

IMPORTANT NOTICE

The April 26 Chehalis City Council will be held in-person with some restrictions.

On March 22, Washington State moved to Phase 3 of the Governor’s Healthy Washington – Roadmap to Recovery Plan, which means cities may hold limited, in-person meetings in addition to virtual options. The capacity of these meetings is limited to 50% of the posted room capacity or 400 individuals – whichever is fewer (excludes staff). The posted room capacity for the Chehalis Council Chambers is 49, which means 24 members of the public may be in attendance.

Cities must continue to provide the public virtual access to meetings. Options for attending remotely remain the same:

1. Live-Stream

View and listen through live streaming by using the following link –
<https://www.ci.chehalis.wa.us/citycouncil/live-streaming-and-demand-viewing-city-council-meetings>

or

2. Telephone

Dial: 1-253-215-8782

Meeting ID: 822 5811 8879

Passcode: 674890

Citizens wishing to provide public comments in general and on agenda items should submit comments by 4:00 pm on the day of the meeting. All comments received will be acknowledged by the Mayor under the Citizens Business portion of the meeting agenda. Please use the following form to submit comments – <https://www.ci.chehalis.wa.us/contact>. If you do not have computer access or would prefer to submit a comment verbally, please contact City Clerk Kiley Franz at 360-345-1042 or at kfranz@ci.chehalis.wa.us. Citizens Business comments will be limited to five (5) minutes.

If you have any questions about live streaming the meeting or submitting a comment, please contact City Clerk Kiley Franz at kfranz@ci.chehalis.wa.us or 360-345-1042.

**The City truly appreciates the community’s cooperation
and patience during this challenging time.**

CHEHALIS CITY COUNCIL AGENDA

CITY HALL
350 N MARKET BLVD | CHEHALIS, WA 98532

Dennis L. Dawes, Position at Large
Mayor

Jerry Lord, District 1
Daryl J. Lund, District 2, Mayor Pro Tem
Dr. Isaac S. Pope, District 4

Anthony E. Ketchum Sr., District 3
Robert J. Spahr, Position at Large
Michael Bannan, Position at Large

Regular Meeting of Monday, April 26, 2021 5:00 pm

1. Call to Order. (Mayor Dawes)
2. Pledge of Allegiance. (Mayor Dawes)
3. Approval of Agenda. (Mayor Dawes)

ITEM

PROCLAMATIONS / PRESENTATIONS

4. Proclamation – Historic Preservation Month. (Mayor Dawes)
5. Proclamation – Police Week. (Mayor Dawes)

CITIZENS BUSINESS (PUBLIC COMMENT)

Individuals wishing to provide public comments in general and on agenda items should submit comments by 4:00 pm on the day of the meeting. All comments received will be acknowledged by the Mayor under Citizens Business of this meeting agenda. Please use the following form to submit comments – <https://www.ci.chehalis.wa.us/contact>. If you do not have computer access or would prefer to submit a comment verbally, please contact City Clerk Kiley Franz at 360-345-1042 or at kfranz@ci.chehalis.wa.us. Public comments will be limited to five (5) minutes.

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CONSENT CALENDAR		
6. <u>Minutes of the Regular City Council Meeting of April 12, 2021.</u> (City Clerk)	APPROVE	1
7. <u>Vouchers and Transfers – Accounts Payable in the Amount of \$688,001.84 Dated March 31, 2021.</u> (City Manager, Finance Director)	APPROVE	4

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NEW BUSINESS		
8. <u>Ordinance Number 1018-B, First Reading- Updating the CMC 17.10 International Building Codes.</u> (City Manager, Planning and Building Manager)	PASS	6
9. <u>Ordinance Number 1019-B, First Reading – Amending the 2021 Budget.</u> (City Manager, Finance Director)	PASS	28
10. <u>Engineering Services Contract with Jacobs Engineering Group for Clean Air Permit Compliance Testing and Modeling.</u> (City Manager, Public Works Director)	APPROVE	40

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11. <u>Administration Reports.</u>	INFORMATION ONLY	- - -
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b. City Manager Update. (City Manager)		
12. <u>Councilor Reports/Committee Updates.</u> (City Council)	INFORMATION ONLY	- - -

EXECUTIVE SESSION
#. Pursuant to RCW:
a. 42.30.110(1)(c) – Sale/Lease of Real Estate
b. 42.30.110(1)(i) – Litigation/Potential Litigation

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, MAY 10, 2021.**

Chehalis City Council
Meeting Minutes
April 12, 2021

The Chehalis City Council met in regular session on Monday, April 12, 2021. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Tony Ketchum, Jerry Lord, Dr. Isaac Pope, and Bob Spahr. Councilors Michael Bannan and Daryl Lund participated via Zoom. Staff present included: Jill Anderson, City Manager; Kiley Franz, Interim City Clerk; Tedd Hendershot, Fire Chief; Randy Kaut, Interim Police Chief (Zoom); Trent Lougheed, Public Works Director; Brandon Rakes, Airport Operations Coordinator; Sam Satterfield, City Attorney; and Chun Saul, Finance Director. Due to orders from the Governor's office relating to COVID-19, members of the public and the press were able to view the meeting via live streaming or Zoom. The public was also provided a process for submitting comments prior to the meeting.

1. **Proclamation – Administrative Professionals Week**. Mayor Dawes read a proclamation designating April 19-23 as Administrative Professionals Week.

2. **Port of Chehalis Update**. Randy Mueller, CEO of the Port of Chehalis, provided an update on activities at the Port. There is funding for the grain storage project available through state legislature, funds available for a hydrogen refueling station, and Costco has halted the feasibility study, and new businesses are coming into the port. At the next public meeting on April 22, 2021, the port will be amending their comprehensive plan.

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

- a. Minutes of the regular City Council meeting of March 22, 2021; and
- b. March 31, 2021 Claim Vouchers No. 131406 – 131506 and Electronic Funds Transfer Check Nos. 1211 – 1235, 2, 3, and 4 in the amount of \$688,179.84, and Voided Check Number 131231 in the amount of \$178.00, for a Net Total of \$688,001.84; and
- c. March 31, 2021, Payroll Vouchers No. 41604-41632, Direct Deposit Payroll Vouchers No. 13218-13222, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 335-338 in the amount of \$857,798.36; and
- d. Lease of City Property to PAMCO, LLC for Agricultural Land.

The motion was seconded by Councilor Pope and carried unanimously.

4. **Bid Award – NW Pacific Avenue Reconstruction Project**. Trent Lougheed explained that the NW Pacific Avenue Reconstruction Project included replacing the failing stormwater lines, the water lines, sidewalks, asphalt, curbs, and gutters.

Six bids were received and opened on March 10, 2021, with Barcott Construction being the low bidder. After the bid opening, Rognlin's Construction, the second lowest bidder, though their attorney, claimed that the bid should be deemed non-responsive. The City sought legal counsel regarding the responsiveness of the bid, and it was agreed that the Barcott Construction bid did not meet the requirements of RCW 39.30.060 and the bid should be awarded to the lowest responsive bidder, Rognlin's Construction.

The project will be funded by three separate funds: 42% to the transportation benefit district (sidewalks, streetlights, curbs, gutters, and a portion of the street that the utilities are not being reconstructed in), 25% to the stormwater fund, and 33% to the water department. These percentages are estimates and are subject to change.

Councilor Spahr asked if the streetlights would be replaced; Trent Lougheed confirmed that they would be replaced but the decorative lights initially planned had been cost prohibitive, so regular streetlights would be used instead.

Councilor Ketchum expressed that the City was able to use discretion when awarding bids. City Manager Anderson confirmed that the City could use discretion, but that limits existed per state law based upon the project. City Attorney Satterfield explained that for Public Works projects, it was required to pick the lowest responsible bidder, but if the Council would like to reject all bids, they could.

Councilor Spahr made a motion to award the NW Pacific Avenue Reconstruction Project to Rognlin's Construction in the amount of \$1,284,960.00; to authorize a 10% contingency budget of \$138,540.00; and authorize the City Manager to execute all

project documents, including change orders, that do not exceed a total project cost of \$1,523,500.00. The motion was seconded by Councilor Lord and carried unanimously.

5. Bid Award – Snively Avenue Road and Utility Improvement Project. Trent Lougheed explained that the Snively Avenue Road and Utility Improvement project was driven by the failing 1950's era sewer main that serviced the area. The water system in the area also experiences frequent issues due to age and will be replaced at the same time. The project received seven bids and they were opened on March 31, 2021. The low bidder on this project was Rognlin's Construction.

The Snively Avenue Road and Utility Improvement project will also be split between three funds: 18% of the transportation benefit district (curb, gutter, and driveway approach replacements), 28% to the sewer fund, and 54% will be paid by the water fund. These percentages are estimates and are subject to change.

Councilor Spahr made a motion to award the Snively Avenue Road and Utility Improvement project to Rognlin's Construction in the amount of \$465,260.00; to authorize a 10% contingency budget of \$46,540.00; and authorize the City Manager to execute all project documents, including change orders, that do not exceed a total project cost of \$511,800.00. The motion was seconded by Councilor Pope and carried unanimously.

6. Bid Award – Main Street Resurfacing Project. Trent Lougheed informed the council that this project was funded by the Transportation Improvement Board Arterial Preservation Program which provides funding for the resurfacing of arterial streets. The project application was submitted in 2019, designed, and then delayed due to COVID. Seven bids were received and opened on March 18, 2021.

Councilor Ketchum asked when the projects would begin. Trent Lougheed stated that upon Council approval, documents would be sent to the corresponding contractors. These documents are required to be returned within twenty days, then the City has ten days to countersign and submit the documents. He anticipates a notice to proceed would be provided to these contractors in approximately one month. All projects are planned to be completed before the end of summer.

Councilor Spahr made a motion to award the Main Street Resurfacing Project to Barcott Construction in the amount of \$459,271.70; to authorize a 10% contingency budget of \$45,928.30; and authorize the City Manager to execute all project documents, including change orders, that do not exceed a total project cost of \$505,200.00. The motion was seconded by Councilor Lord and carried unanimously.

7. Consultant Supplemental Agreement for Engineering Services with Gibbs and Olson for the Main Street Resurfacing Project. Trent Lougheed explained this was part of the Main Street Resurfacing Project and would include updated ADA compliant ramps and sidewalk replacements. Supplemental agreements are completed after the bids have been opened since they are based upon a percentage of the project cost.

Councilor Spahr made a motion to approve the supplemental agreement for engineering services with Gibbs and Olson for an amount not to exceed \$47,782 for construction engineering services of the Main Street Resurfacing Project and authorize the related expenditures, including the use of TBD funds for the local match. The motion was seconded by Councilor Lord and carried unanimously.

8. Approval to Submit FAA Grant Application for Airfield Pavement Rehabilitation Project. City Manager Anderson explained that this grant would provide 100% funding for the Airfield Pavement Rehabilitation Project. Brandon Rakes explained that this project would focus on both ends of the airport runways and much of the taxiway. This project will focus on repairs to the concrete and pavement instead of replacement.

Councilor Spahr made a motion to approve the application; authorize acceptance of the grant funds upon award; authorize the City Manager to execute all documents necessary to apply for and accept the grant; and designate that these funds be used for the Airfield Pavement Rehabilitation Project.

After discussion, Councilor Spahr amended his motion to approve the application; authorize acceptance of the grant funds up to \$874,000 upon award; authorize the City Manager to execute all documents necessary to apply for and accept the grant; and designate that these funds be used for the Airfield Pavement Rehabilitation Project. The motion was seconded by Councilor Pope and carried unanimously.

9. Resolution No. 5-2021 and Resolution No. 6-2021 First and Final Reading – EMS Levy Renewal. City Manager Anderson explained that staff was following up on direction provided by the Council at the February 8, 2021 City Council Meeting.

Resolution Number 5-2021 is for the primary election in August and Resolution Number 6-2021 is for the general election in November. Two resolutions are being presented since the deadline for the general election is the day of the primary election, so the city would be unable to place the EMS levy on the ballot for November, should it fail in August. If the EMS levy passes in August, staff will be able to withdraw it from the November ballot.

Councilor Spahr made a motion to adopt Resolution Number 5-2021 and Resolution Number 6-2021 on first and final readings; authorize the submission of ballot propositions for the August 3, 2021 primary election and the November 2, 2021 general election to provide Chehalis voters the opportunity to consider renewal of the City's existing Emergency Medical Services (EMS) Levy. The motion was seconded by Councilor Pope and carried unanimously.

10. **Administration Reports.**

a. **City Manager Update.** City Manager Anderson announced that the Chamber of Commerce would be hosting their annual banquet this year.

11. **Councilor Reports/Committee Updates.**

a. **Councilor Spahr.** Councilor Spahr announced that there was a community meeting regarding Westside Park and representatives from the group would approach the City with suggestions.

b. **Councilor Lund.** Councilor Lund stated that Chehalis-Centralia Railroad and Museum was providing train rides and repairs to the steam engine would begin soon. Councilor Lund also expressed a desire to see the water issue on Mr. Ryan's property on Hilltop Road addressed.

c. **Councilor Bannan.** Councilor Bannan expressed frustration with the homelessness issue in the area and looked forward to discussions to help alleviate these issues.

d. **Councilor Pope.** Councilor Pope inquired if strategic planning sessions would be revisited. City Manager Anderson informed the Council that due to COVID restrictions the process had been delayed but the intent was to continue once restrictions are lifted.

e. **Mayor Dawes.** Mayor Dawes and Brandon Rakes participated on KELA's "Lets Talk About It" segment. Topics included the airport, homelessness issues, and a variety of other topics.

12. **Executive Session.** Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(i) – Litigation/Potential Litigation, not to exceed 6:30 pm and there would be no action following conclusion of the executive session. Mayor Dawes closed the regular meeting at 6:06 pm. At 6:30 pm, Mayor Dawes announced additional time was needed in executive session not to exceed 6:45 pm. Following conclusion of the executive session, the regular meeting was reopened at 6:39 pm and immediately adjourned.

Dennis L. Dawes, Mayor

Kiley Franz, Interim City Clerk

Approved:

Initials: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

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

MEETING OF: April 26, 2021

SUBJECT: Vouchers and Transfers – Accounts Payable in the Amount of \$499,343.63

ISSUE

City Council approval is requested for Vouchers and Transfers dated April 15, 2021.

DISCUSSION

The April 15, 2021 claim vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Claim Vouchers No. 131507-131613 and 131616-131620, Electronic Funds Transfer Check Nos. 5 – 8, 1236 – 1262 and Voided Check Nos. 131614 and 131615 in the amount of \$499,343.63 dated April 15, 2021 which includes the transfer of:

- \$ 174,813.42 from the General Fund
- \$ 486.35 from the Dedicated Street Fund – 4% Sales Tax
- \$ 1,468.33 from the Transportation Benefit District Fund
- \$ 14,038.39 from the Tourism Fund
- \$ 1,991.04 from the LEOFF 1 OPEB Reserve Fund
- \$ 17,902.28 from the Public Facilities Reserve Fund
- \$ 126,368.24 from the Wastewater Fund
- \$ 38,932.88 from the Water Fund
- \$ 4,254.94 from the Storm & Surface Water Utility Fund
- \$ 64,680.37 from the Airport Fund
- \$ 8,134.57 from the Custodial Court Fund
- \$ 46,272.82 from the Custodial Other Agency Fund

RECOMMENDATION

It is recommended that the City Council approve the April 15, 2021 Claim Vouchers No. 131507-131613 and 11616-131620, Electronic Funds Transfer Check Nos. 5 – 8, 1236 – 1262 and Voided Check Nos. 131614 and 131615 in the amount of \$499,343.63.

SUGGESTED MOTION

I move that the City Council approve the April 15, 2021 Claim Vouchers No. 131507-131613 and 131616-131620, Electronic Funds Transfer Check Nos. 5 – 8, 1236 – 1262 and Voided Check Nos. 131614 and 131615 in the amount of \$499,343.63.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tammy Baraconi, Planning and Building Manager

MEETING OF: April 26, 2021

SUBJECT: Ordinance No. 1018-B, First Reading – Updating the CMC 17.10 International Building Codes

ISSUE

The International Building Code is updated approximately every three years. Washington State then reviews and adopts the code for implementation throughout the State.

DISCUSSION

The International Building Code (IBC) is updated approximately every three years. The Washington State Building Code Council then recommends adoption with amendments to the Washington State Legislature. The Legislature then adopts the codes with amendments and enacts them Statewide through the Revised Code of Washington (RCW) 19.27 the State Building Code Act.

The 2018 International Building Code was slated to be enacted with local jurisdictions by July 1, 2020. However, with the impacts of COVID-19 on the building field and local government, the State delayed the implementation of the 2018 IBC first until October 1, 2020 and then February 1, 2021. In early January, as staff was preparing the documents to bring forward to City Council for updates, it was announced that the code would once again be delayed until July 1, 2021. Approximately ten days later, the State reversed their decision and required the code to be implemented by February 1, 2021. Because of the late change in the decision; a significant increase in single-family home permit applications in January; workload of the staff and City Attorney; the code changes have not been able to be scheduled for consideration until now.

KEY CHANGES IN PROPOSED CODE

Currently the City's building code is found in Chapter 17, Appendix Chapter E. Staff proposes that this code be moved to CMC 17.10, making it easier for the public to find. With one exception: changes in the IBC from 2015 to 2018 are minor in nature and amendments proposed for the City of Chehalis are administrative in nature. The exception is the Washington State Energy Code (WSEC), found in RCW 19.27A and is required to be adopted along with the IBC. The rise in insulation, sealing/vapor barriers, windows, and under floor insulation requirements have all risen. The WSEC is proving to be challenging for many of our local developers which is why there was an influx of building permit applications at the end of January.

It is important for the public and the City Council to know that RCW 17.27A.030(6) does not allow local jurisdictions to adopt or create an energy code that is less stringent than what has been adopted by the State.

FISCAL IMPACT

There are no fiscal impacts to the City in the adoption of the building code.

RECOMMENDATION

It is recommended that the City Council pass on first reading Ordinance No. 1018-B CMC 17.10 Building Code with amendments.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 1018-B on first reading.

ORDINANCE NO. 1018-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON ADOPTING THE INTERNATIONAL BUILDING CODES AND IN FURTHERANCE, AND AMENDING THE ADOPTED CODES HEREIN, ADOPTING CODE APPENDICES, ADOPTING THE NATIONAL ELECTRIC CODE, THE INTERNATIONAL PROPERTY MAINTENANCE CODE, THE INTERNATIONAL EXISTING BUILDING CODE, THE INTERNATIONAL URBAN-WILDLAND INTERFACE CODE, AND APPROVING A SUMMARY FOR PUBLICATIONS AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHEHALIS

WASHINGTON, as follows:

Section 1: Code Adoption: The City of Chehalis adopts the following codes:

THE CHEHALIS BUILDING CODE.

(A). Adopted. International Building Code. There is adopted and by this reference made a part of this chapter as though fully set forth herein, at length, that certain code, known as the International Building Code, or most current edition, as amended by Washington Administrative Code Chapter 51-50, including the appendices G, Flood Resistant Construction; I, Patio Covers; and J, Grading as the Building Code and Residential Code of the City of Chehalis; provided that those sections of the International Building code are amended to read as set forth in Section 2.

(B) Adopted. International Residential Code. There is adopted and by this reference made a part of this chapter as though fully set forth herein, at length, that certain code, known as the Residential Building Code, or most current edition, as amended by Washington Administrative Code Chapter 51-51, including the appendices G, Swimming Pools, Spas, and

Hot Tubs; and H, Patio Covers as the Residential Code of the City of Chehalis; provided that those sections of the International Residential code are amended to read as set forth in Section 2.

(C) Adopted. The National Electric Code, 2017 Edition or most current edition.

(D) Adopted. The Uniform Plumbing Code or most current edition, as amended by the Washington Administrative code Chapter 51-56, published by the International Association of Plumbing and Mechanical Officials, as amended by the Washington Administrative Code 51-56, including Appendix M as amended; provided that any provisions of such code affecting fuel gas piping are not adopted, is adopted as the plumbing code of the city.

(E) Adopted. International Mechanical Code. There is adopted and by this reference made a part of this chapter as though fully set forth herein, at length, that certain code, known as the International Mechanical Code, or most current edition, as amended by Washington Administrative Code Chapter 51-52, published by the International Code Council and the mechanical code of the city, and the International Fuel Gas Code, except that the standards for liquefied petroleum gas installations shall be NFPA 58 (Storage and Handling of Liquefied Petroleum Gases) and ANSI Z223.1/NFPA 54 (National Fuel Gas Code, as the mechanical code of the City.

(F) Adopted. International Property Maintenance Code. There is adopted and by reference made a part of this chapter as though fully set forth herein, at length, that certain code known as the International Property Maintenance Code or latest edition published by the International Code Council provided that these sections are amended to read as set forth in Section 2.

(G) Adopted. The Washington International Energy Conservation Code or most current version as adopted by the state of Washington.

(H) Adopted. The International Existing Building Code or most current edition, published by the International Code Council.

(I) Adopted. International Fire Code. There is adopted, except as amended in this chapter that certain code known as the International Fire Code, or most current edition, as amended by the Washington Administrative Code Chapter 51-54, including those standards of the National Fire Protection Association specifically referenced in the International Fire Code: PROVIDED, That, notwithstanding any wording in this code, participants in religious ceremonies shall not be precluded from carrying hand-held candles. Section 308.3.1, Open-flame cooking devices, is deleted in its entirety. Section 503, Fire apparatus access roads, is adopted and appendices are adopted, provided that these sections are amended to read as set forth in Section 2.

(J) Adopted. International Urban-Wildlife Interface Code, Chapters 2, 3, and 4 and Appendix E, as published by the International Code Council.

Section 2: Code Amendments.

(A) Amended. The International Building Code as adopted in Section 1 is amended to read as follows:

Section 101.1.

These regulations shall be known as the Building Code of the City of Chehalis, Washington, hereinafter referred to as “this code.”

Section 101.4.1, Electrical.

The provisions of the 2017 National Electric Code as adopted in City of Chehalis Municipal Code Chapter 17.10.010(C) shall apply to the installation of electrical systems, including alterations, repairs, replacement, equipment, appliances, fixtures, fittings and appurtenances thereto.

Section 101.4.4, Plumbing.

The provisions of the 2018 Uniform Plumbing Code as adopted by City of Chehalis Municipal Code Chapter 17.10.010(D) shall apply to the installation, alteration, repair and

replacement of plumbing systems, including equipment, appliances, fixtures, fittings and appurtenances, and where connected to a water or sewage system and all aspects of a medical gas system. The provisions of the State of Washington requirements for private sewage disposal shall apply to private sewage disposal systems.

Section 101.4.5, 2018 International Property Maintenance Code.

The provisions of the 2018 International Property Maintenance Code as adopted by City of Chehalis Municipal Code Chapter 17.10.010(F) shall apply to existing structures and premises; equipment and facilities; light, ventilation, space heating, sanitation, life and fire safety hazards, responsibilities of owners, operators and occupants; and occupancy of existing premises and structures.

Section 101.4.7, 2018 Washington State Energy Code.

The provisions of the 2018 Washington International Energy Conservation Code/Washington State Energy Code adopted by City of Chehalis Chapter 17.10.010(G) shall apply to all matters governing the design and construction of buildings for energy efficiency and will be known as the Washington State Energy Code.

Section 105.5, Expiration.

Every permit issued shall become invalid unless the work authorized by such permit is inspected within 180 days after its issuance, and within 180 days thereafter for all required inspections per section 109. If the work authorized by such permit is suspended or abandoned for a period of 180 days after the last required inspection the building official is authorized to grant, in writing, up to two extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated.

Section 108.3 shall have a new sentence added to the end of the paragraph as follows:

The value for commonly built structures shall be determined by using the Building Code and Permit fees as established in Chehalis Municipal Code 17.10.020.

Section 109.3.9, Special inspections.

Special inspections required by this code and Section 1704 shall be made by Special Inspection Labs and Inspectors certified and approved by Washington Association of Building Officials (WABO) or based upon adequate documentation and approved national certification, the Building Official can approve an Agency for inspection and testing work.

The following sections of the International Building Code, 2018 Edition, are deleted:

- a. Section 112—Board of appeals.
- b. Section 113.2—Notice of violation.
- c. Section 113.3—Prosecution of violation.
- d. Section 113.4—Violation penalties.

(B) Amended. The International Residential Code as adopted in Section 1 is

amended to read as follows:

Section 105.5, Expiration.

Every permit issued shall become invalid unless the work authorized by such permit is inspected within 180 days after its issuance, and within 180 days thereafter for all required inspections per section 109. If the work authorized by such permit is suspended or abandoned for a period of 180 days after the last required inspection the building official is authorized to grant, in writing, up to two extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated.

R109.2, Inspection agencies.

The building official is authorized to accept reports of approved agencies, provided such agencies satisfy the requirements as to qualifications and reliability as required by Washington Association of Building Officials (WABO) requirements for Special Inspection Agencies or based upon adequate documentation and approved national certification the Building Official can approve an Agency for inspection and testing work.

Table R301.2(a), Climatic and Geographic Design Criteria, to be filled in as follows:

Ground Snow Load: 25 psf. Minimum design is 25 psf.

Wind Speed (mph): 85 mph 3-second gust

Seismic Design Category: D1

Subject to Damage From Weathering: Moderate

Frost Line Depth: 12"

Termite: Slight to moderate

Decay: moderate to severe

Winter Design Temp.: 25° F

Air Freezing Index: 172

Mean Annual Temperature: 52° F

(C) Amended. The International Property Maintenance Code as adopted

in Section 1 is amended to read as follows:

Section 103.1, General.

[A] 103.1 General. The department of property maintenance inspection is hereby created and the executive official in charge thereof shall be known as the Director of Community

Development or his/her designee. All references to “code official” shall mean the Director of Community Development or his/her designee.

Section 103.2, Appointment.

[A] 103.2 Appointment. The Director of Community Development is hereby appointed as the “code official.”

Section 106, Violations, shall be reinstated in its entirety with the following amendments:

[A] 106.3 Prosecution of violation. Any person failing to comply with a notice of violation or order served in accordance with Section 107 shall be deemed guilty of a misdemeanor or civil infraction as indicated in CMC Chapter 17.10.040, and the violation shall be deemed a strict liability offense. If the notice of violation is not complied with, the code official shall institute the appropriate proceeding at law or in equity to restrain, correct or abate such violation, or to require the removal or termination of the unlawful occupancy of the structure in violation of the provisions of this code or of the order or direction made pursuant thereto. Any action taken by the authority having jurisdiction on such premises shall be charged against the real estate upon which the structure is located and shall be a lien upon such real estate.

[A] 106.4 Violation penalties. Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall be prosecuted in accordance with CMC Chapter 17.10.040. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 107, Notices and orders, shall be reinstated in its entirety with the following amendment:

[A] 107.5 Penalties. Penalties for noncompliance with orders and notices shall be as set forth in CMC Chapter 17.10.040.

Section 111, Means of appeals.

[A] 111.1 Application for appeal. Any person directly affected by a decision of the code official or a notice or order issued under this code shall have the right to appeal to the Hearings Examiner, provided that a written application for appeal is filed within 20 days after the day the decision, notice or order was served. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply, or the requirements of this code are adequately satisfied by other means.

[A] 111.4 Open hearing. Hearings before the Hearings Examiner shall be open to the public. The appellant, the appellant’s representative, the code official and any person whose interests are affected shall be given an opportunity to be heard.

[A] 111.5 Postponed hearing. Postponement or continuance of an appeal maybe requested by either Party to the matter. All postponements or continuances of a hearing shall be approved or denied by the Hearings Examiner.

[A] 111.6.1 Records and copies. The decision of the Hearings Examiner shall be recorded. Copies shall be furnished to the appellant and to the code official.

[A] 111.6.2 Administration. The code official shall take immediate action in accordance with the decision of the board.

[A] 111.7 Court review. Any person, whether or not a previous party of the appeal, shall have the right to apply to the appropriate court for a writ of certiorari to correct errors of law. Application for review shall be made in the manner and time required by law following the filing of the decision in the office of the chief administrative officer.

[A] 111.8 Stays of enforcement. Appeals of notice and orders (other than Imminent Danger notices) shall stay the enforcement of the notice and order until the appeal is heard by the Hearings Examiner.

(D) Amended. The International Fire Code as adopted in Section 1 is amended to read as follows:

Section 101.1, Title.

These regulations shall be known as the Fire Code of the City of Chehalis hereinafter referred to as “this code.”

i. Wherever the word “jurisdiction” is used in the International Fire Code, it means the City of Chehalis.

ii. Wherever the term “corporate counsel” is used in the International Fire Code, it means the attorney for the City of Chehalis.

iii. “Fire Department” means the Riverside Fire Authority.

iv. “Fire Chief” means the chief of the Chehalis Fire Department or his/her designee.

b. Section 3404.2.9.5.1, Locations where above-ground tanks are prohibited.

The limits referred to in Section 3404.2.9.5.1 of the International Fire Code in which storage of Class I and Class II liquids outside in aboveground storage tanks is prohibited, are established as [insert zones, areas, etc.], except for tanks that comply with Section 3404.2.8 Vaults.

c. Section 3804.2, Maximum capacity within established limits.

The limits referred to in Section 3804.2 of the International Fire Code in which liquefied petroleum gas is restricted are established in Table 3804.3 when referring to above-ground containers.

d. Appendix B, Section B105, Fire-Flow Requirements for Buildings.

B105.1 One and two family dwellings. Water tender credit, as established by the Washington Surveying and Rating Bureau, shall be permitted to satisfy the minimum fire-flow and flow duration requirements for one and two family dwellings in the Urban Growth Area (UGA).

2. The following sections of the International Fire Code are deleted:
 - a. Section 108, Board of appeals.
 - b. Section 109.2, Notice of violation.
 - c. Section 109.2.1, Service.
 - d. Section 109.2.2, Compliance with orders and notices.
 - e. Section 109.2.3, Prosecution of violations.
 - f. Section 109.3, Violation penalties.
 - g. Section 109.3.1, Abatement of violations.

Section 3: Building Code Review and Permit Fees. The determination of value or valuation under any of the provisions of this code shall be made by the building official based on the valuation data established by the International Code Council (ICC) or other nationally recognized building organizations under the provisions of building standards valuation data for commercial projects, and as established in the city of Chehalis standardized table for residential projects. The value to be used in computing the building and building plan review fees shall be the total of all construction work for which the permit is issued as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, and other permanent equipment.

All building code review and permit fees are established by the ordinance by the City Council as currently adopted or amended in the future.

Section 4: Fire Code Permit, Plan Review and Inspection Fees.

A. For installation or alteration of any of the following systems or devices, the fee will be based on the Chehalis Fee Schedule as adopted by the City Council or amended in the future.

*Contact Chehalis Fire Department for fees.

1. Fire alarm systems.
2. Fire extinguishing systems.
3. Smoke removal systems.
4. Kitchen hood and duct systems.
5. Dust removal systems.
6. Flammable/combustible liquids.
7. Application of flammable/combustible finishes.
8. Commercial drying ovens.
9. Compressed gas systems.
10. Explosives/magazines.
11. LPG installations.
12. Hazardous materials storage.
13. Refrigeration systems.
14. Technical assistance provisions of UFC 103.1.1.
15. All other fire protection requirements such as access, calculation of fire flow or life safety requirements or other reviews conducted pursuant to the international codes, standards and ordinances adopted by the city.

Section 5: Violations, Abatement and Penalties.

A. Investigation of Complaint. Upon receipt of information or upon personal observation that a violation exists as defined in this chapter, the enforcement officer shall cause an investigation of the matter and premises involved. All entries upon

premises for the purpose of this chapter shall be subject to subsection (I) of this section.

B. Abatement Procedure. After having made a finding that a violation exists, the enforcement officer shall require the owner of the premises involved, as listed by the Lewis County assessor's office, to abate the violation at his or her own cost and expense, in whole or in part. The enforcement officer shall give written notice to the owner describing the property involved, the condition to be corrected, and a specified reasonable time within which the owner must correct the condition, which shall not be less than fourteen days from the date of service by mail as evidenced by the postmark on the notice. In the event of an emergency condition, of which the enforcement officer shall be the sole judge, the time of compliance may be reduced to twenty-four hours. The notice must further specify:

1. That if the owner fails to abate the violation within the specified period of time, the city shall cause the work to be performed and shall assess all or any portion of the cost thereof against the owner;
2. That the owner may be liable for civil penalties for each day or part of day that the condition continues to exist following the notice; and
3. That the owner additionally may be liable to criminal prosecution, as provided in this chapter.

C. Service of Notice of Violation. The notice given by the enforcement officer to the owner shall be deposited in the United States Mail by certified mail with a return receipt requested or shall be personally served by delivering a copy thereof to the owner or by leaving the same with a person of suitable age (eighteen years or older) and discretion at the owner's place of residence. If the owner is not a resident of the city, the notice shall be served by leaving the same with the tenant in possession of the property or, if there is no such tenant, by posting a copy of the notice in a conspicuous place on the property involved, and by mailing a copy thereof to the owner at his or her last known address as listed by the Lewis County assessor's office, if any. Service by mail will be deemed complete at the end of the third full day following its deposit in the U.S. Mail, postage prepaid.

D. Failure to Comply with Notice of Violation. After the time for compliance and a notice of violation has expired, the code enforcement officer shall reinspect the premises and determine if the violation has been abated as required in the notice of violation. In the event of no action or insufficient action to abate the violation, the code enforcement officer may take any and all means necessary to enforce the applicable code, including but not limited to: issuance of civil infractions, issuance of criminal citations, commencement of civil, criminal, and equitable proceedings with the assistance of the city attorney to abate a violation and have the violation abated by the city.

E. Liability for Costs of Abatement. The property owner shall be liable for all costs and expenses associated with a violation abatement conducted by the city of any building, structure or on the premises. In all cases where the city abates any such violation, the enforcement officer shall keep an account of all costs and expenses attending such abatement. The amount of the cost of such abatement shall be assessed against the real property upon which such cost was incurred unless such amount is previously paid. Upon certification to the Lewis County treasurer by the finance director of the city of Chehalis, the treasurer shall enter the amount of such assessment upon the tax rolls against the property for the current year and the same shall become a part of the general taxes for that year to be collected at the same time and with interest at such rates and in such manner as provided for delinquent taxes, and when collected to be deposited to the credit of the general fund of the municipality. The assessment shall constitute a lien against the property which shall be of equal rank with state, county and municipal taxes. The city shall reserve the right to negotiate with property owners to recover the costs of abatement.

F. Liability for Continuing Violation. Every successive owner or occupant of property who neglects to abate a continuing violation upon or in the use of such property caused by a former owner is liable thereof in the same manner as the owner who created it.

G. Cumulative Effect of Chapter. The provisions of this chapter shall be cumulative and in addition to the provisions of the now existing ordinances of the city, and shall not have the effect of repealing any ordinance of the city now in effect.

H. Violations—Civil Infraction—Misdemeanor—Gross Misdemeanor.

1. Any person, firm or corporation who knowingly violates or fails to comply with any term or provision of this chapter shall be deemed to have committed the following:
 - a. First Offense. Constitutes a Class 1 civil infraction with the maximum assessment not to exceed the amount of two hundred fifty dollars, not including statutory assessments.
 - b. Second Offense. Constitutes a misdemeanor and, if found guilty, shall be subject to a fine not to exceed one thousand dollars, plus costs and assessments, and/or imprisonment not to exceed ninety days or to both such fine and imprisonment. A second offense shall mean a violation of this chapter which is committed at the same location by the same individual within one calendar year of the first offense.
 - c. Third or Subsequent Offenses. Constitutes a gross misdemeanor and, if found guilty, shall be subject to a fine not to exceed five thousand dollars, plus costs and assessments, and/or imprisonment not to exceed three hundred and sixty-five days or both such fine and imprisonment. A third or subsequent offense shall mean a violation of this chapter which is committed at the same location by the same individual within one calendar year of the first offense.

I. Right of Entry for Inspection and Code Enforcement. Whenever necessary to make an inspection to enforce any provision of this code, or whenever there is reasonable cause to believe that there exists a violation of this code in any building or upon any premises within the jurisdiction of the city, any authorized official of the city may, upon presentation of proper credentials, enter such building or premises at all reasonable times to inspect the same or to perform any duty imposed upon him or her by this code; provided, that except in emergency situations, he or she shall first give the owner and/or occupant, if they can be located after reasonable effort, seventy-two hours' written notice of the authorized official's intention to inspect. In the event the owner and/or occupant refuses entry, the official is empowered to seek assistance from any court of competent jurisdiction in obtaining such entry.

Section 6: Hearings Examiner—Powers and duties. All appeals authorized by the codes shall be to the city's hearing examiner as established by Chapter 2.50 CMC. The hearing examiner shall utilize the procedures and penalties set forth in this chapter. The hearing examiner shall serve in lieu of all boards of appeals mentioned or described in the codes as adopted and amended by the city.

Section 7: Conflicts. The penalties provided in this chapter are intended to be in addition to, and not to supersede, any penalties provided in any of the codes adopted in CMC 17.10.010. In the event of a conflict between the penalty provisions of this chapter and the penalty provisions in any of the codes, this chapter shall control.

Section 8: Definition of Code Official. The term “code official” for purposes of all codes within this chapter shall mean the director of community development or his/her designee.

Section 9: Ordinance No’s 988B § 1, 976B § 1, 925B §§ 1-2, 858B § 13, 819B § 11, 769B §26, shall be, and the same are repealed.

Section 10: The summary attached hereto is approved for publication.

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 26th day of April, 2021.

By: _____
Dennis L. Dawes, Mayor

Attest:

Approved as to form:

City Clerk

City Attorney

Chapter 17.10

ADOPTION OF INTERNATIONAL BUILDING CODES AND STANDARD SPECIFICATIONS

Sections:

- 17.10.010 Codes adopted—Copies on file.
- 17.10.020 Building code review and permit fees.
- 17.10.030 Fire code permit, plan review and inspection fees.
- 17.10.040 Violations, abatement and penalties.
- 17.10.050 Hearings examiner—Powers and duties.
- 17.10.060 Conflicts.
- 17.10.070 Definition of code official.

17.10.010 Codes adopted—Copies on file.

A. The International Building Code, 2018 Edition, as amended by Chapter 51-50 WAC, including the Appendix Chapters G, Flood Resistant Construction; I, Patio Covers; and J, Grading.

1. The following sections of the International Building Code, 2018 Edition, are amended to read as follows:

a. Section 101.1.

These regulations shall be known as the Building Code of the City of Chehalis, Washington, hereinafter referred to as “this code.”

b. Section 101.4.1, Electrical.

The provisions of the 2017 National Electric Code as adopted in City of Chehalis Municipal Code Chapter 17.10.010(C) shall apply to the installation of electrical systems, including alterations, repairs, replacement, equipment, appliances, fixtures, fittings and appurtenances thereto.

c. Section 101.4.4, Plumbing.

The provisions of the 2018 Uniform Plumbing Code as adopted by City of Chehalis Municipal Code Chapter 17.10.010(D) shall apply to the installation, alteration, repair and replacement of plumbing systems, including equipment, appliances, fixtures, fittings and appurtenances, and where connected to a water or sewage system and all aspects of a medical gas system. The provisions of the State of Washington requirements for private sewage disposal shall apply to private sewage disposal systems.

d. Section 101.4.5, 2018 International Property Maintenance Code.

The provisions of the 2018 International Property Maintenance Code as adopted by City of Chehalis Municipal Code Chapter 17.10.010(F) shall apply to existing structures and premises; equipment and facilities; light, ventilation, space heating, sanitation, life and fire safety hazards, responsibilities of owners, operators and occupants; and occupancy of existing premises and structures.

e. Section 101.4.7, 2018 Washington State Energy Code.

The provisions of the 2018 Washington International Energy Conservation Code/Washington State Energy Code adopted by City of Chehalis Chapter 17.10.010(G) shall apply to all matters governing the design and construction of buildings for energy efficiency and will be known as the Washington State Energy Code.

f. Section 105.5, Expiration.

Every permit issued shall become invalid unless the work authorized by such permit is inspected within 180 days after its issuance, and within 180 days thereafter for all required inspections per section 109. If the work authorized by such permit is suspended or abandoned for a period of 180 days after the last required inspection the building official is authorized to grant, in writing, up to two extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated.

- g. Section 108.3 shall have a new sentence added to the end of the paragraph as follows:

The value for commonly built structures shall be determined by using the Building Code and Permit fees as established in Chehalis Municipal Code 17.10.020.

- h. Section 109.3.9, Special inspections.

Special inspections required by this code and Section 1704 shall be made by Special Inspection Labs and Inspectors certified and approved by Washington Association of Building Officials (WABO) or based upon adequate documentation and approved national certification, the Building Official can approve an Agency for inspection and testing work.

- 2. The following sections of the International Building Code, 2018 Edition, are deleted:

- a. Section 112—Board of appeals.
- b. Section 113.2—Notice of violation.
- c. Section 113.3—Prosecution of violation.
- d. Section 113.4—Violation penalties.

B. The International Residential Code, 2018 Edition, as amended by Chapter 51-51 WAC, including Appendix Chapters G, Swimming Pools, Spas, and Hot Tubs; H, Patio Covers and U-Dwelling Unit Fire Sprinkler Systems, V- Fire Sprinklers. In addition to the adoption of Appendices U and V above, any addition, alteration or restoration of one and two-family dwelling units and townhomes exceeding 50 percent of the value shall be required to comply with requirements for new dwelling units.

The following sections of the International Residential Code are amended to read as follows:

- 1. Section 105.5, Expiration.

Every permit issued shall become invalid unless the work authorized by such permit is inspected within 180 days after its issuance, and within 180 days thereafter for all required inspections per section 109. If the work authorized by such permit is suspended or abandoned for a period of 180 days after the last required inspection the building official is authorized to grant, in writing, up to two extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and justifiable cause demonstrated.

- 2. R109.2, Inspection agencies.

The building official is authorized to accept reports of approved agencies, provided such agencies satisfy the requirements as to qualifications and reliability as required by Washington Association of Building Officials (WABO) requirements for Special Inspection Agencies or based upon adequate documentation and approved national certification the Building Official can approve an Agency for inspection and testing work.

- 3. Table R301.2(a), Climatic and Geographic Design Criteria, to be filled in as follows:

Ground Snow Load: 25 psf. Minimum design is 25 psf.

Wind Speed (mph): 85 mph 3-second gust

Seismic Design Category: D1

Subject to Damage From Weathering: Moderate

Frost Line Depth: 12"

Termite: Slight to moderate

Decay: moderate to severe

Winter Design Temp.: 25° F

Air Freezing Index: 172

Mean Annual Temperature: 52° F

- C. The National Electric Code, 2017 Edition.
- D. The Uniform Plumbing Code, 2018 Edition.
- E. The International Mechanical Code, 2018 Edition.
- F. The International Property Maintenance Code, 2018 Edition.

The following sections of the International Property Maintenance Code, 2018 Edition, are amended:

1. Section 103.1, General.

[A] 103.1 General. The department of property maintenance inspection is hereby created and the executive official in charge thereof shall be known as the Director of Community Development or his/her designee. All references to “code official” shall mean the Director of Community Development or his/her designee.

2. Section 103.2, Appointment.

[A] 103.2 Appointment. The Director of Community Development is hereby appointed as the “code official.”

3. Section 106, Violations, shall be reinstated in its entirety with the following amendments:

[A] 106.3 Prosecution of violation. Any person failing to comply with a notice of violation or order served in accordance with Section 107 shall be deemed guilty of a misdemeanor or civil infraction as indicated in CMC Chapter 17.10.040, and the violation shall be deemed a strict liability offense. If the notice of violation is not complied with, the code official shall institute the appropriate proceeding at law or in equity to restrain, correct or abate such violation, or to require the removal or termination of the unlawful occupancy of the structure in violation of the provisions of this code or of the order or direction made pursuant thereto. Any action taken by the authority having jurisdiction on such premises shall be charged against the real estate upon which the structure is located and shall be a lien upon such real estate.

[A] 106.4 Violation penalties. Any person who shall violate a provision of this code, or fail to comply therewith, or with any of the requirements thereof, shall be prosecuted in accordance with CMC Chapter 17.10.040. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

4. Section 107, Notices and orders, shall be reinstated in its entirety with the following amendment:

[A] 107.5 Penalties. Penalties for noncompliance with orders and notices shall be as set forth in CMC Chapter 17.10.040.

5. Section 111, Means of appeals.

[A] 111.1 Application for appeal. Any person directly affected by a decision of the code official or a notice or order issued under this code shall have the right to appeal to the Hearings Examiner, provided that a written application for appeal is filed within 20 days after the day the decision, notice or order was served. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply, or the requirements of this code are adequately satisfied by other means.

[A] 111.4 Open hearing. Hearings before the Hearings Examiner shall be open to the public. The appellant, the appellant's representative, the code official and any person whose interests are affected shall be given an opportunity to be heard.

[A] 111.5 Postponed hearing. Postponement or continuance of an appeal maybe requested by either Party to the matter. All postponements or continuances of a hearing shall be approved or denied by the Hearings Examiner.

[A] 111.6.1 Records and copies. The decision of the Hearings Examiner shall be recorded. Copies shall be furnished to the appellant and to the code official.

[A] 111.6.2 Administration. The code official shall take immediate action in accordance with the decision of the board.

[A] 111.7 Court review. Any person, whether or not a previous party of the appeal, shall have the right to apply to the appropriate court for a writ of certiorari to correct errors of law. Application for review shall be made in the manner and time required by law following the filing of the decision in the office of the chief administrative officer.

[A] 111.8 Stays of enforcement. Appeals of notice and orders (other than Imminent Danger notices) shall stay the enforcement of the notice and order until the appeal is heard by the Hearings Examiner.

G. The 2018 Washington International Energy Conservation Code as adopted by the state.

H. The International Mechanical Code, 2018 Edition, as amended by Chapter 51-52 WAC, published by the International Code Council, and the International Fuel Gas Code, 2018 Edition, except that the standards for liquefied petroleum gas installations shall be NFPA 58 (Storage and Handling of Liquefied Petroleum Gases) and ANSI Z223.1/NFPA 54 (National Fuel Gas Code), as the mechanical code of the city.

I. The Uniform Plumbing Code, 2018 Edition, as amended by Chapter 51-56 WAC, published by the International Association of Plumbing and Mechanical Officials, as amended by Chapter 51-56 WAC, including Appendix M as amended; provided, that any provisions of such code affecting fuel gas piping are not adopted, is adopted as the plumbing code for the city.

J. The International Existing Building Code, 2018 Edition, published by the International Code Council.

K. The 2018 Edition of the International Fire Code, as amended.

L. The International Fire Code, 2018 Edition, as amended by Chapter 51-54 WAC, including those standards of the National Fire Protection Association specifically referenced in the International Fire Code; provided, that, notwithstanding any wording in this code, participants in religious ceremonies shall not be precluded from carrying handheld candles. Section 308.3.1, Open-flame cooking devices, is deleted in its entirety. Section 503, Fire apparatus access roads, is also adopted. Finally, such adoption shall include appendices.

1. The following sections of the International Fire Code are amended to read as follows:
 - a. Section 101.1, Title.

These regulations shall be known as the Fire Code of the City of Chehalis hereinafter referred to as “this code.”

- i. Wherever the word “jurisdiction” is used in the International Fire Code, it means the City of Chehalis.
- ii. Wherever the term “corporate counsel” is used in the International Fire Code, it means the attorney for the City of Chehalis.
- iii. “Fire Department” means the Chehalis Fire Department.
- iv. “Fire Chief” means the chief of the Chehalis Fire Department or his/her designee.

- b. Section 3404.2.9.5.1, Locations where above-ground tanks are prohibited.

The limits referred to in Section 3404.2.9.5.1 of the International Fire Code in which storage of Class I and Class II liquids outside in aboveground storage tanks is prohibited, are established as [insert zones, areas, etc.], except for tanks that comply with Section 3404.2.8 Vaults.

- c. Section 3804.2, Maximum capacity within established limits.

The limits referred to in Section 3804.2 of the International Fire Code in which liquefied petroleum gas is restricted are established in Table 3804.3 when referring to above-ground containers.

- d. Appendix B, Section B105, Fire-Flow Requirements for Buildings.

2. The following sections of the International Fire Code are deleted:

- a. Section 108, Board of appeals.
 - b. Section 109.2, Notice of violation.
 - c. Section 109.2.1, Service.
 - d. Section 109.2.2, Compliance with orders and notices.
 - e. Section 109.2.3, Prosecution of violations.
 - f. Section 109.3, Violation penalties.
 - g. Section 109.3.1, Abatement of violations.

M. International Urban-Wildland Interface Code, Chapters 2, 3, and 4 and Appendix E, as published by the International Code Council.

17.10.020 Building code review and permit fees.

The determination of value or valuation under any of the provisions of this code shall be made by the building official based on the valuation data established by the International Code Council (ICC) or other nationally recognized building organizations under the provisions of building standards valuation data for commercial projects, and as established in the city of Chehalis standardized table for residential projects. The value to be used in computing the building and building plan review fees shall be the total of all construction work for which the permit is issued as well as all finish work, painting, roofing, electrical, plumbing, heating, air conditioning, elevators, and other permanent equipment.

All building code review and permit fees are established by the ordinance by the City Council as currently adopted or amended in the future.

17.10.030 Fire code permit, plan review and inspection fees.

A. For installation or alteration of any of the following systems or devices, the fee will be based on the Chehalis Fee Schedule as adopted by the City Council or amended in the future.

*Contact Chehalis Fire Department for fees.

1. Fire alarm systems.
2. Fire extinguishing systems.
3. Smoke removal systems.
4. Kitchen hood and duct systems.
5. Dust removal systems.
6. Flammable/combustible liquids.
7. Application of flammable/combustible finishes.
8. Commercial drying ovens.
9. Compressed gas systems.
10. Explosives/magazines.
11. LPG installations.
12. Hazardous materials storage.
13. Refrigeration systems.
14. Technical assistance provisions of UFC 103.1.1.
15. All other fire protection requirements such as access, calculation of fire flow or life safety requirements or other reviews conducted pursuant to the international codes, standards and ordinances adopted by the city.

17.10.040 Violations, abatement and penalties.

A. Investigation of Complaint. Upon receipt of information or upon personal observation that a violation exists as defined in this chapter, the enforcement officer shall cause an investigation of the matter and premises involved. All entries upon

premises for the purpose of this chapter shall be subject to subsection (I) of this section.

B. Abatement Procedure. After having made a finding that a violation exists, the enforcement officer shall require the owner of the premises involved, as listed by the Lewis County assessor's office, to abate the violation at his or her own cost and expense, in whole or in part. The enforcement officer shall give written notice to the owner describing the property involved, the condition to be corrected, and a specified reasonable time within which the owner must correct the condition, which shall not be less than fourteen days from the date of service by mail as evidenced by the postmark on the notice. In the event of an emergency condition, of which the enforcement officer shall be the sole judge, the time of compliance may be reduced to twenty-four hours. The notice must further specify:

1. That if the owner fails to abate the violation within the specified period of time, the city shall cause the work to be performed and shall assess all or any portion of the cost thereof against the owner;

2. That the owner may be liable for civil penalties for each day or part of day that the condition continues to exist following the notice; and

3. That the owner additionally may be liable to criminal prosecution, as provided in this chapter.

C. **Service of Notice of Violation.** The notice given by the enforcement officer to the owner shall be deposited in the United States Mail by certified mail with a return receipt requested or shall be personally served by delivering a copy thereof to the owner or by leaving the same with a person of suitable age (eighteen years or older) and discretion at the owner's place of residence. If the owner is not a resident of the city, the notice shall be served by leaving the same with the tenant in possession of the property or, if there is no such tenant, by posting a copy of the notice in a conspicuous place on the property involved, and by mailing a copy thereof to the owner at his or her last known address as listed by the Lewis County assessor's office, if any. Service by mail will be deemed complete at the end of the third full day following its deposit in the U.S. Mail, postage prepaid.

D. **Failure to Comply with Notice of Violation.** After the time for compliance and a notice of violation has expired, the code enforcement officer shall reinspect the premises and determine if the violation has been abated as required in the notice of violation. In the event of no action or insufficient action to abate the violation, the code enforcement officer may take any and all means necessary to enforce the applicable code, including but not limited to: issuance of civil infractions, issuance of criminal citations, commencement of civil, criminal, and equitable proceedings with the assistance of the city attorney to abate a violation and have the violation abated by the city.

E. **Liability for Costs of Abatement.** The property owner shall be liable for all costs and expenses associated with a violation abatement conducted by the city of any building, structure or on the premises. In all cases where the city abates any such violation, the enforcement officer shall keep an account of all costs and expenses attending such abatement. The amount of the cost of such abatement shall be assessed against the real property upon which such cost was incurred unless such amount is previously paid. Upon certification to the Lewis County treasurer by the finance director of the city of Chehalis, the treasurer shall enter the amount of such assessment upon the tax rolls against the property for the current year and the same shall become a part of the general taxes for that year to be collected at the same time and with interest at such rates and in such manner as provided for delinquent taxes, and when collected to be deposited to the credit of the general fund of the municipality. The assessment shall constitute a lien against the property which shall be of equal rank with state, county and municipal taxes. The city shall reserve the right to negotiate with property owners to recover the costs of abatement.

F. **Liability for Continuing Violation.** Every successive owner or occupant of property who neglects to abate a continuing violation upon or in the use of such property caused by a former owner is liable thereof in the same manner as the owner who created it.

G. **Cumulative Effect of Chapter.** The provisions of this chapter shall be cumulative and in addition to the provisions of the now existing ordinances of the city, and shall not have the effect of repealing any ordinance of the city now in effect.

H. **Violations—Civil Infraction—Misdemeanor—Gross Misdemeanor.**

1. Any person, firm or corporation who knowingly violates or fails to comply with any term or provision of this chapter shall be deemed to have committed the following:

a. **First Offense.** Constitutes a Class 1 civil infraction with the maximum assessment not to exceed the amount of two hundred fifty dollars, not including statutory assessments.

b. **Second Offense.** Constitutes a misdemeanor and, if found guilty, shall be subject to a fine not to exceed one thousand dollars, plus costs and assessments, and/or imprisonment not to exceed ninety days or to both such fine and imprisonment. A second offense shall mean a violation of this chapter which is committed at the same location by the same individual within one calendar year of the first offense.

c. **Third or Subsequent Offenses.** Constitutes a gross misdemeanor and, if found guilty, shall be subject to a fine not to exceed five thousand dollars, plus costs and assessments, and/or imprisonment not to exceed three hundred and sixty-five days or both such fine and imprisonment. A third or subsequent

offense shall mean a violation of this chapter which is committed at the same location by the same individual within one calendar year of the first offense.

I. **Right of Entry for Inspection and Code Enforcement.** Whenever necessary to make an inspection to enforce any provision of this code, or whenever there is reasonable cause to believe that there exists a violation of this code in any building or upon any premises within the jurisdiction of the city, any authorized official of the city may, upon presentation of proper credentials, enter such building or premises at all reasonable times to inspect the same or to perform any duty imposed upon him or her by this code; provided, that except in emergency situations, he or she shall first give the owner and/or occupant, if they can be located after reasonable effort, seventy-two hours' written notice of the authorized official's intention to inspect. In the event the owner and/or occupant refuses entry, the official is empowered to seek assistance from any court of competent jurisdiction in obtaining such entry.

17.10.050 Hearings examiner—Powers and duties.

All appeals authorized by the codes shall be to the city's hearing examiner as established by Chapter 2.50 CMC. The hearing examiner shall utilize the procedures and penalties set forth in this chapter. The hearing examiner shall serve in lieu of all boards of appeals mentioned or described in the codes as adopted and amended by the city.

17.10.060 Conflicts.

The penalties provided in this chapter are intended to be in addition to, and not to supersede, any penalties provided in any of the codes adopted in CMC 17.10.010. In the event of a conflict between the penalty provisions of this chapter and the penalty provisions in any of the codes, this chapter shall control.

17.10.070 Definition of code official.

The term "code official" for purposes of all codes within this chapter shall mean the director of community development or his/her designee.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

MEETING DATE: April 26, 2021

SUBJECT: Ordinance No. 1019-B, First Reading – Amending the 2021 Budget

ISSUE

Ordinance No. 1019-B amending the 2021 Budget, is hereby submitted to reflect the changes in estimates and actual activities of the City since the adoption of the 2021 Budget.

Throughout the year, adjustments to the budget become necessary as a result of City Council actions, changes in estimates, activity levels that were not anticipated during budget development, and grant awards or other receipts of outside funding. Historically, the budget has been amended two or three times per year prior to the adoption of the next year’s budget.

DISCUSSION

This proposed amendment to the 2021 Budget includes the following key items:

- 1) Updates the estimated 2021 beginning fund balances for all funds to reflect the actual ending fund balances at the close of fiscal year 2020. This action has no impact on the 2021 revenues and expenditures budget but changes the estimated 2021 ending fund balances for all city funds.
- 2) Requests to carry over the remaining 2020 budget to 2021 for certain capital improvement projects that were approved in 2020 but are to be completed in 2021.
- 3) Requests for additional revenues and appropriations that were not included in the 2021 Adopted Budget.

2021 Budget Summary for the proposed amendment, including updated beginning fund balances, revenues, transfers-in, expenditures, transfers-out, and estimated ending fund balances and a detailed list of proposed budget amendment items are attached to the proposed Ordinance No. 1019-B as Exhibit “A” and Exhibit “A-1”.

The proposed budget amendments by fund are summarized as follows:

WCIA Insurance Premium Increase - City-Wide Departments

Additional appropriation of \$101,900 is needed for 2021 WCIA insurance premiums. The 2021 Adopted Budget includes a \$406,337 for 2021 WCIA insurance premiums, which was estimated at 11% increase from 2020. However, actual 2021 premium is \$507,195. This is an increase of \$142,030 or 39% from 2020, due to WCIA re-appraising all city properties for 2021 premium. WCIA did a similar process back in 2016. This increase affects the General Fund, Arterial Street Fund, Utilities funds, and Airport Fund.

General Fund

The proposed budget amendment increases the General Fund's revenues by \$233,425, increases appropriations by \$629,325 and increases transfers-out by \$400,000, resulting in a net decrease in fund balance by \$795,900.

Total revenue budget increase of \$233,425 is a grant reimbursement from State Recreation and Conservation Office (RCO) for the Flood Storage Master Plan study project expenditures.

Total appropriation increase of \$629,325 is proposed which includes the following:

- \$16,600 for General Fund portion of the WCIA insurance premium increase mentioned above.
- \$16,300 for one temporary, variable hourly part-time staff in the City Manager's Office.
- \$18,000 payment for settlement of a public records lawsuit.
- \$65,000 for new police evidence garage acquisition.
- \$62,000 for leases related to the site and mobile trailers for temporary fire station at the Airport site through August 2021.
- \$75,000 increase for contracted Building Inspector due to increased permit activity. The current adopted budget is \$37,000. This amendment increases the total budget for this service to \$112,000.
- \$120,000 increase for contracted Planner to assist with comp plan update and annexation. The current adopted budget is \$16,000. This amendment increases the total budget for this service to \$136,000.
- \$18,000 for one temporary, variable hourly part-time staff in the Planning and Building department to assist with records retention and public disclosure requests.
- \$5,000 increase for professional membership dues and subscriptions for Planning and Building staff.
- \$233,425 for professional services to complete the Flood Storage Master Plan project. The project cost was budgeted in 2020 but was not complete by end of 2020. State RCO grant reimburses 100% of this cost.

At the 3/8/2021 Council meeting, the City Council approved designating \$465,000 of the 2020 ending fund balance as Committed for the following specific purpose and use:

- \$200,000 for future retiree compensated absences.
- \$100,000 for vehicle replacement.
- \$100,000 for financial software upgrade.
- \$65,000 for police evidence garage.

The Police department plans to acquire an evidence garage in 2021 and has requested a budget amendment of \$65,000. The remaining \$400,000 is proposed to be transferred out to the appropriate

reserve funds as follows: \$200,000 to the Compensated Absences Fund and \$200,000 to the Automotive/Equipment Reserve Fund and set aside until funds are needed at a later date.

A summary of changes from the 2021 Adopted Budget to the 2021 proposed amended budget for the General Fund is provided below:

General Fund	2021 Adopted Budget	2021 Proposed Amended Budget	Increase (Decrease)
Revenues	\$ 9,693,089	\$ 9,926,514	\$ 233,425
Expenditures	9,829,925	10,459,250	629,325
Transfers- out	307,844	707,844	400,000
Net Revenues Over (Under) Expenditures	\$ (444,680)	\$ (1,240,580)	\$ (795,900)
Beginning Fund Balance ^	1,089,814	2,240,739	1,150,925
Estimated Ending Fund Balance	\$ 645,134	\$ 1,000,159	\$ 355,025

^Updated to reflect actual ending fund balance at the close of fiscal year 2020 for Amended Budget

Estimated Ending Fund Balance % of Revenues	6.7%	10.1%
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Arterial Street Fund

The proposed budget amendment increases the Arterial Street Fund's appropriations by \$1,900 due to the WCIA insurance premium increase.

Transportation Benefit District Fund

The proposed budget amendment increases the Transportation Benefit District Fund's revenues by \$461,740 and increases appropriations by \$656,800, resulting in a net decrease in fund balance by \$195,060.

The increased appropriations are related to the Main Street Grind and Inlay construction, NW Pacific Avenue and Snively Avenue construction, and Sitka Avenue road repair projects. The Main Street Grind and Inlay project was budgeted in 2020 but was not spent in 2020. State TIB grant reimburses 90% of the Main Street Grind and Inlay project cost. TIB grant revenue is estimated at \$461,740, which is included in the proposed budget amendment.

Compensated Absences Reserve Fund

The proposed budget amendment increases the Compensated Absences Reserve Fund's transfers-in by \$200,000. The funds are committed for accrued leave cash outs for future retirees.

Public Facilities Reserve Fund

The proposed budget amendment increases the Public Facilities Reserve Fund's revenues by \$320,710 and increases the appropriations by \$869,176, resulting in a net decrease in fund balance by \$548,466.

There are two major projects to be completed in 2021: 1) Recreation Park Renovation project and 2) Temporary Fire Station project. At the time the 2021 budget was being developed, it was anticipated that both projects would be completed by the end of 2020, therefore no budget was appropriated in the 2021 Adopted Budget.

Recreation Park: The Recreation Park project was substantially completed in 2020 except for release of retainage to construction contractor and some minor additional items. However, the Penny Playground

received substantial damage by a drunk driver in January. A total of \$418,000 appropriation is requested to complete the project in 2021 which includes the following:

- \$163,100 for ballfield construction retainage release and minor additional work
- \$ 21,100 for Penny Playground additional work
- \$147,300 for Penny Playground damage repair
- \$ 41,500 for William Ave & 13th Street parking lot improvement
- \$ 45,000 for additional maintenance equipment for the sports complex, including tractor mounted aerifier, broadcast sander and a thatcher.

The funding sources include a \$147,300 insurance reimbursement from WCIA for the damage repair cost, \$135,000 final grant payment from State RCO for the ballfield project, and \$18,560 grant from WCIA for playground safety barriers. The remaining project cost of \$117,140 is funded by the donations received for the Recreation Park renovation project.

Temporary Fire Station Relocation: A total appropriation of \$451,176 is requested to complete the temporary fire station relocation project which includes purchase and installation of a metal building for fire apparatus, a mobile home for office and living quarter, and site preparation construction and engineering services.

Funding sources for this project includes bond proceeds remaining at the end of 2020 in the amount of \$431,326 plus \$19,850 lease payment receivable from post-closure occupancy agreement which is to be credited to the purchase cost of a used mobile home. It is anticipated there may be some additional project costs due to change orders arising from unforeseen circumstances, which may require an additional budget request at a later date.

A summary of changes from the 2021 Adopted Budget to the 2021 proposed amended budget for the Public Facilities Reserve Fund is provided below:

	2021 Adopted Budget	2021 Proposed Amended Budget	Increase (Decrease)
Public Facilities Reserve Fund (301)			
Revenues	\$ 500	\$ 321,210	\$ 320,710
Expenditures	-	869,176	869,176
Net Revenues Over (Under) Expenditures	\$ 500	\$ (547,966)	\$ (548,466)
Beginning Fund Balance [^]	254,116	958,474	704,358
Estimated Ending Fund Balance	\$ 254,616	\$ 410,508	\$ 155,892

[^]Updated to reflect actual ending fund balance at the close of fiscal year 2020 for Amended Budget

The estimated ending fund balance at the end of 2021 is \$410,508 which is comprised of the following:

- \$140,441 donations received restricted for Recreation Park.
- \$111,000 assigned for future fire station related costs.
- \$159,067 assigned for future capital facility repairs and improvements approved by the City Council.

Automotive/Equipment Reserve Fund

The proposed budget amendment increases the Automotive/Equipment Reserve Fund's revenues by \$6,414, increases transfers-in by \$200,000, and increases appropriations by \$31,500, resulting in a net increase in fund balance by \$174,914.

The \$6,414 revenue is an insurance recovery for a police detective vehicle that was totaled in December 2020. Police department requested a budget to replace the totaled vehicle in 2021 at an estimated cost of \$31,500. The cost of a replacement vehicle, net of insurance recovery, is about \$25,000. The transfers-in is committed for future vehicle replacement and financial software upgrade for \$100,000 each.

Wastewater Fund

The proposed budget amendment increases the Wastewater Fund's appropriations by \$203,200 which includes \$59,900 for WCIA insurance premium increase and \$143,300 for Snively Avenue sewer main replacement construction.

Water Fund

The proposed budget amendment increases the Water Fund's appropriations by \$296,900 which includes \$23,700 for WCIA insurance premium increase and \$273,200 for Snively Avenue water main replacement construction.

Storm and Surface Water Fund

The proposed budget amendment increases the Storm and Surface Water Fund's appropriations by \$55,800 which includes \$1,200 for WCIA insurance premium increase and \$54,600 for NW Pacific Avenue storm line replacement construction.

Airport Fund

The proposed budget amendment increases the Airport Fund's revenues by \$1,846,070 and increases appropriations by \$1,359,153, resulting in a net increase in fund balance by \$486,917.

The revenue budget increase of \$1,846,070 includes the following:

- \$500,000 CARB loan proceeds for the Above Ground Fuel Storage project.
- \$449,070 FAA/AIP grant reimbursement for the Taxiway Realignment project costs incurred in 2020.
- \$ 23,000 FAA CRRSA grant (Coronavirus Response and Relief Supplemental Appropriation Act),
- \$874,000 FAA/AIP grant for the Airfield Pavement Rehabilitation project.

Total appropriations increase of \$1,359,153 requested includes the following:

- \$421,753 carry over of 2020 budget for the Above Ground Fuel Storage project. The 2021 Adopted Budget includes \$700,000 for this project. This amendment increases the total budget for this project to \$1,121,753. The project is expected to be completed in 2021.
- \$ 23,000 for additional principal payment for Arkansas Way loan with FAA/CRRSA grant
- \$ 42,800 for unexpected cost incurred for hangar door replacement and main gate repair.
- \$ 2,400 budget reduction for WCIA insurance premium expenditures to reflect actual.
- \$874,000 for Airfield Pavement Rehabilitation project, which is 100% funded by FAA/AIP grant.

City-Wide Summary

The proposed budget amendment revises the budgeted amount by a combined net total decrease in fund balance by \$1,235,395 and a total estimated ending fund balance to \$22,651,649 as provided below:

City-wide (All Funds)	2021 Adopted Budget	2021 Proposed Amended Budget	Increase (Decrease)
Revenues	\$ 23,329,542	\$ 26,197,901	\$ 2,868,359
Transfers-In	662,734	1,062,734	400,000
Expenditures	24,587,576	28,691,330	4,103,754
Transfers-out	662,734	1,062,734	400,000
Net Revenues Over (Under) Expenditures	\$ (1,258,034)	\$ (2,493,429)	\$ (1,235,395)
Beginning Fund Balance^	19,560,947	25,145,078	5,584,131
Estimated Ending Fund Balance	\$ 18,302,913	\$ 22,651,649	\$ 4,348,736

^Updated to reflect actual ending fund balance at the close of fiscal year 2020 for Amended Budget

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 1019-B on first reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 1019-B on first reading.

ORDINANCE NO. 1019-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE 2021 FISCAL YEAR BUDGET ADOPTED BY ORDINANCE NO. 1013-B BY REVISING THE BUDGETED AMOUNTS BY A COMBINED TOTAL OF ONE MILLION TWO HUNDRED THIRTY-FIVE THOUSAND AND THREE HUNDRED NINETY-FIVE DOLLARS (\$1,235,395) FOR THE GENERAL FUND, ARTERIAL STREET FUND, TRANSPORTATION BENEFIT DISTRICT FUND, COMPENSATED ABSENCES RESERVE FUND, PUBLIC FACILITIES RESERVE FUND, AUTOMOTIVE/EQUIPMENT RESERVE FUND, WASTEWATER FUND, WATER FUND, STORM & SURFACE WATER FUND, AND AIRPORT FUND AND DIRECTING THE FINANCE DIRECTOR TO EFFECT THE BUDGET AMENDMENTS HEREIN PROVIDED.

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

Section 1. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the General Fund's revenues by \$233,425, increase transfers out by \$400,000, and increase appropriations by \$629,325.

Section 2. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Arterial Street Fund's appropriations by \$1,900.

Section 3. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Transportation Benefit District Fund's revenues by \$461,740 and increase appropriations by \$656,800.

Section 4. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Compensated Absences Reserve Fund's transfers-in by \$200,000.

Section 5. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Public Facilities Reserve Fund's revenues by \$320,710 and increase appropriations by \$869,176.

Section 6. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Automotive/Equipment Reserve Fund's revenues by \$6,414, increase transfers-in by \$200,000, and increase appropriations by \$31,500.

Section 7. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Wastewater Fund's appropriations by \$203,200.

Section 8. The annual budget of the city for the calendar year 2021 shall be, and the

same hereby is, amended to increase the Water Fund's appropriations by \$296,900.

Section 9. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Storm and Surface Water Fund's appropriations by \$55,800.

Section 10. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended to increase the Airport's revenues by \$1,846,070 and appropriations by \$1,359,153.

Section 11. Attached hereto and identified as Exhibit A, in summary form, is 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 2021 budget which shows a total estimated ending fund balance of \$22,651,649.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** on its first reading at a regularly scheduled open public meeting thereof this ____ day of _____, 2021.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CITY OF CHEHALIS "FIRST " AMENDED 2021 BUDGET 2021
BUDGET SUMMARY REVISED WITH ORDINANCE NO. 1019-B**

FUND NO.	FUND NAME	ACTUAL BEGINNING FUND BALANCE 01/01/2021	REVENUES	TRANSFERS IN	EXPENDITURES	TRANSFERS OUT	ESTIMATED ENDING FUND BALANCE 12/31/2021	INCREASE (DECREASE) IN FUND BALANCE	% CHANGE
001	General Fund (Current Expense)	\$ 2,240,739	\$ 9,926,514	\$ -	\$ 10,459,250	\$ 707,844	\$ 1,000,159	\$ (1,240,580)	-55.4%
003	Dedicated Street	188,475	150	116,800	184,520	-	120,905	(67,570)	-35.9%
004	Building Abatement	51,614	100	-	-	-	51,714	100	0.2%
102	Arterial Street	98,528	160,600	-	168,300	-	90,828	(7,700)	-7.8%
103	Transportation Benefit District	3,105,160	1,561,740	-	1,637,650	-	3,029,250	(75,910)	-2.4%
107	Tourism	110,053	219,500	-	185,000	71,563	72,990	(37,063)	-33.7%
110	Compensated Absences Reserve	198,020	400	200,000	200,000	-	198,420	400	0.2%
115	LEOFF 1 OPEB Reserve	101,107	100	244,000	168,300	-	176,907	75,800	75.0%
195	Community Development Block Grant	24,592	50	-	1,000	-	23,642	(950)	-3.9%
197	HUD Block Grant	88,424	180	-	2,000	-	86,604	(1,820)	-2.1%
200	General Obligation Bond	5	-	301,934	301,934	-	5	-	0.0%
301	Public Facilities Reserve	958,474	321,210	-	869,176	-	410,508	(547,966)	-57.2%
302	Automotive/Equipment Reserve	108,178	6,514	200,000	46,500	-	268,192	160,014	147.9%
305	First Quarter REET	217,375	115,100	-	-	130,196	202,279	(15,096)	-6.9%
306	Second Quarter REET	240,627	110,700	-	-	75,131	276,196	35,569	14.8%
402	Garbage	8,318	6,115	-	6,100	-	8,333	15	0.2%
404	Wastewater	5,368,364	5,513,500	-	5,848,470	-	5,033,394	(334,970)	-6.2%
405	Water	7,990,124	3,263,897	-	3,916,307	-	7,337,714	(652,410)	-8.2%
406	Storm and Surface Water	1,699,119	716,465	-	944,900	-	1,470,684	(228,435)	-13.4%
407	Airport	1,391,726	3,948,981	-	3,428,018	-	1,912,689	520,963	37.4%
611	Firemen's Pension	956,056	15,480	-	13,300	78,000	880,236	(75,820)	-7.9%
633*	Custodial Court Fund	-	103,800	-	103,800	-	-	-	0.0%
634*	Custodial Other Agency Fund	-	206,805	-	206,805	-	-	-	0.0%
TOTALS		\$ 25,145,078	\$ 26,197,901	\$ 1,062,734	\$ 28,691,330	\$ 1,062,734	\$ 22,651,649	\$ (2,493,429)	-9.9%

*Funds 633 and 634 are custodial funds which the city holds funds as a custodian for a period of time. This money does not belong to the City.

Original Budget	19,560,947	23,329,542	662,734	24,587,576	662,734	18,302,913	(1,258,034)
Amended Budget #1	25,145,078	26,197,901	1,062,734	28,691,330	1,062,734	22,651,649	(2,493,429)
<i>Changes for Amendment #1</i>	<i>5,584,131</i>	<i>2,868,359</i>	<i>400,000</i>	<i>4,103,754</i>	<i>400,000</i>	<i>4,348,736</i>	<i>(1,235,395)</i>

Fund No. and Name	Account Name	Reason for Amendment	2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Fund 001 - General Fund									
Revenues:									
001.334.002.70	State RCO Grant	Flood Storage Master Plan cost reimbursement	-	233,425				233,425	233,425
Total General Fund Revenues & Transfers In			9,693,089	233,425	-	-	-	233,425	9,926,514
Expenditures:									
001.B1.511.060.46.00	Insurance	WCIA insurance increase	1,400			(500)		(500)	900
subtotal for City Council			94,930	-	-	(500)	-	(500)	94,430
001.C1.512.050.46.00	Insurance	WCIA insurance increase	7,200			700		700	7,900
subtotal for Municipal Court			414,900	-	-	700	-	700	415,600
001.D1.513.010.11.05	Salaries and Wages-PT	Temporary part-time for staff transition - 6 months	-			15,000		15,000	15,000
001.D1.513.010.21.05	Fringe Benefits-PT	Temporary part-time for staff transition - 6 months	-			1,300		1,300	1,300
001.D1.513.010.46.00	Insurance	WCIA insurance increase	4,165			600		600	4,765
subtotal for City Manager			210,115	-	-	16,900	-	16,900	227,015
001.F2.518.030.46.00	Insurance	WCIA insurance increase	23,700			7,300		7,300	31,000
001.F2.518.031.46.00	Insurance	WCIA insurance increase	1,679			2,600		2,600	4,279
001.F2.572.050.46.00	Insurance	WCIA insurance increase	6,277			1,200		1,200	7,477
001.F2.576.080.46.00	Insurance	WCIA insurance increase	-			3,300		3,300	3,300
subtotal for Parks & Facilities			1,220,358	-	-	14,400	-	14,400	1,234,758
001.G1.518.061.49.90	Claims & Judgments	Settlement related to public records request legal claim	-			18,000		18,000	18,000
001.G1.518.090.46.00	Insurance	WCIA insurance increase	6,200			300		300	6,500
001.G1.597.000.05.10	Transfer out-Fund 110	2020 year-end fund balance - set aside for retiree compensated absences	-				200,000	200,000	200,000
001.G1.597.000.05.32	Transfer out-Fund 302	2020 year-end fund balance - set aside for vehicle replacement	-				100,000	100,000	100,000
001.G1.597.000.05.32	Transfer out-Fund 302	2020 year-end fund balance - set aside for financial software upgrade	-				100,000	100,000	100,000
subtotal for Non-Departmental			483,344	-	-	18,300	400,000	418,300	901,644
001.G2.518.010.46.00	Insurance	WCIA insurance increase	1,740			200		200	1,940
subtotal for Human Resources			122,050	-	-	200	-	200	122,250
001.H1.521.010.46.00	Insurance	WCIA insurance increase	47,480			3,000		3,000	50,480
001.H1.594.021.62.00	Capital Outlay-Building	Council approved building to house vehicles and evidence	-			65,000		65,000	65,000
subtotal for Police			3,422,310	-	-	68,000	-	68,000	3,490,310
001.I1.522.020.46.00	Insurance	WCIA insurance increase	49,484			2,400		2,400	51,884
001.I1.522.050.45.00	Lease/Rents - Space	Lease site & mobile trailers for temporary fire station at Airport site	1,000			62,000		62,000	63,000
subtotal for Fire			2,305,215	-	-	64,400	-	64,400	2,369,615
001.K1.543.010.46.00	Insurance	WCIA insurance increase	19,300			(3,000)		(3,000)	16,300
subtotal for Street			574,257	-	-	(3,000)	-	(3,000)	571,257
001.P2.524.011.11.05	Salaries and Wages-PT	Hired 1 Temporary Hourly Staff for Records - 0.4 FTE for Mar-Dec	43,600			16,700		16,700	60,300
001.P2.524.011.21.05	Fringe Benefits-PT	Hired 1 Temporary Hourly Staff for Records - 0.4 FTE for Mar-Dec	4,400			1,300		1,300	5,700
001.P2.524.011.41.00	Professional Services	Contract Building Inspector - Permit activity increase	37,000			75,000		75,000	112,000
001.P2.524.011.46.00	Insurance	WCIA insurance increase	4,970			300		300	5,270
001.P2.524.011.49.02	Membership Dues/Subscriptions	Manager and staff membership and subscriptions	1,000			5,000		5,000	6,000
001.P1.553.030.41.00	Prof. Services-Flood Storage	Flood Storage Master Plan Professional Services (RCO grant project)	-			233,425		233,425	233,425
001.P2.558.060.41.00	Professional Services	Contract Planner to assist with Comp Plan and Annexation	16,000			120,000		120,000	136,000
001.P2.559.030.46.00	Insurance	WCIA insurance increase	450			1,200		1,200	1,650
subtotal for Planning & Building			443,680	-	-	452,925	-	452,925	896,605
001.R1.571.011.46.00	Insurance	WCIA insurance increase	5,700			(3,100)		(3,100)	2,600
001.R1.571.022.46.00	Insurance	WCIA insurance increase	5,795			100		100	5,895
subtotal for Recreation			389,350	-	-	(3,000)	-	(3,000)	386,350
Total General Fund Expenditures & Transfers Out			10,137,769	-	-	629,325	400,000	1,029,325	11,167,094
Total for General Fund				233,425	-	629,325	400,000	(795,900)	
Fund 102 - Arterial Street Fund									
Expenditures:									
102.03.542.030.46.00	Insurance	WCIA insurance increase	-			1,900		1,900	1,900
Total Arterial Street Fund Expenditures & Transfers out			166,400	-	-	1,900	-	1,900	168,300

Fund No. and Name	Account Name	Reason for Amendment	2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Total for Arterial Street Fund						1,900		(1,900)	

Fund 103 - Transportation Benefit District Fund

Revenues:			2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
103.334.003.82	State Grant - TIB	90% of Main Street Grind & Inlay project	-	461,740				461,740	461,740
Total Transportation Benefit District Fund Revenues & Transfers In			1,100,000	461,740	-	-	-	461,740	1,561,740
Expenditures:			2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
103.03.595.010.65.41	Construction Project - Eng Svc	Supplement for Main Street Grind & Inlay project - Gibbs & Olson				22,700		22,700	22,700
103.03.595.030.65.33	Construction Project - Street Overlay	Main Street Grind & Inlay project. Not in 2021 Budget.				505,200		505,200	505,200
103.02.595.030.65.30	Construction Project - Roadway	Budget increases for NW Pacific & Snively & Sitka Avenues				128,900		128,900	128,900
Total Transportation Benefit District Fund Expenditures & Transfers Out			980,850	-	-	656,800	-	656,800	1,637,650
Total for Transportation Benefit District Fund				461,740	-	656,800	-	(195,060)	

Fund 110 - Compensated Absences Reserve Fund

Revenues:			2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
110.397.000.01	Transfer in-Fund 001	2020 Year End set aside for retiree compensated absences			200,000			200,000	200,000
Total Tourism Fund Revenues & Transfers In			400	-	200,000	-	-	200,000	200,400
Total for Compensated Absences Reserve Fund				-	200,000	-	-	200,000	

Fund 301 - Public Facilities Reserve Fund

Revenues:			2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
301.337.000.10	WCIA Grant	For purchase of playground protection barrier	-	18,560				18,560	18,560
301.362.000.00	Rents & Lease	Temporary Fire Station - Post-occupancy lease (Nov '20 -Feb '21)	-	19,850				19,850	19,850
301.367.011.76	State RCO Grant	Recreation Park Ballfield project - Final RCO Grant Reimbursement	-	135,000				135,000	135,000
301.367.011.77	Insurance Recovery	WCIA reimbursement for Playground Damage Repair	-	147,300				147,300	147,300
Total Public Facilities Reserve Fund Revenues & Transfers In			500	320,710	-	-	-	320,710	321,210
Expenditures:			2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
301.44.522.010.40.03	External Taxes	Temporary Fire Station - Leasehold tax on post-occupancy lease contract				2,550		2,550	2,550
301.44.522.050.45.00	Rents/Leases	Temporary Fire Station - lease of mobile home onsite (Jan-June 2021)				10,730		10,730	10,730
301.44.594.022.61.01	Land	Temporary Fire Station - Site Plan Engineering Svc and Construction				233,396		233,396	233,396
301.44.594.022.62.00	Building/Structures	Temporary Fire Station - Mobile Home & Metal Apparatus Buildings				204,500		204,500	204,500
301.44.576.080.48.03	Repair & Maint. - Sports Complex	Penny Playground Damage Repair				147,300		147,300	147,300
301.44.594.076.63.01	Improvements	Recreation Park Ballfields - Release retainage for KBH Const				163,100		163,100	163,100
301.44.594.076.63.01	Improvements	Recreation Park Playground - Safety Barriers				21,100		21,100	21,100
301.44.594.076.63.01	Improvements	Recreation Park Playground - Williams Ave/13th St Parking Improvement				41,500		41,500	41,500
301.44.594.076.64.00	Capital Equipment	Recreation Park Ballfield maintenance equipment for sports complex				45,000		45,000	45,000
Total Public Facilities Reserve Fund Expenditures & Transfers Out			-	-	-	869,176	-	869,176	869,176
Total for Public Facilities Reserve Fund				320,710	-	869,176	-	(548,466)	

Fund 302 - Automotive/Equipment Reserve Fund

Revenues:			2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
302.395.020.00	Insurance Recovery - Capital Assets	WCIA insurance reimbursement for a detective car totaled in 12/2020	-	6,414				6,414	6,414
302.397.000.01	Transfer in-Fund 001	2020 Year End set aside for vehicle replacement	-		100,000			100,000	100,000
302.397.000.01	Transfer in-Fund 001	2020 Year End set aside for financial software upgrade	-		100,000			100,000	100,000
Total Automotive/Equipment Reserve Fund Revenues & Transfers In			100	6,414	200,000	-	-	206,414	206,514
Expenditures:			2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
302.45.594.021.64.00	Capital Outlay-Equipment	Replacement of detective car (totaled in 12/2020)	-			31,500		31,500	31,500
Total Automotive/Equipment Reserve Fund Expenditures & Transfers Out			-	-	-	31,500	-	31,500	31,500

Fund No. and Name	Account Name	Reason for Amendment	2021 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Total for Automotive/Equipment Reserve Fund				6,414	200,000	31,500	-	174,914	
Fund 404 - Wastewater Fund									
Expenditures:									
404.11.535.010.46.00	Insurance	WCIA insurance increase	105,645			60,400		60,400	166,045
404.11.535.020.46.00	Insurance	WCIA insurance increase	2,190			(500)		(500)	1,690
404.11.594.035.65.00	Construction Project - Construction	Snively Avenue Sewer Main Replacement. 2020 budget carry over.	400,000			143,300		143,300	543,300
Total Wastewater Fund Expenditures			5,645,270	-	-	203,200	-	203,200	5,848,470
Total Wastewater Fund				-	-	203,200	-	(203,200)	
Fund 405 - Water Fund									
Expenditures:									
405.10.534.010.46.00	Insurance	WCIA insurance increase	54,559			27,300		27,300	81,859
405.10.534.021.46.00	Insurance	WCIA insurance increase	2,240			(600)		(600)	1,640
405.10.534.070.46.00	Insurance	WCIA insurance increase	6,820			(3,000)		(3,000)	3,820
405.10.594.034.65.00	Construction Project - Construction	Snively Avenue Water Main Replacement. 2020 budget carry over.	506,000			273,200		273,200	779,200
Total Water Fund Expenditures			3,619,407	-	-	296,900	-	296,900	3,916,307
Total for Water Fund				-	-	296,900	-	(296,900)	
Fund 406 - Storm & Surface Water Fund									
Expenditures:									
406.06.531.031.46.00	Insurance	WCIA insurance increase	7,148			1,200		1,200	8,348
406.06.594.031.65.00	Construction Project - Construction	Budget increase for NW Pacific Ave Reconstitution Storm Line Replacement	326,298			54,600		54,600	380,898
Total Stormwater Fund Expenditures			889,100	-	-	55,800	-	55,800	944,900
Total Stormwater Fund				-	-	55,800	-	(55,800)	
Fund 407 - Airport Fund									
Revenues:									
407.331.020.00	FAA/CRSSA Grant	CRRSA Grant	-	23,000				23,000	23,000
407.331.020.00	FAA/AIP Grant	Taxiway Realignment Project Final Reimbursement	-	449,070				449,070	449,070
407.331.020.00	FAA/AIP Grant	Airfield Pavement Rehabilitation Project 100%	-	874,000				874,000	874,000
407.391.080.05	Government Loan- CARBWSDOT	Loan Draw for Above Ground Fuel Storage Project	250,000	500,000				500,000	750,000
Total Airport Fund Revenues & Transfers In			2,102,911	1,846,070	-	-	-	1,846,070	3,948,981
Expenditures:									
407.09.546.010.46.00	Insurance	WCIA insurance increase	28,000			(2,400)		(2,400)	25,600
407.09.591.046.71.01	Debt Principal - Arkansas Way	Corona virus relief grant received	19,422			23,000		23,000	42,422
407.09.594.046.62.00	Building & Structures	Unexpected Cost for new hangar door & main gate and asphalt repair	-			42,800		42,800	42,800
407.09.594.046.63.00	Other Improvements	Airfield Pavement Rehabilitation - 100% FAA funded	-			874,000		874,000	874,000
407.09.594.046.63.01	Other Improvements/Fuel Storage	Above ground fuel storage project - 2020 budget carry over	700,000			421,753		421,753	1,121,753
Total Airport Fund Expenditures			2,068,865	-	-	1,359,153	-	1,359,153	3,428,018
Total for Airport Fund				1,846,070	-	1,359,153	-	486,917	
Total Amendment for City-wide All Funds				2,868,359	400,000	4,103,754	400,000	(1,235,395)	

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Trent Lougheed, Public Works Director
Devlan Pool, Wastewater Superintendent

MEETING OF: April 26, 2021

SUBJECT: Engineering Services Contract with Jacobs Engineering Group for Clean-Air Permit Compliance Testing and Modeling

INTRODUCTION

The City has had a clean air permit with Southwest Clean Air Agency (SWCAA) since 2007 when the new treatment plant came on-line. The Chehalis Regional Water Reclamation Facility (CRWRF) has been unable to meet the permit limits for H₂S and Chloroform established by the SWCAA. The City previously contracted Jacobs Engineering to create a sampling model that could show compliance with the permit. The emissions modeling by Jacobs Engineering determined that the influent quantitative and ambient air emissions modeling could not meet the SWCAA/CRWRF air quality permit limits. Jacobs Engineering, SWCAA and CRWRF collaborated to propose the next steps to comply with the SWCAA/CRWRF air quality permit. The attached proposal is presented to request an amendment to the existing contract with Jacobs Engineering.

DISCUSSION

The SWCAA issued a Clean Air Permit to the CRWRF in 2007. In general, the permit details requirements for operating the odor control system, the division's emergency generators and the influent H₂S and Chloroform quantities. An annual report is compiled and submitted detailing total emissions for the CRWRF.

The results of the hydrogen sulfide and chloroform testing have been low, but not low enough to meet the emission limits as set in the SWCAA/CRWRF permit. In 2019, the City approved a contract with Jacobs Engineering Group to provide technical support to attempt to show through quantitative and ambient air emissions modeling that the facility could meet the permit limits. The quantitative and ambient air modeling showed that the CRWRF could not meet the current facilities permit limits.

SWCAA, CRWRF, and Jacobs Engineering collaborated to come up with an approach that could show that CRWRF is meeting its permit limits. This includes the possibility that the fence line chloroform modeling can show compliance by extending out the CRWRF fence line past the wet land areas to the roads that surround the CRWRF. The natural barrier of the wetlands that the city owns around the CRWRF could provide the extra buffer to comply with the Chloroform limits.

The approach to attempt to make permit compliance with H₂S would be to demonstrate that the emissions are not all volatilized at levels that would cause an air permit violation. The SWCAA/CRWRF permit assumes that all the H₂S and Chloroform is volatilized into ambient air, so Jacobs Engineering is proposing testing and modeling intended to show otherwise.

The attached testing proposal from Jacobs Engineering includes 7 tasks with the purpose of demonstrating compliance of the SWCAA/CRWRF air quality permit. The cost to complete tasks 1-7 is \$60,000. This includes negotiations, fence line monitoring, H₂S sampling, H₂S and Chloroform evaluations and analysis to show that the permit limits can be met. Task 7 would be to modify the SCWAA/CRWRF air permit.

Optional Tasks 8 and or 9 of the Jacobs proposal will only be required if tasks 1-7 cannot show permit compliance. It is believed that tasks 1-7 will show compliance with the permit. Task 8 and/or 9 is the start of preliminary design to mitigate the need for a new Tier 2 air quality permit that is regulated by the Department of Ecology instead of SWCAA. Tier 2 facilities are facilities that are deemed to be heavy emitters of emissions. It is not believed that the CRWRF is heavy emitter of emissions.

Cost Breakdown by Task		
Task	Cost	Schedule
Task 1 – Initial Feasibility Negotiations with SWCAA on Fenceline Monitoring	\$2,900	This task will commence on the initial approval and is expected to be completed within a week of discussions with SWCAA.
Task 2 – H ₂ S Air Sampling	\$16,881	This task will commence on agreed upon conditions between Jacobs and CRWRF after completing Task 1.
Task 3 – H ₂ S Emissions Evaluation and Compliance Demonstration	\$6,450	This task will commence after the completion of Task 2. The duration should be approximately one month.
Task 4 – Modeling to Demonstrate Compliance with the Chloroform ASIL	\$2,598	This task will commence after the completion of Task 1, The duration should be approximately one month.
Task 5 – Develop Engineering Information for t-BACT Analysis	\$3,623	This task will commence after demonstrating H ₂ S and Chloroform can meet Tier 1 thresholds (i.e. after Task 3 and 4 unless the thresholds can't be met). Or after Task 8 or 9 if the Tier 1 thresholds can't be met. The duration should be approximately one month.
Task 6 – Conduct t-BACT Analysis	\$10,523	This task will commence after completion of Task 5. The duration of this task. This duration should be approximately three weeks.
Task 7 – Modify CRWRF Air Permit	\$17,026	This task will commence after Task 6.
Optional Task 8 - Preliminary Design Support/Optional Task 9 – Tier 2 Risk Assessment	\$50,000	This optional task will commence after Task 3 if Task 3 does not show compliance with Tier 1 thresholds. The duration of Task 8 should be approximately one month. The duration of Task 9 could take over 6 months (including Ecology review)

FISCAL IMPACT

Jacobs Engineering Group has provided an engineering services contract to conduct all the required work for a sum of \$60,000. Each task (1-7) will be billed at the conclusion of the task.

The costs of the optional Tasks 8 and 9 will only be performed and billed upon written approval by the City for a sum of less than or equal to \$50,000. If the additional work is needed, the City Council will be provided an update and presented with an additional request.

Therefore, the project budget could be up to \$110,000. These funds were allocated in the 2021 wastewater utility budget.

RECOMMENDATION

It is recommended that the City Council approve the engineering services contract with Jacobs Engineering Group in the amount up to \$60,000 and authorize the City Manager to execute the contract.

SUGGESTED MOTION

I move that the City Council approve the engineering services contract with Jacobs Engineering Group in the amount of up to \$60,000 and authorize the City Manager to execute the contract.

Mr. Devlan Pool
Wastewater Superintendent
City of Chehalis
2007 NE Kresky Avenue
P.O. Box 871
Chehalis, WA 98532

March 2, 2020

Subject: City of Chehalis Proposal – Air Permitting Support Amendment #2 Revision

Dear Mr. Pool,

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

Background

In Phase 1 of the Chehalis Regional Wastewater Reclamation Facility (CRWRF) air permitting study, Jacobs ran the Bay Area Sewage Treatment Emissions (BASTE) model to refine emissions estimates for hydrogen sulfide (H₂S) and chloroform. Previous methods for estimating emissions of these compounds were based on water sampling and conservative mass balance type assumptions. The BASTE emissions were summarized in a May 31, 2019, memo. This project helped us define operational characteristics of the system (wet and dry weather operations) and resulted in a refined emissions analysis.

Emissions of H₂S from the BASTE modeling were 320 pounds per year (lb/yr) compared to a permit limit of 133 lb/yr. Emissions of chloroform were 12.5 lb/yr compared to a permit limit of 10 lb/yr. Nearly all (99.9 percent) of the H₂S emissions and most (54 percent) of the chloroform emissions are from the headworks. Because the estimated emissions are greater than the permit limits, we also compared them to the thresholds in the Washington Air Toxics rule effective in the Southwest Clean Air Agency (SWCAA) regulations.

The Washington Toxic Air Pollutant program (Washington Administrative Code 173-460) has two components, a comparison of emissions to the small quantity emission rate (SQER) thresholds for each compound, and an evaluation against acceptable source impact levels (ASILs) if emission rates exceed these thresholds. The emission rates for H₂S and chloroform exceed the SQER, so a modeling evaluation for comparison to the SQERs was initiated.

Washington State Department of Ecology (Ecology) recommended the meteorological data to be used in the air toxics modeling analysis involving the Chehalis and Olympia meteorological data sets. The Olympia meteorological station is a first order National Weather Service station, while the Chehalis station is an automated station. The automated station has missing data, and the Olympia data are used to fill and validate the Chehalis data.

The results of the modeling showed the impacts of the CRWRF are greater than the applicable ASILs for H₂S and chloroform. A plan to refine the emissions and modeling analysis is included below. The proposed approach for addressing each of these pollutants is different.

For H₂S, an air sampling program is proposed to more accurately estimate emissions from the headworks. For chloroform, a refined modeling analysis incorporating a more critical review of water sampling concentrations and a revised interpretation of ambient air boundaries allowed in the Ecology air

toxics rules is expected to result in a demonstration of compliance. Both approaches require consultation and agreement from SWCAA.

Approach

Jacobs proposes the following approach to complete this scope of services:

- 1) Discussion with SWCAA to determine the feasibility to use fenceline monitoring to establish new air permit limits and air permit compliance.
- 2) Perform sampling to measure H₂S concentrations and correlate them with operations (concurrent air and water sampling) to determine a revised H₂S emission factor.
- 3) Conduct H₂S emissions evaluation and compliance demonstration:
 - a) Compare the emissions estimates based on the sampled H₂S derived emission factor to the SQER.
 - b) If the emissions based on the sampled H₂S derived emission factor are above the SQER, perform modeling to demonstrate compliance with the H₂S ASIL.
- 4) Perform modeling to demonstrate compliance with the chloroform ASIL using enhanced modeling techniques (receptor treatment and emission profile).
- 5) Develop engineering information needed for the toxics Best Available Control Technology (t-BACT) analysis.
- 6) Conduct t-BACT analysis for H₂S (if above SQER) and chloroform.
- 7) Modify air permit to reflect revised emissions limits that demonstrate compliance with all requirements and that CRWRF can meet.
- 8) Provide additional support if H₂S emissions are not in compliance after sampling. This would include either preliminary design support or a Tier 2 analysis (optional tasks).

Scope of Work

The work activities associated with each task are described below. Project management activities required to plan and execute the work will continue as described in the original contract.

Task 1 – Initial Feasibility Negotiations with SWCAA on Fenceline Monitoring

Jacobs staff and a representative CRWRF, if available, will discuss the feasibility of using monitors/censors at the CRWRF fenceline to measure the ambient air concentrations and establish permit limits to comply with SWCAA permitting requirements.

Assumptions:

- Discussions and correspondence will not exceed 12 hours of Jacobs time
- Discussions will take place virtually. No in person meetings will be held with SWCAA

Deliverables:

A consolidated set of meeting notes from discussions with SWCAA. If SWCAA is receptive to using fenceline monitoring next steps and a change order will be provided.

Task 2 – H₂S Air Sampling

The purpose of the sampling program is to quantify the vapor-phase H₂S emissions from specific process areas including:

- Grit drop basin drop pipe
- Grit basin effluent pipe vent line
- Downstream sequencing batch reactor (SBR) basins

Specific locations and methodologies are summarized in Table 1.

Table 1. Sampling Locations and Methodologies		
Sample Location	Methodology Approach	Duration
Grit Basin Drop Pipe	<ol style="list-style-type: none"> 1. Install temporary hood over top of drop pipe. 2. Deploy continuous 0-50 ppm Odalog/Acrulog. 3. Allow hood to “breathe” and measure differential pressure beneath hood. 	Odalog/Acrulog in place for 1 week. Differential pressure sensor in place for 1 week.
Grit Basin Effluent Pipe Vent	<ol style="list-style-type: none"> 1. Deploy continuous 0-50 ppm Odalog/Acrulog at top of vent pipe. 2. Measure airflow velocity out vent pipe. 	Odalog/Acrulog in place for 1 week. Airflow velocity measurements taken periodically over 2 hours.
SBR Basin Quiescent Surface	<ol style="list-style-type: none"> 1. Install “Mr Floatie” on surface of SBR basin in operation. 2. Deploy continuous 0-50 ppm Odalog/Acrulog inside “Mr Floatie.” 3. Assume conventional flux rate of 0.13 feet per minute. 	“Mr Floatie” left on surface for 2 hours at each location. Three locations to be sampled. “Mr Floatie” shall not remain on surface overnight due to risk in overturning.

ppm = parts per million

A preliminary analysis of H₂S emissions will be completed by walking the site with hand-held instruments to confirm the presence of H₂S in expected locations. A more detailed H₂S measurement program will be undertaken to correlate plant influent flows and the sulfide content of the wastewater during time of deployment. Emission rates will be determined based on measured H₂S concentrations coupled with flux rates or velocity measurements. All water-quality-related sampling will be conducted by CRWRF. Once measured emission rates are correlated to influent flows and influent sulfide levels, annual emissions can be estimated for all flow conditions.

Assumptions:

- Sampling will be conducted under agreed upon conditions.
- CRWRF will collect concurrent wastewater samples once a day during the air sampling program at the following locations:
 - Grit basin drop pipe
 - Grit basin effluent pipe vent line
 - Downstream SBR basins
- Wastewater samples will be analyzed for total sulfide and dissolved sulfide compounds. This information will be used to correlate liquid sulfide levels with vapor-phase emissions.

Deliverable:

A brief call will be held to discuss sampling results and next steps. An accompanying slideshow may be provided.

Task 3 – H₂S Emissions Evaluation and Compliance Demonstration

Jacobs will compare the revised H₂S emissions to the SQER. If the emissions are below the SQER, no modeling will be conducted and only a permit update will be required. If the H₂S emissions are above the SQER, Jacobs will conduct an air dispersion analysis to compare to the H₂S ASIL.

Assumptions:

- Two comprehensive modeling runs will be conducted based on the revised H₂S emission factors.
- The second modeling run will include modeling assumptions similar to the refinements done for chloroform modeling. These assumptions will need to be discussed with SWCAA. The level of effort includes discussions with SWCAA.

Deliverable:

The modeling analysis will be included in the permit modification. No separate deliverable will be provided.

Task 4 – Modeling to Demonstrate Compliance with the Chloroform ASIL

Jacobs will conduct additional air dispersion modeling incorporating updated modeling considerations (revised emissions profile and revised ambient air boundary receptors) to compare chloroform impacts to the ASIL.

Assumptions:

- The SWCAA agreed-upon model refinements will be modeled.

Deliverable:

The modeling analysis will be included in the permit modification. No separate deliverable will be provided.

Task 5 – Develop Engineering Information for t-BACT Analysis

To support the t-BACT analysis, engineering and cost information will be developed.

Assumptions:

- Information will be derived from available information for similar operations.
- No design will be conducted.

Deliverable:

No deliverable will be provided for this task. This task will be rolled into the t-BACT analysis.

Task 6 – Conduct t-BACT Analysis

Based on the information developed in Task 4, a t-BACT analysis will be conducted following U.S. Environmental Protection Agency (EPA) and Ecology/SWCAA guidance. This analysis will take into account feasibility and costs associated with various potential controls.

Assumptions:

- T-BACT analysis will follow standard EPA protocol for BACT analyses.
- Cost information will be derived from available information for similar operations.
- No design will be conducted.

Deliverable

No separate deliverable will be provided. The t-BACT analysis will be included in the permit modification deliverable.

Task 7 – Modify CRWRF Air Permit

Jacobs will prepare a draft air permit application to modify the existing air permit to reflect revised emission limits. The application will include detailed documentation of the air dispersion modeling and the t-BACT analysis along with the appropriate emission calculation spreadsheets and SWCAA forms. Following review by CRWRF, the final air permit will be submitted by CRWRF to SWCAA. Jacobs will address questions from SWCAA about the modification, and will review the draft and final permit.

Assumptions:

- Application fees will be paid by the City.
- Jacobs will respond to one set of consolidated comments on the draft permit application.
- Responding to SWCAA questions will be limited to 8 hours.

Deliverable

A letter to SWCAA with permit modifications will be provided. The draft letter will include the t-BACT analysis, chloroform and hydrogen sulfide modeling analysis, and a redline of the existing permit which includes proposed changes.

OPTIONAL TASKS

If after modeling revised H₂S emissions the predicted impacts are above the ASIL, Jacobs will provide additional support using one of the two approaches described below. The task will be performed at the City's discretion and authorization following the modeling results.

Optional Task 8 - Preliminary Design Support

Jacobs will support preliminary design efforts to modify the existing facility to meet the H₂S ASIL. Preliminary design may include suggestions based on dispersion modeling results, a new t-BACT analysis, or other mitigation to reduce H₂S emissions and/or H₂S dispersion modeling impacts. Any suggestions on H₂S compliance will include an analysis of implications on a facility level.

Assumptions:

- Coordination with CRWRF will be required prior to commencing preliminary design support.

Deliverables

A brief technical memorandum with a proposed solution.

Optional Task 9 – Tier 2 Risk Assessment

Tier 2 risk assessments may be performed for facilities with impacts greater than an ASIL. Tier 2 toxic air pollutant risk assessments are administered directly by Ecology. This process involves an evaluation of impacts to populations and a more in-depth evaluation of toxicological health impacts.

Assumptions:

- All third-party fees will be paid for by the City. Fees could range from roughly \$10,000 to \$20,000.
- A Tier 2 toxic air pollutant risk assessment will take up to a year to complete following authorization to proceed for this task.

Deliverables:

A Tier 2 petition which includes the results of refined dispersion modeling and a Health Impacts Assessment.

Schedule

The schedule will be based on when H₂S sampling can be conducted. Since Task 3 modeling is independent of H₂S sampling, Task 3 will commence on approval of this proposal. At the conclusion of each task, a schedule for the next task will be provided to the City. Tasks 1 through 6 are assumed to be complete within five months of Notice to Proceed.

Budget

Jacobs proposes to complete the scope of work for Tasks 1 through 7 for a lump sum price of \$60,000. A breakdown of costs per task and corresponding schedule is included in Table 2. If authorized, Jacobs proposes to complete Optional Task 8 for a lump sum price of \$16,000 and Optional Task 9 for a lump sum price of \$50,000. The total value of this contract amendment is not to exceed \$110,000.

Task	Cost	Schedule
Task 1 – Initial Feasibility Negotiations with SWCAA on Fenceline Monitoring	\$2,900	This task will commence on the initial approval and is expected to be completed within a week of discussions with SWCAA.
Task 2 – H ₂ S Air Sampling	\$16,881	This task will commence on agreed upon conditions between Jacobs and CRWRF after completing Task 1.
Task 3 – H ₂ S Emissions Evaluation and Compliance Demonstration	\$6,450	This task will commence after the completion of Task 2. The duration should be approximately one month.
Task 4 – Modeling to Demonstrate Compliance with the Chloroform ASIL	\$2,598	This task will commence after the completion of Task 1, The duration should be approximately one month.
Task 5 – Develop Engineering Information for t-BACT Analysis	\$3,623	This task will commence after demonstrating H ₂ S and Chloroform can meet Tier 1 thresholds (i.e. after Task 3 and 4 unless the thresholds can't be met). Or after Task 8 or 9 if the Tier 1 thresholds can't be met. The duration should be approximately one month.

Table 2. Cost Breakdown by Task		
Task	Cost	Schedule
Task 6 – Conduct t-BACT Analysis	\$10,523	This task will commence after completion of Task 5. The duration of this task. This duration should be approximately three weeks.
Task 7 – Modify CRWRF Air Permit	\$17,026	This task will commence after Task 6.
Optional Task 8 - Preliminary Design Support/Optional Task 9 – Tier 2 Risk Assessment	\$50,000	This optional task will commence after Task 3 if Task 3 does not show compliance with Tier 1 thresholds. The duration of Task 8 should be approximately one month. The duration of Task 9 could take over 6 months (including Ecology review)

Consulting Agreement

Attached is the signature page to amend the Professional Services Agreement. To authorize this work, please sign the acceptance and return to it to me at the address on page 1.

Regards,



Michelle Neumann, Project Manager

Attachment: Chehalis Contract Amendment Signature Page



PROFESSIONAL SERVICES AGREEMENT

PROJECT NAME: Air Permitting Assistance Amendment 02
CLIENT: City of Chehalis
ADDRESS: 2007 NE Kresky Avenue
P.O. Box 871
Chehalis, WA 98532

PROJECT NUMBER: W3X87500

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

SCOPE OF SERVICES: As defined in attached proposal dated March 2, 2020. There are no other changes to the provisions of the contract.

COMPENSATION to be on a basis of:

Services will be performed for a lump sum price of \$110,000 and invoiced monthly based upon percent complete.

Accepted for **CLIENT**

Accepted for **JACOBS ENGINEERING GROUP INC.**

By: _____

Name: _____

Title: _____

Date: _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Chun Saul, Finance Director
MEETING OF: April 26, 2021
SUBJECT: 2021 First Quarter Financial Status Report

DISCUSSION

This document provides a summary review of the City’s financial activities and status for the first quarter 2021.

The attached financial statements include 1) a summary of all City funds with their beginning cash balances, total revenues and transfers in, total expenditures and transfers out, changes in fund balances during the year, and estimated ending cash balances 2) Two-year comparative financial statements for the General Fund and the major enterprise funds.

The financial statements have been formatted to be consistent with the budget for ease of comparison and review of information. Comparisons and variances shown are based on straight line projections. **The YTD target for March is 25% (3 of 12 months).**

CITY-WIDE OVERVIEW

Overall, on a city-wide basis, the city has received \$6,060,380 or 25.3% of the 2021 revenue budget (including transfers-in) and has expensed \$5,890,297 or 23.3% of the 2021 expenditure budget (including transfers-out) through March 31, 2021. Total city-wide revenues exceeded total expenditures by \$170,083. The city-wide total fund balance as of March 31, 2021 is \$25,315,161.

	2021 Adopted Budget	YTD Actual 3/31/2021	YTD % of Budget	YTD Variance Actual to Target Positive (Negative)
City-Wide, All Funds				
Revenues & Transfers In	\$ 23,992,276	\$ 6,060,380	25.3%	\$ 62,311
Expenditures & Transfers Out	25,250,310	5,890,297	23.3%	422,281
Excess Revenue Over (under) Expenditure	(1,258,034)	170,083	-13.5%	\$ 484,592
Beginning Fund Balance	19,560,947	25,145,078	128.5%	20,254,841
Ending Fund Balance	\$ 18,302,913	\$ 25,315,161	138.3%	\$ 20,739,433

Other than the General Fund, all other funds are restricted funds that are used to account for specific revenues or resources that are legally restricted or designated to finance particular activities of the city, such as transportation benefit district (TBD), lodging tax, utilities, and Airport funds.

Total YTD city-wide revenues received is 0.3% or \$62,311 ahead of the YTD target amount. The key contributing factors for this variance include combination of the following:

- Total tax revenues are \$94,670 below the YTD target amount.
- Total revenue from utilities funds is \$180,198 below the YTD target amount.
- Airport fund’s CARB loan proceed is \$273,095 ahead of the YTD target amount.

Total city-wide expenditures are 1.7% or \$422,281 below the YTD target amount. During the first quarter, the city has expensed 25.2% of the 2021 operating expenditures budget, 27.1% of the capital expenditures budget, and 6.8% of the debt service budget. Significant amount of debt service payments will be made in June and December.

Additional information on the revenue and expenditure variances for the General Fund and the major enterprise funds are explained in more detail in the fund overview section below.

Bottom Line: The City operated within normal budget parameters.

GENERAL FUND OVERVIEW

The General Fund’s YTD total revenue is \$83,296 below the three-month target amount. Total YTD expenditures is \$63,487 over the three-month target amount. Total YTD expenditures exceeded the total revenues by \$257,953. The fund balance as of March 31, 2021 is \$1,982,786, which is about 20.5% of the 2021 general fund revenue budget.

	2021 Adopted Budget	YTD Actual 3/31/2021	YTD Actual % of Budget	YTD Variance Actual to Target Positive (Negative)
Chehalis General Fund				
Revenues & Transfers-In	\$ 9,693,089	\$ 2,339,976	24.1%	\$ (83,297)
Expenditures & Transfers-Out	10,137,769	2,597,929	25.6%	(63,484)
Excess Revenues Over (Under) Expenditures	(444,680)	(257,953)	58.0%	(146,781)
Beginning Fund Balance	1,089,814	2,240,739		
Ending Fund Balance	\$ 645,134	\$ 1,982,786		
Ending Fund Balance % of Revenue		6.7%	20.5%	

The 2021 budget was adopted with a beginning fund balance of \$1,089,814, which was the estimated ending fund balance for year 2020. However, as of this date, the ending fund balance for year 2020 is \$2,240,739. At the 3/8/2021 Council meeting, the City Council approved designating \$465,000 of the 2020 ending fund balance as committed for the following specific purposes and uses: \$200,000 for future retiree compensated absences; \$100,000 for vehicle replacement; \$100,000 for financial software upgrade; \$65,000 for police evidence garage.

The proposed amendment to the 2021 budget includes transferring the committed fund balances to the appropriate reserve funds.

General Fund Revenues:

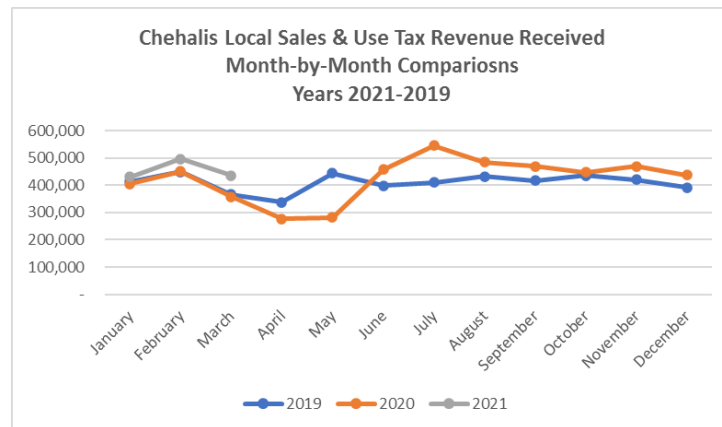
Total YTD tax revenues received is \$1,982,291 or 23.2% of the 2021 budget. This is \$155,974 below the YTD target amount. Total tax revenues make up 84.7% of total general fund revenues received through March 2021.

Property Tax: YTD received is \$28,294 or 1.5% of the 2021 budget. This is normal trend for this time of the year. The first half of property tax is due in April and will be received by the city in May. Until then, the actual property tax revenues will be below the YTD target %.

Sales Tax: YTD received is \$1,421,762 or 29.0% of the 2021 budget. This is \$197,237 ahead of the three-month target amount. This total includes the 1.0% local regular and optional sales tax, 0.1% county imposed criminal justice sales tax which is shared with cities, and brokered natural gas sales tax. Sales tax is the City’s largest revenue source. Sales tax revenues make up 60.8% of the total general fund revenues received in the first quarter of 2021.

Total sales tax collections continue to exceed the previous forecast. YTD total sales tax collected through March 2021 increased \$149,119 or 11.7% from March last year.

Below chart illustrates the month-to-month comparisons for Chehalis local sales tax distributions received for years 2021, 2020, and 2019.



Utility Tax: YTD received is \$517,196 or 31.9% of the 2021 budget and is \$112,346 ahead of the YTD target amount. This is normal trend for this time of the year. YTD utility tax received through March 2021 increased \$23,556 or 4.8% from March last year.

Licenses and Permits: YTD received is \$110,127 or 54.9% of the 2021 budget. This amount includes business licenses fees, franchise fees, building permit fees, and other permit fees (i.e., animal licenses and gun permits). Building permit fees received through March is \$76,044 or 95.0% of the 2021 budget. This is a \$58,456 or 332% increase from this time last year.

Intergovernmental Revenue: YTD received is \$99,886 or 29.8% of the 2021 budget. This category includes intergovernmental grants, state shared revenues, and the Main Street B&O Tax Credit.

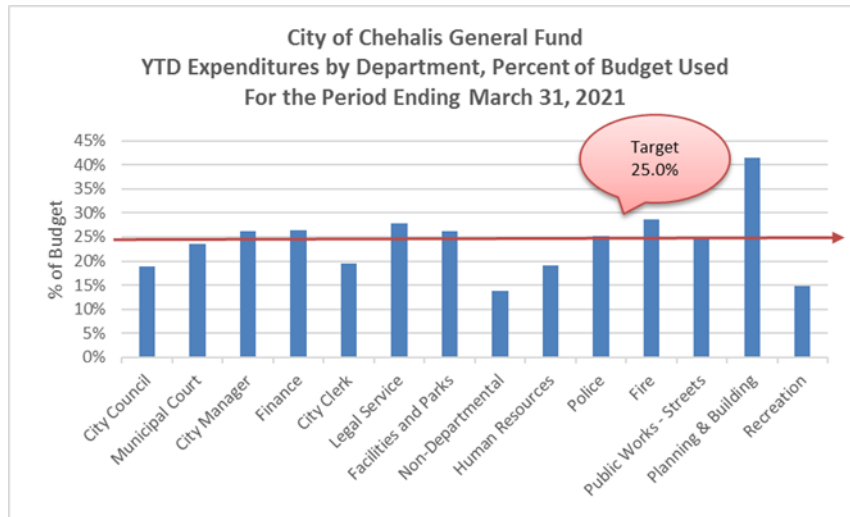
Charges for goods and services: YTD received is \$59,216 or 17.2% of the 2021 budget. This category includes charges for fire and police services, plan check review fees, and recreation program fees. Recreation program fees make up about 63% of the budget in this category. YTD parks and recreation program revenue is 4.2% of the 2021 budget. A significant portion of the recreation program fee revenues are typically received during the summer months. **However, the recreation activities for this year will be largely depending on the COVID-19 pandemic situation and any changes in public health measures placed by the government.**

Miscellaneous: YTD revenues through March is \$59,654 or 42.5% of the 2021 budget. This amount includes \$39,196 in drug seizure funds disbursed to the City from the Lewis County Joint Enforcement Team (JNET) in January 2021.

General Fund Expenditures and Transfers-out

Total expenditures and transfers for the first quarter is \$2,597,929 or 25.6% of the 2021 budget. This is \$63,484 over the three-month target amount. The key contributing factor for the YTD expenditures exceeding the three-month target amount is because certain annual service agreements are paid in the first quarter. WCIA annual insurance premiums and software maintenance contracts are two examples.

YTD expenditures for most departments are within the three-month target amount with the following exceptions:



- City Manager, Finance, and Facilities and Park departments exceeded the three-month target amounts slightly. Payments for annual services contract such as WCIA insurance and software maintenance are some of the factors for the YTD expenditures going over the YTD target amount.
- Legal Service department exceeded the three-month target by 2.8% or \$2,165. This is due to the expenditures related to litigation services exceeding the YTD target amount.
- Fire department exceeded the three-month target amount by 3.6% or \$83,071. The key contributing factors for this variance include: 1) the annual WCIA insurance and total annual H.S.A contributions for the firefighters were paid in January 2) the first and second quarter dispatching service contracts were paid in the first quarter 3) YTD lease payments related to the temporary fire station at the Airport site totaled \$24,812, but it is not included in the 2021 adopted budget.
- Planning and Building department exceeded the three-month target by 16.5% or \$73,161. The key contributing factors for the YTD expenditures going over the YTD target amount include: 1) has expensed 97% of the 2021 budget for contracted building inspector service in the first quarter due to higher activities than anticipated. The 2021 budget is \$37,000 and YTD expensed is \$35,744 2) has expensed \$43,657 for professional services related to the flood storage master plan in the first quarter, but this is not included in the 2021 adopted budget. During the 2021 budget preparation, it was anticipated that the project will be completed by the end of 2020. This cost is 100% reimbursed by a state grant.

The 2021 budget amendment proposed to the City Council today (4/26/2021) includes additional appropriations for these activities.

YTD expenditures for public safety (police and fire) is \$1,519,254 and makes up about 58.5% of the total general fund expenditures. YTD expenditures for public works streets and facilities and parks is \$461,056 and make up about 17.7% of the total general fund expenditures.

Bottom Line: Overall, the general fund operated within the budget parameters.

ENTERPRISE FUND OVERVIEW

Wastewater Fund

Total YTD revenues received is \$1,299,904 or 23.6% of the 2021 budget. This is \$78,471 below the three-month target amount. The key contributing factors for year-to-date revenues being below the target amount are 1) annual discharge service charge budgeted for \$175,000 has not yet been received and 2) payments from Napavine and Lewis County Sewer District #1 for the cost sharing of CRWRF capital facilities is budgeted for \$277,400, however, these payments are received in June and December each year, and 3) late payment fee revenue is budgeted for \$51,200 and only 0.7% has been received due to COVID-19 pandemic ratepayer assistance measures in place.

Total YTD operating expenditures is \$949,542 or 28.5% of the 2021 budget. This is \$116,441 over the three-month target amount. The WCIA annual insurance premium and annual software maintenance payments made in January is one of the key contributing factors for this variance. The WCIA insurance premium for property coverage has increased significantly from the 2021 budget projection. The Wastewater Fund share of the insurance premium increase is \$59,880. The proposed budget amendment includes additional appropriations for this cost. Total YTD expenditures for capital and debt services are 10.9% and 1.1% of the 2021 budget, respectively.

Total YTD revenues received exceeded total expenditures by \$282,605 during the first quarter of 2021.

Water Fund

Total YTD revenues received is \$708,959 or 21.7% of the 2021 budget. This is \$107,016 below the three-month target amount. YTD charges for services is 22.0% of the 2021 budget. This is \$87,355 below the three-month target amount. Historically, water consumptions go up during the summer and fall months. Late payment fee revenue is budgeted for \$51,200 and only 1.2% has been received due to COVID-19 pandemic ratepayer assistance measures in place.

Total YTD operating expenditures is \$568,406 or 23.3% of the 2021 budget. This is \$40,283 below the three-month target amount. Total expenditures for capital outlay and debt services are 14.4% and 0.4% of the 2021 budget, respectively.

Total YTD expenditures exceeded the total revenues by \$22,312 in the first quarter of 2021.

Storm and Surface Water Fund

Total YTD revenues received is \$184,406 or 25.7% of the 2021 budget. This is \$5,289 ahead of the three-month target amount.

Total YTD operating expenditures is \$102,944 or 18.7% of the 2021 budget. This is \$34,507 below the three-month target amount. The key contributing factor for this variance is from the payroll expenditures

due to hiring delay for the Street Superintendent position, which is 50% funded by the Storm and Surface Water Fund.

Total YTD revenues received exceeded total expenditures by \$78,802 in the first quarter of 2021.

Airport Fund

Total YTD revenues received is \$798,823 or 38.0% of the 2021 budget. This is \$273,095 ahead of the three-month target amount. This variance is due to the Community Aviation Revitalization (CARB) loan proceeds.

The 2021 budget includes \$250,000 of CARB loan proceeds for the above ground fuel storage project, but the YTD loan proceeds received is \$325,573. The CARB loan was approved up to \$750,000 on cost reimbursement basis. It was anticipated that significant portion of the project will be done in 2020, and the 2020 budget included a \$500,000 loan proceeds. However, the project was delayed, and the Airport did not receive any loan proceeds in 2020. The proposed 2021 budget amendment include increase of loan proceeds from \$250,000 to \$750,000.

Total YTD operating expenditures is \$304,086 or 24.1% of the 2021 budget. This is \$10,763 below the three-month target amount. YTD capital expenditures is \$287,057 or 40.4% of the 2021 budget.

Total YTD revenues received exceeded total expenditures by \$182,812 in the first quarter of 2021.

TREASURER’S REPORT – CASH AND INVESTMENTS

The city’s total cash, deposits, and investments as of March 31, 2021 is \$25,315,161. About 86% or \$21,798,376 of the city’s cash is invested and earns interest. The remaining 13.9% or \$3,516,785 is deposited in non-interest-bearing checking accounts to cover on-going cash flow needs. A summary of cash funds and investment types are as follows:

City of Chehalis Cash, Deposits & Investments - Total Combined All Funds		
Account Type	Balance 3/31/2021	% of Total
Checking & Revolving Cash Fund	3,516,785	13.9%
Local Government Investment Pool (LGIP)	19,223,079	75.9%
US Govt Agency Securities (Bonds)	2,575,297	10.2%
Total	\$ 25,315,161	100.0%

<i>Note: Other than the General Fund, all other funds are restricted or designated to finance particular activities of the City.</i>		

Only 7.8% or \$1,982,786 of the total cash and investments belongs to the General Fund. Other than the General Fund, all other funds are restricted funds which account for specific revenues or resources that

are legally restricted or designated to finance particular activities of the city, such as transportation benefit district, lodging tax, utilities, and Airport funds.

Total YTD investment interest earnings through March 31, 2021 totaled \$9,093. This is a \$99,248 decrease from this time last year. The LGIP average net earnings rate for the first quarter 2021 and 2020 were 0.1294% and 1.5646%, respectively. The LGIP net earnings rate has declined from 1.7225% from the beginning of 2020 to 0.1139% at the end of March 2021.

FISCAL IMPACT

As shown.

RECOMMENDATION

It is recommended that the City Council review this information and let staff know if there are any questions.

SUGGESTED MOTION

N/A

City of Chehalis



Quarterly Council Financial Report First Quarter 2021

**For the Period Ending
March 31, 2021
(January through March)**

The City of Chehalis, Washington

City of Chehalis
Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
2021 First Quarter Financial Statements - All Funds
As of March 31, 2021

Fund Type/Name	Beginning Fund Balance		Revenues & Transfers				Expenditures & Transfers				Changes in Fund Balance		Ending Fund Balance	
	2021 Adopted Budget	Actual 1/1/2021	2021 Adopted Budget	YTD 3/31/2021 Actual	Balance	YTD % of Budget	2021 Adopted Budget	YTD 3/31/2021 Actual	Balance	YTD % of Budget	2021 Adopted Budget	YTD 3/31/2021 Actual	2021 Adopted Budget	YTD 3/31/2021 Actual
General Fund & Sub-Funds:														
General Fund	\$ 1,089,814	\$ 2,240,739	\$ 9,693,089	\$ 2,339,976	\$ 7,353,113	24.1%	\$ 10,137,769	\$ 2,597,929	\$ 7,539,840	25.6%	\$ (444,680)	\$ (257,953)	645,134	\$ 1,982,786
Sub-funds:														
Dedicated Street Fund	68,794	188,475	116,950	34,155	82,795	29.2%	184,520	15,288	169,232	8.3%	(67,570)	18,867	1,224	207,342
Building Abatement Fund	52,632	51,614	100	14	86	14.0%	-	-	-	0.0%	100	14	52,732	51,628
Compensated Absences Fund	200,548	198,020	400	38	362	9.5%	200,000	84,523	115,477	42.3%	(199,600)	(84,485)	948	113,535
LEOFF 1 OPEB Reserve Fund	10,049	101,107	244,100	2,593	241,507	1.1%	168,300	31,690	136,610	18.8%	75,800	(29,097)	85,849	72,010
Automotive/Equip. Reserve Fund	42,188	108,178	100	29	71	29.0%	15,000	83	14,917	0.6%	(14,900)	(54)	27,288	108,124
Total General Fund and Sub-Funds	1,464,025	2,888,133	10,054,739	2,376,805	7,677,934	23.6%	10,705,589	2,729,513	7,976,076	25.5%	(650,850)	(352,708)	813,175	2,535,425
Special Revenue Funds:														
Arterial Street Fund	92,883	98,528	160,600	32,071	128,529	20.0%	166,400	15,402	150,998	9.3%	(5,800)	16,669	87,083	115,197
Transportation Benefit Dist. Fund	2,009,364	3,105,160	1,100,000	337,146	762,854	30.6%	980,850	151,199	829,651	15.4%	119,150	185,947	2,128,514	3,291,107
Tourism Fund	53,148	110,053	219,500	38,247	181,253	17.4%	256,563	35,933	220,630	14.0%	(37,063)	2,314	16,085	112,367
Community Block Grant Fund	23,934	24,592	50	7	43	14.0%	1,000	-	1,000	0.0%	(950)	7	22,984	24,599
HUD Block Grant Fund	87,647	88,424	180	24	156	13.3%	2,000	-	2,000	0.0%	(1,820)	24	85,827	88,448
Total Special Revenue Funds	2,266,976	3,426,757	1,480,330	407,495	1,072,835	27.5%	1,406,813	202,534	1,204,279	14.4%	73,517	204,961	2,340,493	3,631,718
Debt Service Funds:														
2011 G.O. Bond Fund	-	5	301,934	111,481	190,453	36.9%	301,934	101,243	200,691	33.5%	-	10,238	-	10,243
Total Debt Service Fund	-	5	301,934	111,481	190,453	36.9%	301,934	101,243	200,691	33.5%	-	10,238	-	10,243
Capital Project Funds:														
Public Facilities Reserve Fund	254,116	958,474	500	8,250	(7,750)	1650.0%	-	292,051	(292,051)	0.0%	500	(283,801)	254,616	674,673
First Quarter REET Fund	209,247	217,375	115,100	43,969	71,131	38.2%	130,196	65,309	64,887	50.2%	(15,096)	(21,340)	194,151	196,035
Second Quarter REET Fund	232,715	240,627	110,700	43,991	66,709	39.7%	75,131	7,678	67,453	10.2%	35,569	36,313	268,284	276,940
Total Capital Project Funds	696,078	1,416,476	226,300	96,210	130,090	42.5%	205,327	365,038	(159,711)	177.8%	20,973	(268,828)	717,051	1,147,648
Proprietary Funds:														
Garbage Fund	8,122	8,318	6,115	1,122	4,993	18.3%	6,100	-	6,100	0.0%	15	1,122	8,137	9,440
Wastewater Fund	4,832,040	5,368,364	5,513,500	1,299,904	4,213,596	23.6%	5,645,270	1,017,299	4,627,971	18.0%	(131,770)	282,605	4,700,270	5,650,969
Water Fund	6,284,970	7,990,124	3,263,897	708,959	2,554,938	21.7%	3,619,407	731,271	2,888,136	20.2%	(355,510)	(22,312)	5,929,460	7,967,812
Storm & Surface Water Fund	1,504,416	1,699,119	716,465	184,406	532,059	25.7%	889,100	105,604	783,496	11.9%	(172,635)	78,802	1,331,781	1,777,921
Airport Fund	1,530,242	1,391,726	2,102,911	798,823	1,304,088	38.0%	2,068,865	616,011	1,452,854	29.8%	34,064	182,812	1,564,288	1,574,538
Total Proprietary Funds	14,159,790	16,457,651	11,602,888	2,993,214	8,609,674	25.8%	12,228,742	2,470,185	9,758,557	20.2%	(625,854)	523,029	13,533,936	16,980,680
Fiduciary Funds:														
Firemen's' Pension Fund	965,248	956,056	15,480	258	15,222	1.7%	91,300	1,289	90,011	1.4%	(75,820)	(1,031)	889,428	955,025
Custodial Court Fund	8,830	-	103,800	21,175	82,625	20.4%	103,800	13,040	90,760	12.6%	-	8,135	8,830	8,135
Custodial Other Agency Fund	-	-	206,805	53,742	153,063	26.0%	206,805	7,455	199,350	3.6%	-	46,287	-	46,287
Total Fiduciary Funds	974,078	956,056	326,085	75,175	250,910	23.1%	401,905	21,784	380,121	5.4%	(75,820)	53,391	898,258	1,009,447
TOTAL ALL CITY FUNDS	\$ 19,560,947	\$ 25,145,078	\$ 23,992,276	\$ 6,060,380	\$ 17,931,896	25.3%	\$ 25,250,310	\$ 5,890,297	\$ 19,360,013	23.3%	\$ (1,258,034)	\$ 170,083	\$ 18,302,913	\$ 25,315,161

Note: May contain rounding differences of +/-1

City of Chehalis
Comparative Revenues, Expenditures, and Fund Balances - Budget to Actual
March 2020 and 2021
General Fund

					YTD Target % * 25.00%			
GENERAL FUND (#001)	2020 Amended Budget	2020 YTD Actual 3/31/2020	2020 YTD % of Budget	2021 Adopted Budget	2021 YTD Actual 3/31/2021	2021 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2021-2020
Revenues:								
Taxes:								
Property Taxes	\$ 1,937,842	\$ 89,625	4.6%	\$ 1,980,859	\$ 28,924	1.5%	\$ (466,291)	\$ (60,701)
Sales and Use Taxes	4,893,500	1,272,643	26.0%	4,898,100	1,421,762	29.0%	197,237	149,119
Utility Taxes	1,592,635	493,640	31.0%	1,619,400	517,196	31.9%	112,346	23,556
Other Taxes	50,168	15,159	30.2%	54,700	14,409	26.3%	734	(750)
Total Taxes	8,474,145	1,871,067	22.1%	8,553,059	1,982,291	23.2%	(155,974)	111,224
Non-Tax Revenues:								
Licenses and Permits	195,780	49,868	25.5%	200,720	110,127	54.9%	59,947	60,259
Intergovernmental Revenues	882,282	112,555	12.8%	335,610	99,886	29.8%	15,983	(12,669)
Charges for Goods & Services	180,670	47,566	26.3%	343,900	59,216	17.2%	(26,759)	11,650
Fines and Forfeitures	120,190	31,332	26.1%	119,400	27,767	23.3%	(2,083)	(3,565)
Miscellaneous	122,669	62,309	50.8%	140,400	59,654	42.5%	24,554	(2,655)
Total Non-Tax Revenues	1,501,591	303,630	20.2%	1,140,030	356,650	31.3%	71,642	53,020
Other Fund Sources:								
Custodial Activity	-	32,429	0.0%	-	1,035	0.0%	1,035	(31,394)
Transfers-in	51,000	-	0.0%	-	-	0.0%	-	-
Total Other Fund Sources	51,000	32,429	63.6%	-	1,035	0.0%	1,035	(31,394)
Total Revenues	\$ 10,026,736	\$ 2,207,126	22.0%	\$ 9,693,089	\$ 2,339,976	24.1%	\$ (83,297)	\$ 132,850
Expenditures								
Expenditures by Department:								
City Council	\$ 91,601	\$ 20,952	22.9%	\$ 94,930	\$ 17,954	18.9%	\$ 5,779	\$ (2,998)
Municipal Court	399,558	115,900	29.0%	414,900	97,543	23.5%	6,182	(18,357)
City Manager	199,081	56,043	28.2%	210,115	54,964	26.2%	(2,435)	(1,079)
Finance	286,298	81,525	28.5%	283,635	74,937	26.4%	(4,028)	(6,588)
City Clerk	85,367	21,473	25.2%	96,925	18,944	19.5%	5,287	(2,529)
Legal Service	75,673	19,694	26.0%	76,700	21,340	27.8%	(2,165)	1,646
Facilities and Parks	1,082,802	283,342	26.2%	1,220,358	320,158	26.2%	(15,068)	36,816
Non-Departmental	534,793	49,361	9.2%	483,344	67,004	13.9%	53,832	17,643
Human Resources	139,311	34,606	24.8%	122,050	23,339	19.1%	7,174	(11,267)
Police	3,337,741	835,674	25.0%	3,422,310	859,879	25.1%	(4,301)	24,205
Fire	2,432,267	623,665	25.6%	2,305,215	659,375	28.6%	(83,071)	35,710
Public Works - Streets	620,487	121,331	19.6%	574,257	140,898	24.5%	2,666	19,567
Planning & Building	698,027	79,535	11.4%	443,680	184,081	41.5%	(73,161)	104,546
Recreation	339,790	94,285	27.7%	389,350	57,513	14.8%	39,825	(36,772)
Total Expenditures	10,322,796	2,437,386	23.6%	10,137,769	2,597,929	25.6%	(63,484)	160,543
Excess Revenues Over (Under) Expenditures	\$ (296,060)	\$ (230,260)	77.8%	\$ (444,680)	\$ (257,953)	58.0%	(146,781)	\$ (27,693)
Beginning Fund Balance	1,804,262	1,804,262	100.0%	1,089,814	2,240,739	205.6%	-	436,477
Ending Fund Balance	\$ 1,508,202	\$ 1,574,002	104.4%	\$ 645,134	\$ 1,982,786	307.3%	\$ (146,781)	\$ 408,784

Foot Note:

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^ Variance from YTD target amount to YTD actual amount. Positive variance, if YTD revenue>target amount and YTD expenditure<target amount.

City of Chehalis
Expenditures by Category - Budget to Actual
March 2020 and 2021
General Fund

GENERAL FUND (#001)	2020		2020 YTD % of Budget	YTD Target % * 25.00%		2021 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2021- 2020
	Amended Budget	YTD Actual 3/31/2020		2021 Adopted Budget	YTD Actual 3/31/2021			
Expenditures by Category:								
Salaries	\$ 4,970,156	\$ 1,192,197	24.0%	\$ 5,146,350	\$ 1,193,482	23.2%	\$ 93,106	\$ 1,285
Benefits	2,207,302	566,334	25.7%	2,288,782	544,191	23.8%	28,005	(22,143)
Subtotal for Payroll	7,177,458	1,758,531	24.5%	7,435,132	1,737,673	23.4%	121,111	(20,858)
Supplies	409,893	75,978	18.5%	449,129	107,057	23.8%	5,225	31,079
Services	2,635,817	612,527	23.2%	2,199,446	780,320	35.5%	(230,457)	167,793
Capital Outlay	164,013	17,799	10.9%	65,040	12,004	18.5%	4,256	(5,795)
Debt Service	114,432	42,402	37.1%	127,378	42,312	33.2%	(10,467)	(90)
Custodial Activity	-	18,932	0.0%	-	-	0.0%	-	(18,932)
Transfers-out	245,332	19,735	8.0%	307,844	42,232	13.7%	34,729	22,497
Inferfund Charges	(424,149)	(108,518)	25.6%	(446,200)	(123,669)	27.7%	12,119	(15,151)
Total Expenditures	10,322,796	2,437,386	147.8%	10,137,769	2,597,929	25.6%	(63,484)	160,543

Foot Note:

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City of Chehalis
 Comparative Revenues and Expenditures - Budget to Actual
 March 2020 and 2021
 Wastewater Fund

Wastewater Fund (#404)	2020		2020 YTD % of Budget	2021		YTD Target % * 25.00%		^Variance YTD Target vs. Actual	Change YTD Actual 2021-2020
	Amended Budget	YTD Actual 3/31/2020		Adopted Budget	YTD Actual 3/31/2021	2021 YTD % of Budget			
Revenues:									
Operating Revenues:									
Charges for Services	\$ 5,056,865	\$ 1,232,547	24.4%	\$ 5,082,600	\$ 1,262,289	24.8%	\$ (8,361)	\$ 29,742	
Hookup/Connection Fee	57,920	3,030	5.2%	87,200	35,451	40.7%	13,651	32,421	
Capacity Charge (Cost Share)	277,380	-	0.0%	277,400	-	0.0%	(69,350)	-	
Intergovernmental Revenues	4,400	-	0.0%	-	-	0.0%	-	-	
Late Payment Fees	15,450	13,148	85.1%	51,200	358	0.7%	(12,442)	(12,790)	
Interest Earnings	67,250	40,899	60.8%	10,000	1,806	18.1%	(694)	(39,093)	
Rental Income	3,550	3,545	99.9%	3,500	-	0.0%	(875)	(3,545)	
Miscellaneous Other	1,540	252	16.4%	1,600	-	0.0%	(400)	(252)	
Total Operating Revenues	5,484,355	1,293,421	23.6%	5,513,500	1,299,904	23.6%	(78,471)	6,483	
Other Fund Sources:									
Custodial Activities	-	476	0.0%	-	-	0.0%	-	(476)	
Total Other Fund Source	-	476	0.0%	-	-	0.0%	-	(476)	
Total Revenues & Fund Sources	\$ 5,484,355	\$ 1,293,897	23.6%	\$ 5,513,500	\$ 1,299,904	23.6%	\$ (78,471)	\$ 6,007	
Expenditures:									
Operating Expenditures:									
Wages	\$ 1,066,122	\$ 246,044	23.1%	\$ 1,073,200	\$ 283,692	26.4%	\$ (15,392)	\$ 37,648	
Benefits	563,775	118,275	21.0%	560,900	134,531	24.0%	5,694	16,256	
Supplies	438,652	83,343	19.0%	460,866	119,180	25.9%	(3,963)	35,837	
Services	1,103,176	335,336	30.4%	1,237,434	412,139	33.3%	(102,780)	76,803	
Total Operating Expenditures:	3,171,725	782,998	24.7%	3,332,400	949,542	28.5%	(116,441)	166,544	
Other Expenditures:									
Capital Outlay	1,071,116	258,752	24.2%	430,000	47,036	10.9%	60,464	(211,716)	
Debt Service	1,879,905	20,762	1.1%	1,882,870	20,721	1.1%	449,997	(41)	
Custodial Receipts / Deposits	-	-	0.0%	-	-	0.0%	-	-	
Interfund Loan Disbursements	-	-	0.0%	-	-	0.0%	-	-	
Total Other Expenditures	2,951,021	279,514	9.5%	2,312,870	67,757	2.9%	510,461	(211,757)	
Total Expenditures	\$ 6,122,746	\$ 1,062,512	17.4%	\$ 5,645,270	\$ 1,017,299	18.0%	\$ 394,020	\$ (45,213)	
Excess Revenues Over (Under) Expenditures	\$ (638,391)	\$ 231,385	-36.2%	\$ (131,770)	\$ 282,605	-214.5%	\$ 315,549	\$ 51,220	
Beginning Fund Balance	5,374,991	5,374,991	100.0%	4,832,040	5,368,364	111.1%	-	(6,627)	
Ending Fund Balance	\$ 4,736,600	\$ 5,606,376	118.4%	\$ 4,700,270	\$ 5,650,969	120.2%	\$ 315,549	\$ 44,593	

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City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
March 2020 and 2021
Water Fund

	2020		2020 YTD % of Budget	2021		2021 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2021-2020
	Amended Budget	YTD Actual 3/31/2020		Adopted Budget	YTD Actual 3/31/2021			
WATER FUND (#405)								
Revenues:								
Operating Revenues:								
Charges for Services	\$ 2,864,810	\$ 629,421	22.0%	\$ 2,930,290	\$ 645,218	22.0%	\$ (87,355)	\$ 15,797
Hookup/Connectoin Fee	61,770	2,771	4.5%	120,300	35,173	29.2%	5,098	32,402
Intergovernmental Revenues	5,500	-	0.0%	-	61	0.0%	61	61
Late Payment Fees	7,820	6,240	79.8%	33,800	390	1.2%	(8,060)	(5,850)
Interest Earnings	59,120	33,470	56.6%	13,876	4,715	34.0%	1,246	(28,755)
Other Receipts	230	-	0.0%	3,200	-	0.0%	(800)	-
Total Operating Revenues	2,999,250	671,902	22.4%	3,101,466	685,557	22.1%	(89,810)	13,655
Other Funding Source								
Interfund Loan Repayment	69,490	17,253	24.8%	70,911	17,601	24.8%	(127)	348
Customer Deposits	-	-	0.0%	90,420	5,801	6.4%	(16,804)	5,801
Other Resources	-	4,118	0.0%	1,100	-	0.0%	(275)	(4,118)
Total Other Fund Source	69,490	21,371	30.8%	162,431	23,402	14.4%	(17,206)	2,031
Total Revenues & Fund Sources	\$ 3,068,740	\$ 693,273	22.6%	\$ 3,263,897	\$ 708,959	21.7%	\$ (107,016)	\$ 15,686
Expenditures								
Operating Expenditures								
Wages	\$ 848,476	\$ 201,752	23.8%	\$ 899,620	\$ 201,698	22.4%	23,207	(54)
Benefits	430,881	92,244	21.4%	447,700	93,609	20.9%	18,316	1,365
Supplies	344,456	77,828	22.6%	336,336	54,901	16.3%	29,183	(22,927)
Services	718,738	245,505	34.2%	751,099	218,198	29.1%	(30,423)	(27,307)
Total Operating Expenditures	2,342,551	617,329	26.4%	2,434,755	568,406	23.3%	40,283	(48,923)
Other Expenditures								
Capital Expenditures	2,262,297	-	0.0%	903,000	130,255	14.4%	95,495	130,255
Debt Service	286,278	1,059	0.4%	238,852	988	0.4%	58,725	(70)
Refunds of Deposits	-	-	0.0%	42,800	31,622	73.9%	(20,922)	31,622
Total Other Expenditures	2,548,575	1,059	0.0%	1,184,652	162,865	13.7%	133,298	161,807
Total Expenditures	\$ 4,891,126	\$ 618,388	12.6%	\$ 3,619,407	\$ 731,271	20.2%	\$ 173,581	\$ 112,884
Excess Revenues Over (Under) Expenditures	\$ (1,275,134)	\$ 74,885	-5.9%	\$ (355,510)	\$ (22,312)	6.3%	\$ 66,565	\$ (97,198)
Beginning Fund Balance	7,437,091	7,437,091	100.0%	6,284,970	7,990,124	127.1%	-	553,033
Ending Fund Balance	\$ 6,161,957	\$ 7,511,976	121.9%	\$ 5,929,460	\$ 7,967,812	134.4%	\$ 66,565	\$ 455,835

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City of Chehalis
 Comparative Revenues and Expenditures - Budget to Actual
 March 2020 and 2021
 Storm and Surface Water Fund

	2020		2020 YTD % of Budget	YTD Target % * 2021		2021 YTD % of Budget	^Variance YTD Target vs. Actual	Change YTD Actual 2021- 2020
	Amended Budget	YTD Actual 3/31/2020		2021 Adopted Budget	YTD Actual 3/31/2021			
Storm Water Fund (#406)								
Revenues:								
Operating Revenues:								
Charges for Goods & Services	\$ 677,015	\$ 187,370	27.7%	\$ 677,015	\$ 178,012	26.3%	\$ 8,758	\$ (9,358)
Hookup/Connection Fee	4,750	489	10.3%	29,750	5,575	18.7%	(1,863)	5,086
Intergovernmental Revenue	3,100	-	0.0%	-	-	0.0%	-	-
Late Payment Fees	2,200	1,895	86.1%	6,700	1	0.0%	(1,674)	(1,894)
Interest Earnings	9,230	5,282	57.2%	3,000	475	15.8%	(275)	(4,807)
Other Misc. Revenues	-	-	0.0%	-	343	0.0%	343	343
Total Operating Revenues	696,295	195,036	28.0%	716,465	184,406	25.7%	5,289	(10,630)
Other Fund Sources:								
Custodial Activities	-	-	0.0%	-	-	0.0%	-	-
Total Other Fund Sources	-	-	0.0%	-	-	0.0%	-	-
Total Revenues & Fund Sources	\$ 696,295	\$ 195,036	28.0%	\$ 716,465	\$ 184,406	25.7%	\$ 5,289	\$ (10,630)
Expenditures:								
Operating Expenditures:								
Wages	\$ 259,451	\$ 63,710	24.6%	\$ 262,750	\$ 50,527	19.2%	\$ 15,161	\$ (13,183)
Benefits	131,530	32,404	24.6%	147,410	29,995	20.3%	6,858	(2,409)
Supplies	60,852	13,491	22.2%	66,384	3,555	5.4%	13,041	(9,936)
Services	64,250	22,306	34.7%	73,254	18,867	25.8%	(553)	(3,439)
Total Operating Expenditures	516,083	131,911	25.6%	549,798	102,944	18.7%	34,507	(28,967)
Other Expenditures:								
Capital Expenditures	175,200	-	0.0%	338,898	2,485	0.7%	82,240	2,485
Debt Service	-	67	0.0%	404	175	43.3%	(74)	107
Custodial Activities	-	-	0.0%	-	-	0.0%	-	-
Total Other Expenditures	175,200	67	0.0%	339,302	2,660	0.8%	82,166	2,592
Total Expenditures	691,283	131,978	19.1%	889,100	105,604	11.9%	116,673	(26,375)
Excess Revenues Over (Under) Expenditures	\$ 5,012	\$ 63,058	1258.1%	\$ (172,635)	\$ 78,802	-45.6%	\$ 121,962	\$ 15,745
Beginning Fund Balance	1,264,662	1,264,662	100.0%	1,504,416	1,699,119	112.9%	194,703	434,457
Ending Fund Balance	\$ 1,269,674	\$ 1,327,720	104.6%	\$ 1,331,781	\$ 1,777,921	133.5%	\$ 316,665	\$ 450,202

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City of Chehalis
Comparative Revenues and Expenditures - Budget to Actual
March 2020 and 2021
Airport Fund

			YTD Target % *		25.00%		^Variance YTD Target vs. Actual	Change YTD Actual 2021- 2020
	2020 Amended Budget	YTD Actual 3/31/2020	2020 YTD % of Budget	2021 Adopted Budget	YTD Actual 3/31/2021	2021 YTD % of Budget		
Airport Fund (#407)								
Revenues:								
Operating Revenues:								
Fuel sales	\$ 675,000	\$ 144,049	21.3%	\$ 650,000	\$ 149,593	23.0%	\$ (12,907)	\$ 5,544
Other Misc. Revenues	1,950	415	21.3%	1,950	-	0.0%	(488)	(415)
Late Payment Fees	-	45	0.0%	-	-	0.0%	-	(45)
Interest Earnings	9,750	4,959	50.9%	3,000	380	12.7%	(370)	(4,579)
Rents & Leases	1,142,694	246,614	21.6%	1,197,961	309,527	25.8%	10,037	62,913
Total Operating Revenues	1,829,394	396,082	21.7%	1,852,911	459,500	24.8%	(3,728)	63,418
Other Fund Sources:								
Intergovernmental - Capital Grants	321,684	176,531	54.9%	-	-	0.0%	-	(176,531)
Custodial Activities	15,256	43,511	285.2%	-	13,750	0.0%	13,750	(29,761)
Interfund Loan Receipts	-	-	0.0%	-	-	0.0%	-	-
Proceeds from Sale of Capital Assets	-	-	0.0%	-	-	0.0%	-	-
Debt Proceeds (Bonds/Loans)	500,000	-	0.0%	250,000	325,573	130.2%	263,073	325,573
Total Other Fund Sources	836,940	220,042	26.3%	250,000	339,323	135.7%	276,823	119,281
Total Revenues & Fund Sources	\$ 2,666,334	\$ 616,124	23.1%	\$ 2,102,911	\$ 798,823	38.0%	\$ 273,095	\$ 182,699
Expenditures:								
Wages	\$ 312,092	\$ 73,128	23.4%	\$ 317,700	\$ 89,418	28.1%	\$ (9,993)	\$ 16,290
Benefits	179,291	39,338	21.9%	153,800	40,719	26.5%	(2,269)	1,381
Supplies	592,480	134,627	22.7%	576,300	115,362	20.0%	28,713	(19,265)
Services	233,890	55,564	23.8%	211,595	58,587	27.7%	(5,688)	3,023
Total Operating Expenditures	1,317,753	302,657	23.0%	1,259,395	304,086	24.1%	10,763	1,429
Other Expenditures:								
Capital Expenditures	850,375	57,840	6.8%	710,000	287,057	40.4%	(109,557)	229,217
Debt Service	99,795	7,615	7.6%	28,559	7,267	25.4%	(127)	(348)
Custodial Activities	100,076	2,645	2.6%	-	-	0.0%	-	(2,645)
Interfund Loan Payment	69,490	17,253	24.8%	70,911	17,601	24.8%	127	348
Total Other Expenditures	1,119,736	85,353	7.6%	809,470	311,925	38.5%	(109,557)	226,572
Total Expenditures	\$ 2,437,489	\$ 388,010	15.9%	\$ 2,068,865	\$ 616,011	29.8%	\$ (98,794)	\$ 228,001
Excess Revenues Over (Under) Expenditures	\$ 160,163	\$ 228,114	142.4%	\$ 34,046	\$ 182,812	537.0%	\$ 174,301	\$ (45,302)
Beginning Fund Balance	1,051,418	1,051,418	100.0%	1,530,242	1,391,726	90.9%	138,516	340,308
Ending Fund Balance	\$ 1,211,581	\$ 1,279,532	105.6%	\$ 1,564,288	\$ 1,574,538	100.7%	\$ 312,817	\$ 295,006

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