

PLEASE NOTE SPECIAL MEETING TIME

CHEHALIS CITY COUNCIL AGENDA
CITY HALL
350 N MARKET BOULEVARD, 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 Bob Spahr, Position at Large

November 10, 2014

4:15 p.m.

EXECUTIVE SESSION		
1	<u>Executive Session Pursuant to RCW 42.30.140(4)(a) – Collective Bargaining and RCW 42.30.110(1)(i) – Potential Litigation.</u> (City Manager, City Attorney, Human Resources Administrator, Public Works Director, Wastewater Superintendent)	---

Regular Meeting of Monday, November 10, 2014

5:00 p.m.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
2. <u>Call to Order.</u> (Mayor)		
3. <u>Pledge of Allegiance.</u> (Mayor)		

CITIZENS BUSINESS

This is an opportunity for members of the audience to address the council on matters not listed elsewhere on the agenda. Speaker identification forms are available at the door and may be given to the city clerk prior to the beginning of the meeting.

PUBLIC HEARING

4. Public Hearing on 2015 Proposed Budget and Revenue Sources, Taxes and Levies. (City Manager, Finance Manager)

CONDUCT PUBLIC HEARING

PRESENTATIONS

5. Update on Floodplain Management Analysis. (Community Development Director, French Wetmore, CFM - French & Associates, Ltd.)

CONSENT CALENDAR

6. Minutes of the Regular Meeting of October 27, 2014 and the Special Meeting of October 28, 2014. (City Clerk)
7. Vouchers and Transfers. (Finance Manager)
8. Resolution No. 10-2014, First and Final Reading – Surplus of City Property. (City Clerk)

APPROVE

1

APPROVE

5

ADOPT

7

ADMINISTRATION AND CITY COUNCIL REPORTS

9. Administration Reports.
- a. City Manager Recruitment - evening reception on Monday, November 17, (5:00 to 7:00 p.m. in the city hall basement meeting room); and interviews on Tuesday, November 18. (City Manager)
10. Council Reports.
- a. Councilor reports. (City Council)
- b. Council committee reports. (City Council)

INFORMATION ONLY

INFORMATION ONLY

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NEW BUSINESS

11. <u>Ordinance No. 935-B, First Reading - Granting a Franchise Agreement to Astound Broadband, LLC, to Construct, Operate and Maintain a Telecommunications Network within the City of Chehalis.</u> (City Manager, City Attorney)	PASS	13
12. <u>Ordinance No. 936-B, First Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2015.</u> (City Manager, Finance Manager)	PASS	24
13. <u>Ordinance No. 937-B, First Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2015.</u> (City Manager, Finance Manager)	PASS	26
14. <u>Ordinance No. 938-B, First Reading – Adopting the Proposed 2015 Budget.</u> (City Manager, Finance Manager)	PASS	27

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

UPCOMING MEETINGS

SPECIAL MEETING (EVENING RECEPTION) ON MONDAY, NOVEMBER 17, 2014

SPECIAL MEETING (CITY MANAGER INTERVIEWS) ON TUESDAY, NOVEMBER 18, 2014

NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, NOVEMBER 24, 2014

October 27, 2014

The Chehalis city council met in regular session on Monday, October 27, 2014, in the Chehalis city hall. Mayor Dawes called the meeting to order at 4:15 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Tony Ketchum. Staff present included: Merlin MacReynold, City Manager; Mark Scheibmeir, Assistant City Attorney; Judy Schave, City Clerk; and Dennis Osborn, Community Development Director.

1. **Executive Session.** Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(i) – potential litigation for approximately 45 minutes and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 4:57 p.m. and announced the council would take a short recess before opening the regular meeting at 5:01 p.m. Additional staff included: Bill Hillier, City Attorney; Glenn Schaffer, Police Chief/Interim Fire Chief; Judy Pectol, Finance Manager; Peggy Hammer, Human Resources Administrator; Rick Sahlin, Public Works Director; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Dameon Pesanti from *The Chronicle*.

2. **2015 Festivals and Community Involvement.** Ammie Hague (Everett, WA) reported she and others will be hosting a few events next year at the Yard Birds Mall, to include a Fairy Blossom Festival in June and a Renaissance Fair in September. She stated they would like to do a Royalty Program that will draw from the community to create a royal court who will serve as ambassadors for community service, education, and other positive outreach programs in the community. Ms. Hague asked if the city would be interested in sponsoring a Royalty Program.

Mayor Dawes suggested she contact the city manager, noting he could fill her in on what departments she will need to speak with.

3. **Chehalis Foundation Progress Report.** Chehalis Foundation President Tim Sayler reported the Foundation has had some pretty busy years since the renovation of the Lintott/Alexander Park in 2005. He noted, after much planning and fundraising, ground was broken on the Gail and Carolyn Shaw Aquatics Center in December 2013. Mr. Sayler stated sadly Mr. Shaw is gone now, but the pool is officially done.

Mr. Sayler reported the Foundation continues to support the city in many ways, such as: holiday decorations; maintenance of the Lintott/Alexander Park; the Chehalis Police K-9 Program; W.F. West tennis court renewal and maintenance; and work on various city ballfields and park facilities. He stated their newest effort is the maintenance and management of Connie Small's dream in the Penny Playground, which now falls under their guidance.

Mr. Sayler reported, through generous donations from various local families, they've branched out into the education field. He stated because of that effort they have made a change in the way the Foundation is fundamentally structured. Mr. Sayler reported the Foundation will now consist of three committees: City Projects; Education; and Promotions and Fundraising.

Mr. Sayler reported there are still lots of projects to do and there always will be. He noted the city's new ownership of Stan Hedwall Park is very interesting to all of them. He stated over time the Foundation will develop a plan for the city and for education on how they can help and how to get there.

Mr. Sayler thanked the city council and the administration for all of their help. He also thanked the Chehalis School District and their employees, as well as all of their generous donors. Mr. Sayler stated, "The spirit of cooperation that Mr. Shaw and his friends created back in the 1950s continues on through the Foundation, Experience Chehalis, and the list goes on and on."

4. **Update on Discover! Children's Museum.** Board Vice-President Larry McGee reported on the structure they will be using to fund the new Discover! Children's Museum. He stated they are still on track, noting it will take about \$3 million for the project. He noted, based on the activities that a number of them have been involved with and the pilot project, they should have between \$500,000 and \$600,000 worth of in-kind. Mr. McGee reported the \$3 million will pay for the building, exhibits, site improvements, improvements to the green space on the adjacent lot, and capital for one year of operating expenses.

McGee reported the funding plan includes: 1/3 from the State Legislature; 1/3 from major grantors; and 1/3 from community fundraising. He reported Lowell Wood has been employed to help with the fundraising efforts for this project.

October 27, 2014

Mr. Wood reported, as part of the feasibility study, he will be interviewing several people to see if they feel the project is doable and if they like the location that's been selected. He stated, although they are not asking for money at this time, they've already received some pledge money for the project. Mr. Wood stated this is meant to be a Chehalis/Centralia project and will include committee members from both cities. He noted several from Centralia have already stepped up to the plate, as well as those from Chehalis. Mr. Wood reported he would be glad to come back and help out with the campaign if the city can't find anyone else to do it.

Mr. McGee reported, with the help of Mr. Wood and others, \$450,000 of the communities \$1 million is already committed. He stated it will mean a lot to our legislators to be able to say the community has stepped up to that degree already.

Mayor Dawes stated the council certainly appreciates what Mr. McGee and Mr. Wood are doing, noting they've stepped up time and time again to do things that benefit everyone in the community. He stated the fact that this will be a joint effort by both cities speaks tremendous volumes for the future success of this project.

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

- a. Minutes of the regular meeting of October 13, 2014;
- b. Claim Vouchers No. 110628-110781 and Electronic Funds Transfer Nos. 92014 and 920141 in the amount of \$415,915.38 dated October 15, 2014; and
- c. Authorize the City Manager to execute the interlocal agreement (ILA) between the city and Riverside Fire Authority for the utilization of the emergency communications system.

The motion was seconded by Councilor Harris and carried unanimously.

6. **Administration Reports.**

a. **3rd Quarter and September Financial Report and 3rd Quarter Sales and Use Tax Report.** Finance Manager Judy Pectol reported on the general fund, noting the city recently received a check from the Chehalis Foundation in the amount of \$478,000 for reimbursement of expenses for the Gail and Carolyn Shaw Aquatics Center. She noted the city will also be receiving some Transportation Improvement Board grant money related to the Chehalis Avenue Project, which will help the ending fund balance, as well. Ms. Pectol indicated she will be asking for a budget amendment at the second meeting in November for the two items.

Ms. Pectol reported they were also working on the final closeout for the Federal Emergency Management Administration Home Elevation Program, noting the city will receive about \$70,000 for work that's already been done.

Councilor Pope inquired about the interest earnings in the wastewater fund, noting it looked as though they were flip-flopped. Ms. Pectol reported some of the interest was allocated incorrectly. She noted the October report will include a reallocation of the interest based on how much cash each fund has.

Councilor Pope stated the sales and use tax was looking good this year.

7. **Council Reports.**

a. **Update From Councilor Spahr.** Councilor Spahr reported he attended the Lewis County Economic Development Council meeting where Executive Director Malt Matayoshi filed his 90-day plan. Councilor Spahr stated he also attended the Regional Fire Authority Joint Oversight Board meeting.

b. **Update From Mayor Dawes.** Mayor Dawes reported the Joint Oversight Board decided to start meeting on a quarterly basis starting the first of the year. He stated their focus will be on cooperative efforts to assist each other, adding the radio maintenance ILA was just one of those items. Mayor Dawes stated, given the financial situation that they are faced with, this is probably the mode they will stay in for a while.

October 27, 2014

Mayor Dawes reported he attended the Business After Hours event at Tires, Inc., noting a representative from the Goodyear Tire Company presented them with a plaque for being in business for 60 years.

Mayor Dawes reported he had a meeting with Mr. Wood to discuss the fundraising for the Discover! Children's Museum. He stated it was nice to hear from Mr. McGee about the commitment level being as high as it is already.

Mayor Dawes reported, on October 24, he had a chance to see a local rail car stopped at the Chehalis-Centralia Railroad and Museum with a load of poles that are being transported to Nova Scotia. He noted the logs came from the McFarland Cascade Pole and Lumber Co, which is a business located on land owned by the Port of Chehalis out near Curtis. Mayor Dawes stated this relates to the reason why the city and county are looking into purchasing the local rail line from the City of Tacoma.

c. **Update on City Manager Search Process.** City Manager MacReynold reminded the council about the special executive session on Tuesday, October 28 to discuss the candidates for the city manager position. He noted a reception is scheduled for Monday, November 17, and the interview process will be on Tuesday, November 18.

8. **Resolution No. 9-2014, First and Final Reading – Approving State Revolving Fund Loan in the Amount of \$1,033,150 for the Construction of Basin 1022 Inflow and Infiltration (I&I) Project.** Public Works Director Rick Sahlin reported the council has received a couple of updates over the last year regarding the loan application submitted to the Department of Ecology (DOE) for this project. He noted the loan request was for \$1,410,000 for design and construction of the Basin 1022 I&I Rehabilitation Project. Mr. Sahlin indicated the project will include associated manholes and sewer stubs in the public right-of-way. He noted the city has been granted a loan from DOE for \$1,033,150, at 1.4 percent interest for 20 years, with a one (1) percent administrative fee. Mr. Sahlin reported the city also received a grant for \$301,850 and \$75,000 of forgivable principal.

Councilor Ketchum asked if this project was covered under the last rate increase they did. Mr. Sahlin stated it was.

Councilor Harris moved to pass Resolution No. 9-2014 on first and final reading and authorize the city manager to execute a contract with the SRF for a loan of \$1,033,150, at 1.4 percent interest with a term of 20 years for the Basin 1022 I&I Rehabilitation Project.

The motion was seconded by Councilor Pope and carried unanimously.

There being no further business to come before the council, the meeting adjourned 5:34 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of October 27, 2014.

October 28, 2014

The Chehalis city council met in special session on Tuesday, October 28, 2014, in the Chehalis city hall. Mayor Dawes called the meeting to order at 5:02 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Tony Ketchum. Staff present included: Merlin MacReynold, City Manager; and Judy Schave, City Clerk.

1. **Executive Session**. Mayor Dawes announced the council would be in executive session pursuant to RCW 42.30.110(1)(g) – evaluate qualifications of applicants for approximately two hours and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 6:27 p.m. and reopened the special meeting. He reported the council gave the consulting firm Prothman a list of the individuals that will be asked to be present for an interview with the community groups and council in November. Mayor Dawes noted the names will be released to the public once Prothman contacts the individuals and confirms they will accept the invitation.

There being no further business to come before the council, the meeting adjourned 6:28 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the special city council meeting of October 28, 2014.

CITY OF CHEHALIS
AGENDA REPORT

DATE: October 31, 2014
TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager *JP*
PREPARED BY: Michelle White, Accounting Tech II *MW*
SUBJECT: Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

Claim Vouchers No.110782 through 110923 and Electronic Funds Transfer No. 102014 in the amount of \$210,716.31 dated October 31, 2014 and the transfer of \$59,597.91 from the General Fund, \$5,036.00 from the Tourism Fund, \$74.00 from the Federal & State Grants Fund, \$86,373.13 from the 2011 G.O. Bond Fund, \$40.50 from the Automotive Equipment Reserve Fund, \$33,667.44 from the Wastewater Fund, \$8,140.44 from the Water Fund, \$265.11 from the Storm & Surface Water Utility Fund, \$16,602.89 from the Airport Fund and \$918.89 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the October 31, 2014 Claim Vouchers No. 110782 through 110923 and Electronic Funds Transfer No. 102014 in the amount of \$210,716.31.

SUGGESTED MOTION

I move to approve the October 31, 2014 Claim Vouchers No. 110782 through 110923 and Electronic Funds Transfer No. 102014 in the amount of \$210,716.31.

Reviewed by: *Michelle White*, City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: October 31, 2014
TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager JP
PREPARED BY: Michelle White, Accounting Tech II MW
SUBJECT: Payroll Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

Payroll Vouchers No. 37717 through 37771, Direct Deposit Payroll Vouchers No. 5431 through 5517 and Electronic Federal Tax Payment No. 141 dated October 31, 2014 in the amount of \$662,255.65 and the transfer of \$449,345.67 from the General Fund, \$8,884.70 from the Arterial Street Fund, \$78,132.06 from the Wastewater Fund, \$79,494.28 from the Water Fund, \$17,420.00 from the Storm & Surface Water Utility Fund, \$25,866.24 from the Airport Fund and \$3,112.70 from the Firemen's Pension Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the October 31, 2014 Payroll Vouchers No. 37717 through 37771, Direct Deposit Payroll Vouchers No. 5431 through 5517, and Electronic Federal Tax Payment No. 141 in the amount of \$662,255.65.

SUGGESTED MOTION

I move to approve the October 31, 2014, Payroll Vouchers No. 37717 through 37771, Direct Deposit Payroll Vouchers No. 5431 through 5517, and Electronic Federal Tax Payment No. 141 in the amount of \$662,255.65.

Reviewed by: , City Manager

CITY OF CHEHALIS
AGENDA REPORT

DATE: October 30, 2014
TO: The Honorable Mayor and City Council
FROM: Judy Schave, City Clerk
SUBJECT: Resolution No. 10-2014 - Surplus of City Property

ISSUE

Various departments have certain property that is no longer used or needed. State law requires that property must first be declared surplus by the city council before being sold or disposed of.

DISCUSSION

A resolution has been prepared for the council's consideration. Most of the items listed on Exhibit "A" (attached) have no retail value due to their non-working condition or it is no longer cost effective to repair. The two vehicles will be sold at auction to the highest bidder.

RECOMMENDATION / COUNCIL ACTION DESIRED

The administration recommends that the council adopt Resolution No. 10-2014 on first and final reading.

SUGGESTED MOTION

I move that the council adopt Resolution No. 10-2014 on first and final reading.

REVIEWED BY:  _____, City Manager

RESOLUTION NO. 10-2014

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 SALE AND 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.

See Attached Exhibit "A"

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 10^h day of November, 2014.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

EXHIBIT A		2014 SURPLUS LIST					
EQUIPMENT DESCRIPTION	DEPT	CITY ID	MODEL	SERIAL NUMBER	COMMENTS		
Thermolyne muffle furnace	Wastewater	1821		32703373	Non working		
CompaQ Presario computer	Wastewater	6218		A805BSVWHF654	Non working		
Toro commercial push mower	Wastewater			9901063	Non working		
Husky air compressor	Wastewater			2003669	Non working		
Desk (particle board)	Wastewater				broken		
Dell computer monitor	Wastewater			CN-OCJ319-72872-68P-389U	Non working		
Dell computer monitor	Wastewater			F9SG-39C-062536	Non working		
Minolta printer	Wastewater			6352861125	Non working		
4 Battery backups	Wastewater				Non working		
50' roll of used conveyer belt (covered with sludge)	Wastewater				Non working		
500 gallon acid tank	Wastewater				leaks		
hp color laserjet printer	Finance		2600N	CNBC55T00C	Non working		
hp color laserjet printer	Human Resources		2600N	CNHC7511PC	Non working		
Brother fax machine	Municipal Court		MFC-8480DN	U62272M1J974130	Non working		
hp fax machine	Municipal Court		hp 2140	CN15PBN02V	Non working		
Misc scrap - Attachment #1 & #2	Street						
Used aluminum street signs - Attachment #3	Street						
Konica Minolta copy machine	Public Works	00006	C450 B12hub	311807685	Non working		
VEHICLES	DEPT	MILEAGE	VEHICLE LICENSE NO.	VIN NUMBER	COMMENTS		
1996 Ford R10 Pickup	Water	151,366	W-4 39105D	1FTCR14X2TPA91512	Non running		
2003 Dodge DAK Pickup	Water	81,346	W-17 47062D	1D7HG48N03S178009	Non running		
1979 Ford F-600 Oil Distributor with auxiliary oil distributor engine attachment	Street	15,082	S-8 37854D	F61CVDG0532	replaced in 2012		
1988 GMC Safari Van	Wastewater	45,522	S-8a 11121D	1GTD15Z5JB522485	Non running		







**CITY OF CHEHALIS
AGENDA REPORT**

DATE: October 28, 2014

TO: The Honorable Mayor and City Council

FROM: William Hillier, City Attorney
Judy Schave, City Clerk

SUBJECT: Ordinance No. 935-B, First Reading – Granting Franchise Agreement

ISSUE

Franchise Agreement requested to construct, operate and maintain a telecommunications network in the city of Chehalis.

DISCUSSION

The city is in receipt of a Franchise Agreement request from Astound Broadband, LLC, (“Astound”). Astound is a Washington limited liability company and a wholly-owned subsidiary of Wave Division Holdings, LLC, a Delaware limited liability company (“Wave”). Wave is headquartered in Kirkland, Washington, and, through its operating subsidiaries, provides cable television, high-speed data, and VoIP telephone services to over 415,500 customers in Oregon, Washington, and California. Astound is registered as a Competitive Telecommunications Company with the Washington Utilities and Transportation Commission and holds Domestic and International Section 214 authorizations from the Federal Communications Commission.

Astound is requesting a ten (10) year Franchise Agreement, commencing with the effective date of the ordinance. Thereafter, the Franchise would continue for an additional ten (10) years unless notice is given by either party 90-days before expiration.

During the term of the Franchise, Astound will be required to pay a utility tax in an amount equal to six percent (6%) of their gross revenues, as outlined in the ordinance. Astound has also agreed to pay the city a one-time administrative fee of \$1,000 for reimbursement of costs associated with the preparation, processing and approval of this Franchise and other functions related to the approval. The administrative fee excludes normal permit fees required for work in the city Rights-of-Way.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends the council pass Ordinance No. 935-B on first reading.

SUGGESTED MOTION

I move that the city council pass Ordinance No. 935-B on first reading.

Reviewed by:  _____, City Manager

ORDINANCE NO. 935-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, GRANTING TO ASTOUND BROADBAND, LLC, A WASHINGTON LIMITED LIABILITY COMPANY, A FRANCHISE TO CONSTRUCT, OPERATE & MAINTAIN A TELECOMMUNICATIONS NETWORK WITHIN THE CITY OF CHEHALIS, WASHINGTON

WHEREAS: Astound Broadband, LLC, a Washington Limited Liability Company ("Franchisee"), provides Telecommunications services within the City of CHEHALIS, Washington ("City"); and

WHEREAS: Franchisee has applied for a Telecommunications Franchise pursuant to local ordinances relating to Telecommunications located in the public rights of way, and the City of CHEHALIS "City" has reviewed said application and has determined that it meets the requirements of the City's Ordinance subject to the terms and conditions stated herein:

NOW THEREFORE, THE CITY OF CHEHALIS ORDAINS AS FOLLOWS:

Section 1: Definitions.

Gross Revenues: Any and all revenue, of any kind, nature, or form, without deduction for expense in the City of CHEHALIS, less net uncollectibles, and is further defined in Section 11. All such revenue remains subject to applicable FCC rules and regulations which exclude revenues from internet access services while prohibited by law.

Rights-of-Way: the present and future streets, viaducts, elevated roadways, alleys, public highways and avenues in the City, including Rights-of-Way held in fee, or by virtue of an easement or dedication.

Telecommunications: the transmission between and among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

Telecommunications Network: infrastructure owned by Franchisee utilizing one or more facilities located within the City's Rights-of-Way, including, but not limited to, lines, poles, anchors, wires, cables, conduit, laterals, and other appurtenances, necessary and convenient to the provision of access to the Internet and Telecommunications service.

Telecommunications Service: the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities' uses.

Section 2: Grant of Franchise. The City hereby grants to Franchisee, its successors and assigns as authorized herein, a nonexclusive right, privilege, authority and Franchise to erect, construct, operate, repair and maintain in, under, upon, along, across and over the City's Rights-of-Way, its lines, poles, anchors, wires, cables, conduits, laterals and other necessary and convenient fixtures and equipment, for the purposes of constructing, operating and maintaining a competitive Telecommunications network within the City.

Section 3: Franchise Not Exclusive. The Franchise granted herein (the "Franchise") is not exclusive, and shall not be construed as any limitation upon the right of the City to grant to other

persons or corporations, including itself, rights, privileges or authority the same as, similar to or different from the rights, privileges or authority herein set forth, in the same or other Rights-of-Way, by Franchise, permit or otherwise; provided, however, that any such grant shall be done in a competitively neutral and non-discriminatory manner with respect to the rights, privileges and authorities afforded Franchisee.

Section 4: Term and Termination. The term of this Franchise shall be ten (10) years, commencing with the effective date of this Ordinance. Thereafter, this Franchise shall continue in full force and effect for an additional ten (10) years unless notice is given by either party ninety (90) days before expiration, of its intention to terminate or renegotiate the Franchise. Upon termination or expiration of the Franchise, Grantee shall, within one hundred and eighty days (180), remove all its facilities from the City's Rights-of-Way. Should the Grantee fail to remove its facilities within the one hundred and eighty day period (180), the City may remove.

Section 5: No Limitation of City Authority.

(a) Except as provided in Section 6 below, nothing in this Franchise shall in any way be construed or interpreted to prevent, or in any way limit, the City from modifying or performing any work in its Rights-of-Way, or granting other franchises for use of Rights-of-Way, or of adopting general ordinances regulating use of or activities in the Rights-of-Way, or of otherwise abrogating or limiting any rights, privileges or property interest the City now has in its Rights-of-Way, whether now owned or hereinafter acquired.

(b) In the event that any portion of the Franchisee's infrastructure interferes with any present or future use the City desires to make of its Rights-of-Way, Franchisee shall, upon request, and at its sole expense, promptly relocate such infrastructure, and restore the area where such relocation occurs to as good a condition as existed before the work was undertaken, unless otherwise directed by the City.

(c) Where the Franchisee had paid for the relocation costs of the same facilities at the request of the City within the past five (5) years, the Franchisee's share of the cost of relocation will be paid by the City if it requested the subsequent relocation.

(d) Except as otherwise provided by law, and subject to Section 6 herein, nothing in this Franchise shall be construed to give the Franchisee any credit or exemption from any nondiscriminatory, generally applicable business tax, or other tax now or hereafter levied upon Franchisee's taxable real or personal property, or against any permit fees or inspection fees required as a condition of construction of any improvements upon Franchisee's real property and imposed under a generally applicable ordinance or resolution.

Section 6: Competitively Neutral Application. The City shall impose, on a competitively neutral and nondiscriminatory basis, similar terms and conditions upon other similarly situated providers of Telecommunications services operating within the City. Any requirement imposed on Franchisee that is determined not in compliance with this Section 6 shall be unenforceable against Franchisee.

Section 7: Construction, Maintenance and Repair of Infrastructure.

(a) Franchisee may make all needful excavations in any Right-of-Way for the purpose of placing, erecting, laying, maintaining or repairing Franchisee's infrastructure, and shall repair, renew and replace the same as reasonably possible to the condition that existed prior to such excavation. Franchisee shall obtain all necessary permits for such

excavation and construction, and pay all applicable fees. Such work shall be done only in accordance with plans or designs submitted to, and approved by, the City, such plans (1) to be evaluated by the standards applied to the construction of other similar Telecommunications systems in the City, and (2) maintained by the City as confidential and exempt from public disclosure to the maximum extent allowed by law. Such work shall be performed in a good and workmanlike manner and in compliance with all rules, regulations, or ordinances which may, during the term of this Franchise, be adopted from time to time by the City, or any other authority having jurisdiction over Rights-of-Way. Prior to commencing excavation or construction, Franchisee shall give appropriate notice to other franchisees, licensees or permittees of the City owning or maintaining facilities which may be affected by the proposed excavation or construction.

(b) In the event emergency repairs are necessary for Franchisee's facilities, Franchisee may immediately initiate such emergency repairs. Franchisee shall give notice to the City's Department of Public Works by telephone, electronic data transmittal or other appropriate means as soon as is practicable after commencement of work performed under emergency conditions. Franchisee shall make such repairs in compliance with applicable ordinances and regulations, and shall apply for any necessary permits no later than the business day next following the discovery of the need for such repairs.

(c) Franchisee shall construct and maintain its Telecommunications system in such a manner so as to not interfere with City sewer or water systems, or other City facilities.

Section 8: Insurance.

(a) General. At all times during the term of this Franchise, Franchisee, at its own cost and expense, shall provide the insurance specified in this section.

(b) Evidence Required. Within thirty (30) days of the effective date of this Franchise, Franchisee shall provide the City with a certificate of insurance executed by an authorized representative of the insurer or insurers, evidencing that Franchisee's insurance complies with this section.

(c) Notice of Cancellation, Reduction, or Material Change in Coverage. Franchisee shall provide written notice to the City not less than thirty (30) calendar days prior to cancellation, reduction, or material change in coverage. If insurance coverage is canceled, reduced or materially changed, Franchisee shall, prior to the effective date of such cancellation, reduction or material change, obtain the coverage required under this section, and provide the City with documentation of such coverage. Franchisee shall be responsible, to the extent not caused by the City's negligence or intentional misconduct, for the costs of any damage, liability, or injury, which are not otherwise covered by insurance or because of a failure to comply with this section.

(d) Insurance Required. During the term of this contract, Franchisee shall maintain in force, at its own expense, the following insurance:

- (1) Workers' compensation insurance for all subject workers; and
- (2) Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit. Coverage shall include contractual liability coverage for the indemnity provided under this contract, and naming the City, its officials, officers, employees and agents as

additional insureds with respect to Franchisee's activities pursuant to this Franchise.

Section 9: Transfers and Change in Control.

(a) Transfer. This Franchise shall not be sold, leased, assigned or otherwise transferred, nor shall any of the rights or privileges herein granted or authorized be leased, assigned, mortgaged, sold or transferred, either in whole or in part, nor shall title hereto, either legal or equitable, or any right, interest or property herein, pass to or vest in any person, except the Franchisee, either by act of the Franchisee or by operation of law, without the consent of the City, expressed in writing, such consent not to be unreasonably withheld. If the Franchisee wishes to transfer this Franchise, the Franchisee shall give City written notice of the proposed transfer, and shall request consent of the transfer by the City.

(b) Any transfer of ownership affected without the written consent of the City shall render this Franchise subject to revocation. The City shall have thirty (30) days to act upon any request for approval of a transfer. If the City fails to render a final decision on the request within said thirty (30) days, the request shall be deemed granted unless the Franchisee and the City agree to an extension of time.

(c) The Franchisee, upon any transfer, shall within sixty (60) days thereafter file with the City a certified statement evidencing the transfer and an acknowledgment of the transferee that it agrees to be bound by the terms and conditions contained in this Franchise.

(d) The requirements of this section shall not be deemed to prohibit the use of the Franchisee's property as collateral for security in financing the construction or acquisition of all or part of a Telecommunications System of the Franchisee or any affiliate of the Franchisee. However, the Telecommunications System franchised hereunder, including portions thereof used as collateral, shall at all times continue to be subject to the provisions of this Franchise.

(e) The requirements of this section shall not be deemed to prohibit sale of tangible assets of the Franchisee in the ordinary conduct of the Franchisee's business without the consent of the City. The requirements of this section shall not be deemed to prohibit, without the consent of the City, a transfer to a transferee whose primary business is Telecommunications System operation and having a majority of its beneficial ownership held by the Franchisee, a parent of the Franchisee, or an affiliate, a majority of whose beneficial ownership is held by a parent of the Franchisee.

Section 10: Indemnification. Each party shall indemnify and hold the other harmless for any losses, claims, damages, awards, penalties or injuries incurred by any third party, including reasonable attorney's fees, which arise from any alleged breach of such indemnifying party's representations and warranties made under this Agreement, provided that the indemnifying party is promptly notified of any such claims. The indemnifying party shall have the sole right to defend such claims at its own expense. The other party shall provide, at the indemnifying party's expense, such assistance in investigating and defending such claims as the indemnifying party may reasonably request. This indemnity shall survive the termination of this Agreement.

Section 11: Compensation.

(a) **Utility Tax.** In consideration of permission to use the streets and Rights-of-Way of the City for the construction, operation, and maintenance of a Telecommunications system within the Franchise area the Franchisee shall pay to City during the term of this Franchise an amount equal to six percent (6%) of the Franchisee's Gross Revenues ("Franchise Fee"). Any net uncollectibles, bad debts or other accrued amounts deducted from Gross Revenues shall be included in Gross Revenues at such time as they are actually collected. Revenue from point to point and multi-point services is based on the pro-rata share of the revenue from those services. Notwithstanding the foregoing, Franchisee may, in lieu of all or a portion of the Franchise Fee payment required under this Section 11, provide telecommunications or other services to the City or its affiliated entities. Any agreement for the provision of such services will be a mutually agreed by the parties in separate documentation, and the offset value of any such services provided to the County or its affiliated entities will be determined based on the standard rates Franchisee charges to third-party customers for substantially equivalent services.

(b) **Modification Resulting from Action by Law.** Upon thirty (30) days' notice and in the event any law or valid rule or regulation applicable to this Franchise limits the Franchise Fee below the amount provided herein, or as subsequently modified, the Franchisee agrees to and shall pay the maximum permissible amount and, if such law or valid rule or regulation is later repealed or amended to allow a higher permissible amount, then Franchisee shall pay the higher amount commencing from the date of such repeal or amendment, up to the maximum allowable by law.

(c) **Payment of Franchise Fee.** Payments due under this provision shall be computed and paid quarterly for the preceding quarter, as of March 31, June 30, September 30, and December 31, each quarterly payment due and payable no later than 45 days after such dates. Not later than the date of each payment, the Franchisee shall file with the City a written statement, in a form satisfactory to the City and signed under penalty of perjury by an officer of the Franchisee, identifying in detail the amount of gross revenue received by the Franchisee, the computation basis and method, for the quarter for which the Franchise Fee payment is made.

(d) The Franchise Fee includes all compensation for the use of the City's Rights-of-Way. Franchisee may offset against the Franchise Fee the amount of any fee or charge paid to the City in connection with the Grantee's use of the Rights-of-Way when the fee or charge is not imposed under a generally applicable ordinance or resolution. The Franchise Fee shall not be deemed to be in lieu of or a waiver of any ad valorem property tax which the City may now or hereafter be entitled to, or to participate in, or to levy upon the property of Franchisee.

(e) **Administrative Fee.** Pursuant to RCW 35.21.860, Franchisee has paid a one-time administrative fee of \$1,000.00 for reimbursement of costs associated with the preparation, processing and approval of this Franchise, including posting and publication costs, wages, benefits, overhead expenses, meetings, attorneys' fees, negotiations, and other functions related to the approval. The administrative fee excludes normal permit fees required for work in the Right-of-Way.

Section 12: Extension of City Limits. Upon the annexation of any territory to the City, the rights granted herein shall extend to the annexed territory to the extent the City has such

authority. All Facilities owned, maintained, or operated by Grantee located within any public Rights-of-Ways of the annexed territory shall be subject to all of the terms of this Ordinance.

Section 13: Right to Inspect Records. In order to manage the Franchisee's use of Rights-of-Way pursuant to this Franchise, and to determine and verify the amount of compensation due to the City under this Franchise, the Franchisee shall provide, upon request, the following information in such form as may be reasonably required by the City: maps of the Franchisee's Telecommunications System; the amount collected by the Franchisee from users of Telecommunications Service provided by Franchisee via its Telecommunications network; the character and extent of the Telecommunications Service rendered therefore to them; and any other related financial information required for the exercise of any other lawful right of Franchisee under this Franchise. The City agrees that such information is confidential and that the City will use such information only for the purpose of managing its Rights-of-Way, determining compliance with the terms of this Franchise, and verifying the adequacy of Franchisee's fee payments. The City further agrees to protect such information from disclosure to third parties to the maximum extent allowed by Washington law.

Section 14: Right to Perform Franchise Fee Audit or Review; Default. In addition to all rights granted under Section 13, the City shall have the right to have performed, a formal audit or a professional review of the Franchisee's books and records by an independent private auditor, for the sole purpose of determining the Gross Revenues of the Franchisee generated through the provision of Telecommunications Services under this Franchise and the accuracy of amounts paid as Franchise fees to the City by the Franchisee; provided, however, that any audit or review must be commenced not later than two (2) years after the date on which Franchise fees for any period being audited or reviewed were due and only once per calendar term during the term of the Agreement. The City shall give 48 hours' notice to Franchisee of an audit. The cost of any such audit or review shall be borne by the City. The City agrees to protect from disclosure to third parties, to the maximum extent allowed by State law, any information obtained as a result of its rights pursuant to this Section, or any compilation or other derivative works created using information obtained pursuant to the exercise of its rights.

Section 15: Right to Inspect Construction. The City or its representatives shall have the right, at the City's expense, to inspect all construction or installation work performed pursuant to this Franchise and to make such tests as it shall find necessary to ensure compliance with the terms of this Franchise and other pertinent provisions of law relating to management of the City's Rights-of-Way.

Section 16: Limited Waiver of Sovereign Immunity; Venue.

(a) The City may have sovereign or other immunities which might prevent or impair enforcement or enjoyment of the terms of this Franchise. Without making a general waiver, limitation or modification of such sovereign or other immunity, the City hereby expressly grants, in favor of Franchisee, a limited, non-assignable waiver of its immunities for claims arising under this Franchise, it being the intent of the parties that the waivers herein provided shall result in the terms and conditions of this franchise being enforced in a competitively neutral manner.

(b) Venue for any proceeding brought to enforce any term or condition of this Franchise shall be the local Superior Court for the City; provided, however, that should any proceeding be brought in a federal forum, such proceeding shall be brought in the U.S. District Court of the Western District of Washington.

(c) Notwithstanding any applicable statute of limitations or other law, these limited waivers of sovereign immunity shall expire when all obligations under this Franchise have been fully and completely performed, or the passage of twenty-four (24) months from the termination of this Franchise, whichever is later.

Section 17: Limitation of Liability. The City and the Franchisee agree that neither shall be liable to the other for any indirect, special, or consequential damages, or any lost profits, arising out of any provision or requirement contained herein, or, in the event this Franchise or any part hereof, is determined or declared to be invalid.

Section 18: Compliance with Applicable Laws. Franchisee shall comply with all applicable federal, state, and local laws, ordinances, and regulations, whether now in existence or hereinafter enacted. Nothing contained in this Franchise shall be construed as authorizing the Franchisee, its officers, employees or agents, to violate any federal, state or local law, whether now in existence or hereinafter enacted, including, by way of illustration but not of limitation, any provision of Washington anti-trust law, RCW 19.86.010 – 19.86.120. Nothing contained in this section shall be construed as requiring Franchisee to comply with any federal, state or local law that is repealed or otherwise rendered unenforceable subsequent to the adoption of this Franchise.

Section 19: Notice. Any notice provided for under this Franchise shall be sufficient if in writing and (1) delivered personally to the other party or deposited in the U.S. Mail, postage prepaid, certified mail, return receipt requested; (2) sent overnight by commercial air courier; or (3) sent by facsimile transmission, provided receipt of such facsimile is confirmed, in writing, on the first business day following the date of transmission. Notice shall be sent to the following address or such other address as each party may specify in writing:

City of Chehalis

City Clerk

City of Chehalis

350 N Market Blvd. Rm. 101

Chehalis, WA 98532

Phone: 360-345-3225

Fax: 360-748-0651

Astound Broadband, LLC

James A. Penney

Executive Vice President Business and
Legal Affairs

Astound Broadband, LLC

401 Kirkland Parkplace, Suite 500

Kirkland, WA 98033

Phone: 425-896-1891

Fax: 425-896-1911

Notice shall be deemed effective upon the earliest date of actual delivery; three business days after deposit in the U.S. mail as provided herein; one business day after shipment by commercial air courier; or the same day as transmitted by facsimile, provided transmission of such facsimile is confirmed in writing as provided herein.

Section 20: Captions. The captions to sections of this Franchise are intended solely to facilitate reading and reference of the sections and provisions contained herein, and shall not affect the meaning or interpretation of any section or provision of this Franchise.

Section 21: Severability. If any part of this Franchise becomes or is held to be invalid for any reason, the determination will affect only the invalid portion of this Franchise. In all other respects this Franchise will stand and remain in full force and effect as if the invalid provision had not been part of this Franchise.

Section 22: Waiver.

(a) The City is vested with the power and authority to reasonably regulate, and manage, its Rights-of-Way in a competitively neutral and non-discriminatory manner, and in the public interest. Franchisee shall not be relieved of its obligations to comply with any provision of this Franchise by reason of the failure of the City to enforce prompt compliance, nor does the City waive or limit any of its rights under this Franchise by reason of such failure or neglect.

(b) No provision of this Franchise will be deemed waived unless such waiver is in writing and signed by the party waiving its rights. However, if Franchisee gives written notice of a failure or inability to cure or comply with a provision of this Franchise, and the City fails to object within a reasonable time after receipt of such notice, such provision shall be deemed waived.

PASSED by the City Council of the City of Chehalis, Washington, during a regularly scheduled open public meeting thereof this ____ day of _____, 2014.

By _____
Dennis L. Dawes, Mayor

Attest:

Approved as to form and content:

By _____
Judith A. Schave, City Clerk

By _____
William T. Hillier, City Attorney

Accepted:

By _____

James A. Penney, Executive Vice
President

Date _____

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager
DATE: November 10, 2014
SUBJECT: **Ordinances 936-B and 937-B – Adoption of Tax Levies**

ISSUE

Ordinances 936-B and 937-B have been prepared in connection with levying property taxes for collection in 2015. These are required in order to have Lewis County collect property taxes on behalf of the City.

DISCUSSION

Ordinance No. 936-B establishes the city's levies of ad valorem taxes (i.e. property taxes) for general operations, the Firefighters' Pension Fund and Emergency Medical Services (EMS).

Ordinance No. 937-B is required under the provisions of Referendum 47. It identifies the changes, in both dollar amounts and percentage terms, in the City's general operations property tax levy; the firefighters' pension levy and the EMS levy for next year compared to this year.

The property tax levy will increase due to increases in new construction, property improvements, the value of state assessed property as well as property tax refunds. However; the City will not use the one percent increase allowed by statute nor will the City use any of its banked capacity.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends passage of Ordinances 936-B and 937-B on first reading.

SUGGESTED MOTION

I move that the council pass Ordinance No. 936-B on first reading.

I move that the council pass Ordinance No. 937-B on first reading.

Reviewed by: , City Manager

ORDINANCE NO. 936-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, DETERMINING AND FIXING THE AMOUNT OF REVENUE TO BE RAISED BY AD VALOREM TAXES DURING THE CALENDAR YEAR 2015 AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

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

Section 1. The amount of revenue to be raised by ad valorem taxes during 2015 for general city operations shall be, and the same hereby is, determined and fixed in the sum of One Million Three Hundred Seventy-One Thousand Five Hundred Seventy-Nine Dollars (\$1,371,579).

Section 2. The amount of revenue to be raised by ad valorem taxes during 2015 for emergency medical services shall be, and the same hereby is, determined and fixed in the sum of Two Hundred Thirty-Three Thousand Dollars (\$233,000).

Section 3. The effective date of the ordinance shall be the 8th day of December 2014.

PASSED by the city council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this 10th day of November, 2014 on first reading.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

ORDINANCE NO. 937-B

**AN ORDINANCE OF THE CITY OF CHEHALIS,
WASHINGTON, STATING THE AMOUNTS AND
PERCENTAGES OF CHANGE IN PROPERTY TAX
LEVY IN CALENDAR YEAR 2015.**

WHEREAS, the City of Chehalis, Washington, properly gave notice of a public hearing held the 10th day of November, 2014, to consider the city budget for 2015, including possible property tax increases and other revenues, pursuant to RCW 84.55.120; and,

WHEREAS, the city's actual levy amounts for general operations; and Emergency Medical Services (EMS) levies were \$1,355,983.39; and \$231,782.03 respectively, in 2014; and,

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

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

Section 1. The 2014 general operations property tax levy for collection in 2015 is One Million Three Hundred Seventy-One Thousand Five Hundred and Seventy-Nine Dollars (\$1,371,579), which is an increase of Zero Dollars (\$0) and Zero Percent (0.0%) over the amount levied in 2013 for collection in 2014. Increases for the amounts allowed under the new construction and improvements to property provisions of RCW 84.55.010 and refunds, are only reflected in the total levy amount.

Section 2. The 2009 voter-approved EMS property tax levy for collection in 2015 is Two Hundred Thirty-Three Thousand Dollars (\$233,000), which is an increase of Zero Dollars (\$0) and Zero Percent (0.0%) over the amount levied in 2013 for collection in 2014. Increases for the amounts allowed under the new construction and improvements to property provisions of RCW 84.55.010 and refunds are only reflected in the total levy amount.

PASSED by the city council of the city of Chehalis, Washington during a regularly scheduled open public meeting thereof this 10th day of November, 2014, on first reading.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Judy Pectol, Finance Manager
DATE: November 10, 2014
SUBJECT: Ordinance 938-B – 2015 Budget Adoption, First Reading

ISSUE

Ordinance 938-B has been prepared for the purpose of adopting the proposed 2015 Budget. The two levy ordinances reflected in this budget are being presented to the Council concurrently.

DISCUSSION

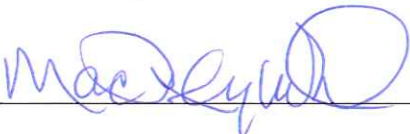
During September, October and November, the Council Budget Committee attended several meetings during which the administration made budget presentations, discussed and reviewed all funds. Ordinance 938-B reflects the revised budget presented to the City Manager and the Committee. Additional changes may be made to the ordinance prior to its second reading based upon council discussion.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends passage of Ordinances 938-B on first reading.

SUGGESTED MOTION

I move that the council pass Ordinance No. 938-B on first reading.

Reviewed by: , City Manager

ORDINANCE NO. 938-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
ADOPTING THE BUDGET OF THE CITY FOR THE YEAR 2015
AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**

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

Section 1. Attached hereto and identified as Exhibit "A", in summary form, are the total of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined for the budget of the city for 2015, and by this reference said Exhibit "A," showing a total estimated ending fund balance of \$10,726,706 is incorporated herein as if set forth in full and the same is hereby adopted in full.

Section 2. This ordinance is a legislative act delegated by statute to the City Council of the City of Chehalis, is not subject to referendum and shall take effect December 8, 2014.

PASSED by the City Council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this 10th day of November, 2014 on first reading.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**Ordinance 938-B
Attachment "A"**

**CITY OF CHEHALIS 2015 BUDGET
Proposed Budget Summary**

FUND NAME	Est. Beg. Fund Balance	Revenue	Operating Transfers In	Expenditures	Operating Transfers Out	Est. End. Fund Balance
General Fund	934,370	8,236,707	0	8,118,913	216,817	835,347
Dedicated Street Fund	0		150,514	148,800		1,714
Arterial Street Fund	4,369	150,000	0	128,938		25,431
Tourism Fund	69,387	182,910	0	202,000		50,297
Community Dev. Block Grant Fund	857	10,186		0		11,043
HUD Block Grant Fund	329,702	600		0		330,302
Federal and State Grant Fund	0	0	0	0	0	0
2011 G.O. Bond Fund	0		97,210	97,210		0
Automotive/Equip. Res. Fund	0	0	36,700	36,700	0	0
1st Quarter REET Fund	120,185	32,125	0	25,000	41,315	85,995
2nd Quarter REET Fund	56,469	32,125	0	0	31,594	57,000
Garbage Fund	365	6,640	5,300	11,697		608
Wastewater Fund	1,528,146	4,986,732		4,859,990		1,654,888
Water Fund	4,475,544	3,957,573		2,958,375	420,000	5,054,742
Storm & Surface Water Fund	496,037	509,897		460,590		545,344
Airport Fund	1,887,559	2,312,736	420,000	2,971,023		1,649,272 ^A
Firemen's Pension Fund	341,583	151,200		71,085		421,698
City Agency Fund	3,025	0		0		3,025
TOTALS	10,247,598	20,569,431	709,724	20,090,321	709,726	10,726,706

^A Ending fund balance includes \$1,565,777 held by Lewis County on behalf of the City to pay the final debt service payment on the G.O. Bond issued by Lewis County for the benefit of the Chehalis-Centralia Airport.