

# 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		Anthony E. Ketchum Sr., District 3
Daryl J. Lund, District 2		Chad E. Taylor, Position at Large
Dr. Isaac S. Pope, District 4		Bob Spahr, Position at Large

November 23, 2015

4:30 p.m.

EXECUTIVE SESSION		
1. <u>Executive Session Pursuant to RCW 42.30.110(1)(i) – Potential Litigation.</u> (City Manager, City Attorney, Community Development Director)	---	

Regular Meeting of Monday, November 23, 2015

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.		

**PROCLAMATIONS**

4. <u>Proclamation Declaring December 2015 as "Choose Local First Month" in the City of Chehalis, WA.</u> (Mayor, Marketing Committee Chair)	---	
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**PUBLIC HEARING**

5. <u>Public Hearing on 2016 Proposed Budget and Revenue Sources, Taxes and Levies.</u> (City Manager, Finance Manager)	CONDUCT PUBLIC HEARING	14
6. <u>Public Hearing on Assumption of Transportation Benefit District.</u> (City Manager, Finance Manager, City Attorney)	CONDUCT PUBLIC HEARING	26

**PRESENTATIONS**

7. <u>Recreation Park Improvement Project Presentation.</u> (Community Development Director, Skillings Connolly)	---	
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**CONSENT CALENDAR**

8. <u>Minutes of the Regular Meeting of November 9, 2015.</u> (City Clerk)	APPROVE	1
9. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	4
10. <u>Resolution No. 12-2015, First and Final Reading - Declaring City Property to be Surplus.</u> (City Clerk)	ADOPT	5

**ADMINISTRATION AND CITY COUNCIL REPORTS**

11. <u>Administration Reports.</u>		
a. October financial report. (Finance Manager)	INFORMATION ONLY	8
b. Property Acquisition by Twin Transit. (City Manager, Twin Transit General Manager Rob LaFontaine)	INFORMATION ONLY	
12. <u>Council Reports.</u>		
a. Councilor reports. (City Council)	INFORMATION ONLY	
b. Council committee reports. (City Council)	INFORMATION ONLY	

**UNFINISHED BUSINESS**

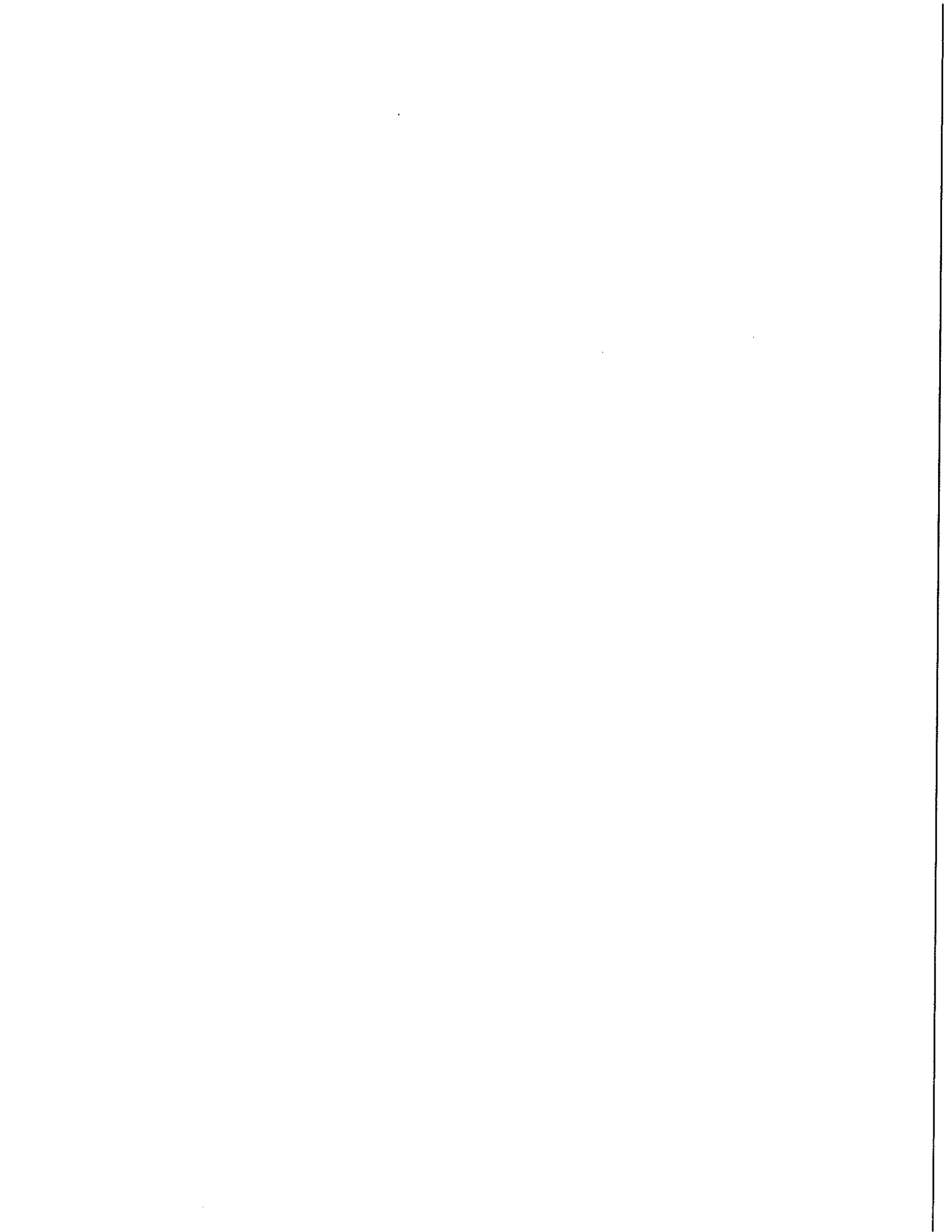
13. <u>Ordinance No. 946-B, Second and Final Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2016.</u> (City Manager, Finance Manager)	PASS	14
14. <u>Ordinance No. 947-B, Second and Final Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2016.</u> (City Manager, Finance Manager)	PASS	16
15. <u>Ordinance No. 948-B, Second and Final Reading – Adopting the Proposed 2016 Budget.</u> (City Manager, Finance Manager)	PASS	17
16. <u>Ordinance No. 949-B, Second and Final Reading – Amending the 2015 Budget.</u> (City Manager, Finance Manager)	PASS	20

**NEW BUSINESS**

17. <u>Ordinance No. 950-B, First Reading – Assuming the Rights, Powers and Functions of the Transportation Benefit District.</u> (City Manager, Finance Manager, City Attorney)	PASS	26
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THE CITY COUNCIL MAY ADD AND TAKE ACTION ON  
OTHER ITEMS NOT LISTED ON THIS AGENDA

NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, DECEMBER 14, 2015



November 9, 2015

The Chehalis city council met in regular session on Monday, November 9, 2015, in the Chehalis city hall. Mayor Dawes called the meeting to order at 4:30 p.m. with the following council members present: Dr. Isaac Pope, Bob Spahr, and Daryl Lund. Councilor Harris arrived at 4:52 p.m., and Councilors Taylor and Ketchum were absent (excused). Staff present included: Merlin MacReynold, City Manager; Bill Hillier, 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 30 minutes and there would be no decision following conclusion of the executive session.

Mayor Dawes closed the executive session at 5:05 p.m. and announced the council would take a short recess and reopen the regular meeting at 5:08 p.m. Additional staff included: Glenn Schaffer, Police Chief; Ken Cardinale, Fire Chief; Judy Pectol, Finance Manager; Lilly Wall, Recreation Manager; Dale McBeth, Municipal Court Judge; Becky Fox, Court Administrator; Melody Guenther, Court Clerk; Rick Sahlin, Public Works Director; Don Schmitt, Street/Stormwater Superintendent; David Vasilauskas, Water Superintendent; and Patrick Wiltzius, Wastewater Superintendent. Members of the media included Dameon Pesanti from *The Chronicle*.

2. **Community Service Award.** Fire Chief Ken Cardinale presented Boy Scout Liam Radtke with a Certificate of Appreciation for his time and service to the city. He noted Mr. Radtke took on a project to mark the location of our fire hydrants with blue reflector dots to make them more visible at night. Chief Cardinale stated he was very impressed with Mr. Radtke and he got the project done very quickly. He reported the reflectors have improved their nighttime operations tremendously.

3. **Public Hearing on 2016 Proposed Budget and Revenue Sources, Taxes and Levies.** Finance Manager Judy Pectol provided a brief review of the 2016 projected revenues. Some of the highlighted items included:

- General Fund:
  - Revenues are pretty flat and slightly lower than the current year
  - Did not take the one percent tax increase allowed by statute, or any of the city's 17.82 percent banked capacity
  - Property tax will increase slightly due to an increase in new construction and improvements - Property tax collection may be higher than projected because we're still waiting on official notice from the Lewis County Assessor's Office on what the assessed value will be
  - EMS Levy is budgeted at the maximum .50 cents per \$1,000 of assessed value
- Revenues received based on population will not increase due to the state decreasing the city's estimated population
- Utility Funds - revenues are expected to increase some, but not a lot
- Airport Fund - revenues will decrease slightly since we will not be receiving revenues to cover capital projects
- Tourism Fund -- revenues are doing great

City Manager MacReynold provided an overview of the proposed 2016 budget. He first recognized the department directors, program administrators and their staff, noting they spend a lot of time each year putting the budget together.

City Manager MacReynold thanked Mayor Dawes, Mayor Pro Tem Harris and Council Spahr for serving on the council budget committee. He stated the associated conversations and having the committee give their policy perspective and guidance on what's important for the city is very helpful as we go through the budget process.

City Manager MacReynold also thanked Ms. Pectol, noting she spends a great deal of time working on the budget, as well as dealing with the forms and requirements for budgeting as they change.

City Manager MacReynold reported, with the slow economic recovery, we're projecting very flat revenues in 2016. He noted we're still maintaining a lot of services and making some improvements, adding we've been very fortunate to receive grants and low interest loans to do some additional things.

November 9, 2015

City Manager MacReynold identified some of the bigger changes in the budget for the coming year, to include:

- Purchase of a new fire truck and associated equipment
- Recreation Park Project – design/engineering and funding package
- Cost increases of \$589,000 to cover wages and benefits per contractual agreements with our three union groups
- Close out of the Arkansas Way Extension Project - mainly being paid for by .09 Distressed Counties Funding
- Complete taxiway, ramp and tie down rehabilitation project at the airport - primarily funded by the FAA
- Start I&I Project at the wastewater treatment plant
- Construction of the redundant flocculation basin at the water treatment facility
- Replacement of the high-level reservoir in McFadden Park
- Adding one employee to the street/stormwater division – covered by the stormwater fund and state funding received for arterial streets
- Maintain and hopefully expand the chip seal program
- Complete Phase 1 of annexation strategy
- In discussions with the Chehalis School District to take over the RE Bennett property once they complete construction of their new facility on 20<sup>th</sup> Street
- Revisiting our funding options for the Transportation Benefit District
- City Manager replacement search starting at the beginning of 2016

City Manager MacReynold stated he was pleased to report that the proposed 2016 budget is balanced in spite of increasing costs and flat revenue projections. He noted the 2016 budget maintains services and provides reserves of 10 percent for the general fund, as directed by council.

Mayor Dawes closed the regular meeting at 5:23 p.m. and opened the public hearing.

There being no public comment, Mayor Dawes closed the public hearing at 5:24 p.m. and reopened the regular meeting.

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

- a. Minutes of the regular meeting of October 26, 2015;
- b. Claim Vouchers No. 114018-114141 and Electronic Funds Transfer No. 102015 in the amount of \$486,511.05 dated October 30, 2015; and Payroll Vouchers No. 38485-38534, Direct Deposit Payroll Vouchers No. 6501-6588 and Electronic Federal Tax Payment No. 153 in the amount of \$668,678.92 dated October 30, 2015; and
- c. Adopt Resolution No. 11-2015 on first and final reading setting the date for a public hearing on the assumption of rights of the Chehalis Transportation Benefit District.

The motion was seconded by Councilor Pope and carried unanimously.

5. **Council Reports.**

a. **Update From Councilor Pope.** Councilor Pope provided an update on the Recreation Park Improvement Project. He noted they had a good turnout at the first open house on October 29, and had a few people attend the second open house on November 5. Councilor Pope reported they received some very good ideas on what the park should be and look like. He noted one of the proposals suggested they move the ball fields over to Stan Hedwall Park and make Recreation Park a pure open-space park, which is something they need to consider.

Councilor Pope reported they'll be presenting the project to the leadership group at the Chehalis Middle School on Friday, November 6.

b. **Update From Mayor Dawes.** Mayor Dawes stated he wanted to echo Councilor Pope on the two public open houses, noting it was nice to see the good turnout at the October 29 meeting.

November 9, 2015

Mayor Dawes reported he attended the Mayors' meeting on Friday, November 6. He also attended a meeting in Morton, Washington, where he was asked to be on a committee to discuss whether or not they should discontinue having District Court there one day per month. Mayor Dawes stated, because what used to take one full day now takes less than two hours, the committee recommended they discontinue it. He stated the Lewis County Commissioners will have the final say, but if they follow the recommendation of the committee, it will probably discontinue as of May 1, 2016.

6. **Ordinance No. 946-B, First Reading – Determining and Fixing the Amounts of Revenue to be Raised by Ad Valorem Taxes During 2016, and Ordinance No. 947-B, First Reading – Stating the Dollar Amounts and Percentages of Change in Property Tax Levies for 2016.** Mayor Dawes indicated a corrected copy of Ordinance No. 947-B had been provided to the council prior to the meeting.

Councilor Spahr moved to pass Ordinance Nos. 946-B and 947-B on first reading.

Councilor Pope seconded the motion.

Councilor Spahr asked if the \$1,380,293 to be levied in 2016 is comparable to last year, with the exception of new construction.

Ms. Pectol stated it is with the exception of new construction and improvements, and refunds for devalued property.

Councilor Spahr stated he wanted to make it clear that the city was not taxing more money. He reported the proposed levy amount for collection is given to Lewis County and they set the levy rate based on the assessed value of our community. Councilor Spahr noted increases or decreases in assessed valuation for any piece of property will cause the tax amount to go up or down.

The motion carried unanimously.

7. **Ordinance No. 948-B, First Reading – Adopting the Proposed 2016 Budget.** City Manager MacReynold recommended passage of Ordinance No. 948-B on first reading, adopting the proposed 2016 budget.

Councilor Harris moved to pass Ordinance No. 948-B on first reading.

The motion was seconded by Councilor Spahr and carried unanimously.

8. **Ordinance No. 949-B, First Reading – Amending the 2015 Budget.** Ms. Pectol reported the information provided in the agenda report was pretty much self-explanatory, and offered to answer any questions the council might have.

Councilor Spahr moved to pass Ordinance No. 948-B on first reading.

The motion was seconded by Councilor Pope and carried unanimously.

9. **Observance of Veterans Day.** Mayor Dawes stated, on behalf of the City Council, he wanted to thank all of the Veterans for their service and the sacrifices they've made.

There being no further business to come before the council, the meeting adjourned at 5:38 p.m.

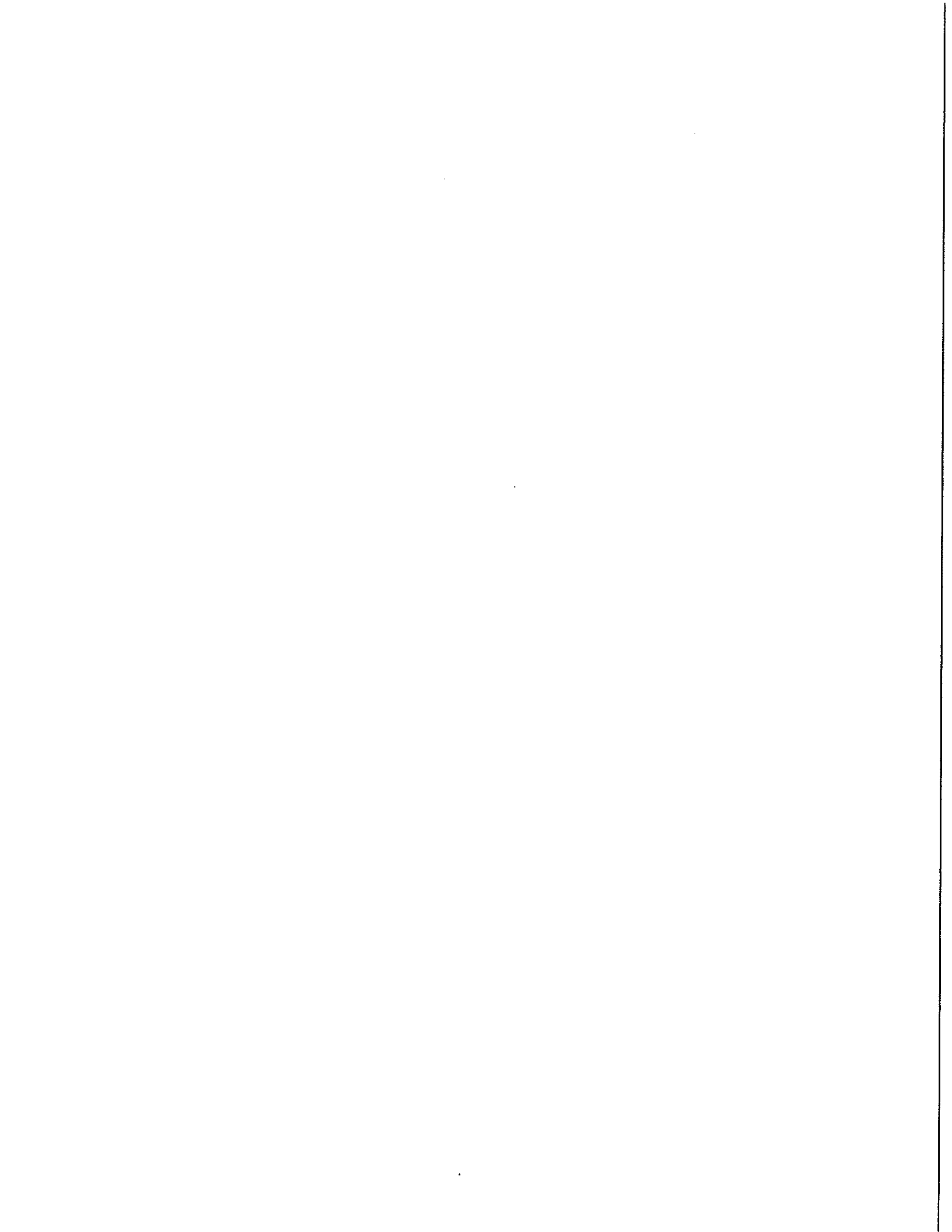
\_\_\_\_\_  
Mayor

Attest:

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

**SUGGESTED MOTION**

I move that the council approve the minutes of the regular city council meeting of November 9, 2015.





**CITY OF CHEHALIS  
AGENDA REPORT**

DATE: November 13, 2015  
TO: The Honorable Mayor and City Council  
FROM: Judy Pectol, Finance Manager  
PREPARED BY: Michelle White, Accounting Tech II *JP MW*  
SUBJECT: Vouchers and Transfers

ISSUE

Council approval is requested of the following:

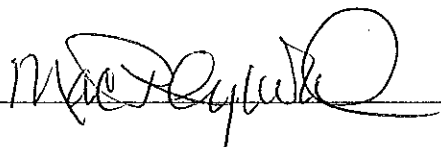
Claim Vouchers No. 114142 through 114269 and Electronic Funds Transfer Nos. 1020151 and 112015 in the amount of \$497,045.11 dated November 13, 2015 and the transfer of \$101,307.30 from the General Fund, \$640.78 from the Dedicated Street Fund - 4% Sales Tax, \$80,953.13 from the 2011 G. O. Bond Fund, \$7,847.07 from the First Quarter Percent REET Fund, \$364.96 from the Garbage Fund, \$72,484.62 from the Wastewater Fund, \$33,721.00 from the Water Fund, \$8,343.26 from the Storm & Surface Water Utility Fund and \$191,382.99 from the Airport Fund.

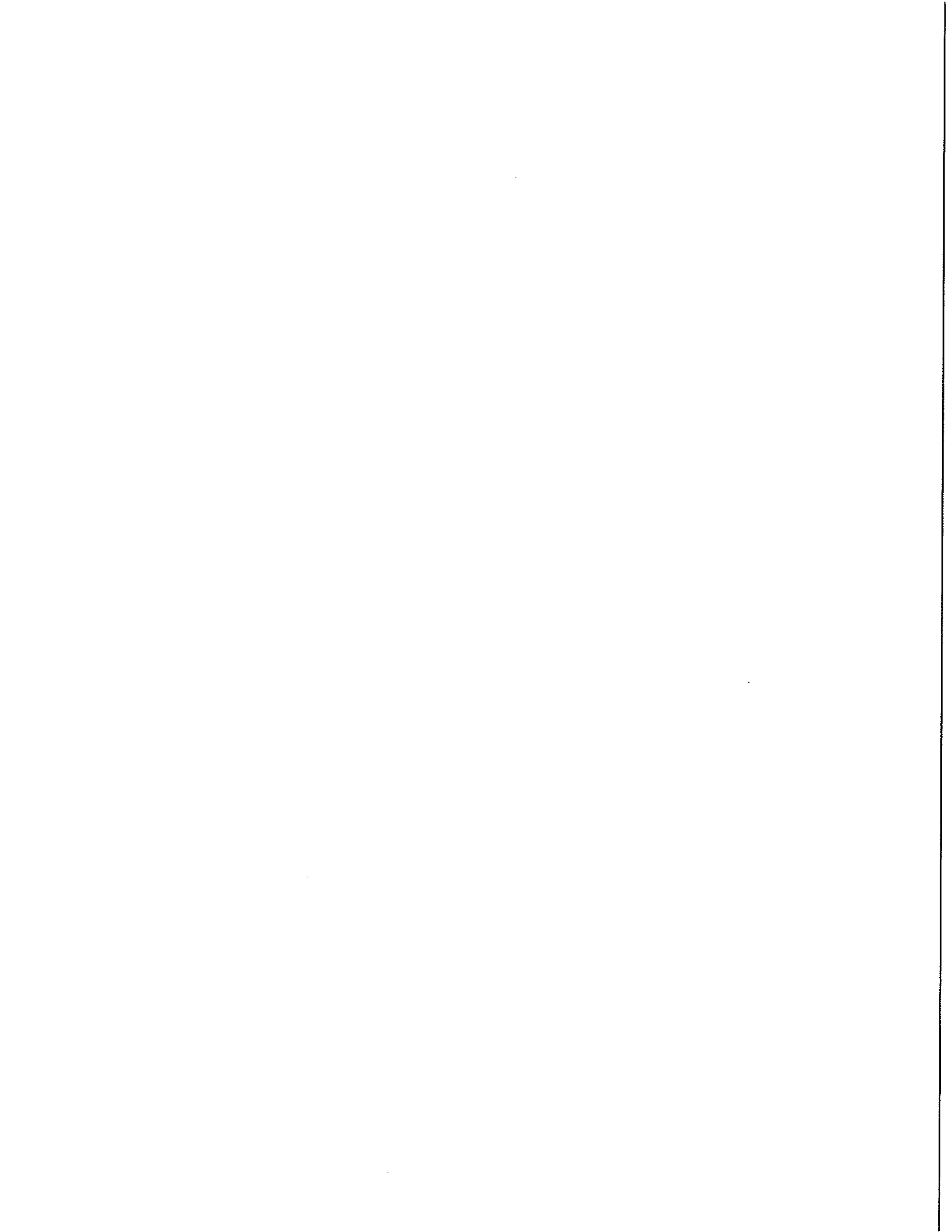
RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the November 13, 2015 Claim Vouchers No. 114142 through 114269 and Electronic Funds Transfer Nos. 1020151 and 112015 in the amount of \$497,045.11.

SUGGESTED MOTION

I move to approve the November 13, 2015 Claim Vouchers No. 114142 through 114269 and Electronic Funds Transfer Nos. 1020151 and 112015 in the amount of \$497,045.11.

Reviewed by: , City Manager



CITY OF CHEHALIS  
AGENDA REPORT

DATE: November 13, 2015  
TO: The Honorable Mayor and City Council  
FROM: Judy Schave, City Clerk  
SUBJECT: Resolution No. 12-2015 - 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 to surplus three vehicles that are no longer used, or cost effective to repair. The vehicles will be sold at auction or by sealed bid to the highest responsible bidder.

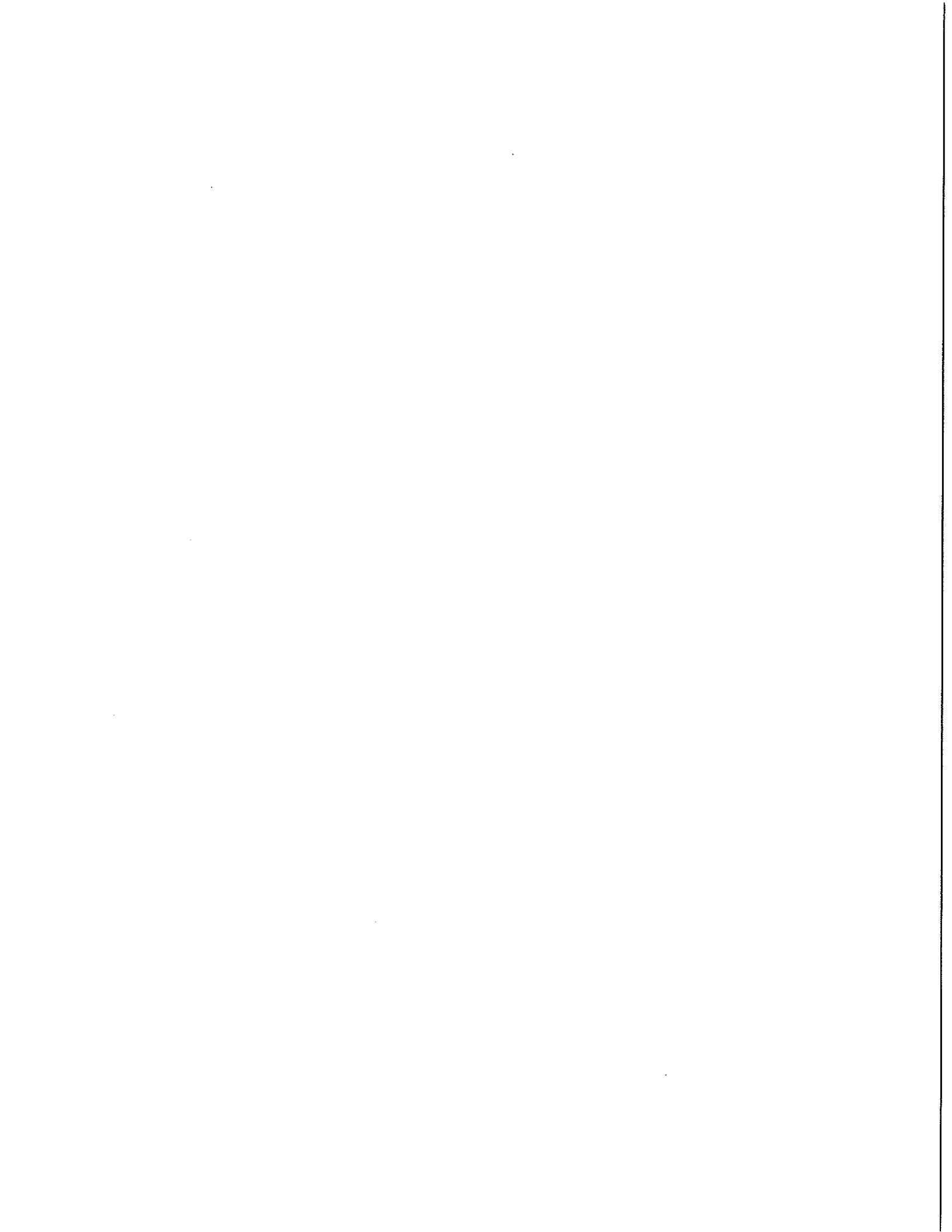
RECOMMENDATION / COUNCIL ACTION DESIRED

The administration recommends that the council adopt Resolution No. 12-2015 on first and final reading.

SUGGESTED MOTION

I move that the council adopt Resolution No. 12-2015 on first and final reading.

REVIEWED BY:  \_\_\_\_\_, City Manager



**RESOLUTION NO. 12-2015**

**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.

1. See Attached Exhibit "A"

**Section 2.** The personal property described herein in 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 23<sup>rd</sup> day of November, 2015.

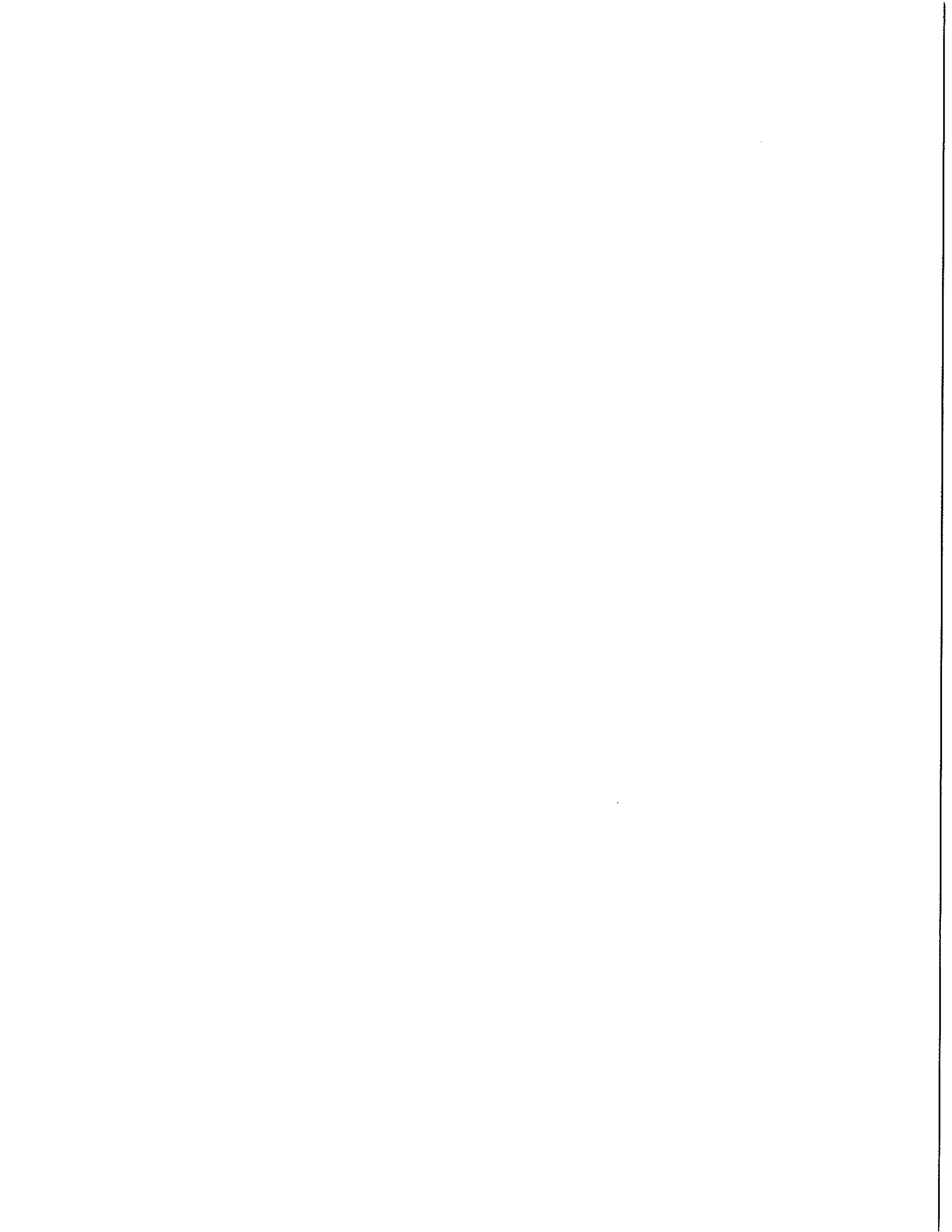
\_\_\_\_\_  
Mayor

Attest:

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

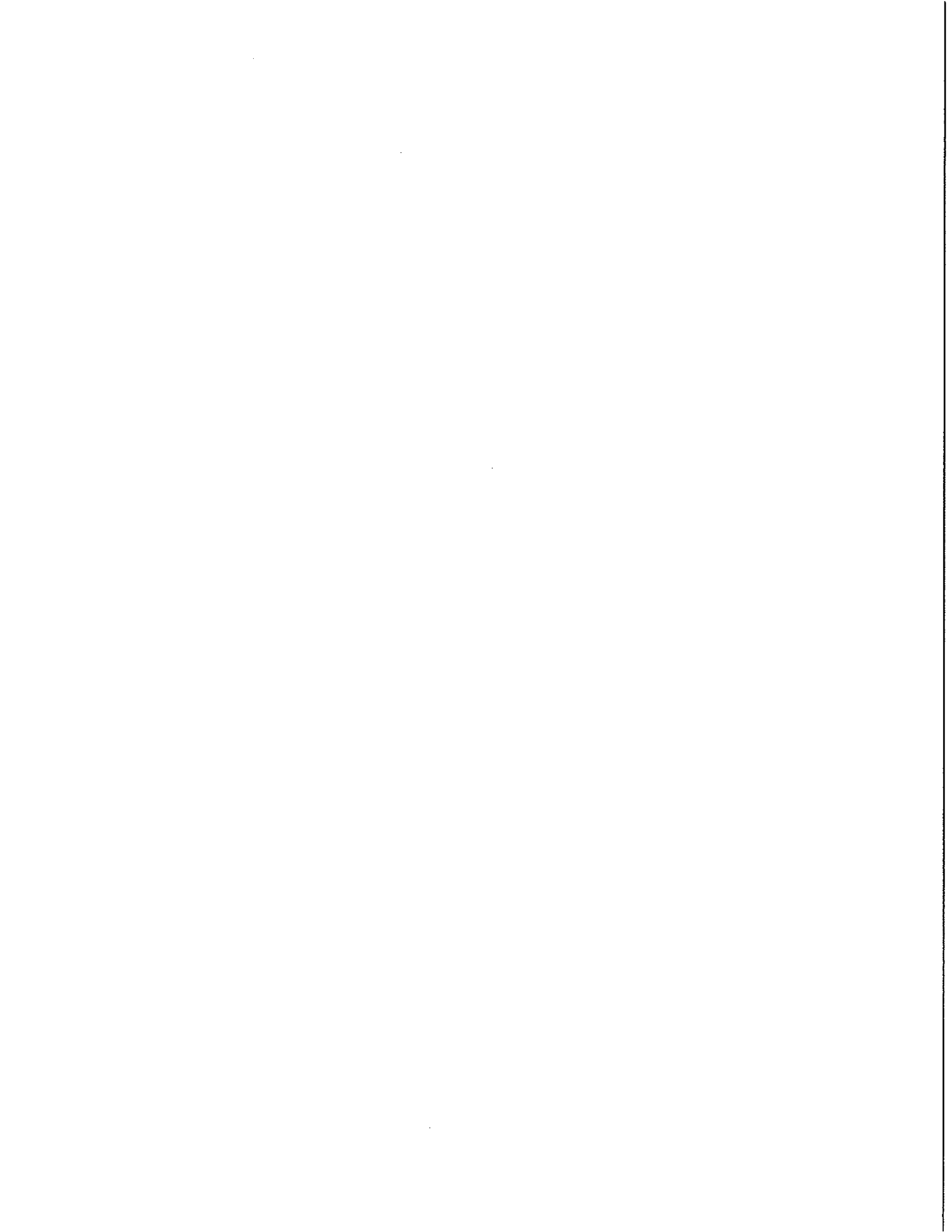
Approved as to form and content:

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



**Resolution No. 12-2015**  
**Exhibit "A"**

<b>Department</b>	<b>Make/Model</b>	<b>Year</b>	<b>Vin Number</b>	<b>License</b>	<b>Mileage</b>
Airport	Chevrolet Suburban	1979	CKL269F184404	01395C	72,681
Water	Chevrolet "Kodiak" 5-yard Dump	1987	1GBJ7D1Y7HV102085	03296D	59,789
Police	Ford Crown Victoria 4D	2007	2FAHP71W97X150295	45362D	146,494





To: The Honorable Mayor and Council  
 Via: Merlin MacReynold, City Manager  
 From: Judy Pectol, Finance Manager  
 Prepared by: Betty Brooks, Payroll Accountant  
 Date: November 18, 2015  
 Subject: Monthly Financial Reports for October

City of Chehalis  
 Comparative Financial Reports  
 October 2014 and 2015

GENERAL FUND (#001) REVENUES	A October 2014		B Actual		C=B/A %		D October 2015		E Actual		F=E/D %		G Expected % Rec'd*		H^ Var'nc from Expected		I=F-G %	
	Budget	Actual	Budget	Actual	Rec'd	%	Budget	Actual	Rec'd	%	Expected % Rec'd*	%	Expected	Variance	%	Variance		
General Property Taxes	\$1,262,000	\$708,761	\$1,268,579	\$732,051	56.2%	57.7%	\$1,268,579	\$732,051	57.7%	83.3%	83.3%	(\$324,675)	-25.6%					
EMS Property Taxes	239,500	134,230	238,157	137,648	56.0%	57.8%	238,157	137,648	57.8%	83.3%	83.3%	(60,737)	-25.5%					
Sales & Use Tax	3,265,000	3,017,452	3,762,844	3,051,977	92.4%	81.1%	3,762,844	3,051,977	81.1%	83.3%	83.3%	(82,472)	-2.2%					
Electricity Tax	430,000	359,175	440,000	373,343	83.5%	84.9%	440,000	373,343	84.9%	83.3%	83.3%	6,823	1.6%					
Gas/Natural Gas Tax	222,000	171,029	191,000	124,275	77.0%	65.1%	191,000	124,275	65.1%	83.3%	83.3%	(34,828)	-18.2%					
Criminal Justice Tax	91,000	85,488	110,000	89,662	93.9%	81.5%	110,000	89,662	81.5%	83.3%	83.3%	(1,968)	-1.8%					
Water/Sewer Tax	415,834	365,462	445,000	372,047	87.9%	83.6%	445,000	372,047	83.6%	83.3%	83.3%	1,362	0.3%					
Garbage Tax	60,000	61,040	61,000	64,002	101.7%	104.9%	61,000	64,002	104.9%	83.3%	83.3%	13,189	21.6%					
Cable Tax	94,000	98,981	104,000	104,218	105.3%	100.2%	104,000	104,218	100.2%	83.3%	83.3%	17,586	16.9%					
Telephone Tax	318,000	223,884	270,500	204,555	70.4%	75.6%	270,500	204,555	75.6%	83.3%	83.3%	(20,772)	-7.7%					
Leasehold Excise Tax	38,000	28,774	39,500	28,823	75.7%	73.0%	39,500	28,823	73.0%	83.3%	83.3%	(4,081)	-10.3%					
Timber Excise Tax	40	37	40	39	92.5%	97.5%	40	39	97.5%	83.3%	83.3%	6	14.2%					
<b>Total Tax Revenues</b>	<b>6,435,374</b>	<b>5,254,313</b>	<b>6,930,620</b>	<b>5,282,640</b>	<b>81.6%</b>	<b>76.2%</b>	<b>6,930,620</b>	<b>5,282,640</b>	<b>76.2%</b>	<b>83.3%</b>	<b>83.3%</b>	<b>(490,566)</b>	<b>-7.1%</b>					
Licenses & Permits	69,980	90,746	168,116	140,204	129.7%	83.4%	168,116	140,204	83.4%	83.3%	83.3%	163	0.1%					
Intergov't. Grants/Entitlements	167,950	208,768	471,875	750,081	124.3%	159.0%	471,875	750,081	159.0%	83.3%	83.3%	357,009	75.7%					
Charges for Goods and Svcs.	332,800	285,832	409,724	324,070	85.9%	79.1%	409,724	324,070	79.1%	83.3%	83.3%	(17,230)	-4.2%					
Fines and Forfeitures	151,875	112,563	163,739	115,181	74.1%	70.3%	163,739	115,181	70.3%	83.3%	83.3%	(21,214)	-13.0%					
Interest Earnings	11,760	6,676	9,990	14,464	56.8%	144.8%	9,990	14,464	144.8%	83.3%	83.3%	6,142	61.5%					
Rents & Royalties	71,350	75,352	79,472	63,376	105.6%	79.7%	79,472	63,376	79.7%	83.3%	83.3%	(2,824)	-3.6%					
Donations/Contributions	40,475	22,423	0	22,302	55.4%	100.0%	0	22,302	100.0%	83.3%	83.3%	22,302	0.0%					
Misc. Revenue/Insurance	11,850	41,634	77,997	104,594	351.3%	134.1%	77,997	104,594	134.1%	83.3%	83.3%	39,622	50.8%					
Proceeds of LT Term Debt	0	0	632,000	631,762	0.0%	100.0%	632,000	631,762	100.0%	83.3%	83.3%	105,306	16.7%					
Non-Revenues	4,225	3,311	124,435	108,888	78.4%	87.5%	124,435	108,888	87.5%	83.3%	83.3%	5,234	4.2%					
<b>Total Non-Tax Revenues</b>	<b>862,265</b>	<b>847,305</b>	<b>2,137,348</b>	<b>2,274,922</b>	<b>98.3%</b>	<b>106.4%</b>	<b>2,137,348</b>	<b>2,274,922</b>	<b>106.4%</b>	<b>83.3%</b>	<b>83.3%</b>	<b>494,511</b>	<b>23.1%</b>					
Operating Transfers-In	1,000,000	1,250,722	296,877	279,466	125.1%	94.1%	296,877	279,466	94.1%	83.3%	83.3%	32,167	10.8%					
<b>Total Other Financing Sources</b>	<b>1,000,000</b>	<b>1,250,722</b>	<b>296,877</b>	<b>279,466</b>	<b>125.1%</b>	<b>94.1%</b>	<b>296,877</b>	<b>279,466</b>	<b>94.1%</b>	<b>83.3%</b>	<b>83.3%</b>	<b>32,167</b>	<b>10.8%</b>					
<b>TOTALS</b>	<b>\$8,297,639</b>	<b>\$7,352,340</b>	<b>\$9,364,845</b>	<b>\$7,837,028</b>	<b>88.6%</b>	<b>83.7%</b>	<b>\$9,364,845</b>	<b>\$7,837,028</b>	<b>83.7%</b>	<b>83.3%</b>	<b>83.3%</b>	<b>\$36,112</b>	<b>0.4%</b>					

Key:

\* The expected percentage is calculated as follows: since the report is for the 10th month of the year, 10 is divided by 12-the number of months in the year.

^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

H=(D\*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis  
Comparative Financial Reports  
October 2014 and 2015

GENERAL FUND (#001) EXPENDITURES	A October 2014		B		C=B/A		D		E		F=E/D		G		H <sup>^</sup>		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	% Exp'd	% Exp'd	% Exp'd	% Exp'd	Expected	% Exp'd	Var'nc from Expected	% Variance	
City Council	\$93,551	\$74,033	\$111,811	\$53,044	79.1%	\$111,811	\$53,044	47.4%	83.3%	83.3%	\$40,095	35.9%						
Municipal Court	340,304	279,720	494,185	383,690	82.2%	494,185	383,690	77.6%	83.3%	83.3%	27,966	5.7%						
City Manager	270,131	229,887	266,410	184,110	85.1%	266,410	184,110	69.1%	83.3%	83.3%	37,810	14.2%						
Finance	183,331	161,402	203,500	139,510	88.0%	203,500	139,510	68.6%	83.3%	83.3%	30,006	14.7%						
City Clerk	74,986	62,128	78,816	48,931	82.9%	78,816	48,931	62.1%	83.3%	83.3%	16,723	21.2%						
Non-Departmental	1,302,246	1,549,229	598,748	436,422	119.0%	598,748	436,422	72.9%	83.3%	83.3%	62,335	10.4%						
Human Resources	90,033	75,151	85,969	70,502	83.5%	85,969	70,502	82.0%	83.3%	83.3%	1,110	1.3%						
Police	2,573,370	2,166,068	2,717,676	2,260,398	84.2%	2,717,676	2,260,398	83.2%	83.3%	83.3%	3,426	0.1%						
Fire	1,657,866	1,400,734	2,535,764	2,109,058	84.5%	2,535,764	2,109,058	83.2%	83.3%	83.3%	3,233	0.1%						
Public Works - Streets	469,060	647,275	765,760	538,018	138.0%	765,760	538,018	70.3%	83.3%	83.3%	99,860	13.0%						
Community Development	1,228,727	1,038,443	1,460,242	1,398,296	84.5%	1,460,242	1,398,296	95.8%	83.3%	83.3%	(181,914)	-12.5%						
<b>TOTALS</b>	<b>\$8,283,605</b>	<b>\$7,684,070</b>	<b>\$9,318,881</b>	<b>\$7,621,979</b>	<b>92.8%</b>	<b>\$9,318,881</b>	<b>\$7,621,979</b>	<b>81.8%</b>	<b>83.3%</b>	<b>83.3%</b>	<b>\$140,649</b>	<b>1.5%</b>						

Net Budget/Income/Variance: \$14,034 (\$331,730)

\$45,964 \$215,049

\$176,761

Key:

\* The expected percentage is calculated as follows: since the report is for the 10th month of the year, 10 is divided by 12-the number of months in the year.  
<sup>^</sup>To calculate the dollar variance between expected and actual expenditures, the following formula is used:  
H=(D\*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

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WASTEWATER FUND (#404) REVENUES	A October 2014		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	% Rec'd	% Rec'd	% Rec'd	% Rec'd	Expected % Rec'd*	Expected % Rec'd	Varnc from Expected	% Variance	Expected % Rec'd	% Variance
Wastewater Fees	\$4,364,408	\$3,857,927	\$4,968,202	\$3,985,734	88.4%	80.2%	\$4,968,202	\$3,985,734	80.2%	83.3%	83.3%	83.3%	83.3%	-\$152,778	-3.1%	83.3%	83.3%	83.3%
Sewer Connection/Misc. Fees	10,000	182,668	10,000	31,209	1826.7%	312.1%	10,000	31,209	312.1%	83.3%	83.3%	83.3%	83.3%	22,879	228.8%	83.3%	83.3%	83.3%
Rentals	3,323	3,545	3,545	3,545	106.7%	100.0%	3,545	3,545	100.0%	83.3%	83.3%	83.3%	83.3%	592	16.7%	83.3%	83.3%	83.3%
Misc. Revenues/Insurance	3,300	4,721	4,000	29,350	143.1%	733.8%	4,000	29,350	733.8%	83.3%	83.3%	83.3%	83.3%	26,018	650.5%	83.3%	83.3%	83.3%
Non-Revenue Tax Receipts	0	0	600	542	0.0%	90.3%	600	542	90.3%	83.3%	83.3%	83.3%	83.3%	42	7.0%	83.3%	83.3%	83.3%
Proceeds of Long-Term Debt	0	0	0	13,249	0.0%	100.0%	0	13,249	100.0%	83.3%	83.3%	83.3%	83.3%	13,249	100.0%	83.3%	83.3%	83.3%
Interest Earnings	300	1,367	985	2,231	455.7%	226.5%	985	2,231	226.5%	83.3%	83.3%	83.3%	83.3%	1,410	143.2%	83.3%	83.3%	83.3%
Totals:	\$4,381,331	\$4,050,228	\$4,987,332	\$4,065,860	92.4%	81.5%	\$4,987,332	\$4,065,860	81.5%	83.3%	83.3%	83.3%	83.3%	(\$88,588)	-1.8%	83.3%	83.3%	83.3%

WASTEWATER FUND (#404) EXPENSES	A October 2014		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	% Exp'd	% Exp'd	Expected % Exp*	Expected % Exp	Varnc from Expected	% Variance	Expected % Exp	% Variance
Operating Expenses	\$2,550,559	\$2,101,384	\$2,666,892	\$1,984,676	82.4%	74.4%	\$2,666,892	\$1,984,676	74.4%	83.3%	83.3%	83.3%	83.3%	\$236,845	8.9%	83.3%	83.3%	83.3%
Capital Outlay	67,000	59,673	253,000	96,406	89.1%	38.1%	253,000	96,406	38.1%	83.3%	83.3%	83.3%	83.3%	114,343	45.2%	83.3%	83.3%	83.3%
Debt Principal	1,552,598	1,006,139	1,832,390	1,008,424	64.8%	55.0%	1,832,390	1,008,424	55.0%	83.3%	83.3%	83.3%	83.3%	517,957	28.3%	83.3%	83.3%	83.3%
Interest Expense	27,480	26,175	24,524	23,348	95.3%	95.2%	24,524	23,348	95.2%	83.3%	83.3%	83.3%	83.3%	(2,920)	-11.9%	83.3%	83.3%	83.3%
Interfund Loan Repayment	83,332	83,332	83,784	83,874	0.0%	100.1%	83,784	83,874	100.1%	83.3%	83.3%	83.3%	83.3%	(14,082)	-16.8%	83.3%	83.3%	83.3%
Totals:	\$4,280,969	\$3,276,703	\$4,860,590	\$3,196,728	76.5%	65.8%	\$4,860,590	\$3,196,728	65.8%	83.3%	83.3%	83.3%	83.3%	\$852,143	17.5%	83.3%	83.3%	83.3%

Net Budget/Income/Variance: \$100,362 \$773,525 \$126,742 \$869,132 \$763,556

Key:  
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 H=(D\*G) - E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

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WATER FUND (#405) REVENUES	A October 2014		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	% Actual	% Rec'd	% Rec'd	% Exp'd	% Rec'd	% Exp'd	Expected	Var'nc from Expected	% Variance	
Intergovernmental Revenues	\$0	\$0	\$0	\$18,406	0.0%	100.0%	\$0	\$18,406	100.0%	100.0%	100.0%	100.0%	83.3%	83.3%	\$18,406	\$0	100.0%	
Water Sales	2,566,160	2,371,669	2,566,160	2,363,536	92.4%	92.1%	2,566,160	2,363,536	92.1%	92.1%	92.1%	92.1%	83.3%	83.3%	225,925	225,925	8.8%	
Water Connection/Misc. Fees	10,000	140,650	10,000	52,149	1406.5%	521.5%	10,000	52,149	521.5%	521.5%	521.5%	521.5%	83.3%	83.3%	43,819	43,819	438.2%	
Interfund Principal Repayment	83,332	83,332	83,332	83,874	100.0%	100.7%	83,332	83,874	100.7%	100.7%	100.7%	100.7%	83.3%	83.3%	14,458	14,458	17.4%	
Misc. Revenues/Insurance	1,000	2,276	1,000	15,362	227.6%	174.9%	8,783	15,362	174.9%	174.9%	174.9%	174.9%	83.3%	83.3%	8,046	8,046	91.6%	
Non-Revenue Tax Receipts	0	0	0	152	0.0%	0.6%	25,085	152	0.6%	0.6%	0.6%	0.6%	83.3%	83.3%	(20,744)	(20,744)	-82.7%	
Interest Earnings	11,073	5,230	11,073	5,479	47.2%	49.5%	11,073	5,479	49.5%	49.5%	49.5%	49.5%	83.3%	83.3%	(3,745)	(3,745)	-33.8%	
Totals:	\$2,671,565	\$2,603,157	\$2,704,433	\$2,538,958	97.4%	93.9%	\$2,704,433	\$2,538,958	93.9%	93.9%	93.9%	93.9%	83.3%	83.3%	\$286,165	\$286,165	10.6%	

WATER FUND (#405) EXPENSES	A October 2014		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	% Actual	% Exp'd	% Exp'd	% Exp'd	% Exp'd	% Exp'd	Expected	Var'nc from Expected	% Variance	
Operating Expenses	\$1,834,545	\$1,483,741	\$1,852,581	\$1,690,408	80.9%	91.2%	\$1,852,581	\$1,690,408	91.2%	91.2%	91.2%	91.2%	83.3%	83.3%	(\$147,208)	(\$147,208)	-7.9%	
Capital Outlay	525,333	73,537	979,400	463,223	14.0%	47.3%	979,400	463,223	47.3%	47.3%	47.3%	47.3%	83.3%	83.3%	352,617	352,617	36.0%	
Debt Principal	132,077	132,077	133,077	133,077	100.0%	100.0%	133,077	133,077	100.0%	100.0%	100.0%	100.0%	83.3%	83.3%	(22,224)	(22,224)	-16.7%	
Interest Expense	19,225	19,225	26,185	16,685	100.0%	63.7%	26,185	16,685	63.7%	63.7%	63.7%	63.7%	83.3%	83.3%	5,127	5,127	19.6%	
Transfers Out	0	0	420,000	0	0.0%	0.0%	420,000	0	0.0%	0.0%	0.0%	0.0%	83.3%	83.3%	349,860	349,860	83.3%	
Totals:	\$2,511,180	\$1,708,580	\$3,411,243	\$2,303,393	68.0%	67.5%	\$3,411,243	\$2,303,393	67.5%	67.5%	67.5%	67.5%	83.3%	83.3%	\$188,312	\$188,312	15.8%	

Net Budget/Income/Variance: \$160,385 \$894,577 (\$706,810) \$235,565 \$474,478

Key:

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 H=(D\*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

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STORM FUND (#406) REVENUES	A October 2014		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	% Rec'd	% Rec'd	Expected	% Rec'd	% Rec'd	Expected	% Rec'd	Expected	% Rec'd	Variance
Storm & Surface Water Fees	\$470,284	\$390,065	0	4,557	82.9%	100.0%	\$506,772	\$416,716	82.2%	82.2%	\$506,772	82.2%	82.2%	-\$5,425	83.3%	7,138	83.3%	-1.1%
Storm Connection/Misc. Fees	0	4,557	0	276	100.0%	100.0%	1,000	7,971	797.1%	797.1%	1,000	797.1%	797.1%	788	83.3%	788	83.3%	713.8%
Misc. Revenues/Insurance	0	0	0	0	0.0%	0.0%	825	1,475	178.8%	178.8%	825	178.8%	178.8%	(229)	83.3%	(229)	83.3%	95.5%
Non-Revenue Tax Receipts	0	0	0	0	0.0%	0.0%	275	0	0.0%	0.0%	275	0.0%	0.0%	(569)	83.3%	(569)	83.3%	-83.3%
Interest Earnings	300	347	300	347	115.7%	115.7%	1,300	514	39.5%	39.5%	1,300	39.5%	39.5%	\$1,703	83.3%	\$1,703	83.3%	43.8%
Totals:	\$470,584	\$395,245	\$470,584	\$395,245	84.0%	84.0%	\$510,172	\$426,676	83.6%	83.6%	\$510,172	83.6%	83.6%		83.3%		83.3%	0.3%

STORM FUND (#406) EXPENSES	A October 2014		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	Expected	% Exp'd	% Exp'd	Expected	% Exp'd	Expected	% Exp'd	Variance
Operating Expenses	\$452,358	\$335,324	15,000	17,417	74.1%	0.0%	\$442,865	\$275,920	62.3%	62.3%	\$442,865	62.3%	62.3%	\$92,987	83.3%	\$92,987	83.3%	21.0%
Capital Outlay	\$467,358	\$352,741	\$467,358	\$352,741	75.5%	75.5%	18,000	3,045	16.9%	16.9%	18,000	16.9%	16.9%	11,949	83.3%	11,949	83.3%	66.4%
Totals:	\$919,716	\$688,065	\$934,358	\$705,165	75.5%	75.5%	\$460,865	\$278,965	60.5%	60.5%	\$460,865	60.5%	60.5%	\$104,936	83.3%	\$104,936	83.3%	22.8%

Net Budget/Income/Variance: \$3,226 \$42,504 \$49,307 \$147,711 \$106,638

Key:

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City of Chehalis  
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AIRPORT FUND (#407) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Expected % Rec'd*	Variance	Expected	Variance	%	Variance
Intergovernmental Revenues	265,000	0	0	0	0.0%	0.0%	821,408	100,301	100,301	100,301	12.2%	83.3%	83.3%	(583,932)	(583,932)	-71.1%		
Charges for Goods and Svcs.	500,000	464,493	464,493	109	92.9%	1.4%	520,000	551,845	551,845	551,845	106.1%	83.3%	83.3%	118,685	118,685	22.8%		
Interest Earnings	8,000	0	0	0	0.0%	0.0%	15,085	7,340	7,340	7,340	48.7%	83.3%	83.3%	(5,226)	(5,226)	-34.6%		
Licenses & Permits	0	3,000	3,000	0	100.0%	0.0%	0	3,000	3,000	3,000	100.0%	83.3%	83.3%	3,000	3,000	100.0%		
Rents & Royalties	73,203	58,143	58,143	0	79.4%	0.0%	96,000	65,231	65,231	65,231	67.9%	83.3%	83.3%	(14,737)	(14,737)	-15.4%		
Capital Lease Receipts	821,918	695,858	695,858	0	84.7%	0.0%	879,651	704,056	704,056	704,056	80.0%	83.3%	83.3%	(28,693)	(28,693)	0.0%		
Misc. Revenues/Insurance	2,000	1,539	1,539	0	77.0%	0.0%	2,000	693	693	693	34.7%	83.3%	83.3%	(973)	(973)	-48.6%		
Capital Contribution - Airport	1,672,724	1,730,091	1,730,091	0	103.4%	0.0%	0	0	0	0	0.0%	83.3%	83.3%	0	0	0.0%		
Non-Revenue Tax Receipts	0	0	0	0	0.0%	0.0%	165,000	142,891	142,891	142,891	86.6%	83.3%	83.3%	76	76	3.3%		
Operating Transfers In	0	0	0	0	0.0%	0.0%	420,000	0	0	0	0.0%	83.3%	83.3%	(349,860)	(349,860)	-83.3%		
<b>Totals:</b>	<b>\$3,342,845</b>	<b>\$2,953,233</b>	<b>\$2,953,233</b>	<b>\$1,575,357</b>	<b>88.3%</b>	<b>88.3%</b>	<b>\$2,919,144</b>	<b>\$1,575,357</b>	<b>\$1,575,357</b>	<b>\$1,575,357</b>	<b>54.0%</b>	<b>83.3%</b>	<b>83.3%</b>	<b>(\$511,876)</b>	<b>(\$511,876)</b>	<b>-29.3%</b>		

AIRPORT FUND (#407) EXPENSES	A		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Expected % Exp*	Variance	Expected	Variance	%	Variance
Operating Expenses	941,045	771,547	771,547	0	82.0%	0.0%	\$1,338,816	\$1,147,258	\$1,147,258	\$1,147,258	85.7%	83.3%	83.3%	(\$32,024)	(\$32,024)	-2.4%		
Capital Outlay	398,500	14,264	14,264	0	3.6%	0.0%	1,481,000	760,151	760,151	760,151	51.3%	83.3%	83.3%	473,522	473,522	32.0%		
Principal - G.O. Bonds	222,285	109,955	109,955	0	49.5%	0.0%	231,992	114,756	114,756	114,756	49.5%	83.3%	83.3%	78,493	78,493	33.8%		
Interest Expense	93,921	48,148	48,148	0	51.3%	0.0%	84,215	43,347	43,347	43,347	51.5%	83.3%	83.3%	26,804	26,804	31.8%		
<b>Totals:</b>	<b>\$1,655,751</b>	<b>\$943,914</b>	<b>\$943,914</b>	<b>\$2,065,512</b>	<b>57.0%</b>	<b>57.0%</b>	<b>\$3,136,023</b>	<b>\$2,065,512</b>	<b>\$2,065,512</b>	<b>\$2,065,512</b>	<b>65.9%</b>	<b>83.3%</b>	<b>83.3%</b>	<b>\$546,795</b>	<b>\$546,795</b>	<b>17.4%</b>		

Net Budget/Income/Variance: \$1,687,094 \$2,009,319 (\$216,879) (\$490,155) \$34,919

Key:

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H=(D\*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

**RECOMMENDATION/COUNCIL ACTION DESIRED**

This report is for the Council's information only. No action is necessary.

Reviewed by  City Manager

**CITY OF CHEHALIS  
AGENDA REPORT**

**TO:** The Honorable Mayor and City Council  
**FROM:** Judy Pectol, Finance Manager  
**DATE:** November 23, 2015  
**SUBJECT:** **Ordinance Nos. 946-B and 947-B – Adoption of Tax Levies**

**ISSUE**

Ordinance Nos. 946-B and 947-B have been prepared in connection with levying property taxes for collection in 2016. These are required in order to have Lewis County collect property taxes on behalf of the City.

**DISCUSSION**

Ordinance No. 946-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. 947-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 administrative refunds. However, the City will not use the one percent increase allowed by statute nor will the City use any of its banked capacity.

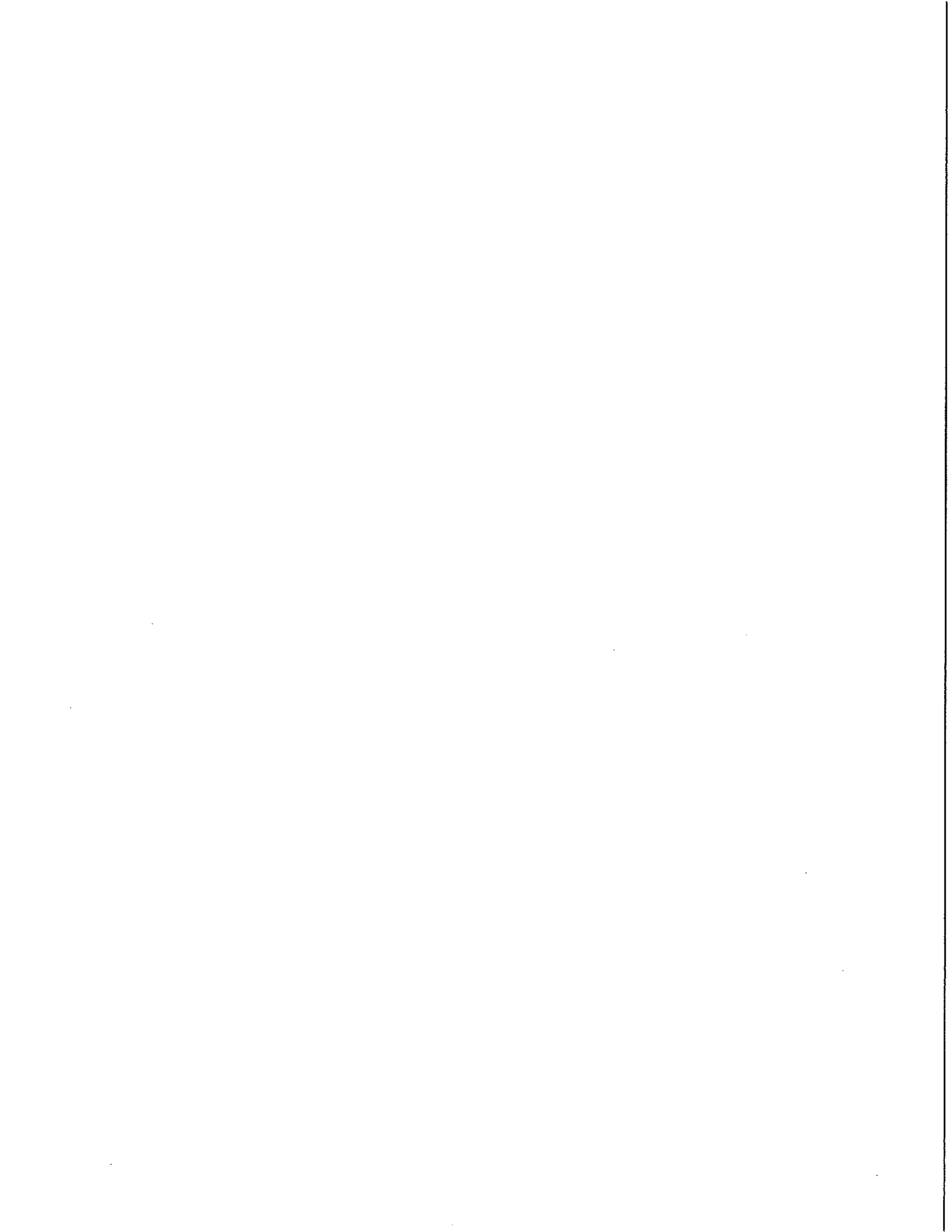
**RECOMMENDATION/COUNCIL ACTION DESIRED**

The administration recommends passage of Ordinance Nos. 946-B and 947-B on second and final reading.

**SUGGESTED MOTION**

**I move that the council pass Ordinance No. 946-B on second and final reading.  
I move that the council pass Ordinance No. 947-B on second and final reading.**

Reviewed by:  \_\_\_\_\_, City Manager





**ORDINANCE NO. 946-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 2016 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 2016 for general city operations shall be, and the same hereby is, determined and fixed in the sum of One Million Three Hundred Seventy-Four Thousand Five Hundred Seventy-Seven Dollars (\$1,374,577).

**Section 2.** The amount of revenue to be raised by ad valorem taxes during 2016 for emergency medical services shall be, and the same hereby is, determined and fixed in the sum of Two Hundred Ninety-Eight Thousand Three Hundred Eighty-Six Dollars (\$298,386).

**Section 3.** The effective date of the ordinance shall be the 7<sup>th</sup> day of December, 2015.

**PASSED** by the city council of the City of Chehalis, Washington, during a regularly scheduled open public meeting thereof this 23<sup>rd</sup> day of November, 2015, on second and final reading.

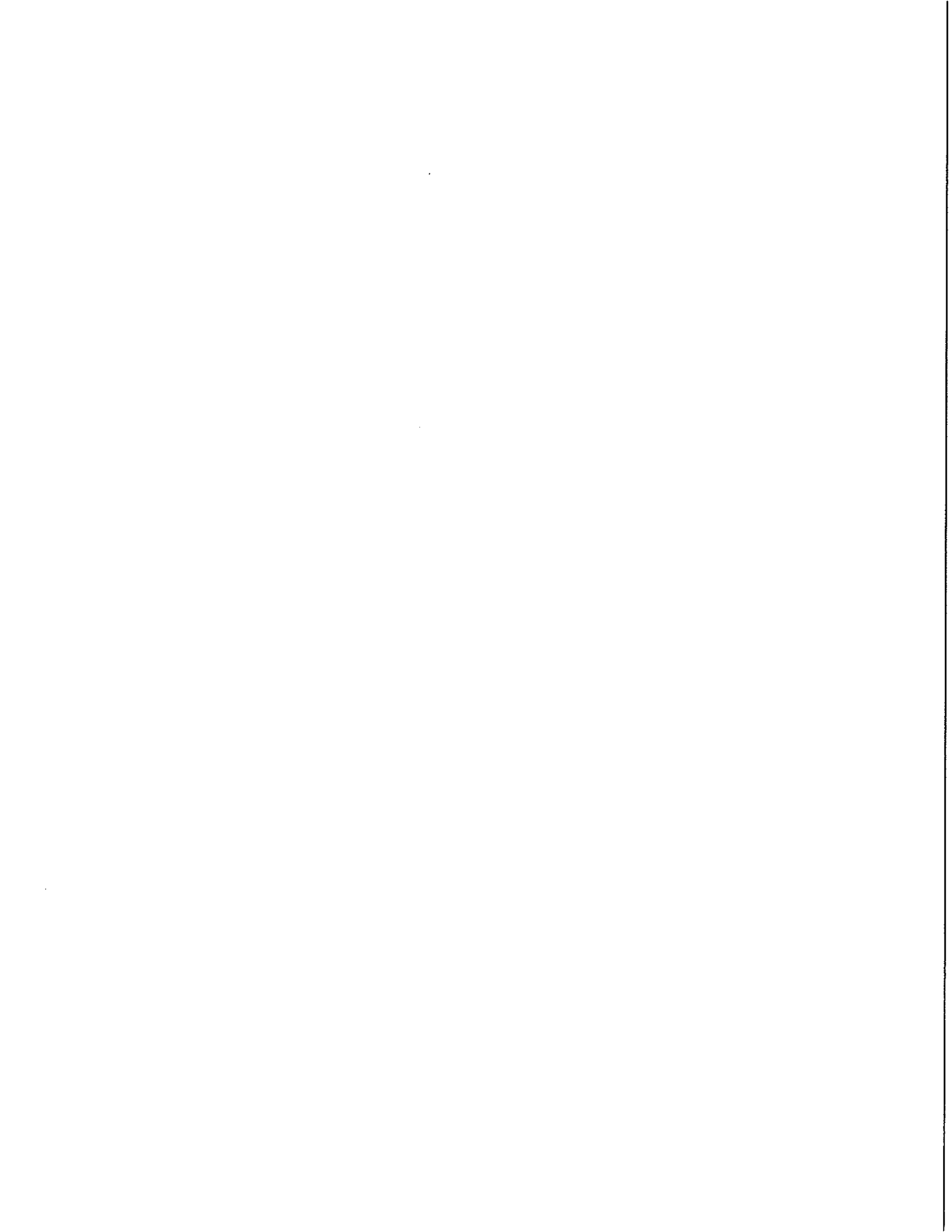
\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form and content:

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



**ORDINANCE NO. 947-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS,  
WASHINGTON, STATING THE AMOUNTS AND  
PERCENTAGES OF CHANGE IN PROPERTY TAX  
LEVY IN CALENDAR YEAR 2016.**

**WHEREAS**, the City of Chehalis, Washington, properly gave notice of a public hearing held the 9th day of November, 2015, to consider the city budget for 2016, 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 \$1,366,007.78; and \$231,875.43 respectively, in 2015; and,

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

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

**Section 1.** The 2015 general operations property tax levy for collection in 2016 is One Million Three Hundred Eighty Thousand Two Hundred Ninety-three Dollars (\$1,380,293), which is an increase of Zero Dollars (\$0) and Zero Percent (0.0%) over the amount levied in 2014 for collection in 2015. 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 2015 voter-approved EMS property tax levy for collection in 2016 is Two Hundred Ninety-Eight Thousand Three Hundred Eighty-Six Dollars (\$298,386), which is an increase of Sixty-Six Thousand Five Hundred Eleven Dollars (\$66,511) and Twenty-Eight Percent (28%) over the amount levied in 2014 for collection in 2015. 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 23<sup>rd</sup> day of November, 2015, on second and final reading.

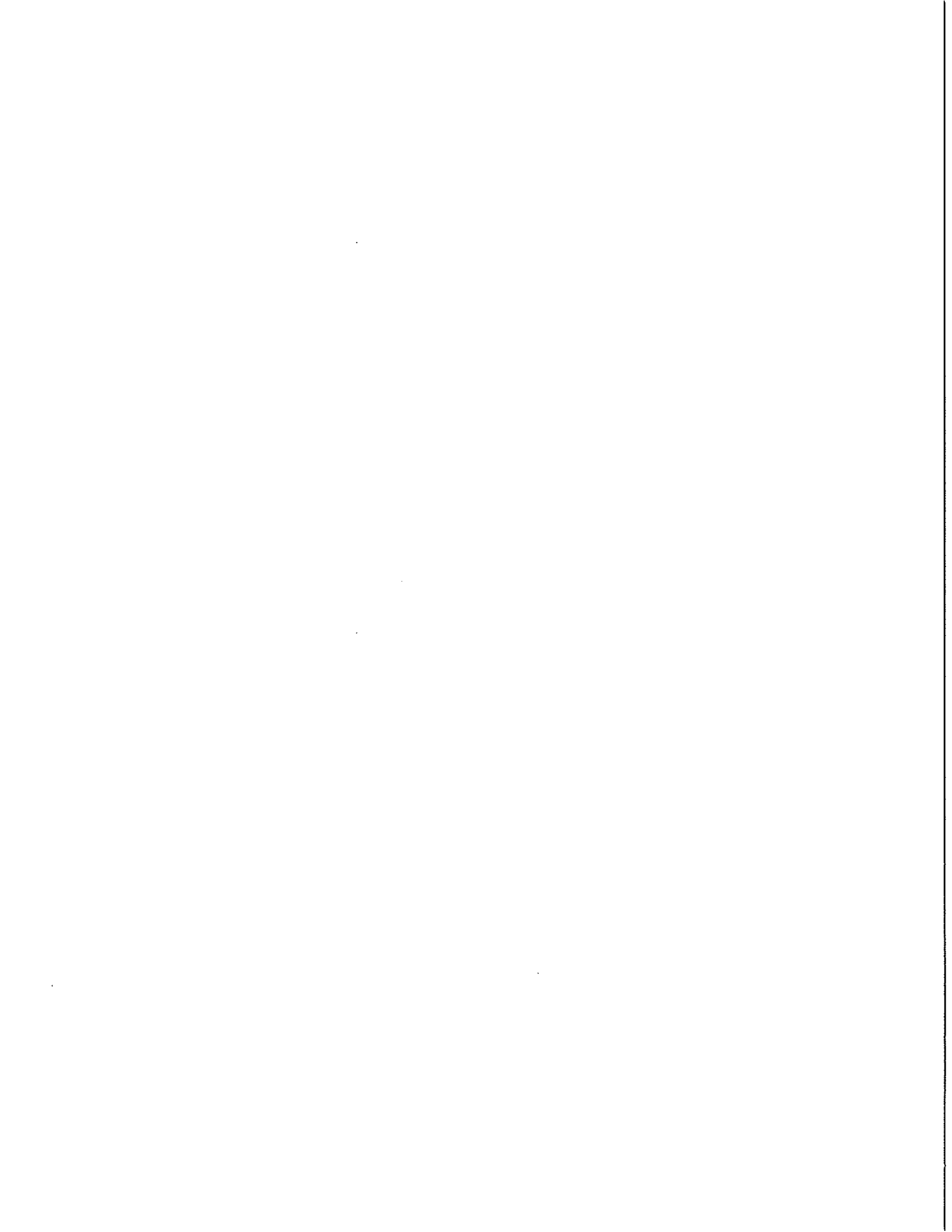
\_\_\_\_\_  
Mayor

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 23, 2015  
**SUBJECT:** **Ordinance No. 948-B – 2016 Budget Adoption, Second and final Reading**

**ISSUE**

Ordinance 948-B has been prepared for the purpose of adopting the 2016 Budget. The two levy ordinances reflected in this budget are being presented to the Council concurrently.

**DISCUSSION**

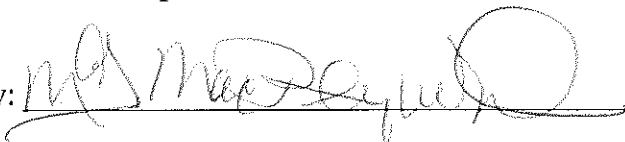
During September and October the Council Budget Committee attended several meetings with the administration during which budget presentations were made, discussed and reviewed. Ordinance No. 948-B reflects the revised budget presented to the committee. No changes have been made since the first reading of this ordinance.

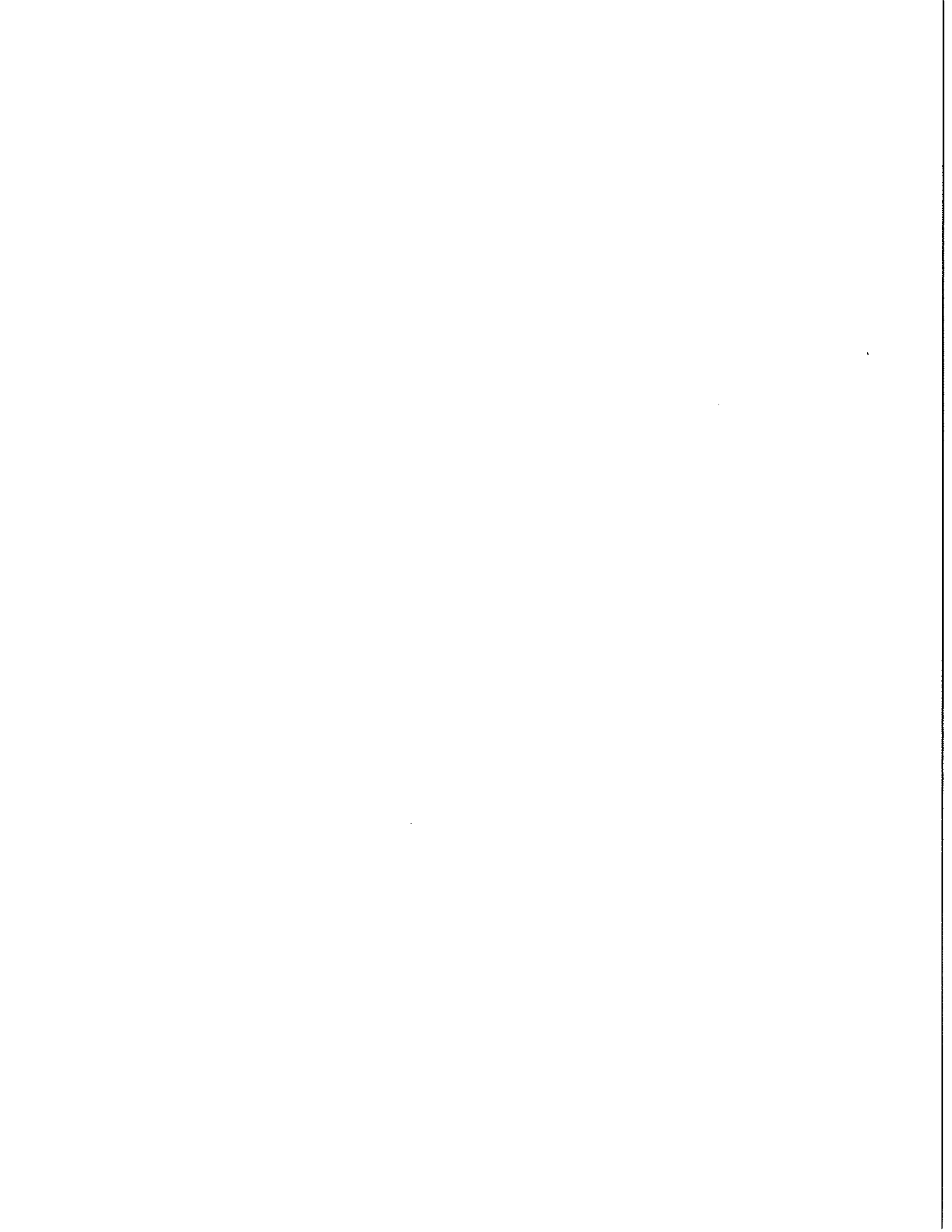
**RECOMMENDATION/COUNCIL ACTION DESIRED**

The administration recommends passage of Ordinance No. 948-B on second and final reading.

**SUGGESTED MOTION**

**I move that the council pass Ordinance No. 948-B on second and final reading.**

Reviewed by:  \_\_\_\_\_, City Manager



**ORDINANCE NO. 948-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,  
ADOPTING THE BUDGET OF THE CITY FOR THE YEAR 2016  
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 2016, and by this reference said Exhibit "A," showing a total estimated ending fund balance of \$9,493,953 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 7, 2015.

**PASSED** by the City Council of the City of Chehalis, Washington, during a regularly scheduled open public meeting thereof this 23<sup>rd</sup> day of November, 2015, on second and final reading.

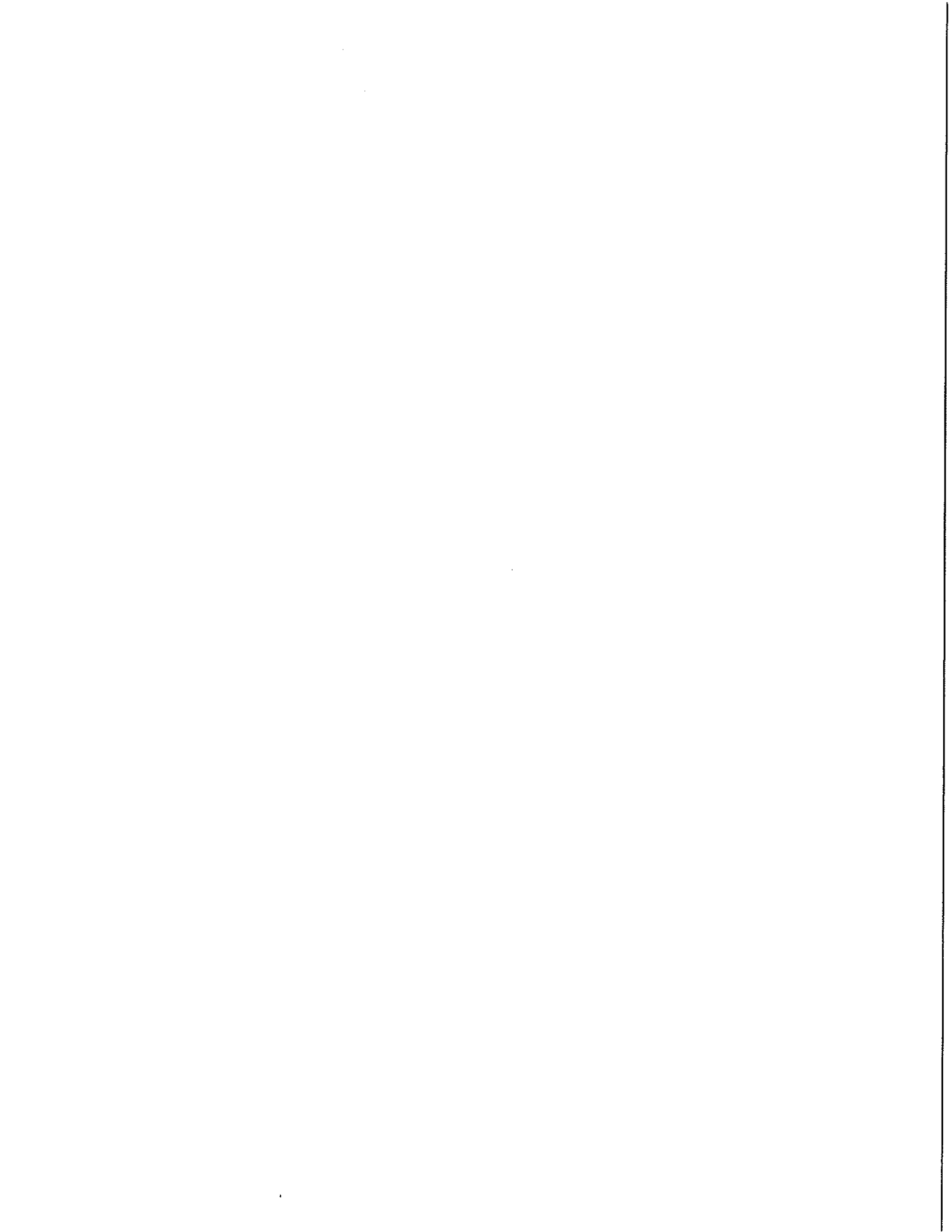
\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form and content:

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

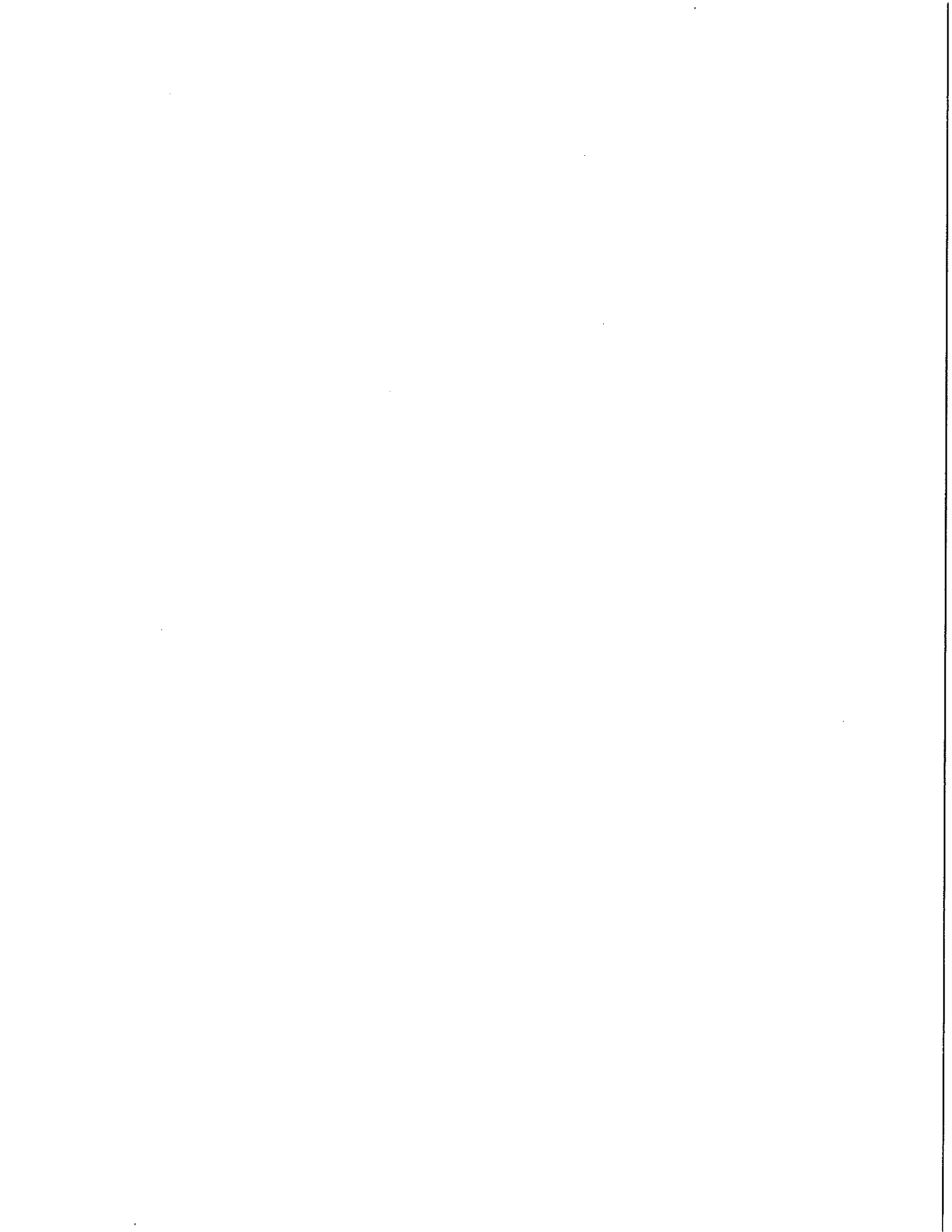




**ORDINANCE 948-B  
Attachment "A"**

**CITY OF CHEHALIS BUDGET  
2016 Proposed Budget Summary**

<b>FUND NAME</b>	<b>Est. Beg. Fund Balance</b>	<b>Revenue</b>	<b>Operating Transfers In</b>	<b>Expenditures</b>	<b>Operating Transfers Out</b>	<b>Est. End. Fund Balance</b>
General Fund	1,036,237	8,514,787	-	8,515,413	186,797	848,814
Dedicated Street Fund - 4% Sales Tax	1,000	-	150,899	148,000	-	3,899
Arterial Street Fund	4,369	150,000	-	130,120	-	24,249
Transportation Benefit Fund	-	-	-	-	-	-
Tourism Fund	141,959	224,895	-	218,380	-	148,474
Community Dev. Block Grant Fund	10	10,136	-	-	-	10,146
HUD Block Grant Fund	43,991	390	-	-	-	44,381
Federal and State Grant Fund	-	-	-	-	-	-
2011 G.O. Bond Fund	-	-	95,592	95,592	-	-
Automotive/Equip. Res. Fund	-	-	12,000	12,000	-	-
1st Quarter REET Fund	176,016	100,175	-	-	40,149	236,042
2nd Quarter REET Fund	144,385	100,150	-	-	31,545	212,990
Garbage Fund	-	6,410	-	4,155	-	2,255
Wastewater Fund	1,528,146	6,307,612	-	6,144,517	-	1,691,241
Water Fund	4,475,544	2,950,383	-	3,883,821	-	3,542,106
Storm & Surface Water Fund	554,295	512,355	-	469,176	-	597,474
Airport Fund	1,612,249	2,518,618	-	2,563,089	-	1,567,778
Firemen's Pension Fund	479,285	151,845	-	74,333	-	556,797
City Agency Fund	7,307	360,000	-	360,000	-	7,307
<b>TOTALS</b>	<b>10,204,793</b>	<b>21,907,756</b>	<b>258,491</b>	<b>22,618,596</b>	<b>258,491</b>	<b>9,493,953</b>



**CITY OF CHEHALIS  
AGENDA REPORT**

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

**FROM:** Judy Pectol, Finance Manager

**DATE:** November 23, 2015

**SUBJECT:** Budget Amendment Ordinance 949-B; Second and Final Reading

**ISSUE**

Ordinance 949-B amending the 2015 Budget is hereby submitted to reflect the changes in estimates and the actual activity of the city. It is necessary to ensure compliance with appropriation requirements.

**DISCUSSION**

The administration is revising the budget to include grant and donation revenues and related expenses that were not included in the 2015 Budget. This will also adjust the budget for known changes in estimated expenditures.

The administration made a few additions since the first reading of the budget amendment to reflect additional revenues that we're required to pay out to other organizations, and additional donation and FEMA federal funds that we would like to transfer to the general fund. An increase was also added to the Community Development Budget to cover professional services expenses for the Recreation Park Project.

The net City-wide decrease to estimated fund balances equals \$216,632. This ordinance is presented for passage on the second of two required readings.

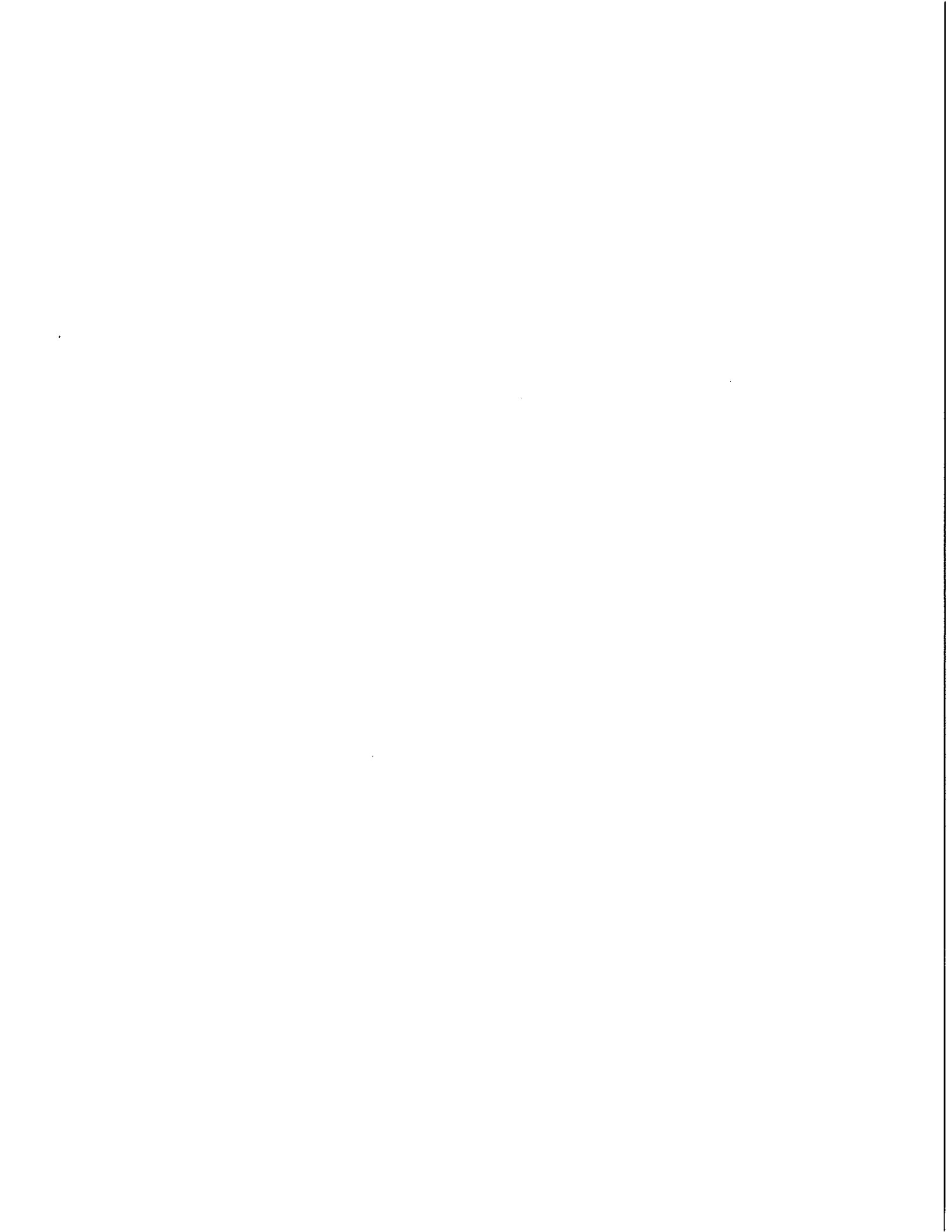
**RECOMMENDATION/COUNCIL ACTION DESIRED**

The administration recommends that the council pass Ordinance No. 949-B on second and final reading.

**SUGGESTED MOTION**

I move that the council pass Ordinance No. 939-B on second and final reading.

Reviewed:  \_\_\_\_\_, City Manager



**ORDINANCE NO. 949-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE ANNUAL BUDGET OF THE CITY FOR THE CALENDAR YEAR 2015, BY INCREASING APPROPRIATIONS OF THE GENERAL FUND IN THE SUM OF TWO HUNDRED SEVENTEEN THOUSAND EIGHT HUNDRED SEVEN DOLLARS (\$217,807); AND REDUCING APPROPRIATIONS OF THE TOURISM FUND IN THE SUM OF FORTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$42,500); AND INCREASING THE APPROPRIATIONS OF THE HUD BLOCK GRANT FUND BY ONE HUNDRED THOUSAND DOLLARS (\$100,000); AND INCREASING THE TRANSFER OUT OF THE FEDERAL & STATE GRANT FUND BY THIRTY-SEVEN THOUSAND THREE HUNDRED EIGHTY-SIX DOLLARS (\$37,386); AND INCREASING THE APPROPRIATIONS FOR THE WATER FUND BY EIGHTEEN THOUSAND FOUR HUNDRED SIX DOLLARS (\$18,406) AND DIRECTING THE FINANCE MANAGER TO EFFECT THE BUDGET AMENDMENTS HEREIN PROVIDED.**

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

**Section 1.** The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the General Fund's estimated revenues by \$21,289; increase transfers in by \$37,386; and increase expenditures by \$217,807.

**Section 2.** The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to decrease the Tourism Fund's appropriations by \$42,500.

**Section 3.** The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the HUD Block Grant Fund appropriations by \$100,000.

**Section 4.** The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Federal and State Grant Fund's revenue by \$37,386; and increase transfers out by \$37,386.

**Section 5.** The annual budget of the city for the calendar year 2015 shall be, and the same hereby is, amended so as to increase the Water Fund's revenues by \$18,406; and increase appropriations by \$18,406.

**Section 6.** Attached hereto and identified as Exhibit A, in summary form, are the total of estimated revenues, transfers in, expenditures, and transfers out for each separate fund and the

aggregate totals for all such funds combined for the city for the amended 2015 budget which, shows a total estimated ending fund balance of \$11,266,182.

**PASSED** by the city council of the City of Chehalis, Washington, and **APPROVED** on its second reading at a regularly scheduled open public meeting thereof this 23<sup>rd</sup> day of November, 2015.

\_\_\_\_\_  
Mayor

Attest:

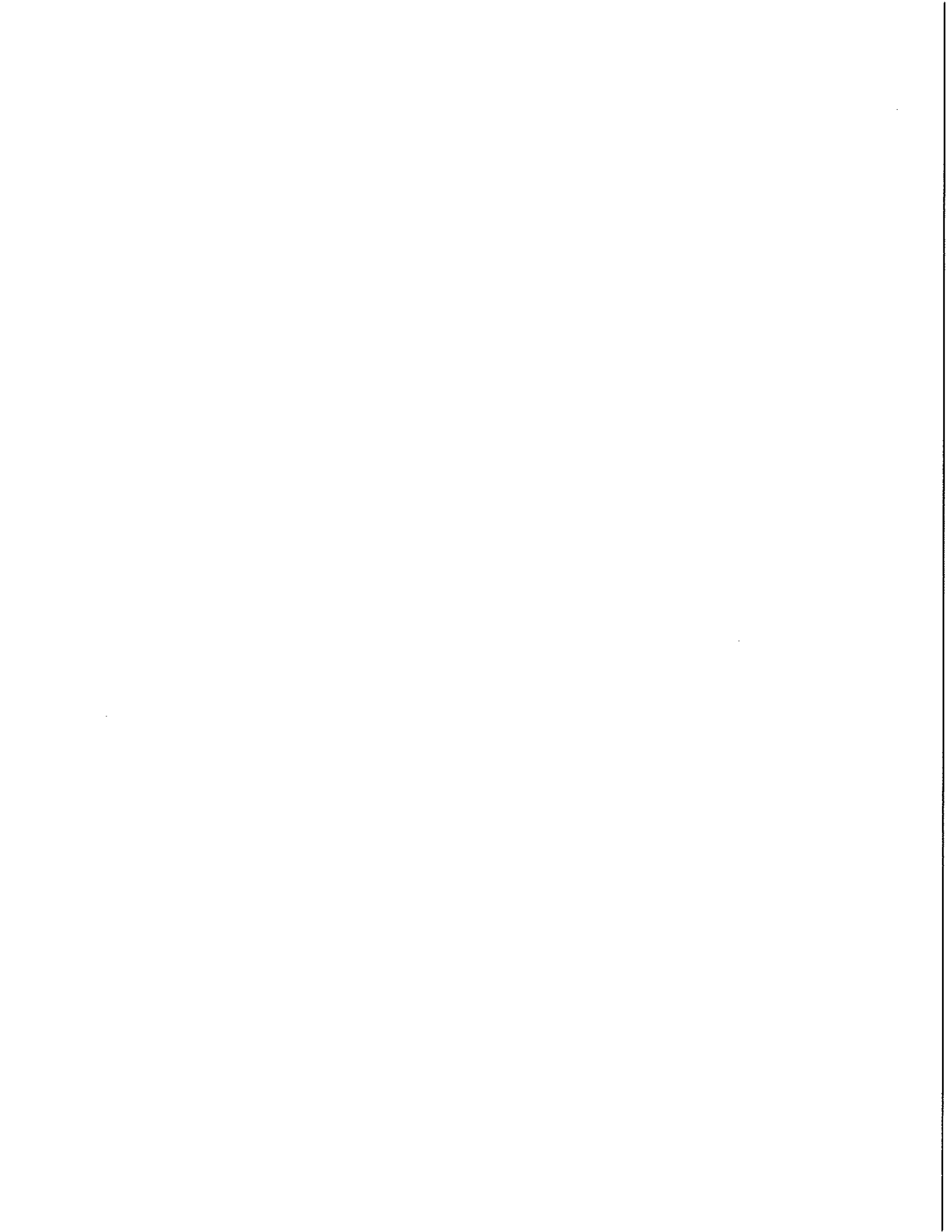
\_\_\_\_\_  
City Clerk

Approved as to form and content:

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

**EXHIBIT A**  
**CITY OF CHEHALIS AMENDED 2015 BUDGET**  
**2015 Budget Summary Revised with Ordinance # 949-B**

<b>FUND NAME</b>	<b>Beg. Fund Balance</b>	<b>Revenue</b>	<b>Operating Transfers In</b>	<b>Expenditures</b>	<b>Operating Transfers Out</b>	<b>Est. End. Fund Balance</b>
General Fund	990,221	9,089,257	334,263	9,319,871	216,815	877,055
Dedicated Street Fund - 4% Sales Tax	0		150,514	148,800		1,714
Arterial Street Fund	21,256	150,000	0	128,938		42,318
Tourism Fund	95,114	182,910	0	178,050		99,974
Community Dev. Block Grant Fund	11	10,186		0		10,197
HUD Block Grant Fund	139,907	600		100,000		40,507
Federal and State Grant Fund	0	334,263	0	0	334,263	0
2011 G.O. Bond Fund	0		97,210	97,210		0
Automotive/Equip. Res. Fund	459	0	36,700	36,700	0	459
1st Quarter REET Fund	123,306	32,125	0	25,000	41,315	89,116
2nd Quarter REET Fund	59,979	32,125	0	0	31,594	60,510
Garbage Fund	1,787	6,890	5,300	11,947		2,030
Wastewater Fund	1,910,597	4,987,332		4,860,590		2,037,339
Water Fund	4,795,321	4,008,847		3,009,649	420,000	5,374,519
Storm & Surface Water Fund	504,988	510,172		460,865		554,295
Airport Fund	1,822,481	2,499,144	420,000	3,136,023		1,605,602
Firemen's Pension Fund	383,125	151,200		71,085		463,240
City Agency Fund	7,307	0		0		7,307
<b>TOTALS</b>	<b>10,855,859</b>	<b>21,995,051</b>	<b>1,043,987</b>	<b>21,584,728</b>	<b>1,043,987</b>	<b>11,266,182</b>





City of Chehalis  
 2015 Budget Amendment No. 2 - Ordinance 949-B  
 11/23/2015

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue		Appropriation		Transfers		Total
			Increase/(Decrease)		Increase/(Decrease)		In/(Out)	Increase/(Decrease)	
<b>Fund 001 - General Fund</b>									
001.367.011.076	Donations	High Noon Sertoma Donation	550						
001.53.518.031.48.00	Repairs & Maintenance	Picnic Table Purchased with donation		550					
001.367.011.076	Donations	Chehalis Youth Soccer Club donation	3,423		550				
001.53.518.030.31.00	Operational Supplies	Purchased supplies for Soccer Club	3,694		3,423				
001.337.009.39	Distressed Counties Grant	Wayfinding Signage Project	3,694		3,694				
001.G1.594.042.63.00	Capital Outlay - Signs	Wayfinding Signage Project	3,482						
001.336.006.41	Marijuana Revenue	New Revenue from the State							
001.397.000.99	Transfer in from Grant Fund	FEIMA Grant					37,386		
001.386.000.83	Due to State - Trauma Care	Additional Revenue & Related Expense	2,150		2,150				
001.586.033.00.00	Due to State - Trauma Care	Additional Revenue & Related Expense	4,675		4,675				
001.386.000.97	Due to State - JIS	Additional Revenue & Related Expense	100						
001.586.097.00.00	Due to State - JIS	Additional Revenue & Related Expense	230						
001.386.000.99	Due to State - School Zone Safety	Additional Revenue & Related Expense	100		100				
001.586.099.00.00	Due to State - School Zone Safety	Additional Revenue & Related Expense	230						
001.386.001.01	Due to State - Access Multitrans	Additional Revenue & Related Expense	1,500						
001.586.101.00.00	Due to State - Access Multitrans	Additional Revenue & Related Expense	80						
001.386.006.94	Liquor Revenue	Additional Revenue & Related Expense	1,500		1,500				
001.586.000.41.00	2% Liquor Profits - Chem Depend	Additional Revenue & Related Expense	80						
001.386.000.00	Due to Others - Bkg Inv	Additional Revenue & Related Expense							
001.H1.586.000.00.00	Due to Others - Bkg Inv	Additional Revenue & Related Expense			80				
001.53.558.060.41.00	Comm Develop - Prof Serv	Bigd Official, Permit Tech, Rec Park			200,000				
001.367.011.076	Donations	Donation for Christmas Decorations	1,405						
001.53.518.030.31.00	Operational Supplies	Christmas Decorations Funded by Donation							
001.386.000.04	Due to State - Sales Tax	Additional Revenue & Related Expense							
001.53.586.004.00.00	Due to State - Sales Tax	Additional Revenue & Related Expense							
<b>Total General Fund</b>			<b>21,289</b>		<b>217,807</b>		<b>37,386</b>		<b>(159,132)</b>
<b>Fund 107 - Tourism Fund</b>									
107.05.557.030.41.25	Visiting Nurses 3 on 3 BB	Funds will not be used in 2015			(2,500)				
107.05.557.030.51.03	Stan Hedwall Park Project	Funds will not be used in 2015			(40,000)				
<b>Total Tourism Fund</b>					<b>(42,500)</b>				<b>42,500</b>
<b>Fund 197 - HUD Block Grant Fund</b>									
197.07.576.080.41.00	Professional Services	Partial Funding of Master Park Plan			100,000				
<b>Total HUD Block Grant Fund</b>					<b>100,000</b>				<b>(100,000)</b>

City of Chehalis  
 2015 Budget Amendment No. 2 - Ordinance 949-B  
 11/23/2015

Fund No. and Name	Acct. Name	Reason for Amendment	Revenue Increase/(Decrease)	Appropriation Increase/(Decrease)	Transfers In/(Out)	Total Increase/(Decrease)
<b>Fund 199 - Federal &amp; State Grant Fund</b>						
199.367.011.59	Housing Revenues	FEMA Grant - Property Owners Share	7,886			
199.597.000.05.01	Transfer Out to General Fund	Transfer Revenues to General Fund			(37,386)	
199.333.D97.03	FEMA Mitigation Grant	FEMA Grant - Federal	29,500			
<b>Total HUD Block Grant Fund</b>			<b>37,386</b>	<b>-</b>	<b>(37,386)</b>	<b>-</b>
<b>Fund 405 - Water Fund</b>						
405.333.093.00	Hamilton Road Grant	Feasibility Study Grant	18,406			
405.10.594.034.41.03	Professional Services	Feasibility Study		18,406		
<b>Total Water Fund</b>			<b>18,406</b>	<b>18,406</b>	<b>-</b>	<b>(0)</b>
<b>Fund 407 - Airport Fund</b>						
407.09.594.046.63.00	Other Improvements	Construction Changes		75,353		
407.09.546.091.0A.00	Transfer Out Contra Offsets	Lower Contra Charges		(353)		
407.09.546.091.1A.00	Wage Contra Offsets	Lower Contra Charges		(27,566)		
407.09.546.091.2A.00	Benefit Contra Offsets	Lower Contra Charges		(6,000)		
407.09.546.091.3A.00	Supplies Contra Offsets	Lower Contra Charges		(950)		
407.09.546.091.4A.00	Services Contra Offsets	Lower Contra Charges		(40,000)		
407.09.546.091.5A.00	Intergovernmental Contra	Lower Contra Charges		(484)		
407.386.000.00	Rental Car Tax	Additional Revenue & Related Expense	200			
407.586.010.00.00	Rental Car Tax	Additional Revenue & Related Expense		200		
407.386.000.00	Sales Tax	Additional Revenue & Related Expense	8,300			
407.586.004.00.00	Sales Tax	Additional Revenue & Related Expense		8,300		
<b>Total Airport Fund</b>			<b>8,500</b>	<b>8,500</b>	<b>-</b>	<b>-</b>
<b>Total of All Funds</b>			<b>85,581</b>	<b>302,213</b>	<b>-</b>	<b>(216,632)</b>

**CITY OF CHEHALIS  
AGENDA REPORT**

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

**FROM:** Judy Pectol, Finance Manager

**DATE:** November 23, 2015

**SUBJECT:** Conduct Public Hearing and Consider Ordinance No. 950-B on First Reading - Assuming the Rights, Powers and Functions of the Chehalis Transportation Benefit District

**ISSUE**

The administration is recommending the Council do away with the separate entity of the Transportation Benefit District established by Ordinance No. 934-B in 2014 and assume the District into the city itself. This will save the city audit and advertising costs and will avoid having to call special meetings of the District if they need to take any action regarding the District.

**DISCUSSION**

On September 8, 2014, Council took action to establish a separate Transportation Benefit District that incorporated the boundaries comprised of the corporate limits of the city as they currently existed, or as they may exist following future annexation.

Substitute Senate Bill 5987, which took effect on July 15, 2015, provides that the assumptions of the rights, powers, functions, and obligations of the Transportation Benefit District may be initiated by the adoption of an Ordinance by the City, or adoption of a Resolution by the City indicating its intention to conduct a hearing concerning the assumption of such rights.

On November 9, 2015, the Council adopted Resolution No. 11-2015, setting the date of November 23 for a public hearing to consider the assumption of the Transportation Benefit District.

If approved, the city would assume all rights, powers, functions, and obligations of the Chehalis Transportation Benefit District and by this action the Chehalis Transportation Benefit District will cease to exist as a separate entity.

**RECOMMENDATION/COUNCIL ACTION DESIRED**

The administration recommends that the council conduct a public hearing and pass Ordinance No. 950-B on first reading assuming the rights, powers, functions, and obligations of the Chehalis Transportation Benefit District as allowed by Substitute

Senate Bill 5987.

**SUGGESTED MOTION**

I move that the council pass Ordinance No. 950-B on first reading assuming the rights, powers, functions, and obligations of the Chehalis Transportation Benefit District as allowed by Substitute Senate Bill 5987.

Reviewed: , City Manager

**ORDINANCE NO. 950-B**

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, ASSUMING THE RIGHTS, POWERS, FUNCTIONS, AND OBLIGATIONS OF THE CHEHALIS TRANSPORTATION BENEFIT DISTRICT AS ALLOWED BY SUBSTITUTE SENATE BILL 5987.**

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

**WHEREAS** the City Council of Chehalis, has adopted an Ordinance creating the Chehalis Transportation Benefit District with the same boundaries as the city limits; and

**WHEREAS** Substitute Senate Bill 5987 which took effect of July 15, 2015, provides that the assumptions of the rights, powers, functions, and obligations of the Transportation Benefit District may be initiated by the adoption of an Ordinance by the City or adoption of a Resolution by the City indicating its intention to conduct a hearing concerning the assumption of such rights; and

**WHEREAS** Chehalis held a public hearing on the proposed assumption of rights, powers, functions, and obligations of the Chehalis Transportation Benefit District on the 23<sup>rd</sup> day of November, 2015; and

**WHEREAS** after the public hearing the City Council voted to assume the rights, powers, functions, and obligations of the Benefit District; now, therefore, in consideration of the above-referenced recitals; now, therefore,

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

**Section 1.** The City hereby assumes all rights, powers, functions, and obligations of the Chehalis Transportation Benefit District and by this action the Chehalis Transportation Benefit District will cease to exist as a separate entity.

**Section 2.** This Ordinance shall be published by an approved summary consistent of the title. This Ordinance shall be effective five (5) days after publication provided by law.

**PASSED** by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

---

Mayor

Attest:

---

City Clerk

Approved as to form and for content:

---

City Attorney

CERTIFICATION OF ENROLLMENT  
SECOND ENGROSSED SUBSTITUTE SENATE BILL 5987

64th Legislature  
2015 3rd Special Session

Passed by the Senate July 1, 2015  
Yeas 37 Nays 7

\_\_\_\_\_  
President of the Senate

Passed by the House July 1, 2015  
Yeas 54 Nays 44

\_\_\_\_\_  
Speaker of the House of Representatives  
Approved

\_\_\_\_\_  
Governor of the State of Washington

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND ENGROSSED SUBSTITUTE SENATE BILL 5987** as passed by Senate and the House of Representatives on the dates hereon set forth.

\_\_\_\_\_  
Secretary

FILED

Secretary of State  
State of Washington

# Substitute Senate Bill 5987

1 (5) The twenty-five dollar nonresident vessel permit fee must be  
2 paid by the vessel owner to the department for the cost of providing  
3 the identification document by the department. Any moneys remaining  
4 from the fee after the payment of costs must be allocated to counties  
5 by the state treasurer for approved boating safety programs under RCW  
6 88.02.650.

7 (6) The thirty dollar vessel visitor permit fee must be  
8 distributed as follows:

9 (a) Five dollars must be deposited in the derelict vessel removal  
10 account created in RCW 79.100.100;

11 (b) The department may keep an amount to cover costs for  
12 providing the vessel visitor permit;

13 (c) Any moneys remaining must be allocated to counties by the  
14 state treasurer for approved boating safety programs under RCW  
15 88.02.650; and

16 (d) Any fees required for licensing agents under RCW 46.17.005  
17 are in addition to any other fee or tax due for the titling and  
18 registration of vessels.

19 (7) (a) The fifty dollar quick title service fee must be  
20 distributed as follows:

21 (i) If the fee is paid to the director, the fee must be deposited  
22 to the general fund.

23 (ii) If the fee is paid to the participating county auditor or  
24 other agent or subagent appointed by the director, twenty-five  
25 dollars must be deposited to the general fund. The remainder must be  
26 retained by the county treasurer in the same manner as other fees  
27 collected by the county auditor.

28 (b) For the purposes of this subsection, "quick title" has the  
29 same meaning as in RCW 88.02.540.

30 (8) The department, county auditor or other agent, or subagent  
31 appointed by the director shall charge the service fee under  
32 subsection (1) (m) of this section beginning January 1, 2016.

## 33 PART III

### 34 LOCAL TRANSPORTATION REVENUE

#### 35 Transportation Benefit Districts

36 NEW SECTION. **Sec. 301.** Any city or county in which a  
37 transportation benefit district has been established pursuant to  
38 chapter 36.73 RCW with boundaries coterminous with the boundaries of



1 the city or county may by ordinance or resolution of the city or  
2 county legislative authority assume the rights, powers, functions,  
3 and obligations of the transportation benefit district in accordance  
4 with this chapter.

5 NEW SECTION. **Sec. 302.** (1) The assumption of the rights,  
6 powers, functions, and obligations of a transportation benefit  
7 district may be initiated by the adoption of an ordinance or a  
8 resolution by the city or county legislative authority indicating its  
9 intention to conduct a hearing concerning the assumption of such  
10 rights, powers, functions, and obligations. If the city or county  
11 legislative authority adopts such an ordinance or a resolution of  
12 intention, the ordinance or resolution must set a time and place at  
13 which the city or county legislative authority will consider the  
14 proposed assumption of the rights, powers, functions, and obligations  
15 of the transportation benefit district, and must state that all  
16 persons interested may appear and be heard. The ordinance or  
17 resolution of intention must be published at least two times during  
18 the two weeks preceding the scheduled hearing in newspapers of daily  
19 general circulation printed or published in the city or county in  
20 which the transportation benefit district is to be located.

21 (2) At the time scheduled for the hearing in the ordinance or  
22 resolution of intention, the city or county legislative authority  
23 must consider the assumption of the rights, powers, functions, and  
24 obligations of the transportation benefit district and hear those  
25 appearing and all protests and objections to it. The city or county  
26 legislative authority may continue the hearing from time to time, not  
27 exceeding sixty days in all.

28 NEW SECTION. **Sec. 303.** (1) If, after receiving testimony, the  
29 city or county legislative authority determines that the public  
30 interest or welfare would be satisfied by the city or county assuming  
31 the rights, powers, immunities, functions, and obligations of the  
32 transportation benefit district, the city or county legislative  
33 authority may declare that to be its intent and assume such rights,  
34 powers, immunities, functions, and obligations by ordinance or  
35 resolution, providing that the city or county is vested with every  
36 right, power, immunity, function, and obligation currently granted to  
37 or possessed by the transportation benefit district.

1 (2) Upon assumption of the rights, powers, immunities, functions,  
2 and obligations of the transportation benefit district by the city or  
3 county, the governing body established pursuant to RCW 36.73.020 must  
4 be abolished and the city or county legislative authority is vested  
5 with all rights, powers, immunities, functions, and obligations  
6 otherwise vested by law in the governing board of the transportation  
7 benefit district.

8 NEW SECTION. **Sec. 304.** No transfer of any function made  
9 pursuant to this chapter may be construed to impair or alter any  
10 existing rights acquired under chapter 36.73 RCW or any other  
11 provision of law relating to transportation benefit districts, nor as  
12 impairing or altering any actions, activities, or proceedings  
13 validated thereunder, nor as impairing or altering any civil or  
14 criminal proceedings instituted thereunder, nor any rule, regulation,  
15 or order promulgated thereunder, nor any administrative action taken  
16 thereunder; and neither the assumption of control of any  
17 transportation benefit district function by a city or county, nor any  
18 transfer of rights, powers, functions, and obligations as provided in  
19 this chapter, may impair or alter the validity of any act performed  
20 by such transportation benefit district or division thereof or any  
21 officer thereof prior to the assumption of such rights, powers,  
22 functions, and obligations by any city or county as authorized under  
23 this chapter.

24 NEW SECTION. **Sec. 305.** (1) All rules and regulations and all  
25 pending business before the board of any transportation benefit  
26 district transferred pursuant to this chapter must be continued and  
27 acted upon by the city or county.

28 (2) All existing contracts and obligations of the transferred  
29 transportation benefit district remain in full force and effect and  
30 must be performed by the city or county. A transfer authorized in  
31 this chapter does not affect the validity of any official act  
32 performed by any official or employee prior to the transfer  
33 authorized pursuant to this chapter.

34 NEW SECTION. **Sec. 306.** (1) All reports, documents, surveys,  
35 books, records, files, papers, or other writings relating to the  
36 administration of the powers, duties, and functions transferred

1 pursuant to this chapter and available to the transportation benefit  
2 district must be made available to the city or county.

3 (2) All funds, credits, or other assets held in connection with  
4 powers, duties, and functions transferred under this chapter must be  
5 assigned to the city or county.

6 (3) Any appropriations or federal grant made to the  
7 transportation benefit district for the purpose of carrying out the  
8 rights, powers, functions, and obligations authorized to be assumed  
9 by a city or county pursuant to this chapter, on the effective date  
10 of such transfer, must be credited to the city or county for the  
11 purpose of carrying out such transferred rights, powers, functions,  
12 and obligations.

13 NEW SECTION. **Sec. 307.** The city or county must assume and agree  
14 to provide for the payment of all of the indebtedness of the  
15 transportation benefit district, including the payment and retirement  
16 of outstanding general obligation and revenue bonds issued by the  
17 transportation benefit district.

18 NEW SECTION. **Sec. 308.** Sections 301 through 307 of this act  
19 constitute a new chapter in Title 36 RCW.

20 **Sec. 309.** RCW 36.73.065 and 2012 c 152 s 3 are each amended to  
21 read as follows:

22 (1) Except as provided in subsection (4) of this section, taxes,  
23 fees, charges, and tolls may not be imposed by a district without  
24 approval of a majority of the voters in the district voting on a  
25 proposition at a general or special election. The proposition must  
26 include a specific description of: (a) The transportation improvement  
27 or improvements proposed by the district; (b) any rebate program  
28 proposed to be established under RCW 36.73.067; and (c) the proposed  
29 taxes, fees, charges, and the range of tolls imposed by the district  
30 to raise revenue to fund the improvement or improvements or rebate  
31 program, as applicable.

32 (2) Voter approval under this section must be accorded  
33 substantial weight regarding the validity of a transportation  
34 improvement as defined in RCW 36.73.015.

35 (3) A district may not increase any taxes, fees, charges, or  
36 range of tolls imposed or change a rebate program under this chapter

1 once the taxes, fees, charges, tolls, or rebate program takes effect,  
2 (~~unless~~) except:

3 (a) If authorized by the district voters pursuant to RCW  
4 36.73.160;

5 (b) With respect to a change in a rebate program, a material  
6 change policy adopted pursuant to RCW 36.73.160 is followed and the  
7 change does not reduce the percentage level or rebate amount;

8 (c) For up to forty dollars of the vehicle fee authorized in RCW  
9 82.80.140 by the governing board of the district if a vehicle fee of  
10 twenty dollars has been imposed for at least twenty-four months; or

11 (d) For up to fifty dollars of the vehicle fee authorized in RCW  
12 82.80.140 by the governing board of the district if a vehicle fee of  
13 forty dollars has been imposed for at least twenty-four months and a  
14 district has met the requirements of subsection (6) of this section.

15 (4) (a) A district that includes all the territory within the  
16 boundaries of the jurisdiction, or jurisdictions, establishing the  
17 district may impose by a majority vote of the governing board of the  
18 district the following fees and charges:

19 (i) Up to twenty dollars of the vehicle fee authorized in RCW  
20 82.80.140; (~~or~~)

21 (ii) Up to forty dollars of the vehicle fee authorized in RCW  
22 82.80.140 if a vehicle fee of twenty dollars has been imposed for at  
23 least twenty-four months;

24 (iii) Up to fifty dollars of the vehicle fee authorized in RCW  
25 82.80.140 if a vehicle fee of forty dollars has been imposed for at  
26 least twenty-four months and a district has met the requirements of  
27 subsection (6) of this section; or

28 (iv) A fee or charge in accordance with RCW 36.73.120.

29 (b) The vehicle fee authorized in (a) of this subsection may only  
30 be imposed for a passenger-only ferry transportation improvement if  
31 the vehicle fee is first approved by a majority of the voters within  
32 the jurisdiction of the district.

33 (c) (i) A district solely comprised of a city or cities (~~shall~~)  
34 may not impose the fees or charges identified in (a) of this  
35 subsection within one hundred eighty days after July 22, 2007, unless  
36 the county in which the city or cities reside, by resolution,  
37 declares that it will not impose the fees or charges identified in  
38 (a) of this subsection within the one hundred eighty-day period; or

39 (ii) A district solely comprised of a city or cities identified  
40 in RCW 36.73.020(6) (b) may not impose the fees or charges until after

1 May 22, 2008, unless the county in which the city or cities reside,  
2 by resolution, declares that it will not impose the fees or charges  
3 identified in (a) of this subsection through May 22, 2008.

4 (5) If the interlocal agreement in RCW 82.80.140(2)(a) cannot be  
5 reached, a district that includes only the unincorporated territory  
6 of a county may impose by a majority vote of the governing body of  
7 the district up to: (a) Twenty dollars of the vehicle fee authorized  
8 in RCW 82.80.140, (b) forty dollars of the vehicle fee authorized in  
9 RCW 82.80.140 if a fee of twenty dollars has been imposed for at  
10 least twenty-four months, or (c) fifty dollars of the vehicle fee  
11 authorized in RCW 82.80.140 if a vehicle fee of forty dollars has  
12 been imposed for at least twenty-four months and a district has met  
13 the requirements of subsection (6) of this section.

14 (6) If a district intends to impose a vehicle fee of more than  
15 forty dollars by a majority vote of the governing body of the  
16 district, the governing body must publish notice of this intention,  
17 in one or more newspapers of general circulation within the district,  
18 by April 1st of the year in which the vehicle fee is to be imposed.  
19 If within ninety days of the date of publication a petition is filed  
20 with the county auditor containing the signatures of eight percent of  
21 the number of voters registered and voting in the district for the  
22 office of the governor at the last preceding gubernatorial election,  
23 the county auditor must canvass the signatures in the same manner as  
24 prescribed in RCW 29A.72.230 and certify their sufficiency to the  
25 governing body within two weeks. The proposition to impose the  
26 vehicle fee must then be submitted to the voters of the district at a  
27 special election, called for this purpose, no later than the date on  
28 which a primary election would be held under RCW 29A.04.311. The  
29 vehicle fee may then be imposed only if approved by a majority of the  
30 voters of the district voting on the proposition.

31 **Sec. 310.** RCW 82.80.140 and 2010 c 161 s 917 are each amended to  
32 read as follows:

33 (1) Subject to the provisions of RCW 36.73.065, a transportation  
34 benefit district under chapter 36.73 RCW may fix and impose an annual  
35 vehicle fee, not to exceed one hundred dollars per vehicle registered  
36 in the district, for each vehicle subject to vehicle license fees  
37 under RCW 46.17.350(1) (a), (c), (d), (e), (g), (h), (j), or (n)  
38 through (q) and for each vehicle subject to gross weight license fees

1 under RCW 46.17.355 with a scale weight of six thousand pounds or  
2 less.

3 (2)(a) A district that includes all the territory within the  
4 boundaries of the jurisdiction, or jurisdictions, establishing the  
5 district may impose by a majority vote of the governing board of the  
6 district up to: (i) Twenty dollars of the vehicle fee authorized in  
7 subsection (1) of this section, (ii) forty dollars of the vehicle fee  
8 authorized in subsection (1) of this section if a twenty dollar  
9 vehicle fee has been imposed for at least twenty-four months, or  
10 (iii) fifty dollars of the vehicle fee authorized in subsection (1)  
11 of this section if a vehicle fee of forty dollars has been imposed  
12 for at least twenty-four months and a district has met the  
13 requirements of RCW 36.73.065(6).

14 If the district is countywide, the revenues of the fee (~~shall~~)  
15 must be distributed to each city within the (~~county~~) district by  
16 interlocal agreement. The interlocal agreement is effective when  
17 approved by the (~~county~~) district and sixty percent of the cities  
18 representing seventy-five percent of the population of the cities  
19 within the (~~county~~) district in which the countywide fee is  
20 collected.

21 (b) A district may not impose a fee under this subsection (2):

22 (i) For a passenger-only ferry transportation improvement unless  
23 the vehicle fee is first approved by a majority of the voters within  
24 the jurisdiction of the district; or

25 (ii) That, if combined with the fees previously imposed by  
26 another district within its boundaries under RCW 36.73.065(4)(a)(i),  
27 exceeds (~~twenty~~) fifty dollars.

28 If a district imposes or increases a fee under this subsection  
29 (2) that, if combined with the fees previously imposed by another  
30 district within its boundaries, exceeds (~~twenty~~) fifty dollars, the  
31 district shall provide a credit for the previously imposed fees so  
32 that the combined vehicle fee does not exceed (~~twenty~~) fifty  
33 dollars.

34 (3) The department of licensing shall administer and collect the  
35 fee. The department shall deduct a percentage amount, as provided by  
36 contract, not to exceed one percent of the fees collected, for  
37 administration and collection expenses incurred by it. The department  
38 shall remit remaining proceeds to the custody of the state treasurer.  
39 The state treasurer shall distribute the proceeds to the district on  
40 a monthly basis.

1 (4) No fee under this section may be collected until six months  
2 after approval under RCW 36.73.065.

3 (5) The vehicle fee under this section applies only when renewing  
4 a vehicle registration, and is effective upon the registration  
5 renewal date as provided by the department of licensing.

6 (6) The following vehicles are exempt from the fee under this  
7 section:

8 (a) Campers, as defined in RCW 46.04.085;

9 (b) Farm tractors or farm vehicles, as defined in RCW 46.04.180  
10 and 46.04.181;

11 (c) Mopeds, as defined in RCW 46.04.304;

12 (d) Off-road and nonhighway vehicles, as defined in RCW  
13 46.04.365;

14 (e) Private use single-axle trailer, as defined in RCW 46.04.422;

15 (f) Snowmobiles, as defined in RCW 46.04.546; and

16 (g) Vehicles registered under chapter 46.87 RCW and the  
17 international registration plan.

18 **Sec. 311.** RCW 36.73.015 and 2012 c 152 s 1 are each amended to  
19 read as follows:

20 The definitions in this section apply throughout this chapter  
21 unless the context clearly requires otherwise.

22 (1) "City" means a city or town.

23 (2) "District" means a transportation benefit district created  
24 under this chapter.

25 (3) "Low-income" means household income set by the district  
26 creating the rebate program that is at or below (~~forty-five~~)  
27 seventy-five percent of the median household income, adjusted for  
28 household size, for the district in which the fees, taxes, or tolls  
29 were imposed.

30 (4) "Rebate program" means an optional program established by a  
31 transportation benefit district that includes a city with a  
32 population of five hundred thousand persons or more for the purpose  
33 of providing rebates to low-income individuals for fees, taxes,  
34 and/or tolls imposed by such transportation benefit district for: (a)  
35 Vehicle fees imposed under RCW 36.73.040(3)(b); (b) sales and use  
36 taxes imposed under RCW 36.73.040(3)(a); and/or (c) tolls imposed  
37 under RCW 36.73.040(3)(d).

38 (5) "Supplemental transportation improvement" or "supplemental  
39 improvement" means any project, work, or undertaking to provide

1 public transportation service, in addition to a district's existing  
2 or planned voter-approved transportation improvements, proposed by a  
3 participating city member of the district under RCW 36.73.180.

4 (6) "Transportation improvement" means a project contained in the  
5 transportation plan of the state, a regional transportation planning  
6 organization, city, county, or eligible jurisdiction as identified in  
7 RCW 36.73.020(2). A project may include investment in new or existing  
8 highways of statewide significance, principal arterials of regional  
9 significance, high capacity transportation, public transportation,  
10 and other transportation projects and programs of regional or  
11 statewide significance including transportation demand management.  
12 Projects may also include the operation, preservation, and  
13 maintenance of these facilities or programs.

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14

### Community Transit Sales Tax

15 **Sec. 312.** RCW 82.14.045 and 2008 c 86 s 102 are each amended to  
16 read as follows:

17 (1) The legislative body of any city pursuant to RCW 35.92.060,  
18 of any county which has created an unincorporated transportation  
19 benefit area pursuant to RCW 36.57.100 and 36.57.110, of any public  
20 transportation benefit area pursuant to RCW 36.57A.080 and  
21 36.57A.090, of any county transportation authority established  
22 pursuant to chapter 36.57 RCW, and of any metropolitan municipal  
23 corporation within a county with a population of one million or more  
24 pursuant to chapter 35.58 RCW, may, by resolution or ordinance for  
25 the sole purpose of providing funds for the operation, maintenance,  
26 or capital needs of public transportation systems or public  
27 transportation limited to persons with special needs under RCW  
28 36.57.130 and 36.57A.180, and in lieu of the excise taxes authorized  
29 by RCW 35.95.040, submit an authorizing proposition to the voters or  
30 include such authorization in a proposition to perform the function  
31 of public transportation or public transportation limited to persons  
32 with special needs under RCW 36.57.130 and 36.57A.180, and if  
33 approved by a majority of persons voting thereon, impose a sales and  
34 use tax in accordance with the terms of this chapter. Where an  
35 authorizing proposition is submitted by a county on behalf of an  
36 unincorporated transportation benefit area, it shall be voted upon by  
37 the voters residing within the boundaries of such unincorporated  
38 transportation benefit area and, if approved, the sales and use tax



1 requirements of any transportation subarea equity element used by the  
2 regional transit authority.

3 (2) Beginning September 1, 2017, and by the last day of  
4 September, December, March, and June of each year thereafter, the  
5 state treasurer shall distribute moneys deposited in the Puget Sound  
6 taxpayer accountability account to counties for which a portion of  
7 the county is within the boundaries of a regional transit authority  
8 that includes a county with a population of one million five hundred  
9 thousand. The treasurer must make the distribution to the counties on  
10 the relative basis of that transit authority's population that lives  
11 within the respective counties.

### 12 Rate Setting for Garbage Companies

13 **Sec. 424.** RCW 81.77.170 and 1989 c 431 s 36 are each amended to  
14 read as follows:

15 For rate-making purposes, a fee, charge, or tax on the collection  
16 or disposal of solid waste ((shall be)) is considered a normal  
17 operating expense of the solid waste collection company, including  
18 all taxes and fees imposed or increased under this act. Filing for  
19 pass-through of any such fee, charge, or tax is not considered a  
20 general rate proceeding.

### 21 Effective Dates and Other Miscellaneous Provisions

22 NEW SECTION. **Sec. 425.** If any provision of this act or its  
23 application to any person or circumstance is held invalid, the  
24 remainder of the act or the application of the provision to other  
25 persons or circumstances is not affected.

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26 NEW SECTION. **Sec. 426.** Except for sections 103, 105, 108, 110,  
27 323, and 325 of this act, this act is necessary for the immediate  
28 preservation of the public peace, health, or safety, or support of  
29 the state government and its existing public institutions, and takes  
30 effect immediately.

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31 NEW SECTION. **Sec. 427.** Sections 103, 105, and 110 of this act  
32 take effect July 1, 2016.