to discuss potential terms for an ILA, using an agreement that the City used when contracting with the Riverside Fire Authority for Fire Chief and Administration Services in 2015.

**KEY TERMS**

While there have been discussions with the Chair of LCFD #6 and input on the agreement from the District's Attorney, the Board has not taken action on the proposed agreement. In addition,

the Fire Chief has agreed in concept to the terms; however, he will need to consent in writing to the terms prior to the agreement becoming effective. The City Attorney has also reviewed an earlier version of the agreement which included the legal language protecting the City.

The key terms of the proposed agreement surround compensation to the City and to the Fire Chief for taking on a significant increase in work and in responsibility. The Fire Chief is currently paid based on a 40-hour work week; however, the nature of the position often requires work beyond the limits of a regular workday, including meetings and responses to emergency calls which occur at all hours of the day and night. It is recognized that the terms of this contract will regularly require the Fire Chief to work additional hours beyond a 40-hour work week, in addition to assuming operational responsibility for a geographical area much larger than the boundaries of the City of Chehalis. The position of Fire Chief is a salaried at-will position and is not eligible for overtime. In respect for this, it is proposed that the City compensate the Fire Chief with Special Assignment Pay for the duration of this agreement in an amount that is approximately 50% of his regular base pay. It is also recognized that it is likely that the Fire Chief will have fewer hours to devote exclusively to the City of Chehalis even with the expectation that the terms of the agreement will require the Fire Chief to work more hours on average each week. Recognizing these issues, the agreement includes the following estimate of the division of the Fire Chief's time:

- 50% of monthly work hours on City Business
- 30% of monthly work hours on District Business
- 20% on business that serves the City and the District

The City has calculated the cost of providing Special Assignment Pay in the event that this agreement is approved including the City's costs associated with employer paid benefits. It is estimated that the increased cost to the City is \$4,916.27 per month. Based on the above division of time, it is expected that the District would reimburse the City for 40% of the Chief's salary and benefit costs, including Special Assignment Pay, which would equate to \$6,290.62 a month.

<i>Category of Pay</i>	<i>Amount</i>
Monthly Base Salary	\$ 9,187.00
Special Assignment Pay	\$ 4,593.50
Health and Benefits Paid by Employer (City) based on total compensation	\$ 1,946.05
<b><i>Total Monthly Cost to the City</i></b>	<b>\$15,726.55</b>
<b><i>40% of \$15,726.55 is \$6,290.62</i></b>	

### **Additional Key Terms**

**Employment Status of Fire Chief:** The Fire Chief shall remain an employee of City, except for a provision related to L&I coverage.

**Term:** The contract would begin retroactive to July 1, 2019 and end on January 2, 2020. It includes a clause allowing the City Manager to extend for an additional six months.

**Termination:** Either party can terminate the agreement with 15-days written notice and the City Manager is authorized to terminate the agreement on behalf of the City.

**Indemnification and Hold Harmless:** Each party agrees to mutual indemnification.

### **FISCAL IMPACT**

The City's annual budget does not include the revenue or expenses associated with the proposed ILA. Therefore, a future budget amendment would be needed to reflect the Special Assignment pay for the Fire Chief and the revenue associated with the payments that would be due to the City consistent with the ILA. The City would receive approximately \$8,245 more than the actual cost of the Special Assignment Pay, which would be considered compensation for the loss of time available to devote exclusively to City business.

### **RECOMMENDATION**

It is recommended that the City Council:

- 1) Approve the proposed ILA with Lewis County Fire District 6 in substantially the same form as the draft attached and authorize the City Manager to execute the document subject to written acceptance of the final terms by the Fire Chief; and
- 2) Approve Special Assignment Pay for the Fire Chief retroactive to the effective date of this agreement until the termination of the agreement

### **SUGGESTED MOTION**

I move that the City Council:

- 1) Approve the proposed ILA with Lewis County Fire District 6 in substantially the same form as the draft attached and authorize the City Manager to execute the document subject to written acceptance of the final terms by the Fire Chief; and
- 2) Approve Special Assignment Pay for the Fire Chief retroactive to the effective date of this agreement until the termination of the agreement.

## INTERLOCAL AGREEMENT

### FIRE CHIEF SERVICES

This Agreement is entered into between the City of Chehalis a municipal corporation, hereafter referred to as the "City", and Lewis County Fire Protection District No. 6 a municipal corporation, hereafter referred to as the "District."

#### RECITALS

1. 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.
2. The City and the District currently each maintain and operate their own fire departments to provide fire protection, fire suppression, and emergency medical services in their respective areas.
3. The purpose of this Agreement is to establish the terms under which the City will provide interim fire chief operational and administrative services for the District.

#### AGREEMENT

To carry out the purpose of this agreement and in consideration of the benefits to be received by each party, it is agreed as follows:

1. **Fire Chief Administrative Services.** Subject to the terms of this Agreement, the City shall provide Fire Chief administrative services (Fire Chief Services) to District as follows:
  - 1.1. The City Fire Chief shall also serve as the District Fire Chief.
  - 1.2. The Fire Chief is currently paid based on a 40-hour work week; however, the nature of the position often requires work beyond the limits of a regular workday, including meetings and responses to emergency calls which occur at all hours of the day and night. It is recognized that the terms of this contract will regularly require the Fire Chief to work additional hours beyond a 40-hour work week, in addition to assuming operational responsibility for a geographical area much larger than the boundaries of the City of Chehalis. In respect for this, the City will compensate the Fire Chief with Special Assignment Pay for the duration of this agreement. Recognizing the unique nature and demands of the position, the City and the District will expect the Fire Chief to spend approximately 50% of his monthly work hours on City Business, 30% on District Business and 20% on business that serves both the City and the District.
  - 1.3. The Fire Chief shall represent both the District and the City when attending meetings and training exercises.

1.4. When serving as the District Fire Chief, the Fire Chief shall supervise, administer, and manage the day to day operations of the District in accordance with the District Chain of Command and the District's adopted policies and procedures. The Fire Chief Services shall include, but are not limited to, the following responsibilities:

- (a) Manage staffing levels, personnel assignments, and District resource allocations.
- (b) Assist the District with preparation, adoption, and implementation of the District's Annual Budget
- (c) Implement District policies and procedures.
- (d) The Fire Chief shall manage all personnel actions consistent with existing District personnel policies and procedures and consistent with any employment agreements between the District and its personnel. A disciplinary action involving any loss of pay, suspension, or termination shall be recommended by the Fire Chief, but final action on such recommendations shall be reserved to the District Board of Commissioners. In case of immediate threat to District personnel, equipment, or facilities, or the citizens of the District, the Fire Chief may immediately suspend any District personnel; such action shall be ratified, modified, or overturned by the Board as soon as practicable after the suspension is implemented, but no later than its next regular board meeting.
- (e) Oversee and manage all District operations.

1.5. The District shall be responsible for and shall continue to provide accounting, payroll, and human resources support for District Personnel.

2. **Payment for Fire Chief Services.** In consideration of the Fire Chief Services provided, District shall pay City \$6,290.62 monthly on or before 1<sup>st</sup> of each month. The cost is based on a 40 percent share of the estimated costs identified in Paragraph 4. The parties agree to mutually negotiate and adjust the payment if necessary based on the actual costs incurred by the City. The payment for Fire Chief Services is to compensate the City for Special Assignment Pay due to the Fire Chief for the assumption of responsibility for another agency's operations, which include 24/7 emergency response to Adna and large portions of rural Chehalis.

3. **Employment Status of Fire Chief.** The Fire Chief shall be an employee of the City and shall not be an employee of the District. For purposes of workers compensation coverage and employer immunities, the Fire Chief, when performing duties for the District shall be considered as a Loaned Employee. The Fire Chief shall document the Fire Chief's consent to this arrangement by executing the Loaned Employee Consent form attached as Exhibit A. By obtaining such consent, it is the intent of the parties to establish that both Parties are the employers for purposes of the Industrial Insurance Act in accordance with the holding of *Novenson v. Spokane Culvert & Fabricating Co.*,



91 Wn.2d 550, 553, 588 P.2d 1174, 1176 (1979). At any time hereunder the Fire Chief may withdraw his or her consent by notifying his/her employer, and thereby withdraw him/herself from being loaned to the District pursuant to this Agreement.

4. **Fire Chief Compensation.** The City shall be solely responsible for compensating the Fire Chief, including salary, special assignment pay, and benefits including the following:

- 4.1. Fire Chief Base Salary of \$9,187.00 per month.
- 4.2. Fire Chief Special Assignment Pay of \$4,593.50 per month that will end concurrent with the termination of this agreement.
- 4.3. Employer's Benefit Contributions including L&I, Medicare, Health, and other Insurance Benefits, etc. of \$1,946.05 per month.

<i>Category of Pay</i>	<i>Amount</i>
Base Salary	\$ 9,187.00
Special Assignment Pay	\$ 4,593.50
Health and Benefits Paid by Employer (City) based on total compensation	\$ 1,946.05
<b>Total Monthly Cost to the City</b>	<b>\$15,726.55</b>

**40% of \$15,726.55 is \$6,290.62**

- 4.4. Provide the Fire Chief with a cellular smart phone and service plan.
- 4.5. Provide the Fire Chief with a command vehicle, insurance, fuel, and all necessary equipment including personal protective equipment for structural and wildling firefighting, traffic safety vests, SCBA, incident command equipment and supplies, radios, and other associated equipment and supplies.
- 4.6. The District will provide the Fire Chief with all required uniforms containing both City and District patches and a badge designating both District and City, or reimburse the City for the related costs if a uniform of that type is deemed necessary by either party.
- 4.7. The District will provide bunker gear to the Fire Chief that designates the Fire Chief as the Fire Chief of both District and City or reimburse the City for the

related costs to do so if bunker gear of that type is deemed necessary by either party.

**5. Fire Chief Reporting Status.**

5.1. The Fire Chief shall report to the Board of Commissioners of the District for performance related to District activities, and shall attend Board meetings when requested by the District.

5.2. The Fire Chief shall report to the City for performance related to City activities.

**6. Performance Reviews/Discipline.**

6.1. Performance reviews shall be conducted by the City Manager, who may seek input from the District Board through their appointed representative. In the event discipline or counseling is deemed necessary for actions subject to this ILA, the parties shall confer with each other and reach consensus before imposing the discipline/counseling. City's policies and procedures will control process of discipline. The parties will jointly assume the risk and liability associated with evaluations and disciplinary action in the same proportion as the cost of the Fire Chief is shared.

**7. Office Facilities.**

7.1. District will provide office space at its Headquarters Fire Station for the Fire Chief.

**8. Fire Chief Activities.** Both Fire Departments recognize and support that the Fire Chief is involved in local, county, and regional activities that may take the Fire Chief out of the area. The Fire Chief will represent both the District and the City on these teams and special committees.

**9. Term.** This Agreement shall be effective retroactive to July 1, 2019 and shall terminate on January 2, 2020. The parties may extend the term upon mutual agreement and the City Manager is authorized to extend beyond the term for up to an additional six months.

**10. Termination.** Either party may terminate the Agreement with 15 days advance written notice. In the event of termination, the District's financial responsibility shall be prorated based on the effective date of termination. The City delegates the authority to terminate the agreement to the City Manager.

**11. Finances.** Each party shall remain responsible for the financial operation of its own Fire Department and the levying of its tax levy and other revenue sources.

**12. Indemnification and Hold Harmless.** Each party agrees to defend, indemnify, and hold harmless the other party and each of its employees, officials, agents, and volunteers from any and all losses, claims, liabilities, lawsuits, or legal judgments

arising out of any negligent or willfully tortious actions or inactions by the performing party or any of its employees, officials, agents, or volunteers, while acting within the scope of the duties required by this Agreement. Each party shall be responsible for its own legal costs and attorneys' fees. This provision shall survive the expiration of this Agreement. This provision shall also survive and remain in effect in the event that a court or other entity with jurisdiction determines that this Agreement is not enforceable. It is further specifically and expressly understood that the indemnification provided herein constitutes each party's waiver of immunity under industrial insurance, Title 51 RCW, solely to carry out the purposes of this indemnification clause. The parties further acknowledge that they have mutually negotiated this waiver.

**13. Insurance.** Each party shall provide insurance coverage for all operations, facilities, equipment, and personnel of its Fire Department. Each party shall furnish to the other party, appropriate documentation showing that such coverage is in effect.

**14. Miscellaneous**

**14.1. Property Ownership.** This Agreement does not provide for jointly owned property. All property presently owned or hereafter acquired by one party to enable it to perform the services required under this Agreement, shall remain the property of the acquiring party in the event of the termination of this agreement.

**14.2. Administration.** This Agreement shall be administered by the District's Board of Commissioners and the City's City Manager.

**14.3. Non-Waiver of Breach.** The failure of either party to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances, shall not be construed to be a waiver or relinquishment of those covenants, agreements, or options, and the same shall be and remain in full force and effect.

**14.4. Resolution of Disputes and Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. If the parties are unable to settle any dispute, difference, or claim arising from the parties' performance of this Agreement, the exclusive means of resolving that dispute, difference, or claim, shall only be by filing suit exclusively under the venue, rules, and jurisdiction of the Lewis County Superior Court, Lewis County, Washington, unless the parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit arising from the parties' performance of this Agreement, each party shall pay all its own legal costs and attorneys' fees incurred in defending or bringing such claim or lawsuit, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit the parties' right to indemnification under this Agreement.

- 14.5. **Assignment.** Any assignment of this Agreement by either party without the prior written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment shall be made without additional written consent.
- 14.6. **Modification.** No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of each party and subject to ratification by the legislative body of each party.
- 14.7. **Entire Agreement.** The written terms and provisions of this Agreement, together with any Exhibits attached hereto, shall supersede all prior communications, negotiations, representations, or agreements, either verbal or written of any officer or other representative of each party, and such statements shall not be effective or be construed as entering into, forming a part of, or altering in any manner, this Agreement.
- 14.8. **Severability.** If any section of this Agreement is adjudicated to be invalid, such action shall not affect the validity of any section not so adjudicated.
- 14.9. **Notice.** All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the Agreement, 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 registered 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.
- 14.10. **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.
- 14.11. **Non-Exclusive Agreement.** The parties to this Agreement shall not be precluded from entering into similar agreements with other municipal corporations.

IN WITNESS, the parties below execute this Agreement, which shall become effective on the last date entered below.

**Lewis County Fire Protection  
District No. 6**

**City of Chehalis**

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

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

Print Name: \_\_\_\_\_

Its \_\_\_\_\_

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

Print Name: \_\_\_\_\_

Its \_\_\_\_\_

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

NOTICES TO BE SENT TO:  
Lewis County Fire Protection District #6  
Attn: Board Chair  
2123 Jackson Hwy  
Chehalis, WA 98532

NOTICES TO BE SENT TO:  
Chehalis City Manager  
350 N. Market Boulevard, Room 101  
Chehalis, WA 98532

DRAFT

**EXHIBIT A**  
**CONSENT TO LOANED EMPLOYEE AGREEMENT**

I, \_\_\_\_\_, am an employee of The City of Chehalis "City."  
I understand that Lewis County Fire Protection District No. 6 "District" has requested that the City provide an interim fire chief to the District to provide fire chief services on an as needed basis pursuant to an Interlocal Agreement dated \_\_\_\_\_, 2019 (the "ILA").

In consideration for the wages and benefits that I will receive from the City as a Loaned Employee to the District, I agree to the following:

1. I consent and agree to perform fire chief services for the District as required by and in accordance with the ILA (the "Services").
2. I understand that the District will be supervising and directing my performance of the Services related to the District during the term of the agreement.
3. I will be deemed to be an employee of both the City of Chehalis and Lewis County Fire Protection District No. 6 for purposes of the Industrial Insurance Act, RCW 52 during that time.
4. I understand that for the Services I provide to the District, I will receive the compensation and benefits outlined in this agreement, including Special Assignment Pay. I further understand that I will receive my compensation and benefits from the City and not from the District.

With 15 days' notice to my employer, the City of Chehalis, I may withdraw my consent and thereby withdraw myself from being loaned to the District pursuant to this Agreement.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)