

CHEHALIS CITY COUNCIL AGENDA

CITY HALL
350 N MARKET BLVD | CHEHALIS, WA 98532

Dennis L. Dawes, Position at Large Mayor	Jerry Lord, District 1 Dr. Isaac S. Pope, District 4 Vacant, Position at Large
Anthony E. Ketchum Sr., District 3 Daryl J. Lund, District 2, Mayor Pro Tem Robert J. Spahr, Position at Large	

Regular Meeting of Monday, September 27, 2021 5:00 pm

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| 1. <u>Call to Order.</u> (Mayor Dawes)
2. <u>Pledge of Allegiance.</u> (Mayor Dawes)
3. <u>Approval of Agenda.</u> (Mayor Dawes) |
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- | PROCLAMATIONS / PRESENTATIONS |
|---|
| 4. <u>Energy Innovation Coalition and Center – Richard DeBolt and Centralia City Councilor Kelly Johnston</u> |

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.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
CONSENT CALENDAR		
5. <u>Minutes of the Regular City Council Meeting of August 23, 2021.</u> (City Clerk)	APPROVE	1
6. <u>Vouchers and Transfers – Accounts Payable in the Amount of \$831,567.03 Dated September 15, 2021.</u> (City Manager, Finance Director)	APPROVE	4

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
OLD BUSINESS		
7. <u>Ordinance No. 1022-B, Second and Final Reading – Amending the 2021 Budget.</u> (City Manager, Finance Director)	PASS	6
8. <u>Ordinance No. 1021-B, Second and Final Reading – A Petition to Vacate Portions of Right-of-Way on SE Adams, 12th Street, and the Undeveloped Alley Between 11th and 12th Streets.</u> (City Manager, Planning and Building Manager)	PASS	18

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
NEW BUSINESS		
9. <u>Lodging Tax Advisory Committee Recommendations for 2022 Tourism Funds and Request to Seek Applicants.</u> (Councilor Lord)	APPROVE	66

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

EXECUTIVE SESSION		
12. 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, OCTOBER 11, 2021.**

Chehalis City Council
Meeting Minutes
September 13, 2021

The Chehalis City Council met in regular session on Monday, September 13, 2021. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following members present: Tony Ketchum, Jerry Lord, Dr. Isaac Pope, and Bob Spahr. Councilor Daryl Lund participated via Zoom. Staff present included: Jill Anderson, City Manager; Tammy Baraconi, Planning and Building Manager; Kiley Franz, City Clerk; Tedd Hendershot, Fire Chief; Erin Hillier, City Attorney; Randy Kaut, Police Chief; Brandon Rakes, Airport Operations Coordinator; Chun Saul, Finance Director; Dave Vasilaskus, Water Superintendent; and Celest Wilder, Engineering Technician II. Eric Rosane from *The Chronicle* was also in attendance.

1. **Approval of Agenda.** Mayor Dawes informed the Council that an executive session would not be necessary; the executive session was removed from the agenda. A motion to approve the agenda as amended was made by Councilor Spahr. The motion was seconded by Councilor Pope and carried unanimously. They are working to research and lobby for capital improvement projects in Lewis County.

2. **Lewis County EDC Update – Todd Chaput.** Todd Chaput explained that the Lewis County EDC planned to leverage ARPA funds to create a database with upcoming projects for the county, local cities, the state, and some private entities. This could help to coordinate efforts on projects, which could reduce costs and redundancy. Mayor Dawes asked if they were looking at just approved projects or planned projects as well. Todd Chaput informed the Council that they were looking for all projects, even those that are not yet feasible; he hoped that including all projects may create an opportunity to collaborate with other entities to complete more projects.

3. **Lewis County Housing Summit Information.** Centralia City Councilor Kelly Smith Johnston invited the Council to the Policy Summit to discuss housing issues in Lewis County. They hope to create a cross-jurisdictional plan to increase housing in Lewis County. They will focus on the whole housing pipeline, which covers emergency shelters, transitional housing, social housing, affordable rental housing, affordable home ownership, market rental housing, and market home ownership.

Councilor Lord expressed his interest in the project.

4. **Citizens Business.**

- a. Jeff Barcott of Barcott Construction explained that he had completed some Public Works projects for the City of Chehalis and was currently working on more. He expressed frustration with the bid process for the 12th and Williams Avenue project, missing documents in the Northwest Pacific Avenue project bid paperwork, and the delays with the Fire Station Project.
- b. Jo Kuhner informed the Council that she would be interested in helping to keep the City-owned parking lot by the San Juan apartments clean and safe. She expressed her desire to clean-up the area by pulling weeds; she currently maintains the alley by the apartment building.

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

- a. Minutes of the regular City Council meeting of August 23, 2021; and
- b. August 31, 2021 Claim Vouchers No. 132447 – 132522 and Electronic Funds Transfer Check Nos. 1507 – 1538 in the amount of \$694,483.00; and
- c. August 31, 2021, Payroll Vouchers No. 41758-41788, Direct Deposit Payroll Vouchers No. 13805-13937, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 356-359 in the amount of \$847,120.83; and
- d. Resolution No. 13-2021, First and Final Reading – Declaring Property to be Surplus; and
- e. Short Plat to Divide Airport Property – Tract 7a (Lewis County Parcel Number 005605827001).

The motion was seconded by Councilor Ketchum and carried unanimously.

6. Ordinance No 1021-B, Second and Final Reading – A Petition to Vacate Portions of Right-of-Way on SE Adams, 12th Street, and the Undeveloped Alley Between 11th and 12th Streets. Tammy Baraconi explained that the petition to vacate portions of the right-of-way on SE Adams, 12th Street, and the undeveloped alley between 11th and 12th Streets had not changed since the first reading. The City was proposing to retain easements to access utilities in the alley.

Councilor Lord asked if new easements were being created. Ms. Baraconi explained that there were new ones for the utility purposes. Councilor Ketchum asked if the concerned neighbor had been in contact with Ms. Baraconi regarding the petition to vacate; Ms. Baraconi stated that she had been and her questions had been answered.

Erin Hillier noted that for best practices for vacating right-of-ways, the legal description and the final price per square foot that the City is to be compensated for the space. This Ordinance did not contain the exact square footage, so the City Council decided to postpone the second reading of Ordinance No. 1021-B until the September 27, 2021 City Council meeting.

7. Regional Water Supply Agreement between the City of Chehalis and the City of Centralia. City Manager Anderson informed the Council that the members of the Growth Management Committee had been in review of a possible purchase of water rights agreements from the City of Centralia, which had been obtained from TransAlta.

Tom McDonald of Cascadia Law explained that demand for water rights has always been high. The proposed agreement would be for three million gallons of water a day for the City of Chehalis. The original agreement had been for the City of Chehalis to purchase water wholesale from the City of Centralia, but the agreement has been revised for the City of Chehalis to own the water rights instead.

The price for the water rights would be \$1,500/acre foot of water for consumptive water; this price could go up to \$1,800/acre foot of water depending on the Department of Ecology. Mr. McDonald explained that the proposed agreement ensured that neither city's rate payers would be subsidizing the cost for the other city's rate payers. The permit for the water rights would not be issued until approximately August 2022.

Councilor Lord asked how much it will cost the City of Chehalis for infrastructure in relation to the water rights agreement. City Manager Anderson explained that a working group, with the assistance of consultants and attorneys, would return to the Council with the costs associated with the infrastructure improvements needed to access the water at a later date, as set forth in the proposed agreement. City Manager Anderson explained that policy decisions regarding how the costs would impact the City's water rates and capital charges would be brought before the Council after the water rights purchase is finalized and the cost of the necessary infrastructure improvements is determined. At that time the City Council may want to consider mechanisms to recoup the costs of securing the water from future development that will only be possible because of the purchase of the water rights.

Councilor Spahr asked if these water rights would be subjected to the Department of Ecology's 'use it or lose it' policy. Mr. McDonald explained while it is possible, this would be a water right permit to include a development schedule, which is proposed by the Cities to cover the next fifty years. According to Mr. McDonald, water rights would not be subject to forfeiture until the end of the requested fifty years, assuming that is approved by the Department of Ecology.

Councilor Spahr asked if the water rights would cost the \$4.5 million or the \$5.4 million listed in the agenda report. City Manager Anderson explained that the cost per acre foot could be between \$1,500 an acre foot and \$1,800 and the final number had not yet been finalized. Therefore, the cost to secure the water rights would be between \$4.5 million and \$5.4 million; Mr. McDonald explained that the lower cost was anticipated. Councilor Spahr asked if the City would be required to purchase the water rights even if they were unable to utilize the water, Mr. McDonald confirmed that the City would be obligated to purchase the rights. Councilor Spahr clarified that if the City was unable to utilize the water rights, they could later sell them.

A motion to approve the Regional Water Supply Agreement between the City of Centralia and the City of Chehalis and authorize the City Manager to sign the agreement was made by Councilor Spahr. The motion was seconded by Councilor Lord and carried unanimously.

8. Ordinance Number 1022-B, First Reading – Amending the 2021 Budget. Chun Saul provided the City Council with an overview of the second budget amendment. This amendment will increase the total revenue budget by \$2,623,867; the total expenditure budget will increase by \$720,848; and the total transfers in and out by \$297,181, for a net zero; with a total net increase in ending fund balance of \$1,903,019.

Ms. Saul provided budget overviews for the general fund expenditures and revenues with a net increase of \$832,301. Councilor Ketchum asked why the revenue projections would be modified mid-year if there could potentially be a major decrease

in sales tax. Ms. Saul explained that projections were created to reflect what has been received through August. Mayor Dawes expressed concern regarding a possible sales tax revenue decrease associated with decreased auto sales.

Ms. Saul provided budget overviews for the Transportation Benefit District fund, the federal grant control fund, the public facilities reserve fund, utility funds, and the airport fund.

The estimated 2021 ending fund balance across all funds is \$24,554,668.

A motion to pass Ordinance No. 1022-B on first reading was made by Councilor Spahr. The motion was seconded by Councilor Lord and unanimously.

9. Appointment of New Lodging Tax Advisory Committee Members. City Manager Anderson explained that the Lodging Tax Advisory Committee (LTAC) meets annually to review applications for lodging tax funds. Two members of the LTAC have resigned from their positions in the hospitality industry. Jacob Blue of the Holiday Inn Express has applied. Since representatives of other local hotels were unable to attend this year, staff is recommending the appointment of Lilly Wall, Recreation Manager of the City of Chehalis be appointed to the open position. The City does meet the requirements of a collecting agency due to the RV park.

A motion to appoint Jacob Blue and Lilly Wall to the City's Lodging Tax Advisory Committee was made by Councilor Spahr. The motion was seconded by Councilor Pope and unanimously.

10. Process for Filling the Vacant City Council Seat (At-Large Position No. 2). City Manager Anderson explained that Councilor Bannan had resigned on September 7, 2021 after moving outside of the city limits. The open At-Large Position #2 will expire at the first council meeting after the certification of the election results in November. Michael Bannan was running unopposed in the coming election; if elected, he may decline the position and another appointment to the Council will be necessary. If a write-in candidate were to win the election, a second appointment will not be necessary.

A motion to approve the process and application, and direct staff to proceed with the process for seeking candidates to fill the At-Large No. 2 position to complete the term, which ends at the first City Council meeting that follows the certification of the November 2, 2021 election results by the Lewis County Auditor's Office was made by Councilor Spahr. The motion was seconded by Councilor Lord and carried unanimously.

11. Councilor Reports/Committee Updates.

- a. **Councilor Spahr.** Councilor Spahr mentioned an abandoned motorhome on Interstate Avenue.
- b. **Mayor Dawes.** Mayor Dawes will take part in the legislative roundtable, which will take place on Friday, October 1, 2021.

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 and RCW 42.30.110(1)(c) – Sale/Lease of Real Estate, not to exceed 8:00 pm and there will be no action taken following conclusion of the executive session. Mayor Dawes closed the regular meeting at 7:20 pm. and the executive session began at 7:26 pm. Following conclusion of the executive session at 8:00 pm, the regular meeting was reopened and was immediately adjourned.

Dennis L. Dawes, Mayor

Kiley Franz, 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: September 27, 2021

SUBJECT: Vouchers and Transfers – Accounts Payable in the Amount of \$831,567.03

ISSUE

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

DISCUSSION

The September 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 Replacement Checks No. 132523 & 132526, Claim Vouchers No. 132524 - 132618 and Electronic Funds Transfer Checks No. 1539 – 1566 in the amount of \$831,567.03 dated September 15, 2021 which included the transfer of:

- \$ 113,705.99 from the General Fund
- \$ 105.96 from the Dedicated Street Fund – 4% Sales Tax
- \$ 44,585.88 from the Transportation Benefit District Fund
- \$ 2,083.86 from the LEOFF 1 OPEB Reserve Fund
- \$ 303,434.52 from the Public Facilities Reserve Fund
- \$ 493.27 from the Garbage Fund
- \$ 41,994.70 from the Wastewater Fund
- \$ 292,669.43 from the Water Fund
- \$ 3,957.64 from the Storm & Surface Water Utility Fund
- \$ 17,882.45 from the Airport Fund
- \$ 5,822.99 from the Custodial Court Fund
- \$ 4,830.34 from the Custodial Other Agency Fund

RECOMMENDATION

It is recommended that the City Council approve the September 15, 2021 Claim Vouchers No. 132524 – 132618, Electronic Funds Transfer Checks No. 1539 – 1566 and Replacement Checks No. 132523 & 132525 in the amount of \$831,567.03.

SUGGESTED MOTION

I move that the City Council approve the September 15, 2021 Claim Vouchers No. 132524 – 132618, Electronic Funds Transfer Checks No. 1539 – 1566 and Replacement Checks No. 132523 & 132525 in the amount of \$831,567.03.

**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: September 13, 2021

SUBJECT: Ordinance No. 1022-B, Second and Final Reading – Amending the 2021 Budget

ISSUE

Ordinance No. 1022-B amending the 2021 Budget, is hereby submitted for second and final reading to reflect the changes in estimates and actual activities of the City since the adoption of the 2021 Budget. The first reading of this Ordinance was conducted on September 13, 2021. This is the second amendment to 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

A 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. 1022-B as Exhibit “A” and Exhibit “A-1”.

The proposed budget amendments by fund are summarized as follows:

General Fund

The proposed budget amendment increases the General Fund’s revenues by \$1,108,289, increases appropriations by \$235,988, and increases transfers-out by \$40,000, resulting in a net increase in fund balance by \$832,301.

Total revenue budget increase is to reflect actual revenues received through August exceeding the 2021 budget amounts, which includes but not limited to the following:

- \$820,000 - Local Sales Tax revenue
- \$187,500 - Building permit fees and Plan Check fees
- \$ 10,000 - Public Defense Improvement Grant received by Municipal Court
- \$ 39,236 – State Shared Revenues for City Assistance and EI & CJ Leg One-Time Cost
- \$ 21,450 – Drug seizure and forfeiture distribution
- \$ 30,103 – other miscellaneous revenues and receipts.

Local Sales Tax revenue received through August 2021 exceeds the eight-month target by \$720,107 (about 15.4%). Using 2019 level for the remaining months in 2021 (September – December), the 2021 local sales revenue is projected to be about \$5,493,200, which is about an \$820,000 increase from the original budget projection of \$4,673,200. This new projection is about an 17.5% increase from the original 2021 budget projection and about an 8.0% increase from the actual 2020 local sales tax revenue.

Total appropriations and transfers-out budget increase of \$275,988 consists of the following:

General Fund Budget Amendment Request by Department

General Fund Department	2021 Current Budget	Amendment Request Increase (Decrease)	Proposed Second Amended 2021 Budget	% Increase (decrease)
City Council	94,430	-	94,430	0.0%
Municipal Court	415,600	12,716	428,316	3.1%
City Manager	227,015	1,200	228,215	0.5%
Finance	283,635	3,000	286,635	1.1%
City Clerk	96,925	3,251	100,176	3.4%
Legal Services	76,700	3,000	79,700	3.9%
Facilities and Parks	1,234,758	68,128	1,302,886	5.5%
Non-Departmental	901,644	73,243	974,887	8.1%
Human Resources	122,250	1,500	123,750	1.2%
Police	3,490,310	(65,000)	3,425,310	-1.9%
Fire	2,369,615	5,100	2,374,715	0.2%
Street	571,257	35,000	606,257	6.1%
Planning and Building	896,605	134,850	1,031,455	15.0%
Parks and Recreation	386,350	-	386,350	0.0%
Total Expenditures and Transfers Out	11,167,094	275,988	11,443,082	2.5%

- Municipal Court - Unexpected unemployment benefit payment, 2020 AV Capture annual fee paid in 2021, and court bail deposit refunds not in the current budget.
- City Manager and Finance – increase in IT services due to new user(s) and other support.
- Facilities and Parks – Increase in maintenance activities. \$28,000 for seasonal maintenance staff, \$18,000 for maintenance supplies, and \$14,500 for drainage project at the scout lodge and sign refurbishments, and \$7,628 for various other needs and adjustments.
- Non-departmental: \$32,243 repayment to Department of Revenue for brokered natural gas tax received in 2019. DOR had issued an audit of a taxpayer in 2019 including an estimated tax of \$32,423 which was then distributed to the City. DOR concluded the audit in August this year and determined that the taxpayer did not owe the tax and requested the City repay the tax to DOR. \$40,000 transfers-out to the Public Facilities Reserve Fund for Westside Park and Lintott/Alexander Park improvement projects.
- Police: Police evidence garage acquisition budgeted in 2021 is being moved to 2022.
- Fire: Membership dues and subscription budget adjust to actual.
- Street: Purchase of LED lights and costs for installation of LED lights more than anticipated.
- Planning and Building: Addition \$75,000 for contracted inspector service due to exceptionally busy permit season, \$53,000 payroll expenses for new Planner hired in June 2021, \$6,800 for permit software annual fee increase, office equipment, and IT service expenses for new staff.

A summary of proposed amendment to the 2021 budget for the General Fund is provided below:

	2021 Current Budget	Amendment Request Increase (Decrease)	Proposed Second Amended 2021 Budget	% Increase (decrease)
General Fund				
Revenues	\$ 9,926,514	\$ 1,108,289	\$ 11,034,803	11.2%
Transfers In	-	-	-	0.0%
Expenditures	10,459,250	235,988	10,695,238	2.3%
Transfers Out	707,844	40,000	747,844	5.7%
Net Revenues Over (Under) Expenditures	\$ (1,240,580)	\$ 832,301	\$ (408,279)	-67.1%
Beginning Fund Balance	2,240,739	-	2,240,739	0.0%
Estimated Ending Fund Balance	\$ 1,000,159	\$ 832,301	\$ 1,832,460	83.2%
Estimated Ending Fund Balance % of Reve	10.1%		16.6%	

Transportation Benefit District Fund

Public Transportation Tax revenue received through August 2021 exceeds the eight-month target by \$173,336 (about 15.6%). Using 2019 level for the remaining months in 2021 (September – December), the 2021 TBD tax revenue is projected to be \$1,286,000, which is about a \$190,000 increase from the original budget projection of \$1,096,000. This new projection is about a 17% increase from the original projection and about an 8.0% increase from the actual 2020 TBD tax revenue.

Compensated Absences Reserve Fund

The proposed budget amendment reduces the Compensated Absences Reserve Fund’s appropriations by \$49,000 due to allocation of accrual cash outs for three retirees from Human Resources, Finance, and City Clerk’s offices to proprietary funds as contra expense (or indirect cost allocation). Total 2021 cash out expenditure are \$128,674, and about \$48,900 or 38.0% of the total is estimated to be allocable to utilities and Airport funds.

LEOFF 1 OPEB Reserve Fund

The proposed budget amendment decreases the LEOFF 1 OPEB Reserve Fund’s transfers-in by \$78,000. The adopted 2021 budget includes \$78,000 transfers-in from the Firemen’s Pension Fund. It was learned that to report the Firemen’s Pension Fund as a fiduciary fund on the City’s financial statement, the funds must stay in the Firemen’s Pension Fund until there is no pre-LEOFF pension beneficiary remaining. This financial statement reporting issue was discussed with Council Budget Committee members during July 13th Budget Committee meeting and the Council Budget Committee recommend keeping the funds in the Firemen’s Pension Fund until there is no beneficiary remaining or use of the funds is needed.

Federal Grant Control Fund

This fund is used to account for the State and Local Fiscal Recovery Funds (SLFRF) received under the American Rescue Plan Act of 2021 (ARPA). The budget amendment reflects \$1,066,299 revenue for ARPA funds received in June 2021 and \$335,181 transfers-out to the Public Facilities Reserve Fund to supplement the temporary fire station project costs exceeding the bonds proceeds. This was approved by the City Council on 8/9/2021.

Public Facilities Reserve Fund

The proposed budget amendment increases the Public Facilities Reserve Fund’s revenues by \$15,591, increases transfers-in by \$375,181, and increases the appropriations by \$391,009, resulting in a net decrease in fund balance by \$237.

Increase in appropriations includes \$15,828 retainage released in August for pool resurfacing project, \$40,000 ear-marked for two parks improvement projects: Westside Park and Lintott/Alexander Park,

and \$335,181 for temporary fire station project. Recreation Park and Penny Playground projects are complete other than a few minor punch items being added. The only remaining major project in 2021 is the temporary fire station project. A summary of the 2021 proposed amended budget for the Public Facilities Reserve Fund is provided below:

Public Facilities Reserve Fund	2021 Current Budget	Amendment Request Increase (Decrease)	Proposed Second Amended 2021 Budget	% Increase (decrease)
Revenues	\$ 321,210	\$ 15,591	\$ 336,801	4.9%
Transfers In	-	375,181	375,181	0.0%
Expenditures	869,176	391,009	1,260,185	45.0%
Transfers Out	-	-	-	0.0%
Net Revenues Over (Under) Expenditures	\$ (547,966)	\$ (237)	\$ (548,203)	0.0%
Beginning Fund Balance	958,474		958,474	0.0%
Estimated Ending Fund Balance	\$ 410,508	\$ (237)	\$ 410,271	-0.1%

About \$190,000 of the estimated ending fund balance is donations received and restricted for Recreation Park.

Wastewater Fund

The proposed budget amendment increases the Wastewater Fund's revenues by \$18,211 and decreases appropriations by \$35,900, resulting in a net increase in fund balance by \$54,111.

Revenue increases includes \$36,211 FEMA grant reimbursement received in 2021 for January 2020 winter storm disaster event damage recovery costs, \$32,000 increase in hookup/connection fee revenues to reflect to actual through August, and loss of late fee revenue by \$50,000.

Decrease in appropriations includes \$90,000 for postponement of equalization basin construction project to 2022 and \$25,000 increase for sewer replacement at Sitka Avenue which was not in the original budget.

Water Fund

The proposed budget amendment decreases the Water Fund's revenues by \$25,300 and increase appropriations by \$1,800. Revenue decrease includes \$33,000 for loss of late fee revenue and \$7,700 increase for latecomer fee deposits.

Storm and Surface Water Fund

The proposed budget amendment decreases the Storm and Surface Water Fund's revenues by \$6,700 and increases appropriations by \$3,200.

Airport Fund

The proposed budget amendment increases the Airport Fund's revenues by \$257,477 and increases appropriations by \$173,751, resulting in a net increase in fund balance by \$83,726.

The revenue increase includes \$129,377 FAA grant for the runway rehabilitation project and additional debt service payment for Arkansas Way loan and \$128,100 lease escrow deposits received that was not in the original budget.

Total appropriations increase includes expense of the FAA grants for the scope of the grant award and increase for contra expenses (general fund indirect cost allocation for administrative services) by \$29,900 to reflect more to actual through August activities.

City-Wide Summary

The proposed budget amendment revises the budgeted amount by a combined net total increase in fund balance by \$1,903,019 and a total estimated ending fund balance to \$24,554,668 as provided below:

City-wide (All Funds)	2021 Current Budget	Amendment Request Increase (Decrease)	Proposed Second Amended 2021 Budget	% Increase (decrease)
Revenues	\$ 26,197,901	\$ 2,623,867	\$ 28,821,768	10.0%
Transfers-In	1,062,734	297,181	1,359,915	28.0%
Expenditures	28,691,330	720,848	29,412,178	2.5%
Transfers-out	1,062,734	297,181	1,359,915	28.0%
Net Revenues Over (Under) Expenditures	\$ (2,493,429)	\$ 1,903,019	\$ (590,410)	-76.3%
Beginning Fund Balance^	25,145,078	-	25,145,078	0.0%
Estimated Ending Fund Balance	\$ 22,651,649	\$ 1,903,019	\$ 24,554,668	8.4%

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 1022-B on second and final reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 1022-B on second and final reading.

ORDINANCE NO. 1022-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 NINE HUNDRED THREE THOUSAND NINETEEN DOLLARS (\$1,903,019) FOR THE GENERAL FUND, TRANSPORTATION BENEFIT DISTRICT FUND, COMPENSATED ABSENCES RESERVE FUND, LEOFF 1 OPEN RESERVE FUND, FEDERAL GRANT CONTROL FUND, PUBIC FACILITIES RESERVE FUND, WASTEWATER FUND, WATER FUND, STORM AND SURFACE WATER FUND, AIRPORT FUND, AND FIREMEN'S PENSION 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 so as to increase the General Fund's revenues by \$1,108,289, increase appropriations by \$235,988, and increase transfers-out by \$40,000.

Section 2. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to increase the Transportation Benefit District Fund's revenues by \$190,000.

Section 3. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to decrease the Compensated Absences Reserve Fund's appropriations by \$49,000.

Section 4. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to decrease the LEOFF 1 OPEB Reserve Fund's transfers-in by \$78,000.

Section 5. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to increase the Federal Grant Control Fund's revenues by \$1,066,299 and increase transfers-out by \$335,181.

Section 6. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to increase the Public Facilities Reserve Fund's revenues by \$15,591, increase transfers-in by \$375,181, and increase appropriations by \$391,009.

Section 7 The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to increase the Wastewater Fund's revenues by \$18,211 and decrease appropriations by \$35,900.

Section 8. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to decrease the Water Fund's revenues by \$25,300 and increase appropriations by \$1,800.

Section 9. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to decrease the Storm and Surface Water Fund's revenues by \$6,700 and increase appropriations by \$3,200.

Section 10. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to increase the Airport's revenues by \$257,477 and increase appropriations by \$173,751.

Section 11. The annual budget of the city for the calendar year 2021 shall be, and the same hereby is, amended so as to decrease the Firemen's Pension Fund's transfers-out by \$78,000.

Section 12. 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 \$24,554,668.

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 "SECOND " AMENDED 2021 BUDGET
2021 BUDGET SUMMARY REVISED WITH ORDINANCE NO. 1022-B**

FUND NO.	FUND NAME	ACTUAL BEGINNING FUND BALANCE 01/01/2021		TRANSFERS IN	EXPENDITURES	TRANSFERS OUT	ESTIMATED ENDING FUND BALANCE 12/31/2021	INCREASE (DECREASE) IN FUND BALANCE	% CHANGE
		REVENUES							
001	General Fund (Current Expense)	\$ 2,240,739	\$ 11,034,803	\$ -	\$ 10,695,238	\$ 747,844	\$ 1,832,460	\$ (408,279)	-18.2%
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	1,751,740	-	1,637,650	-	3,219,250	114,090	3.7%
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	151,000	-	247,420	49,400	24.9%
115	LEOFF 1 OPEB Reserve	33,607	100	166,000	168,300	-	31,407	(2,200)	-6.5%
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%
199	Federal Grant Control	-	1,066,299	-	-	335,181	731,118	731,118	0.0%
200	General Obligation Bond	5	-	301,934	301,934	-	5	-	0.0%
301	Public Facilities Reserve	958,474	336,801	375,181	1,260,185	-	410,271	(548,203)	-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	5,531,711	-	5,812,570	-	5,087,505	(280,859)	-5.2%
405	Water	7,990,124	3,238,597	-	3,918,107	-	7,310,614	(679,510)	-8.5%
406	Storm and Surface Water	1,699,119	709,765	-	948,100	-	1,460,784	(238,335)	-14.0%
407	Airport	1,391,726	4,206,458	-	3,601,769	-	1,996,415	604,689	43.4%
611	Firemen's Pension	1,023,556	15,480	-	13,300	-	1,025,736	2,180	0.2%
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	\$ 28,821,768	\$ 1,359,915	\$ 29,412,178	\$ 1,359,915	\$ 24,554,668	\$ (590,410)	-2.3%

*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)
<i>Changes from 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>
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 from Amendment #2</i>	<i>-</i>	<i>2,623,867</i>	<i>297,181</i>	<i>720,848</i>	<i>297,181</i>	<i>1,903,019</i>	<i>1,903,019</i>

Fund No. and Name	Account Name	Reason for Amendment	2021 Current Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Fund 001 - General Fund									
Revenues:									
001.313.011.00	Local Sales Tax	Increase projection to reflect more to actual	4,673,200	820,000				820,000	5,493,200
001.322.010.00	Building Permits	Relect to actual. Increase in permit activities	80,400	125,000				125,000	205,400
001.322.090.00	Other Licenses & Permits - fire safety	Reflect more to actual	600	10,000				10,000	10,600
001.331.016.60	DOJ Bullet Proof Vest Grant	Bulletproof Vest Grant reimbursement received not in budget	-	1,530				1,530	1,530
001.334.001.20	Other Judicial Agencies	Public Defense Improvement Grant received not in budget	-	10,000				10,000	10,000
001.335.000.91	PUD Privilege Tax	Reflect more to actual	75,000	3,560				3,560	78,560
001.335.004.01	Ee & CJ Leg One-Time Cost	State shared revenue not in budget	-	29,916				29,916	29,916
001.336.000.98	City Assistance	Reflect more to actual	13,800	9,320				9,320	23,120
001.342.021.03	Fire Protection Service -Green Hills	Rate increase per 2021-2022 service agreement	25,100	2,975				2,975	28,075
001.342.021.06	Intergov'tl Ambulance Service Conso	Not in 2021 budget	-	1,200				1,200	1,200
001.345.083.00	Plan Check Fees	Increase in permit activities	44,500	62,500				62,500	107,000
001.356.050.03	Drug/Alcohol Spec Assessment	Reflect more to actual	1,800	1,305				1,305	3,105
001.367.000.00	Private Donations	WFOA scholarship for Accounting Intern in Finance	-	1,533				1,533	1,533
001.369.010.00	Sale of Scrap or Junk	Sale of miscellaneous fire equipment	-	3,000				3,000	3,000
001.369.030.00	Confisc & Forfeit - Drugs/UNET	Increase in drug seizure payments	21,800	21,450				21,450	43,250
001.382.010.01	Municipal Court Bail Deposits	Municipal Court bail deposits received not in budget	-	5,000				5,000	5,000
Total General Fund Revenues & Transfers In			9,926,514	1,108,289	-	-	-	1,108,289	11,034,803
Expenditures:									
001.C1.512.050.48.02	R & M - IT Software/Hardware	AV Capture 2020 Annual fee paid in 2021	4,000			2,915		2,915	6,915
001.C1.523.020.21.07	Personnel Benefits - UI Taxes	Unemployment tax payment not in budget	-			3,801		3,801	3,801
001.C1.582.010.00.01	Municipal Court Bail Deposit Refunds	Bail deposit refunds not in budget	-			6,000		6,000	6,000
subtotal for Municipal Court			415,600	-	-	12,716	-	12,716	428,316
001.D1.513.010.48.02	R & M - IT Software/Hardware	Increase IT service for setting up new user and other support	600			1,200		1,200	1,800
subtotal for City Manager			227,015	-	-	1,200	-	1,200	228,215
001.E1.514.023.11.00	Salaries and Wages	New staff with less pay step	251,200			(5,500)		(5,500)	245,700
001.E1.514.023.11.05	Salaries and Wages - PT	Need additional help to pick up tasks done by previous accountant until new staff is trained	11,000			5,500		5,500	16,500
001.E1.514.023.48.02	R & M - IT Software/Hardware	Increase IT support service for multipel setting up new users due to staff changes	33,300			3,000		3,000	36,300
subtotal for Finance			283,635	-	-	3,000	-	3,000	286,635
001.E4.518.080.41.00	Professional Services	Municipal code online update, not in 2021 budget	-			3,251		3,251	3,251
subtotal for City Clerk			96,925	-	-	3,251	-	3,251	100,176
001.F1.515.041.41.32	Professional Services - Litigation	Services for public records litigation exceeded budget estimated	5,000			3,000		3,000	8,000
subtotal for Legal Services			76,700	-	-	3,000	-	3,000	79,700
001.F2.518.030.11.05	Salaries and Wages - PT	Facilities maintenance	36,000			25,000		25,000	61,000
001.F2.518.030.21.07	Personnel Benefits - UI Tax	Unexpected unemployment benefit payments	-			1,600		1,600	1,600
001.F2.518.030.31.00	Operaing supplies	Facilities maintenance supplies	50,000			18,000		18,000	68,000
001.F2.518.030.48.00	R & M - Facilitieis	Drainage project at the scout lodge, city hall, police sign refurbishment	30,000			14,500		14,500	44,500
001.F2.572.050.11.05	Salaries and Wages - PT	Library mainteance	-			1,800		1,800	1,800
001.F2.576.020.11.05	Salaries and Wages - PT	Pool mainteance	-			1,200		1,200	1,200
001.F2.576.020.31.00	Operaing supplies	Pool mainteance supplies	40,000			5,000		5,000	45,000
001.F2.594.018.71.01	Capital Lease -Mower-Principal	Adjust budget to actual	10,879			1,463		1,463	12,342
001.F2.594.018.81.01	Capital Lease -Mower-Interest	Adjust budget to actual	1,663			(435)		(435)	1,228
subtotal for Facilities and Parks			1,234,758	-	-	68,128	-	68,128	1,302,886
001.G1.553.030.40.11	Intergov't Service -LC Flood Warning	Budget \$4,000, Actual \$4,933.70	4,000			1,000		1,000	5,000
001.G1.588.010.00.00	Prior Period Adjustment	Refund DOR for tax distributed to City in 2019	-			32,243		32,243	32,243
001.G1.597.000.05.31	Transfer Out - Fund 301	Westside & Lintott-Alexander Park Impv. project (Council approved 5/24/21)	-			-	40,000	40,000	40,000
subtotal for Non-Departmental			901,644	-	-	33,243	40,000	73,243	974,887
001.G2.518.010.44.00	Advertising	GeoGov/APWA - vacant postion postings	250			1,500		1,500	1,750
subtotal for Human Resources			122,250	-	-	1,500	-	1,500	123,750
001.H1.594.021.62.00	Building and Structure	Police evidence garage acquisition moved to 2022	65,000			(65,000)		(65,000)	-
subtotal for Police			3,490,310	-	-	(65,000)	-	(65,000)	3,425,310
001.I1.522.010.41.00	Professional Services	Reflect more to actual	-			5,000		5,000	5,000
001.I1.522.010.49.02	Membership Dues & Subscription	Adjust to actual	3,000			5,100		5,100	8,100
001.I1.522.026.41.00	Professional Services	Reflect more to actual	10,000			(5,000)		(5,000)	5,000
subtotal for Fire			2,369,615	-	-	5,100	-	5,100	2,374,715
001.K1.542.030.45.00	Rentals	Equipment rentals for roadway maint not budgetted	6,000			5,000		5,000	11,000
001.K1.542.063.31.00	Office & Operating Supplies	Purchased a lot more LED lights than expected.	3,500			18,000		18,000	21,500
001.K1.542.063.48.00	Repair & Maint - Facilities	More electrician service for installation of LED lights	5,000			6,000		6,000	11,000
001.K1.542.063.48.01	Repair & Maint - Equipment	Street light repairs at Louisiana Ave not budgetted	-			6,000		6,000	6,000
subtotal for Street			571,257	-	-	35,000	-	35,000	606,257
001.P2.524.011.41.00	Prof Services - Inspection/Permit	Exceptionally busy building permit season. Additional budget requested.	112,000			75,000		75,000	187,000

Fund No. and Name	Account Name	Reason for Amendment	2021 Current Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
001.P2.524.011.24.00	Uniform & Clothing	Safety clothing required for staff performing site visits	-			750		750	750
001.P2.524.011.48.02	R & M - IT Hardware/Software	Increased IT service due to new staff & permit software annual maintenance cost increase	12,900			5,000		5,000	17,900
001.P2.558.060.11.00	Salaries and Wages	Hired an additional planner 6/21/2021	94,300			38,000		38,000	132,300
001.P2.558.060.21.00	Personnel Benefits	Hired an additional planner 6/21/2021	72,900			15,000		15,000	87,900
001.P2.558.060.48.00	R&M - Facilities	Creation of new work space for new planner	200			600		600	800
001.P2.558.060.48.02	R & M - IT Hardware/Software	Increased IT service due to new staff	1,600			500		500	2,100
		subtotal for Planning & Building	896,605			134,850		134,850	1,031,455
Total General Fund Expenditures & Transfers Out			11,167,094			235,988	40,000	275,988	11,443,082
Total for General Fund				1,108,289	-	235,988	40,000	832,301	

Fund 103 - Transportation Benefit District Fund

Revenues:									
103.313.021.00	Public Transportation Tax - TBD	Increase projection to reflect more to actual	1,096,000	190,000				190,000	1,286,000
Total Transportation Benefit District Fund Revenues & Transfers In			1,561,740	190,000	-	-	-	190,000	1,751,740
Total for Transportation Benefit District Fund				190,000	-	-	-	190,000	

Fund 110 - Compensated Absences Reserve Fund

Expenditures:									
110.47.514.020.1C.00	Wage Contra Exp - city clerk	allocation of retiree cashouts expenses to proprietary funds	-			(11,200)		(11,200)	(11,200)
110.47.514.020.2C.00	Benefit Contra Exp - city clerk	allocation of retiree cashouts expenses to proprietary funds	-			(900)		(900)	(900)
110.47.514.023.1C.00	Wage Contra Exp - finance	allocation of retiree cashouts expenses to proprietary funds	-			(15,200)		(15,200)	(15,200)
110.47.514.023.2C.00	Benefit Contra Exp - finance	allocation of retiree cashouts expenses to proprietary funds	-			(1,200)		(1,200)	(1,200)
110.47.518.019.1C.00	Wage Contra Exp - HR	allocation of retiree cashouts expenses to proprietary funds	-			(19,000)		(19,000)	(19,000)
110.47.518.019.2C.00	Benefit Contra Exp - HR	allocation of retiree cashouts expenses to proprietary funds	-			(1,500)		(1,500)	(1,500)
Total Compensated Absences Reserve Fund Expenditures & Transfers Out			200,000			(49,000)		(49,000)	151,000
Total for Compensated Absences Reserve Fund				-	-	(49,000)	-	49,000	

Fund 115 - LEOFF 1 OPEB Reserve Fund

Revenues:									
115.397.000.61	Transfer In- Fund 611	Keep funds in 611 (Council Budget Committee approved)	78,000		(78,000)			(78,000)	-
Total LEOFF 1 OPEB Reserve Fund Revenues & Transfers In			244,100		(78,000)			(78,000)	166,100
Total for Compensated Absences Reserve Fund				-	(78,000)	-	-	(78,000)	

Fund 199 - Federal Grant Control Fund

Revenues:									
119.331.021.02	US Treasury Grant - ARPA	US Treasury ARPA Local Fiscal Recovery Funds Received not in budget	-	1,066,299				1,066,299	1,066,299
Total Federal Advance Grant Control Fund Revenues & Transfers In			-	1,066,299				1,066,299	1,066,299
Expenditures:									
199.48.597.000.05.31	Transfer Out - Fund 301	ARPA funds for Temp. Fire Station project costs over bond proceeds (Council Approved 8/9/21)	-				335,181	335,181	335,181
Total Federal Advance Grant Control Fund Expenditures & Transfers Out			-				335,181	335,181	335,181
Total for Federal Grant Control Fund				1,066,299	-	-	335,181	731,118	

Fund 301 - Public Facilities Reserve Fund

Revenues:									
301.367.011.76	Donation - Ballfield	Chehalis Foundation Donation for Ballfield not in budget	-	6,000				6,000	6,000
301.367.011.77	Donation - Penny Playground	Chehalis Foundation Donation for Penny Playground not in budget	-	9,591				9,591	9,591
301.397.000.01	Transfer In - Fund 001	Reserve for Westside Park & Lintott/Alexander Park Impv. proj \$20K each	-		40,000			40,000	40,000
301.397.000.19	Transfer In - Fund 199	ARPA funds for Temp. Fire Station Project (Council Approved 8/9/21)	-		335,181			335,181	335,181
Total Public Facilities Reserve Fund Revenues & Transfers In			321,210	15,591	375,181			390,772	711,982
Expenditures:									
301.44.594.022.61.01	Land (Fire Station)	Additional cost for temp. fire station site prep work	233,396			191,825		191,825	425,221
301.44.594.022.62.00	Bldgs/Structures (Fire Station)	Additional cost for apparatus bay & modular home relocation work	204,500			143,356		143,356	347,856
301.44.594.076.63.00	Improvements - Pool	Retainage released for pool resurfacing project completed in 2020	-			15,828		15,828	15,828
301.44.594.076.63.02	Improvements - Westside Parks	Westside Park improvement project - initial seed money by City	-			20,000		20,000	20,000
301.44.594.076.63.03	Improvements - Lintott/Alexander	Lintott/Alexander Parks improvement project - initial city seed money by City	-			20,000		20,000	20,000

Fund No. and Name	Account Name	Reason for Amendment	2021 Current Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Total Public Facilities Reserve Fund Expenditures & Transfers Out			869,176	-	-	391,009	-	391,009	1,260,185
Total for Public Facilities Reserve Fund					15,591	375,181	391,009	-	(237)

Fund 404 - Wastewater Fund

Revenues:									
404.333.097.03	FEMA - federal grant	Reimbursement for January 2020 Disaster project costs not in budget	-	31,038				31,038	31,038
404.334.001.80	FEMA - state grant	Reimbursement for January 2020 Disaster project costs not in budget	-	5,173				5,173	5,173
404.343.050.30	Hookup/Connection Fees	Adjust more to actual (YTD revenue over 2021 budget)	87,200	32,000				32,000	119,200
404.359.000.00	Late Payment Fees	Late payment fees unable to assess due to governor's proclamation	51,200	(50,000)				(50,000)	1,200
Total Wastewater Revenues & Transfers In			5,513,500	18,211	-	-	-	18,211	5,531,711
Expenditures:									
404.11.535.010.41.00	Professional Services	NASH consultant for employee issues, not in budget	6,300			15,000		15,000	21,300
404.11.594.035.65.00	Construction Projects	Sewer Replacement at Sitka Ave, not in budget	-			25,000		25,000	25,000
404.11.594.035.65.00	Construction Projects	2021 budgeted EQ1/EQ2 basin construction projects moved to 2022	543,300			(90,000)		(90,000)	453,300
404.11.535.091.1A.00	Wage Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	81,000			16,900		16,900	97,900
404.11.535.091.2A.00	Benefit Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	40,500			300		300	40,800
404.11.535.091.3A.00	Supplies Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	2,200			(200)		(200)	2,000
404.11.535.091.4A.00	Services Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	44,300			(2,900)		(2,900)	41,400
Total Wastewater Fund Expenditures			5,848,470	-	-	(35,900)	-	(35,900)	5,812,570
Total Wastewater Fund					18,211	-	(35,900)	-	54,111

Fund 405 - Water Fund

Revenues:									
405.359.000.00	Late Payment Fees	Governor's proclamation due to COVID19 - no fees to be assessed	33,800	(33,000)				(33,000)	800
405.382.010.06	Latecomer Agreement Deposit	Latecomer Agreement Payments not in budget	-	7,700				7,700	7,700
Total Water Fund Revenues & Transfers In			3,263,897	(25,300)	-	-	-	(25,300)	3,238,597
Expenditures:									
405.10.534.091.1A.00	Wage Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	70,900			7,100		7,100	78,000
405.10.534.091.2A.00	Benefit Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	36,400			(1,800)		(1,800)	34,600
405.10.534.091.3A.00	Supplies Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	1,900			(200)		(200)	1,700
405.10.534.091.4A.00	Professional Services Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	39,300			(3,300)		(3,300)	36,000
Total Water Fund Expenditures			3,916,307	-	-	1,800	-	1,800	3,918,107
Total for Water Fund					(25,300)	-	1,800	-	(27,100)

Fund 406 - Storm & Surface Water Fund

Revenues:									
406.359.000.00	Late Payment Fees	Governor's proclamation due to COVID19 - no fees to be assessed	6,700	(6,700)				(6,700)	-
Total Storm Water Fund Revenues & Transfers In			716,465	(6,700)	-	-	-	(6,700)	709,765
Expenditures:									
406.06.531.091.1A.00	Wage Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	14,200			3,600		3,600	17,800
406.06.531.091.2A.00	Benefit Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	6,700			300		300	7,000
406.06.531.091.3A.00	Supplies Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	400			(100)		(100)	300
406.06.531.091.4A.00	Services Contra Offsets	Reflect more to actual as of July, due to cash outs allocation	8,000			(600)		(600)	7,400
Total Stormwater Fund Expenditures			944,900	-	-	3,200	-	3,200	948,100
Total Stormwater Fund					(6,700)	-	3,200	-	(9,900)

Fund 407 - Airport Fund

Revenues:									
407.331.020.00	FAA AIP & Rescue Grant Program	FAA grant increase for Runway and Arkansas debt service	1,346,070	129,377				129,377	1,475,447
407.382.010.00	Lease Escrow Deposit-Refundable	YTD refundable lease escrow deposits received, not in budget	-	128,100				128,100	128,100
Total Airport Fund Revenues & Transfers In			3,948,981	257,477	-	-	-	257,477	4,206,458
Expenditures:									
407.9A.546.010.48.01	E & M - Equipment	Unexpected major repair required on the Jet A Fuel Truck	2,000			14,474		14,474	16,474
407.09.594.046.63.00	Other Improvement	Taxyway Rehab & Improvement project cost increase	884,000			70,377		70,377	954,377
407.09.591.046.71.01	Principal-Arkansas Way	Additional principal payment with FAA ARGP Grant	42,422			59,000		59,000	101,422
407.09.546.091.1A.00	Wage Contra Offset	Reflect more to actual as of July, due to cash outs allocation	46,600			23,000		23,000	69,600

Fund No. and Name	Account Name	Reason for Amendment	2021 Current Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
407.09.546.091.2A.00	Benefit Contra Offset	Reflect more to actual as of July, due to cash outs allocation	26,900			4,000		4,000	30,900
407.09.546.091.3A.00	Supplies Contra Offset	Reflect more to actual as of July, due to cash outs allocation	1,200			300		300	1,500
407.09.546.091.4A.00	Services Contra Offset	Reflect more to actual as of July, due to cash outs allocation	25,700			2,600		2,600	28,300
Total Airport Fund Expenditures			3,428,018	-	-	173,751	-	173,751	3,601,769
Total for Airport Fund				257,477	-	173,751	-	83,726	
Fund 611 - Firemen's Pension Fund									
Expenditures:									
611.36.597.000.05.15	Transfer Out - Fund 115	Keep funds in 611 (Council Budget Committee approved)	78,000				(78,000)	(78,000)	-
Total Firemen's Pension Fund Expenditures & Transfers Out			91,300	-	-	-	(78,000)	(78,000)	13,300
Total for Firemen's Pension Fund				-	-	-	(78,000)	78,000	
Total Amendment for City-wide All Funds				2,623,867	297,181	720,848	297,181	1,903,019	

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tammy Baraconi, Planning and Building Manger

MEETING OF: September 27, 2021

SUBJECT: Ordinance No. 1021-B, Second and Final Reading – A Petition to Vacate Portions of Right-of-Way on SE Adams, 12th Street, and the Undeveloped Alley Between 11th and 12th Streets.

ISSUE

A public hearing regarding the proposed street vacations was held on for Monday, August 23. The first reading took place after the public hearing and was passed on first reading. This item came before the City Council on September 13th for second reading. The City Council continued the item until September 27th. This agenda report has been amended to reflect the determination of how much property that the City will need to preserve with easements for utilities and access.

For the purposes of clarification and correcting any misinformation that may have been unintentionally provided in the past, the applicant’s original request is for the following.

- SE Adams Avenue between 12th Street and Prospect Street. On Adams Avenue the applicant also proposed a 20 foot utility and access easement.
- 12th Street from the northeast side of Adams Avenue and the northeast side of Washington Avenue. On 12th Street, in the narrative provided by the applicant it states that they are requesting an easement over the entire area of 12th Street.
- A portion of an undeveloped alley between 11th Street and 12th Street. No easements are proposed.

All of the documentation can be found in the attachments.

The information in this report reflects analysis and recommendations based upon comments from the public as well as staff deliberations.

PROPOSED RIGHT-OF-WAY VACATION

On June 3, 2021, Fuller Design on behalf of Tom and Cara Nicholas submitted a petition to vacate a portion of right-of-way SE Adams, 12th Street, and the undeveloped alley between 11th and 12th. (Exhibit A). All right of ways primarily abut property owned by Tom and Cara Nicholas. Only one lot, 227 SE Prospect Street is owned by Steven Reynolds and LaDawn Music. Research of the plats associated with these right of ways shows that the Nicholas’ have the first right of ownership of SE Adams Ave.

The request for vacation by the applicant breaks down as follows.

- SE Adams- 60 ft x 244 ft = 14,624 sq ft
- 12th Street- 50 ft x 300 ft = 14,974 sq ft
- Alley- 16 ft x 142 ft = 2,274 sq ft

If approved for vacation the Nicholas' plan to combine the existing lots with the vacation lots and then construct multi-family units for the purposes of commoditization.

Applicable Code:

CMC 12.32 Street and Alley Vacations
RCW 35.79 Streets – Vacation

Public Notice:

Public notice was sent to all property owners within 300 feet of the proposed vacations. The notice was mailed on August 5, 2021. A notice was posted in The Chronicle legal notices on August 7, 2021. (Exhibit B) The comment period ended on August 11, 2021. Only one comment was received. It came from the adjacent property owner, La Dawn Music, on August 15, 2021. (Exhibit C) The lateness of her comment was because the Post Office was late delivering her mail. Staff requests that the Council accept her written comment even though it was received after the comment period ended, but before the Public Hearing.

Ms. Music's concern centers around drainage that comes off the hill, across her property, and then on to the adjacent property. This is an issue that will be addressed at the time of development. Staff encouraged Ms. Music to attend the public hearing on September 13, which she did.

SEPA and Environmental Constraints:

As per WAC 197-11-800 Categorical exemptions, the vacation process is not subject to the SEPA process. The right of ways do not provide access to any bodies of water (RCW 35.79.035) that would prevent the vacation process from moving forward in a typical manner. All other environmental constraints such as slopes and drainage will be reviewed at the time of development.

Utilities:

There is a sanitary sewer line running the length of the proposed vacation on 12th Street. The applicant is proposing that the entire width of 12th Street be vacated and an easement placed over the entire width of the street.

Access:

All the proposed vacations are undeveloped. A portion of Adams Avenue is currently used by La Dawn Music and Steven Reynolds to access their property. The applicant proposes a twenty-foot utility and access easement on Adams Avenue.



A portion of the undeveloped alley between 11th and 12th Street is used by the property owners on the northwest end of the alley. However, the applicant does not propose purchasing this portion of right of way, which would allow the adjacent property owners continued use.



A portion of the proposed vacation of 12th Street is used by the property owners, Tom and Cara Nicholas. If they choose to continue to use this access point, they will have to grant themselves an easement during the development phase of the project to ensure continued use by subsequent property owners.



STAFF ANALYSIS

The City Engineer has reviewed this proposal and finds that there are no existing or planned utilities within the area requesting to be vacated, and because there are no plans to improve this right-of-way, City Engineer has no objection to the request.

The Planning Department has reviewed this proposal and as per CMC 12.32.060 Public hearing – Criteria for granting vacation and makes the following findings.

A. That the vacation will provide a public benefit, and/or will be for a public purpose.

Discussions with the applicants indicate that without these vacations, they will not be able to develop their property with multi-family housing at a density that will allow for profit. Given the extreme shortage of housing in our community at this time, staff finds that the proposed vacations will provide a public benefit.

B. That the right-of-way vacation shall not adversely affect the street pattern or circulation of the immediate area or the community as a whole.

As these right-of-ways are currently undeveloped, staff finds that there will be no impact to the street pattern or circulation of the immediate area or the community as a whole.

C. That the public need shall not be adversely affected.

Staff finds that with conditions for a utility easement along 12th Street, an access easement on SE Adams Ave, and a twenty-foot-wide access easement for the benefit of parcel #00585900000, owned by La Dawn Music and Steven Reynolds, public need shall not be adversely affected.

D. That the right-of-way is not contemplated or needed for future public use, including utility routing or park or pedestrian/bike access.

As per the City Engineer, there are no plans to develop these right-of ways. Since these right-of-ways are not developed and there are no contemplated needs in the future for public use of this land, staff finds that with the addition of utility easements, there will be no adverse impact to future planning.

E. That no abutting owner becomes land locked or his access will not be substantially impaired, i.e., there must be an alternative mode of ingress and egress by way of a city street or alley, even if less convenient; and

Only two property owners will be affected by these vacations. The first is the applicant, Tom and Cara Nicholas. They are able to provide themselves an easement if they wish to preserve the south end of 12th Street for access to their property. The second property owner, La Dawn Music and Steven Reynolds, use the undeveloped northwest end of Adams Avenue to access their property. There is a concern that if they were to lose this access public safety would be impacted. Staff finds that if there is a twenty-foot access easement for the benefit of parcel #005859000000, access will not be substantially impaired.

F. That vacation of right-of-way shall not be in violation of RCW 35.79.035.

RCW 35.79.035 addresses right of ways that abut bodies of fresh and salt water. Staff finds there are no bodies of water abutting the proposed right of way vacations and therefore will not be in violation of RCW 35.79.035.

FISCAL IMPACT

An appraisal of the land has been conducted by Nadine Tauscher and provided by the applicant. Ms. Tauscher's appraisals indicate that the property is valued between \$0.55 per square foot for property that will have an easement and \$4.28 per square foot for land that does **not** have an easement. (Exhibit E)

The applicant's proposal is for the application of easements on more of the property proposed for vacation. Based on review of the City's need for easements, staff is recommending that the City apply fewer easements. The City would receive payment from the sale of the property, based on the following staff recommendations:

Adams Avenue:

- No easements required for utilities.
- 14,624 square feet being vacated.
- We are requiring an access easement of 12 feet by 150 feet to benefit parcel #00589000000 = 1800 sq ft
- As per the appraisal, property without an easement is valued at \$4.28 per sq foot and with an easement it is \$0.55 per sq foot.
- The area with the easement is valued at \$990.00
- The area without the easement is 12,824 sq ft x \$4.28 = \$54,886.72
- Total appraised value = \$55,876.72

12th Street:

- A 20-foot easement is required.
- Total square footage of vacation is 15,263.
- Easement square footage is $20 * 299.16 = 5,983.2$
- As per the appraisal, property with easement is valued at \$0.55 per sq ft.
- Value of land with easement = \$3,290.76
- Value of land without easement = $9,279.8 \text{ sq ft times } \$4.28 = \$39,717.54$
- Total appraised value = \$43,008.30

Alley:

- No easements required.
- Total square footage of the alley = 2,273.6 sq ft
- As per the appraisal, property without an easement is valued at \$4.28
- Total appraised value = \$9,731.00

Total amount for all three right of ways with adjustments for the necessary easements comes to \$108,616.02.

RECOMMENDATION

Staff acknowledges that the applicant has requested that an easement be placed on the entire portion of 12th Street that has been requested for vacation. After careful review and discussion, staff has concluded that the City only needs a 20 foot wide easement. Therefore, it is not necessary to place an easement over the entire width of 12th street.

Staff also acknowledges that the applicant proposes a twenty-foot access and utility easement on the portion of Adams Ave being vacated. As the City has no utilities under Adams Avenue and the only access required if for the benefit of parcel #00589000000, staff is only requiring a twelve foot by 150-foot easement.

It is recommended that the City Council pass on second and final reading, Ordinance No. 1021-B, A Petition to Vacate Portions of Right-of-Way on SE Adams, 12th Street, and the Undeveloped Alley Between 11th and 12th Streets with the following conditions.

1. A utility easement shall be prepared by the applicant, approved by the City Engineer, and recorded at their expense prior to the purchase of a portion of 12th Street.
2. An access easement of twenty feet for the benefit of parcel #005859000000 shall be prepared by the applicant, approved by the City Engineer, and recorded at their expense prior to the purchase of the Adams Avenue.
3. The property owner must pay the City the fair market value of \$108,616.02 as described above.
4. To complete the property transfer, the applicant, at their expense shall have deeds drawn for the right of way vacation areas, approved by the City Engineer, and recorded.
5. The applicant, at their own expense shall have a boundary line adjustment created that 'connects' the vacated right of way to the appropriate parcels, have it reviewed and approved by City staff, and recorded before civil permits or building permits are issued.

SUGGESTED MOTION

I move that the City Council pass on second and final reading, Ordinance No. 1021-B, A Petition to Vacate Portions of Right-of-Way on SE Adams, 12th Street, and the Undeveloped Alley Between 11th and 12th Streets

with the following conditions:



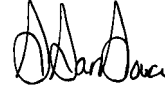
1. A utility easement shall be prepared by the applicant, approved by the City Engineer, and recorded at their expense prior to the purchase of a portion of 12th Street.
2. An access easement of twenty feet for the benefit of parcel #005859000000 shall be prepared by the applicant, approved by the City Engineer, and recorded at their expense prior to the purchase of the Adams Avenue.
3. The property owner must pay the City the fair market value of \$108,616.02 as described above.
4. To complete the property transfer, the applicant, at their expense shall have deeds drawn for the right of way vacation areas, approved by the City Engineer, and recorded.
5. The applicant, at their own expense shall have a boundary line adjustment created that 'connects' the vacated right of way to the appropriate parcels, have it reviewed and approved by City staff, and recorded before civil permits or building permits are issued.

CITY OF CHEHALIS

PETITION FOR RIGHT-OF-WAY VACATION

PETITION CONTACT Name: **Samantha San Souci/Fuller Designs**
 Address: **1101 Kresky Ave**
Centralia, Wa 98531
 Phone: **360-807-4420**

We the undersigned property owner(s) with land abutting the public right-of-way in Chehalis, identified in the legal description below, do hereby petition the city to vacate said right-of-way in accordance with the city's Standard Operating Procedure for Vacation and do agree to compensate the city for the vacated land, as provided in RCW 35.79.030.

Property Address	Property Owner(s)	
	Print	Sign
1176 SE Washington Ave Adams Ave ROW	Tom and Cara Nicholas	 For Tom and Cara Nicholas
1176 SE Washington Ave 12th St ROW	Tom and Cara Nicholas	 For Tom and Cara Nicholas
1176 SE Washington Ave Alley ROW	Tom and Cara Nicholas	 For Tom and Cara Nicholas

Legal description of right-of-way to be vacated, as prepared by licensed land surveyor or other qualified professional:

Please see attached Documents

Total area of right-of-way to be vacated: **31,872** square feet **or less**

Total properties petitioning for vacation: **5** Total properties abutting right-of-way to be vacated: **7**

Ratio of properties petitioning vs. total properties: **5/7**

(Note: A minimum 2/3 ratio of abutting property owners must petition for vacation before it will be considered.)

Attach map of right-of-way being petitioned for vacation and surrounding area, including identification of all streets, alleys, and abutting property owners.

Please submit this completed petition with attachments to: Development Review Committee

(Attach additional sheets if necessary)

1321 S. Market Blvd.
 Chehalis, WA 98532
 phone 360.345.2229

date received
June 3, 2021

Exhibit A

5/31/2021

Re: City of Chehalis Community Development
City of Chehalis Public Works
1321 S Market Blvd.
Chehalis, WA 98532

RE: Washington Street
Project: Multi-Family Development
Parcel #: #005853001000, #00549000000, 00549001000, #005492002000,
#005604192001

City of Chehalis Staff,

Please accept this narrative, attached applications, as well as supporting documentation for petition to vacate 3 separate ROW's on the parcel #'s listed above.

Existing Conditions

This project consists of 4 undeveloped parcels and 1 previously developed parcel and is in the City of Chehalis. The previously developed parcel is now vacant and the buildings have been removed.

There are currently 3 undeveloped ROW's that exist on these parcels:

- 1..Adams Ave. from 11th Street to 12th Street.
2. 12th Street from Washington Ave to Adams Ave.
3. An undeveloped alley way from 11th Street to 12th Street.

The 12th Street ROW has a main sewer line running down it and an adjacent neighbor at 227 SE Prospect is using the Adams Ave ROW for driveway access.

Vacate Petition

Our clients, Tom and Cara Nicholas, are submitting a petition for vacate of the three ROW's listed above. We are proposing that of these vacate requests, easements will be established on 12th street and Adams Ave. to accommodate the entities listed below.

1. A 20 ft wide easement stretching from the lot line between parcel #005491001000 and parcel #005492002000 to the far edge of driveway gravel be established on Adams Ave to accommodate driveway access for the neighboring property at 227 SE Prospect St.
2. A full easement for the 12th St ROW to accommodate sewer line access to the City of Chehalis.

During the pre-submission conference it was requested that our surveyor research the legal lot lines for 227 Prospect St. to determine to whom the rights to the Adams Ave. ROW belonged. Please find attached documentation showing that the full rights to purchase this ROW belong to Tom and Cara Nicholas.

Thank you for accepting this Petition to Vacate. Feel free to call or email if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "A Fuller". The signature is fluid and cursive, with the first name "A" being particularly prominent.

Aaron Fuller, PE
Fuller Designs
(360) 807-4420 Office
Afuller@fullerdesigns.org

Attachments:

Petition to Vacate
Legal Descriptions with map exhibits
Letter from Surveyor
227 SE Prospect SWD
McCord Phillips Add.
Aust Manor Add.
Appraisal

EXHIBIT

CITY OF CHEHALIS

ADAMS AVENUE VACATION

STREET VACATION AREA:

THAT PORTION OF ADAMS AVENUE ABUTTING LOTS 4, 5, 6 AND 7, BLOCK 3 McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 7;
THENCE N44°52'45"W ALONG THE SOUTHWESTERLY MARGIN OF ADAMS AVENUE A DISTANCE OF 243.74 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 4;
THENCE N45°07'15"E A DISTANCE OF 60.00 FEET TO THE NORTHEASTERLY BOUNDARY OF THE PLAT OF McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON AND THE SOUTHWESTERLY LINE OF THAT PARTICULAR TRACT OF LAND DESCRIBED IN STATUTORY WARRANTY DEED, DATED SEPTEMBER 14TH, 2011, RECORDED UNDER LEWIS COUNTY AUDITOR'S FILE NO. 3368112, ALSO BEING THE NORTHEASTERLY MARGIN OF ADAMS AVENUE;
THENCE S44°52'45"W ALONG SAID NORTHEASTERLY MARGIN A DISTANCE OF 243.75 FEET TO THE INTERSECTION WITH THE NORTHERLY MARGIN OF TWELFTH STREET, BEING THE MOST EASTERLY CORNER OF THE PLAT OF McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON;
THENCE S45°05'09"W A DISTANCE OF 60.00 FEET TO THE **POINT OF BEGINNING**.

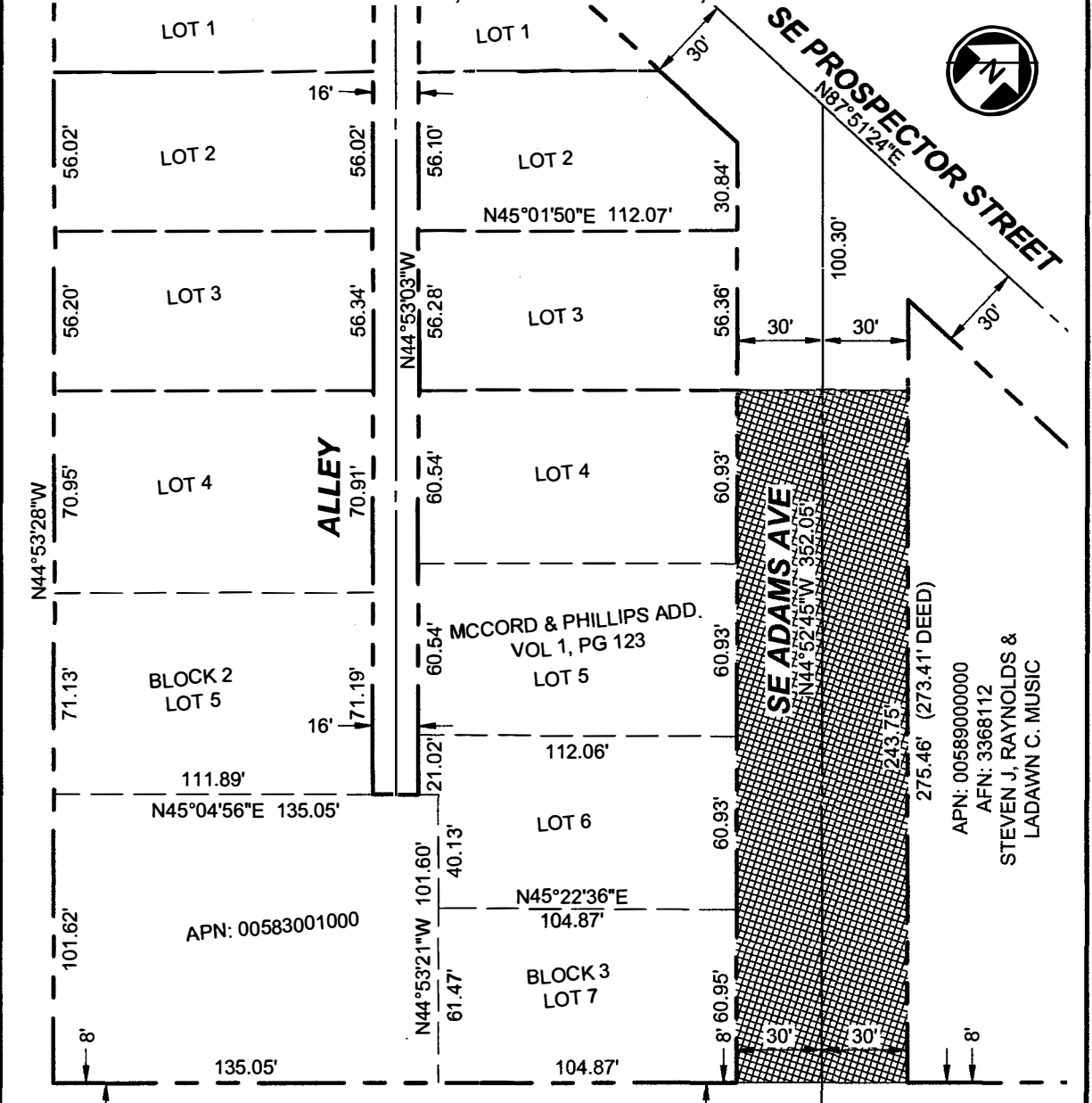
CONTAINING 14,624 SQUARE FEET MORE OR LESS

Exhibit A

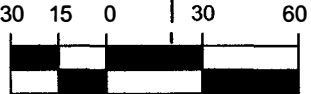
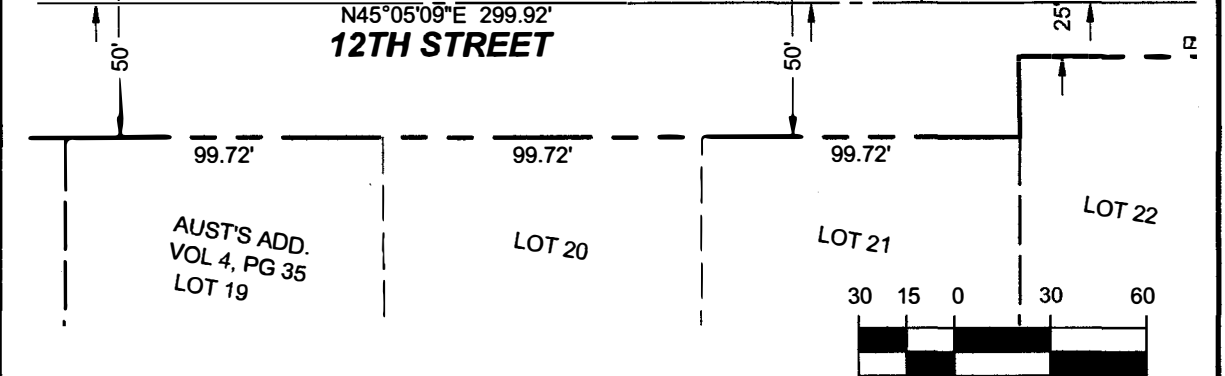
John W. Goodman 5/27/2021
John W. Goodman, PLS 54051

EXHIBIT SE ADAMS STREET VACATION

PORTION OF THE GOVERNMENT LOT 5
(NE 1/4 SE 1/4) SEC 32, T 14 N, R 2 W, W.M.
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON



APN: 00589000000
AFN: 3368112
STEVEN J. RAYNOLDS &
LADAWN C. MUSIC



LEGEND

- SECTION SUBDIVISION LINE
- STREET RIGHT-OF-WAY LINE
- STREET CENTER LINE
- PROPERTY LINE
- PLAT LOT LINE
- STREET VACATION AREA



STREET VACATION AREA AREA: 14,624 S.F.

ASSESSOR NO: N/A DATE: 05/25/2021

OWNER: CITY OF CHEHALIS

BLOCK NO: 3 LOT NOS: 4 - 7

CITY OF CHEHALIS LEWIS COUNTY WASHINGTON

EXHIBIT

CITY OF CHEHALIS
12TH STREET VACATION

STREET VACATION AREA:

THAT PORTION OF TWELFTH STREET ABUTTING LOTS 19, 20 AND 21 AUST’S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 4 OF PLATS, PAGE 35 AND LOT 7, BLOCK 3 McCORD AND PHILLIP’S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, AND THAT PORTION OF GOVERNMENT LOT 5, SECTION 32, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M., LEWIS COUNTY WASHINGTON KNOWN AS ASSESSOR’S PARCEL NO. 00583001000, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 19, AUST’S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 4 OF PLATS, PAGE 35;
THENCE N45°05’09”E ALONG THE SOUTHERLY MARGIN OF TWELFTH STREET A DISTANCE OF 299.16 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 21, AUST’S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 4 OF PLATS, PAGE 35;
THENCE N45°46’31”E A DISTANCE OF 50.00 FEET TO THE MOST EASTERLY PLAT CORNER OF McCORD AND PHILLIP’S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, BEING INTERSECTION OF THE NORTHEASTERLY MARGIN OF ADAMS AVENUE AND THE NORTHERLY MARGIN OF SAID TWELFTH STREET;
THENCE S45°05’09”W ALONG THE SOUTHERLY BOUNDARY OF THE PLAT OF McCORD AND PHILLIP’S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, BEING NORTHERLY MARGIN OF SAID TWELFTH STREET A DISTANCE OF 164.87 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 7, BLOCK 3;
THENCE CONTINUING S45°05’09”W ALONG THE NORTHERLY MARGIN OF SAID TWELFTH STREET A DISTANCE OF 135.05 FEET;
THENCE S46°38’55”W A DISTANCE OF 50.02 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 14,974 SQUARE FEET MORE OR LESS

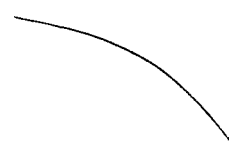
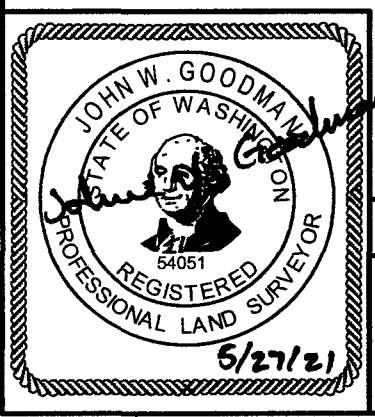
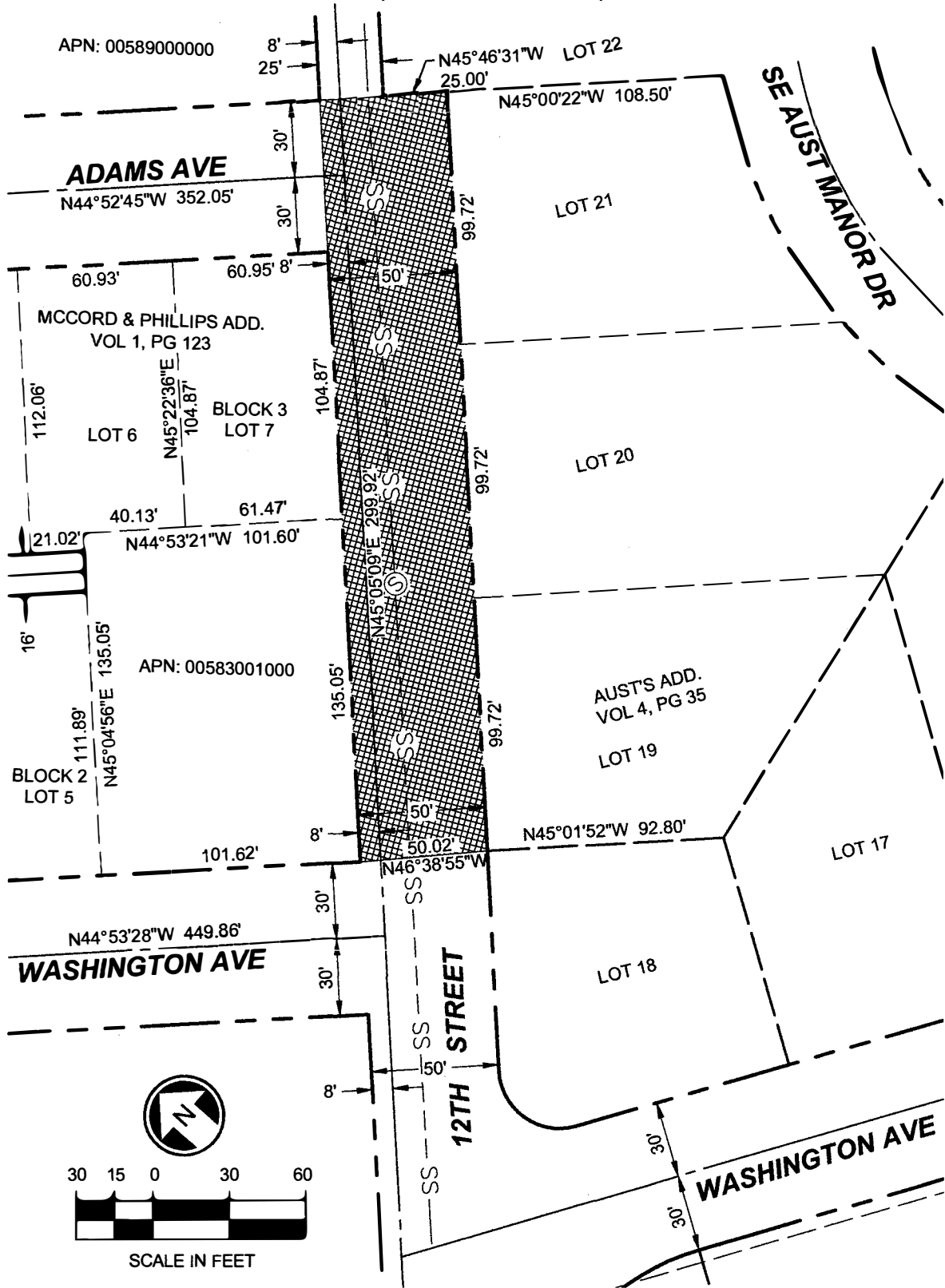


Exhibit A

John W. Goodman 5/27/2021
John W. Goodman, PLS 54051

EXHIBIT 12TH STREET VACATION

PORTION OF THE GOVERNMENT LOT 5
(NE 1/4 SE 1/4) SEC 32, T 14 N, R 2 W, W.M.
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON



LEGEND	
	SECTION SUBDIVISION LINE
	STREET RIGHT-OF-WAY LINE
	STREET CENTER LINE
	PROPERTY LINE
	PLAT LOT LINE
	STREET VACATION AREA

STREET VACATION AREA AREA: 14,974 S.F.

ASSESSOR NO: N/A DATE: 05/25/2021

OWNER: CITY OF CHEHALIS

BLOCK NO: 3 LOT NOS: 7 & 19 - 21

CITY OF CHEHALIS LEWIS COUNTY WASHINGTON

EXHIBIT

CITY OF CHEHALIS
ALLEY VACATION

ALLEY VACATION AREA:

THAT PORTION OF ADAMS AVENUE ABUTTING LOTS 4, 5 AND 6, BLOCK 3, AND LOTS 4 AND 5, BLOCK 2, McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 5, BLOCK 2 AS SURVEYED ON RECORD OF SURVEY RECORDED UNDER LEWIS COUNTY AUDITOR'S FILE NO. 3531692, IN VOLUME 33 OF SURVEYS AT PAGE 138;
THENCE N44°53'03"W ALONG THE SOUTHWESTERLY MARGIN OF ALLEY ALONG ABUTTING SAID LOTS 5 AND 4 OF BLOCK 2 A DISTANCE OF 142.10 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 4, BLOCK 2;
THENCE N45°05'11"E A DISTANCE OF 16.00 FEET TO THE MOST WESTERLY CORNER OF SAID LOT 4, BLOCK 3;
THENCE S44°53'03"E ALONG THE NORTHEASTERLY MARGIN OF ALLEY ALONG SAID LOTS 4, 5 AND 6, BLOCK 3 A DISTANCE OF 142.10 FEET TO AN ANGLE POINT IN THE SOUTHWESTERLY LOT LINE OF SAID LOT 6, BLOCK 3;
THENCE S45°04'56"W A DISTANCE OF 16.00 FEET TO THE **POINT OF BEGINNING**.

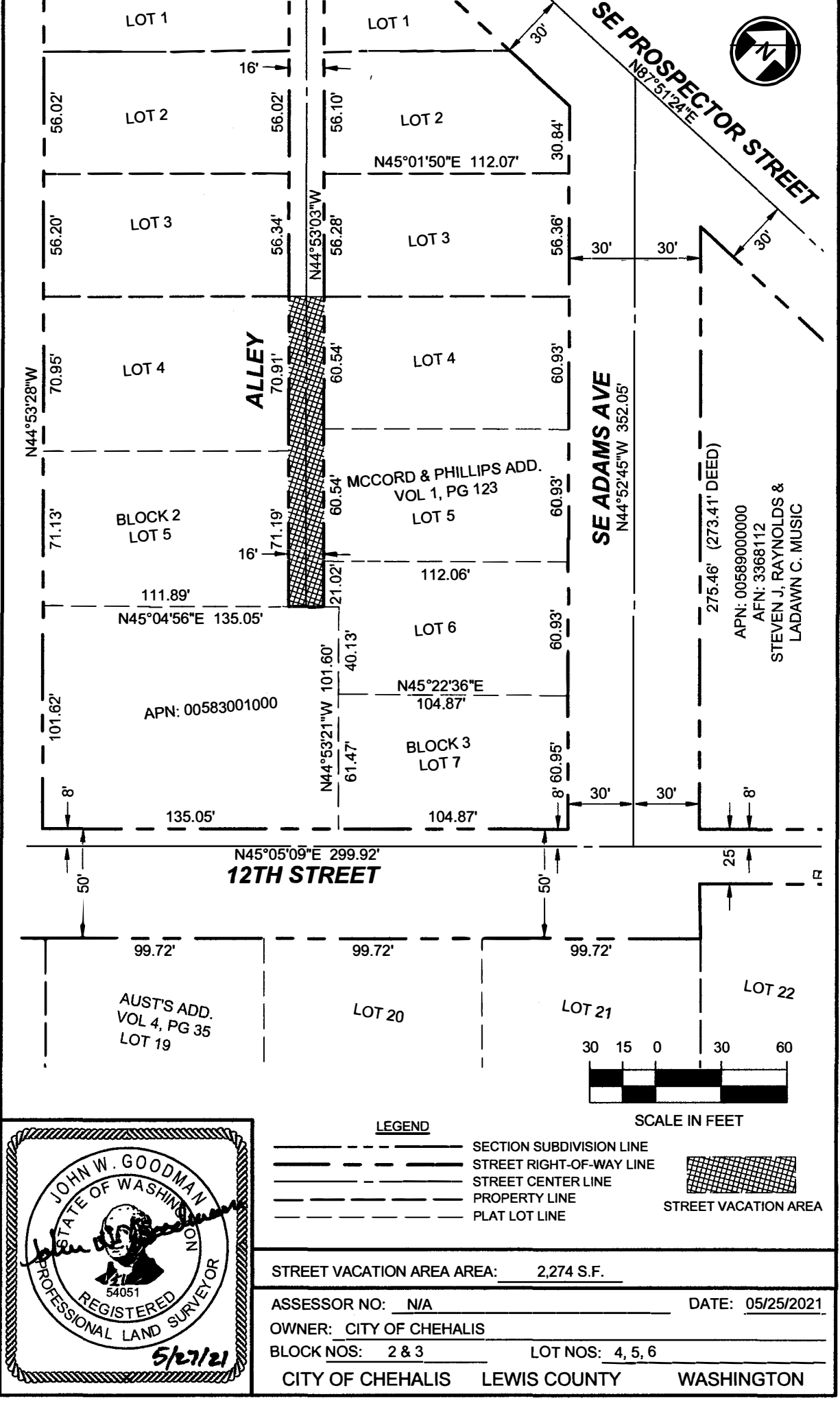
CONTAINING 2,274 SQUARE FEET MORE OR LESS

Exhibit A

John W. Goodman 5/27/2021
John W. Goodman, PLS 54051

EXHIBIT ALLEY VACATION

PORTION OF THE GOVERNMENT LOT 5
(NE 1/4 SE 1/4) SEC 32, T 14 N, R 2 W, W.M.
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON



LEGEND

-----	SECTION SUBDIVISION LINE
-----	STREET RIGHT-OF-WAY LINE
-----	STREET CENTER LINE
-----	PROPERTY LINE
-----	PLAT LOT LINE
	STREET VACATION AREA

STREET VACATION AREA AREA: 2,274 S.F.

ASSESSOR NO: N/A DATE: 05/25/2021

OWNER: CITY OF CHEHALIS

BLOCK NOS: 2 & 3 LOT NOS: 4, 5, 6

CITY OF CHEHALIS LEWIS COUNTY WASHINGTON

Exhibit A

**AFFIDAVIT
OF PUBLICATION
STATE OF WASHINGTON
COUNTY OF LEWIS**

Alysa Andrews, and/or Mandy Klemola, and/or Kailyn Sawyer,
and/or Cindy Thayer says that she is the legal clerk of

**The
Chronicle**

a semi-weekly newspaper, which has been established, published
in the English language, and circulated continuously as a
semi-weekly newspaper in the City of Centralia, and in Lewis
County, Washington, general circulation in Lewis County for
more than six (6) months prior to the date of the first publication
of the notice hereto attached, and that the said Chronicle was on
the 7th day of July 1941, approved as a legal newspaper by the
Superior Court of said Lewis County. And that the attached is a
true copy and was published in regular issues (and not in
supplement form) of said newspaper as LEGAL # 119195
RE: Notice of Public Hearing

once each day for a period of 1 day

commencing on 08/07/2021 and ending on 08/07/2021

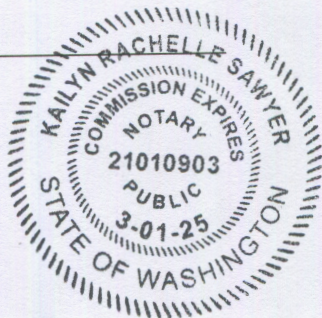
and both regularly distributed to its subscribers during all of said
period. That the full amount of the fee charged for the foregoing
publication is the sum of \$ 125.00

Cindy Thayer
Subscribed and sworn to before me 08/07/2021

Kailyn Sawyer

Notary Public in and for the State of Washington,
residing at

Centralia



Notice of
Public Hearing

**NOTICE OF
PUBLIC HEARING
CITY OF CHEHALIS
CITY COUNCIL**

TOPIC: Fuller Design on be-
half of Tom and Cara Nicholas
submitted a petition to vacate a
portion of SE Adams, 12th
Street, and an undeveloped
alley from 11th Street to 12th
Street.

Date, Time and Place:
August 23, 2021
Chehalis City Hall,
Council Chambers
350 N. Market Blvd
Chehalis WA 98532

Contact: To view the proposed
changes during regular busi-
ness hours or to request a
copy, contact:
Tammy Baraconi,
Planning and Building
Manager
1321 S. Market Blvd, Chehalis
360.345.2229, or via email at
tbaraconi@ci.chehalis.wa.us

Anyone interested may appear
and be heard. The decision of
the City Council will be mailed
to all those who submit
comments, testify at the hear-
ing or request the decision in
writing. Any aggrieved party of
record can file an appeal with
Lewis County Superior Court.

***Written public comment
can be accepted until 4:30
PM on August 20, 2021***

Published: The Chronicle
August 7, 2021

Exhibit B

From: [Tammy Baraconi](#)
To: [LA DAWN MUSIC](#)
Cc: [Jill Anderson \(janderson@ci.chehalis.wa.us\)](mailto:janderson@ci.chehalis.wa.us); [Laura Fisher](#)
Subject: RE: Notice of Public Hearing
Date: Thursday, August 19, 2021 10:04:00 AM

La Dawn,

At this point in the process they have only asked for a street vacation. If the vacation is approved they will move ahead with the project. You will of course receive notice that project is moving forward and again you will be able to view the documents on our website where you found the information for the street vacation. I know that it is easy to see the street vacation and jump to development of the site since that is the intention however the approval process itself is much slower and happening in phases with the first phase being the vacation. The actual development itself will go before the hearing examiner for a decision, giving you another opportunity to comment.

That being said, I will make sure that the developer is aware of the issues you have brought to my attention and make sure that they address them in their plans. I will also share your comment with the City Council next Monday. I encourage you to be there to make public comment if you have additional concerns, want to ensure that your concerns are shared, or just want to hear for yourself what the council decides and why.

Your written comments here ensure that you will receive a copy of the Council's decision and they give you the ability to appeal the street vacation decision to Lewis County Superior Court if you do not agree. You will be provided the exact time frames and language on how to do this if you so choose after the decision is rendered by the Council.

Please feel free to reach out to me with any other concerns that you may have. If you have the time and would like to we can meet in person. Please reach out to Laura Fisher our Permit Technician to schedule a time to do that. I've included her email for reference or you can call her at 360.345.2229.

Again, thank you for this comment. We send out notification because of situations just like this. We don't always know what is going on with the individual properties and we are dependent upon our citizens informing us.

Tammy

Tammy S. Baraconi, CFM

360.345.2227

tbaraconi@ci.chehalis.wa.us

From: LA DAWN MUSIC <l.music@comcast.net>
Sent: Wednesday, August 18, 2021 2:38 PM
To: Tammy Baraconi <tbaraconi@ci.chehalis.wa.us>
Subject: RE: Notice of Public Hearing

Exhibit C

NOTICE: This message originated outside of the City network - DO NOT CLICK on links or open attachments unless you are sure the content is safe!

We have reviewed the documents at the City webpage and still have concerns. We understand the intent is to combine lots and complete a multifamily development. What specific changes are intended for the section aligning our driveway?

Part of the appeal of our property is that the city easements on both sides of our property have remained undeveloped. This protects the natural spring that surfaces on our property and runs down to the easement. This time of year, the spring runs low, so we have a muddy area. In the late fall, winter, and early spring the water levels are higher and there is occasionally standing water.

Will the development cause the free flowing spring to become a seasonal pond? If the water does not continue to have the free flowing outlet, could it cause damage to the foundation of our home as the land becomes more and more saturated?

La Dawn Music
Steven Raynolds

On 08/18/2021 11:00 AM Tammy Baraconi <tbaraconi@ci.chehalis.wa.us> wrote:

La Dawn,
You will find all of the documents on the City's webpage [here](#). Let me know if you have any concerns that I may be able to address prior to the public hearing on August 23rd.
Tammy

Tammy S. Baraconi, CFM
360.345.2227
tbaraconi@ci.chehalis.wa.us

From: LA DAWN MUSIC <l.music@comcast.net>
Sent: Sunday, August 15, 2021 8:38 AM
To: Tammy Baraconi <tbaraconi@ci.chehalis.wa.us>
Subject: Notice of Public Hearing

NOTICE: This message originated outside of the City network - DO NOT CLICK on links or open attachments unless you are sure the content is safe!

Dear Community Development Department,

We have received your notice of public hearing regarding permit #Vacate-21-01. The proposed changes effect almost the entire length of one of our property lines and we have concerns. I am requesting a copy of the

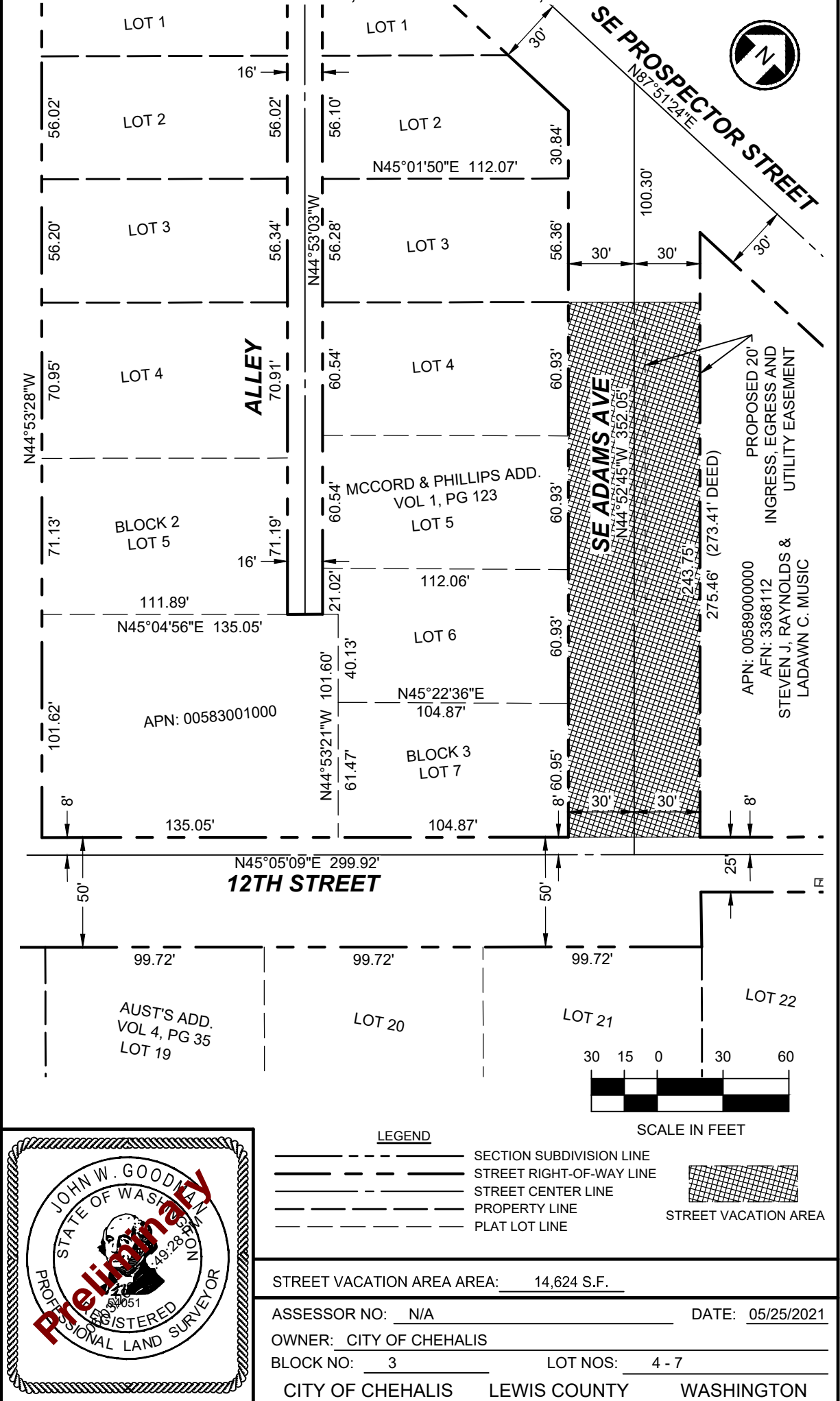
proposed changes to review prior to the meeting scheduled for
08/23/2021.

Thank you,

La Dawn Music
Steven Raynolds

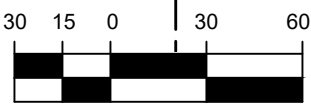
EXHIBIT B SE ADAMS STREET VACATION

PORTION OF THE GOVERNMENT LOT 5
(NE 1/4 SE 1/4) SEC 32, T 14 N, R 2 W, W.M.
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON



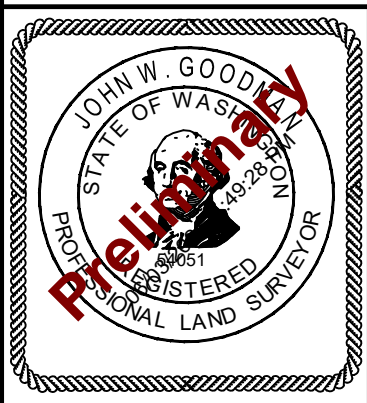
PROPOSED 20'
INGRESS, EGRESS AND
UTILITY EASEMENT

APN: 0058900000
AFN: 3368112
STEVEN J. RAYNOLDS &
LADAWN C. MUSIC



LEGEND

- SECTION SUBDIVISION LINE
- STREET RIGHT-OF-WAY LINE
- STREET CENTER LINE
- PROPERTY LINE
- PLAT LOT LINE
- STREET VACATION AREA



STREET VACATION AREA AREA: 14,624 S.F.

ASSESSOR NO: N/A DATE: 05/25/2021

OWNER: CITY OF CHEHALIS

BLOCK NO: 3 LOT NOS: 4 - 7

CITY OF CHEHALIS LEWIS COUNTY WASHINGTON

Client	NICHOLAS, THOMAS & CARA	File No. 2104NICHOLAS
Property Address	OFF SE WASHINGTON	
City	CHEHALIS	County LEWIS State WA Zip Code 98532
Appraiser	NADYNE TAUSCHER	

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- Appraisal Report** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- Restricted Appraisal Report** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

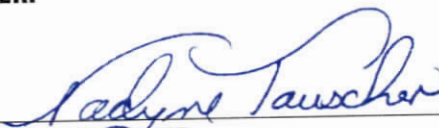
I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Comments on Appraisal and Report Identification

Note any USPAP related issues requiring disclosure and any State mandated requirements:

APPRAISER:

Signature: 
 Name: NADYNE TAUSCHER
CGREA
 State Certification #: 1100261
 or State License #: _____
 State: WA Expiration Date of Certification or License: 03/11/2023
 Date of Signature and Report: April 06, 2021
 Effective Date of Appraisal: MARCH 17, 2021
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): MARCH 17, 2021

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date of Signature: _____
 Inspection of Subject: None Interior and Exterior Exterior-Only
 Date of Inspection (if applicable): _____

LAND APPRAISAL REPORT

File No.: 2104NICHOLAS

Property Address: OFF SE WASHINGTON City: CHEHALIS State: WA Zip Code: 98532
 County: LEWIS Legal Description: UNIMPROVED ALLEY S OF 0054920002000, UNIMPROVED ADAMS AVE E OF SE PROSPECT & UNIMPROVED SE 12TH ST N OF SE WASHINGTON AVE & S OF NE LINE OF SE ADAMS AVE.

Assessor's Parcel #: N/A Tax Year: N/A R.E. Taxes: \$ N/A Special Assessments: \$ N/A
 Market Area Name: CHEHALIS Map Reference: S32 T14N R2W WM Census Tract:
 Current Owner of Record: CITY OF CHEHALIS Borrower (if applicable):
 Project Type (if applicable): PUD De Minimis PUD Other (describe) HOA: \$ per year per month
 Are there any existing improvements to the property? No Yes If Yes, indicate current occupancy: Owner Tenant Vacant Not habitable
 If Yes, give a brief description: THERE IS AN EXISTING CHEHALIS CITY SEWER LINE LOCATED ON THE PARCEL THAT IS AN EXTENSION OF 12TH ST INCLUDED IN THIS APPRAISAL.

The purpose of this appraisal is to develop an opinion of: Market Value (as defined), or other type of value (describe)
 This report reflects the following value (if not Current, see comments): Current (the Inspection Date is the Effective Date) Retrospective Prospective
 Property Rights Appraised: Fee Simple Leasehold Leased Fee Other (describe)
 Intended Use: THE INTENDED USE OF THIS APPRAISAL IS TO ESTIMATE THE VALUE OF UNIMPROVED STREETS AND ALLEY AS DESCRIBED IN LEGAL DESCRIPTION. IT IS UNDERSTOOD THE CITY WILL RETAIN A UTILITY EASEMENT OVER THE PROPOSED VACATED TWELFTH ST INCLUDED IN THIS APPRAISAL.
 Intended User(s) (by name or type): THE INTENDED USERS OF THIS REPORT ARE THOMAS & CARA NICHOLS AND THE CITY OF CHEHALIS

Client: NICHOLAS, THOMAS & CARA Address: 103 MCRONOVIC RD, CHEHALIS, WA 98532
 Appraiser: NADYNE TAUSCHER Address: PO BOX 928, CENTRALIA, WA 98531

Characteristics	Predominant Occupancy	One-Unit Housing	Present Land Use	Change in Land Use
Location: <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant (0-5%) <input type="checkbox"/> Vacant (>5%)	PRICE AGE (yrs)	One-Unit 73 %	<input checked="" type="checkbox"/> Not Likely <input type="checkbox"/> Likely * <input type="checkbox"/> In Process * * To: _____
Built up: <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		100 Low 1	2-4 Unit 5 %	
Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		800 High 130	Multi-Unit 5 %	
Property values: <input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining		400 Pred 100	Comm'l 15 %	
Demand/supply: <input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply			VACANT 2 %	
Marketing time: <input checked="" type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.			%	

Factors Affecting Marketability											
Item	Good	Average	Fair	Poor	N/A	Item	Good	Average	Fair	Poor	N/A
Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Market Area Comments: THE SUBJECT PROPERTY IS LOCATED IN THE CITY OF CHEHALIS, POPULATION APPROX. 7,498. HOMES IN THE AREA ARE A MIXTURE OF SIZE, STYLE AND AGE. MOST HOMES ARE LOCATED ON AVERAGE SIZE LOTS. COMMERCIAL PROPERTIES ARE LOCATED ALONG MAIN ARTERIALS. MANY OLDER HOMES ALONG MARKET BLVD. HAVE BEEN CONVERTED TO OFFICES AND COMMERCIAL USES. THERE IS A HIGH SCHOOL LOCATED WITHIN THE SUBJECT IMMEDIATE AREA. A SAFEWAY SUPERMARKET IS LOCATED ACROSS THE STREET FROM THE SUBJECT. RESIDENTIAL PRICES IN LEWIS COUNTY HAVE BEEN STEADILY INCREASING OVER THE LAST SEVERAL YEARS.

TO DETERMINE MARKET TRENDS IN THE SUBJECT AREA A SALES SURVEY WAS CONDUCTED THROUGH THE NWMLS FOR ALL SALES OF RESIDENTIAL HOMES ON .01 TO 5 ACRES - ALL OF LEWIS COUNTY WAS INCLUDED IN THIS SURVEY - RESULTS ARE:

1/1/2021 TO 3/31/2021 252 SALES AVERAGE \$337,483
 1/1/2020 TO 12/31/2020 1,160 SALES AVERAGE \$301,337
 1/1/2019 TO 12/31/2019 1029 SALES AVERAGE \$252,656 (+32%) (32%/15 MONTHS = 2.1% PER MONTH
 1/1/2018 TO 12/31/2019 1027 SALES AVERAGE \$222,223 (+52%) (52%/27 MONTHS = 1.9% PER MONTH
 1/1/2017 TO 12/31/2017 1047 SALES AVERAGE \$198,030 (+70%) (70%/39 MONTHS = 1.8% PER MONTH
 1/1/2016 TO 12/31/2016 901 SALES AVERAGE \$175,252

PRICES IN LEWIS COUNTY HAVE INCREASED STEADILY OVER THE PAST 5+ YEARS



LAND APPRAISAL REPORT

File No.: 2104NICHOLAS

Dimensions: 30' X 335', 6' X 130.8' & 50.1' X 299.91' Site Area: 25,833 SF

Zoning Classification: RESIDENTIAL Description: RESIDENTIAL

Do present improvements comply with existing zoning requirements? Yes No No Improvements

Uses allowed under current zoning: RESIDENTIAL

Are CC&Rs applicable? Yes No Unknown Have the documents been reviewed? Yes No Ground Rent (if applicable) \$ _____ / _____

Comments:

Highest & Best Use as improved: Present use, or Other use (explain) RESIDENTIAL

Actual Use as of Effective Date: UNIMPROVED STREETS/ALLEY Use as appraised in this report: UNIMPROVED STREETS/ALLEY

Summary of Highest & Best Use: TO BE INCLUDED IN ADJACENT RESIDENTIAL SITES

SITE DESCRIPTION

Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Frontage	30 & 50.2
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street	PAVED	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Topography	SLOPED
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Width	30'			Size	AVERAGE-LARGE
Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Surface	ASPHALT			Shape	3 RECTANGLES
Sanitary Sewer	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Curb/Gutter	YES	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	APPEARS ADEQUATE
Storm Sewer	<input type="checkbox"/>	<input type="checkbox"/>		Sidewalk	YES	<input type="checkbox"/>	<input type="checkbox"/>	View	AVE/NEIGHBORHOOD
Telephone	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street Lights	YES	<input type="checkbox"/>	<input type="checkbox"/>		
Multimedia	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Alley	NO	<input type="checkbox"/>	<input type="checkbox"/>		

Other site elements: Inside Lot Corner Lot Cul de Sac Underground Utilities Other (describe)

FEMA Spec'l Flood Hazard Area Yes No FEMA Flood Zone FEMA Map # FEMA Map Date

Site Comments: THIS APPRAISAL IS OF 2 CITY OWNED UNDEVELOPED STREETS AND 1 UNDEVELOPED ALLEY. THE FIRST PARCEL IS UNDEVELOPED ADAMS STREET FROM THE SOUTHEASTERLY EDGE OF E PROSPECT STREET TO THE INTERSECTION OF UNDEVELOPED 12TH STREET, THE SECOND PARCEL IS AN UNDEVELOPED 6' ALLEY ADJACENT TO THE NORTH EDGES OF LOTS 4 & 5 BLOCK 2 MCCORD & PHILLIP'S ADDITION (DELINEATED IN YELLOW ON ATTACHED PLAT MAP), AND THE 3RD PARCEL IS A 50.1 X 299.91 EXTENSION OF 12TH STREET. NONE OF THESE PARCELS HAVE BEEN DEVELOPED. ACCORDING TO THE PURCHASER EXTENDED ADAMS ST AND THE UNDEVELOPED ALLEY PARCELS HAVE NO UTILITIES PRESENT - THE EXTENSION OF 12TH STREET HAS A CITY SEWER LINE RUNNING THE LENGTH (DELINEATED IN GREEN ON ATTACHED PLAT MAP). THE CITY OF CHEHALIS IS TO RETAIN A UTILITIES EASEMENT THE LENGTH OF VACATED 12TH STREET. AS UTILITY EASEMENTS PROHIBIT THE BUILDING OF STRUCTURES ON THEIR SITES THIS PORTION OF THE PROPOSED VACATE IS VALUED AT A DIFFERENT RATE THAN THE PORTION UNDER EASEMENT. SEE ATTACHED MAP PAGE 9 WITH DIMENSIONS OF PROPOSED VACATE AREAS. AREA TO BE VACATED WITH CITY RETAINING A UTILITY EASEMENT = 14,998 SF 58%, PROPOSED AREA WITHOUT CITY RETAINING EASEMENTS 10,835 SF 42%.

SALES COMPARISON APPROACH

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3	
Address	OFF SE WASHINGTON CHEHALIS, WA 98532	1055 SE WASHINGTON CHEHALIS, WA 98532	10 SE 16th CHEHALIS, WA 98532	615-627 SW 19TH ST CHEHALIS, WA 98532	
Proximity to Subject		0.14 miles W	0.13 miles SE	0.61 miles SE	
Sale Price	\$	\$ 55,000	\$ 49,900	\$ 125,000	
Price/	\$	\$ 8.42	\$ 5.12	\$ 4.28	
Data Source(s)		NWMLS #1586343	NWMLS 1696056	NWMLS #1684156,1284128	
Verification Source(s)		CT HSE REC/INSP	CT HSE REC/INSP	CT HSE REC/INSP	
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust
Sales or Financing		CASH		CASH	
Concessions		0		0	
Date of Sale/Time		5/1/2020		2/18/21	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple	
Location	RESIDENTIAL	RESIDENTIAL		RESIDENTIAL	
Site Area	25,833	6,534	-0.84	9,739	-0.84
IMPROVEMENTS	NONE	Curb/Gutter/SWalk	-3.30	NONE	
UTILITY EASEMENTS	58%	NONE		NONE	
Net Adjustment (Total, in \$)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -27,051	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -8,181	<input type="checkbox"/> + <input type="checkbox"/> - \$	
Net Adjustment (Total, in %)		Net 49.2 % (\$-4.14/)	Net 16.4 % (\$-0.84/)	Net %	
Adjusted Sale Price (in \$ /)		Gross 49.2 % \$ 4.28	Gross 16.4 % \$ 4.28	Gross % \$ 4.28	

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LAND APPRAISAL REPORT

File No.: 2104NICHOLAS

SALES COMPARISON APPROACH	Summary of Sales Comparison Approach THE 3 COMPARABLES ABOVE INDICATE THE VALUE OF RESIDENTIAL LAND WITHIN THE CITY OF CHEHALIS WITHOUT RESTRICTIVE UTILITY EASEMENTS AT \$4.28 PSF. SALES #4 & #5 DEMONSTRATE THE DECLINE IN VALUE FOR PROPERTY WITH UTILITY EASEMENTS. (SEE ADDITIONAL COMPARABLES ON PAGE 5),	
	INDICATED VALUE OF PROPERTY WITHOUT EASEMENTS \$4.28 PSF	
	INDICATED VALUE OF PROPERTY WITH 100% EASEMENT \$.55 PSF	
	SUBJECT TOTAL AREA 25,833 SF -	
	AREA WITH 100% EASEMENTS 14,998 @ \$.55 = \$ 8,249	
	AREA W/O EASEMENTS 10,835 SF @ \$4.28 = \$46,738	
TOTAL VALUE \$54,622		

TRANSFER HISTORY	My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.	
	Data Source(s): COUNTY RECORDS	
	1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing: NO PRIOR SALES/TRANSFERS FOUND FOR THE SUBJECT DURING THE PRIOR 3 YEARS. NO PRIOR SALES OR TRANSFERS OF COMPARABLES #1 THRU #5 WERE FOUND DURING THE YEAR PRIOR TO THE CURRENT SALE.
	Date:	
	Price:	
	Source(s):	
2nd Prior Subject Sale/Transfer		
Date:		
Price:		
Source(s):		


PUD	PROJECT INFORMATION FOR PUDs (if applicable) <input type="checkbox"/> The Subject is part of a Planned Unit Development.
	Legal Name of Project:
	Describe common elements and recreational facilities:

RECONCILIATION	Indicated Value by: Sales Comparison Approach \$
	Final Reconciliation THE INCOME APPROACH IS NOT DEVELOPED AS THIS IS NOT AN INCOME PRODUCING PROPERTY. THE COST APPROACH IS NOT USED AS THERE ARE NO IMPROVEMENTS ON THIS SITE. THE MARKET DATA APPROACH IS GIVEN THE MOST WEIGHT AS IT REFLECTS CURRENT BUYER/SELLER ATTITUDES IN THE SUBJECT MARKET AREA.
	This appraisal is made <input checked="" type="checkbox"/> "as is", or <input type="checkbox"/> subject to the following conditions:

ATTACH.	<input checked="" type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.
	Based upon an inspection of the subject property, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 54,622, as of: MARCH 17, 2021, which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.
	A true and complete copy of this report contains 16 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report, which contains the following attached exhibits:

ATTACH.	<input checked="" type="checkbox"/> Limiting cond./Certifications <input type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Location Map(s) <input checked="" type="checkbox"/> Flood Addendum <input checked="" type="checkbox"/> Additional Sales <input checked="" type="checkbox"/> Photo Addenda <input checked="" type="checkbox"/> Parcel Map <input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/>
---------	--

Client Contact: NICHOLAS, THOMAS & CARA	Client Name: NICHOLAS, THOMAS & CARA
E-Mail:	Address: 103 MCRONOVIC RD, CHEHALIS, WA 98532

SIGNATURES	APPRAISER	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)
		
	Appraiser Name: NADYNE TAUSCHER	Supervisory or Co-Appraiser Name:
	Company: TAUSCHER APPRAISAL SERVICES	Company:
	Phone: (360) 330-2625 Fax: (360) 330-2620	Phone: Fax:
	E-Mail: tauscher@compprime.com	E-Mail:
	Date of Report (Signature): April 06, 2021	Date of Report (Signature):
	License or Certification #: 1100261 State: WA	License or Certification #: State:
	Designation: CGREA	Designation:
	Expiration Date of License or Certification: 03/11/2023	Expiration Date of License or Certification:
	Inspection of Subject: <input checked="" type="checkbox"/> Did Inspect <input type="checkbox"/> Did Not Inspect (Desktop)	Inspection of Subject: <input type="checkbox"/> Did Inspect <input type="checkbox"/> Did Not Inspect
	Date of Inspection: MARCH 17, 2021	Date of Inspection:

ADDITIONAL COMPARABLE SALES

File No.: 2104NICHOLAS

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	OFF SE WASHINGTON CHEHALIS, WA 98532	PTN S IRON ST & PTN ALLEY CENTRALIA, WA 98531		0 W 1ST STREET CENTRALIA, WA 98531			
Proximity to Subject		4.20 miles N		4.71 miles N			
Sale Price	\$		\$ 12,150		\$ 180,000		\$
Price/	\$	\$ 0.55		\$ 2.28		\$	
Data Source(s)		APPRAISAL		NWMLS #118422			
Verification Source(s)		COURT HSE RECORDS		COURT HSE RECORDS			
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust
Sales or Financing Concessions		CASH		CONTRACT 5%			
Date of Sale/Time		0		0			
Rights Appraised	Fee Simple	Fee Simple		Fee Simple			
Location	RESIDENTIAL	COMMERCIAL	0	RESIDENTIAL			
Site Area	25,833	22,091		78,843			
IMPROVEMENTS	NONE	NONE		NONE			
UTILITY EASEMENTS	58%	100%		27% ESMT			
Net Adjustment (Total, in \$)		<input type="checkbox"/> + <input type="checkbox"/> - \$		<input type="checkbox"/> + <input type="checkbox"/> - \$		<input type="checkbox"/> + <input type="checkbox"/> - \$	
Net Adjustment (Total, in \$ /)		Net %		Net %		Net %	
Adjusted Sale Price (in \$ /)		Gross % \$	0.55	Gross % \$	2.28	Gross % \$	
Summary of Sales Comparison Approach	THE ABOVE COMPARABLES ARE USED TO DEMONSTRATE THE EFFECT OF UTILITY EASEMENTS ON LAND.						
SALES COMPARISON APPROACH	SALE #4 IS THE SALE OF A PORTION OF IRON STREET AND AN ADJACENT ALLEY IN THE AREA OF CENTRALIA COLLEGE. CENTRALIA COLLEGE PURCHASED THIS LAND TO CREATE A PLAYING FIELD - THE CITY OF CENTRALIA RETAINED UTILITY EASEMENTS OVER THIS ENTIRE AREA AS THERE ARE CITY UTILITIES ON BOTH IRON ST AND THE ADJACENT ALLEY.						
	SALE #5 IS THE SALE OF A LARGE RESIDENTIAL TRACT WITH VACATED STREETS. THE CITY OF CENTRALIA RETAINED EASEMENTS OVER THE PORTIONS OF THIS SALE THAT WERE UNDER THESE VACATED STREETS (27% OF THE AREA).						
	INDICATED VALUE OF PROPERTY WITHOUT EASEMENTS \$4.28 PSF						
	INDICATED VALUE OF PROPERTY WITH 100% EASEMENTS \$0.55 PSF						

SALES COMPARISON APPROACH



Subject Photo Page

Client	NICHOLAS, THOMAS & CARA		
Property Address	OFF SE WASHINGTON		
City	CHEHALIS	County	LEWIS
Appraiser	NADYNE TAUSCHER	State	WA
		Zip Code	98532



Subject EXTENDED ADAMS ST

OFF SE WASHINGTON
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location RESIDENTIAL
 View
 Site 25,833
 Quality
 Age



ALLEY OFF PROSPECT

NOTE - THE SUBJECT ALLEY IS LOCATED BEYOND THIS AREA



Subject EXTENDED 12TH ST

Comparable Photo Page

Client	NICHOLAS, THOMAS & CARA		
Property Address	OFF SE WASHINGTON		
City	CHEHALIS	County	LEWIS
Appraiser	NADYNE TAUSCHER	State	WA
		Zip Code	98532



Comparable 1

1055 SE WASHINGTON
 Prox. to Subject 0.14 miles W
 Sales Price 55,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location RESIDENTIAL
 View
 Site 6,534
 Quality
 Age



Comparable 2

10 SE 16th
 Prox. to Subject 0.13 miles SE
 Sales Price 49,900
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location RESIDENTIAL
 View
 Site 9,739
 Quality
 Age



Comparable 3

615-627 SW 19TH ST
 Prox. to Subject 0.61 miles SE
 Sales Price 125,000
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location RESIDENTIAL
 View
 Site 29,184
 Quality
 Age

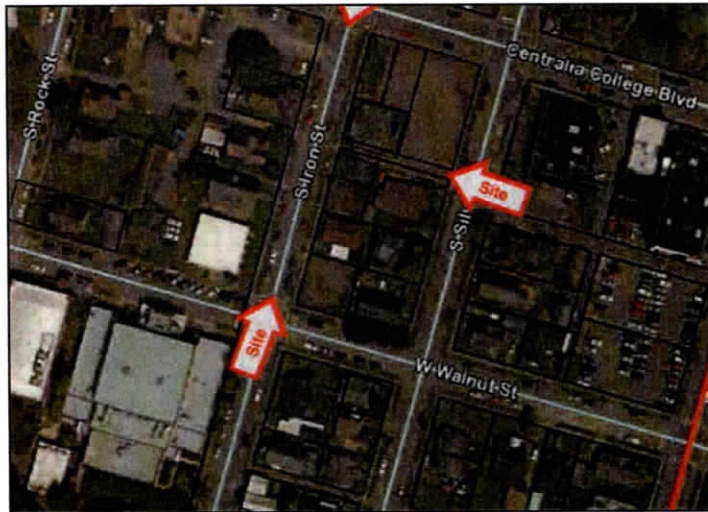
Comparable Photo Page

Client	NICHOLAS, THOMAS & CARA						
Property Address	OFF SE WASHINGTON						
City	CHEHALIS	County	LEWIS	State	WA	Zip Code	98532
Appraiser	NADYNE TAUSCHER						



Comparable 4

1ST STREET, CENTRALIA
 Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age



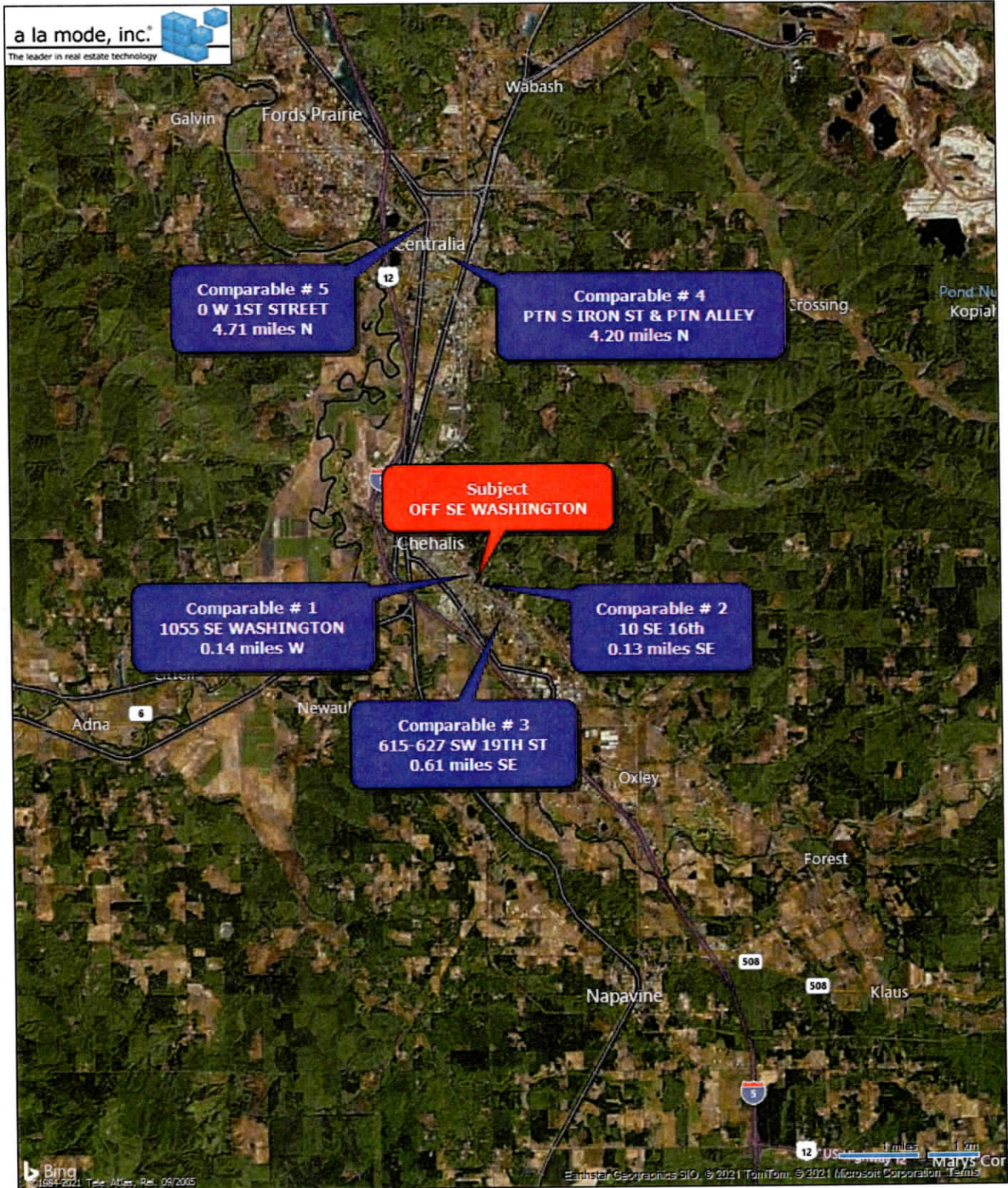
Comparable 5

IRON ST & ALLEY, CENTRALIA, WA
 Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

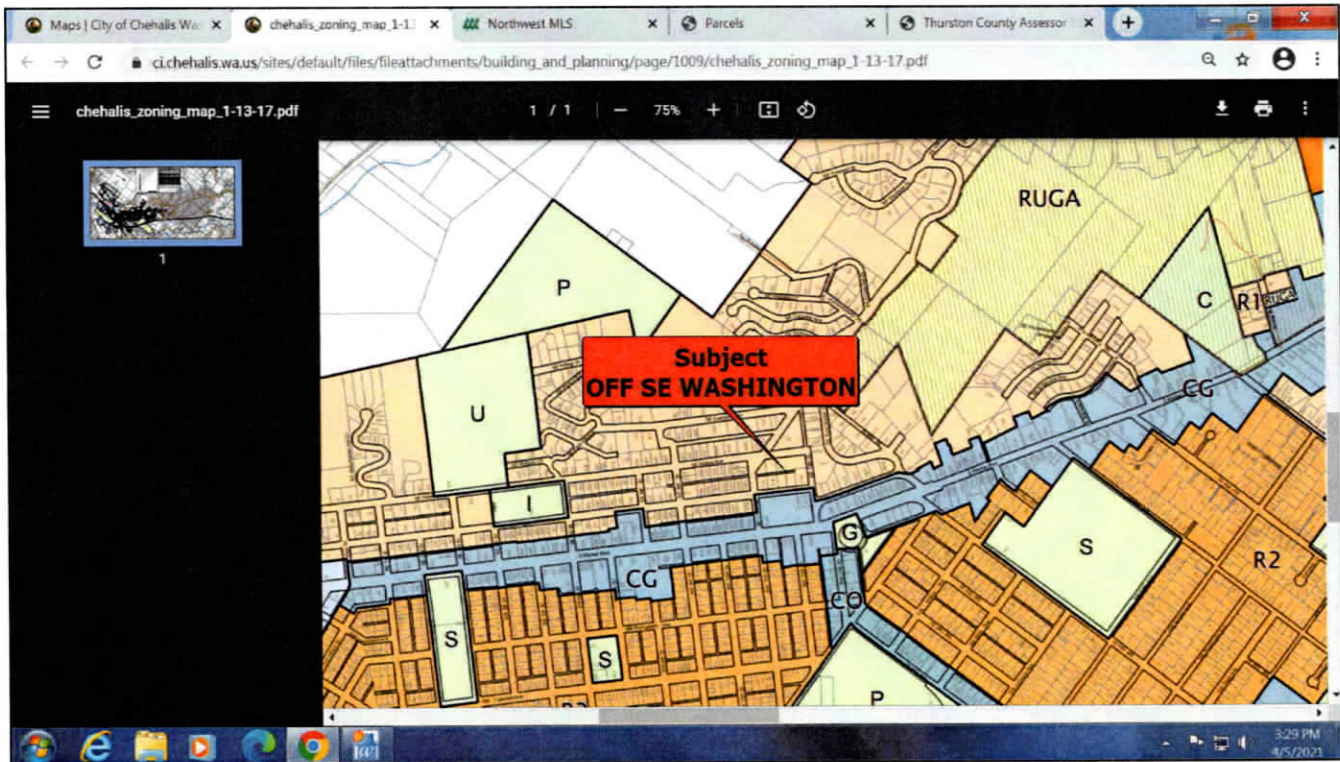
Location Map

Client	NICHOLAS, THOMAS & CARA			
Property Address	OFF SE WASHINGTON			
City	CHEHALIS	County	LEWIS	State WA Zip Code 98532
Appraiser	NADYNE TAUSCHER			



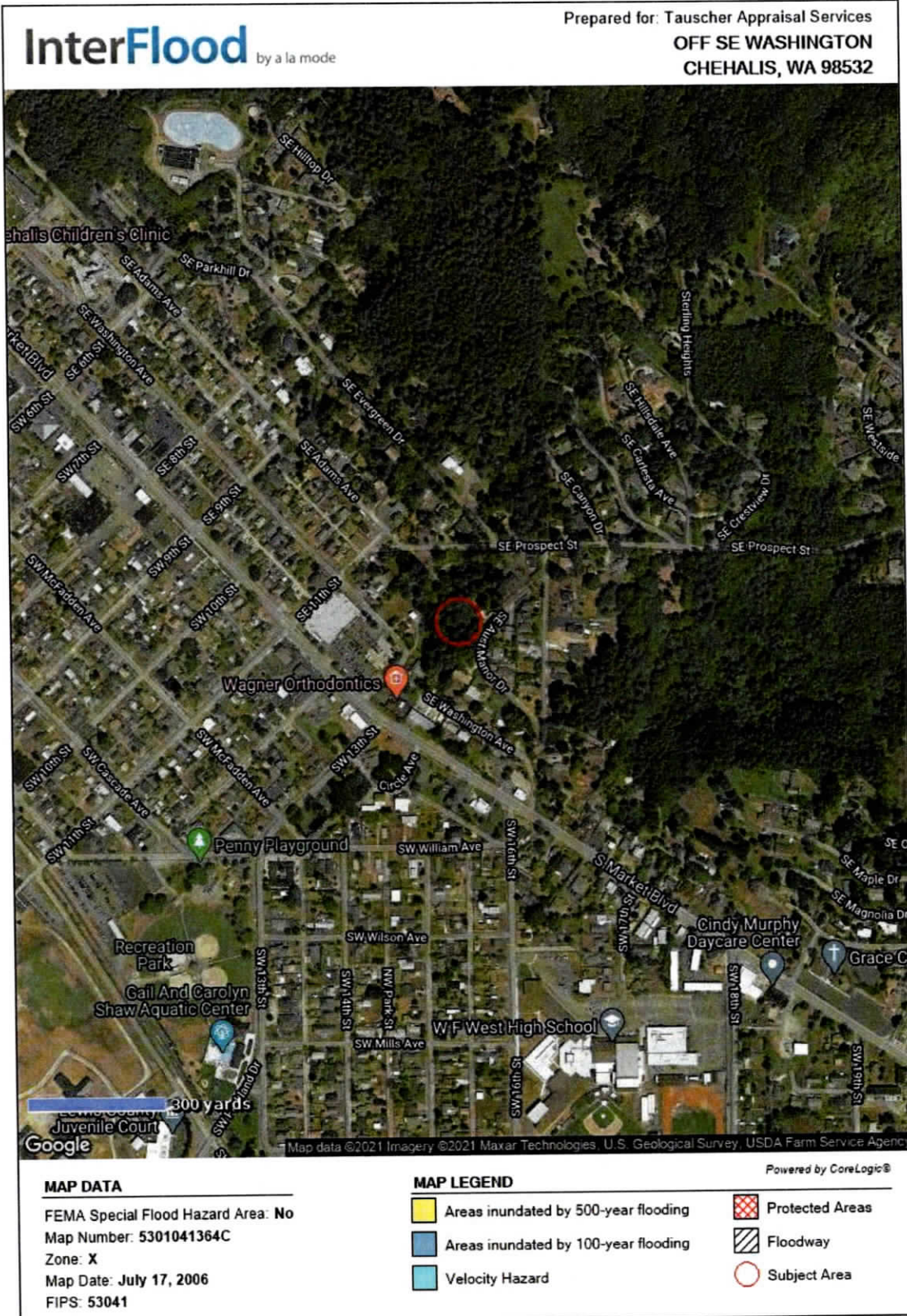
Zoning Map

Client	NICHOLAS, THOMAS & CARA						
Property Address	OFF SE WASHINGTON						
City	CHEHALIS	County	LEWIS	State	WA	Zip Code	98532
Appraiser	NADYNE TAUSCHER						



Flood Map

Client	NICHOLAS, THOMAS & CARA			
Property Address	OFF SE WASHINGTON			
City	CHEHALIS	County	LEWIS	State WA Zip Code 98532
Appraiser	NADYNE TAUSCHER			



FIRREA / USPAP ADDENDUM

Client NICHOLAS, THOMAS & CARA File No. 2104NICHOLAS
 Property Address OFF SE WASHINGTON
 City CHEHALIS County LEWIS State WA Zip Code 98532
 Appraiser NADYNE TAUSCHER

Purpose
 THE INTENDED USE OF THIS REPORT IS TO ESTABLISH FAIR MARKET VALUE FOR A POSSIBLE PURCHASE TRANSACTION.

Scope of Work
 After receiving the assignment, a preliminary search of all available resources was made to determine the market trends, influences and other significant factors pertinent to the Subject. A second review of the data was performed with the most relevant factors extracted and considered. Sales were examined & discussed with parties involved. The appraisal was then completed in accordance with standards dictated by the "Appraisal Foundation". The appraisal report was then delivered to the client.

Intended Use / Intended User
 Intended Use: THE INTENDED USE OF THIS REPORT IS TO ESTABLISH FAIR MARKET VALUE FOR A PURCHASE TRANSACTION.
 Intended User(s): THE INTENDED USERS OF THIS REPORT ARE THOMAS & CARA NICHOLS AND THE CITY OF CHEHALIS

History of Property
 Current listing information: PER THE NWMLS THE SUBJECT PROPERTY HAS NOT BEEN LISTED DURING THE YEAR PRIOR TO THE EFFECTIVE DATE OF THIS APPRAISAL.

Prior sale: NO PRIOR SALES OF THE SUBJECT PROPERTY WERE FOUND WITHIN THE THREE YEARS PRIOR TO THE EFFECTIVE DATE OF THIS REPORT.


Exposure Time / Marketing Time
 EXPOSURE/MARKETING TIME IS ESTIMATED TO BE 6-12 MONTHS.

Personal (non-realty) Transfers
 NO PERSONAL PROPERTY IS INCLUDED IN THIS REPORT.

Additional Comments
 IN THE EVENT THAT THE APPRAISER IS REQUIRED BY SUBPOENA OR OTHER LEGAL PROCESS TO PROVIDE TESTIMONY OR PRODUCE DOCUMENTS RELATING TO APPRAISER'S SERVICES UNDER THIS AGREEMENT, WHETHER IN COURT, DEPOSITION, ARBITRATION OR IN ANY OTHER PROCEEDING, AND REGARDLESS OF THE IDENTITY OF THE PARTY REQUIRING SUCH TESTIMONY OR PRODUCTION OF DOCUMENTS, CLIENT AGREES TO COMPENSATE APPRAISER FOR THE TIME INCURRED BY APPRAISER IN CONNECTION WITH THE PREPARATION FOR AND PROVISION OF SUCH TESTIMONY AND/OR DOCUMENTS AT APPRAISER'S HOURLY RATE OF \$300.00 AND TO REIMBURSE APPRAISER'S REASONABLE ACTUAL EXPENSES.

 STEVEN OLSEN ACCOMPANIED THE APPRAISER FOR THE INSPECTION OF THE SUBJECT PROPERTY. STEVEN OLSEN ASSISTED THE APPRAISER WRITING THIS REPORT IN THE SELECTION OF COMPARABLE SALES AND THE MARKET STUDY OF THE SUBJECT AREA. STEVEN OLSEN ALSO ASSISTED THE APPRAISER IN THE WRITING OF THIS REPORT.

Certification Supplement
 1. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or an approval of a loan.
 2. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

Appraiser: 
 Signed Date: April 06, 2021
 Certification or License #: 1100261
 Certification or License State: WA Expires: 03/11/2023
 Effective Date of Appraisal: MARCH 17, 2021

Supervisory Appraiser: _____
 Signed Date: _____
 Certification or License #: _____
 Certification or License State: _____ Expires: _____
 Inspection of Subject: Did Not Exterior Only Interior and Exterior

Assumptions & Limiting Conditions

File No.: 2104NICHOLAS

Property Address: OFF SE WASHINGTON

City: CHEHALIS

State: WA

Zip Code: 98532

Client: NICHOLAS, THOMAS & CARA

Address:

Appraiser: NADYNE TAUSCHER

Address: PO BOX 928, CENTRALIA, WA 98531

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

— The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.

— The appraiser may have provided a plat and/or parcel map in the appraisal report to assist the reader in visualizing the lot size, shape, and/or orientation. The appraiser has not made a survey of the subject property.

— If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

— The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.

— The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.

— The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.

— The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.

— An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.

— The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database. Possession of this report or any copy thereof does not carry with it the right of publication.

— Forecasts of effective demand for the highest and best use or the best fitting and most appropriate use were based on the best available data concerning the market and are subject to conditions of economic uncertainty about the future.

Definitions & Scope of Work

File No.: 2104NICHOLAS

Property Address: OFF SE WASHINGTON

City: CHEHALIS

State: WA

Zip Code: 98532

Client: NICHOLAS, THOMAS & CARA

Address:

Appraiser: NADYNE TAUSCHER

Address: PO BOX 928, CENTRALIA, WA 98531

DEFINITION OF MARKET VALUE *:

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

Certifications

File No.:

Property Address: OFF SE WASHINGTON City: CHEHALIS State: WA Zip Code: 98532
 Client: NICHOLAS, THOMAS & CARA Address:
 Appraiser: NADYNE TAUSCHER Address: PO BOX 928, CENTRALIA, WA 98531

APPRAISER'S CERTIFICATION


I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.

Additional Certifications:

Client Contact: NICHOLAS, THOMAS & CARA Client Name: NICHOLAS, THOMAS & CARA
 E-Mail: Address:

APPRAISER


 Appraiser Name: NADYNE TAUSCHER
 Company: TAUSCHER APPRAISAL SERVICES
 Phone: (360) 330-2625 Fax: (360) 330-2620
 E-Mail: tauscher@compprime.com
 Date Report Signed: April 06, 2021
 License or Certification #: 1100261 State: WA
 Designation: CGREA
 Expiration Date of License or Certification: 03/11/2023
 Inspection of Subject: Did Inspect Did Not Inspect (Desktop)
 Date of Inspection: MARCH 17, 2021

SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)

Supervisory or
Co-Appraiser Name: _____
 Company: _____
 Phone: _____ Fax: _____
 E-Mail: _____
 Date Report Signed: _____
 License or Certification #: _____ State: _____
 Designation: _____
 Expiration Date of License or Certification: _____
 Inspection of Subject: Did Inspect Did Not Inspect
 Date of Inspection: _____

SIGNATURES



ORDINANCE NO. 1021-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, PROVIDING FOR THE VACATION OF PORTIONS OF S.E. ADAMS STREET, 12TH STREET, AND THE UNDEVELOPED ALLEY BETWEEN 11TH STREET AND 12TH STREET; AND PROVIDING THAT THIS VACATION SHALL BE EFFECTIVE ONLY UPON SUCH DATE AS THE OWNER OF THE REAL PROPERTY ABUTTING SAID VACATION SHALL COMPENSATE THE CITY OF CHEHALIS IN AN AMOUNT EQUAL TO THE VALUE OF SAID VACATED RIGHT-OF-WAYS.

WHEREAS, the City of Chehalis received a petition from Fuller Design on behalf of Tom and Cara Nicholas for vacation of a portion of S.E. Adams Street, 12th Street, and an undeveloped alley between 11th Street and 12th Street, more particularly described in said petition; and,

WHEREAS, pursuant to RCW 35.79.010, the City Council of the City of Chehalis did, at a regularly scheduled meeting on the 12th day of July, 2021, adopt Resolution No. 10-2021, setting the date of August 23, 2021, at the hour of 5:00 p.m. as the time for a public hearing on said petition, which date was not less than twenty (20) days nor more than sixty (60) days after the adoption of said Resolution; and,

WHEREAS, The City Council of the City of Chehalis held a public hearing to consider said petition on the 23rd day of August, 2021, after due notice to the owners of all property abutting and adjacent to the area identified in said petition as required by law; and,

WHEREAS, the City of Chehalis must provide for utility service to all properties in the vicinity, including provisions for utilities provided by others.

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

Section 1. The City vacates that portion of S.E. Adams, 12th Street and the undeveloped alley between 11th Street and 12th Street, located within the City of Chehalis, Washington.

The legal descriptions for each portion of right of way being vacated are described in Exhibit A, with certified survey drawings described in Exhibit B, and summarized as follows:

- SE Adams: 60 feet x 244 feet, 14,624 square feet valued at \$55,876.72;
- 12th Street: 20 feet x 299.16 feet, 15,263 square feet valued at \$43,008.30; and
- Alley: 16 feet x 142 feet, 2,273.6 square feet valued at \$9,731.00,

subject to the conditions set forth in Sections 2 and 3 of this Ordinance.

Section 2. The city of Chehalis shall retain existing access and easements currently in use, as well as the right to grant easements over, under and across all said vacated portions of right-of-way for the provision of utility services. As a condition subsequent to vacation and pursuant to CMC 12.32.080, the new landowner of the vacated property shall grant an easement for ingress, egress, and utilities over, under and across the existing driveway located within the vacated portion of SE Adams currently serving Lewis County Assessor's Tax Parcel 005859-000-000, commonly referred to as 227 SE Prospect Street, Chehalis, Washington.

Section 3. This vacation shall be effective upon payment to the City of Chehalis, within 90 days of the date hereof, by the owner of property or assignee adjacent thereto and to be benefited by the vacation, in the amount of One Hundred Eight Thousand Six Hundred Sixteen and 2/100 (\$108,616.02) Dollars, which represents full appraised value of the net mount (32,161.6 square feet) of right-of-way to be vacated.

Section 4. This Ordinance shall be in full force and effect only after fair market value as indicated in Section 3 has been paid for the street or alley that is vacated. The City Clerk is directed not to publish this ordinance until payment has been verified pursuant to CMC 12.32.110. If the condition of transfer as stated in Section 3 is not completed within ninety (90) days of the effective date of this Ordinance, this Ordinance shall be null and void.

PASSED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its mayor this _____ day of _____, 2021.

Mayor

Attest:

City Clerk

Approved as to Form and Content:

City Attorney

EXHIBIT "A"

CITY OF CHEHALIS
12TH STREET VACATION

STREET VACATION AREA:

THAT PORTION OF TWELFTH STREET ABUTTING LOTS 19, 20 AND 21 AUST'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 4 OF PLATS, PAGE 35 AND LOT 7, BLOCK 3 McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, AND THAT PORTION OF GOVERNMENT LOT 5, SECTION 32, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M., LEWIS COUNTY WASHINGTON KNOWN AS ASSESSOR'S PARCEL NO. 00583001000, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 19, AUST'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 4 OF PLATS, PAGE 35;
THENCE N45°05'09"E ALONG THE SOUTHERLY MARGIN OF TWELFTH STREET A DISTANCE OF 299.16 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 21, AUST'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 4 OF PLATS, PAGE 35;
THENCE N45°46'31"E A DISTANCE OF 50.00 FEET TO THE MOST EASTERLY PLAT CORNER OF McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, BEING INTERSECTION OF THE NORTHEASTERLY MARGIN OF ADAMS AVENUE AND THE NORTHERLY MARGIN OF SAID TWELFTH STREET;
THENCE S45°05'09"W ALONG THE SOUTHERLY BOUNDARY OF THE PLAT OF McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, BEING NORTHERLY MARGIN OF SAID TWELFTH STREET A DISTANCE OF 164.87 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 7, BLOCK 3;
THENCE CONTINUING S45°05'09"W ALONG THE NORTHERLY MARGIN OF SAID TWELFTH STREET A DISTANCE OF 135.05 FEET;
THENCE S46°38'55"W A DISTANCE OF 50.02 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 14,974 SQUARE FEET MORE OR LESS

EXHIBIT "A"

CITY OF CHEHALIS
ADAMS AVENUE VACATION

STREET VACATION AREA:

THAT PORTION OF ADAMS AVENUE ABUTTING LOTS 4, 5, 6 AND 7, BLOCK 3 McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 7;
THENCE N44°52'45"W ALONG THE SOUTHWESTERLY MARGIN OF ADAMS AVENUE A DISTANCE OF 243.74 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 4;
THENCE N45°07'15"E A DISTANCE OF 60.00 FEET TO THE NORTHEASTERLY BOUNDARY OF THE PLAT OF McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON AND THE SOUTHWESTERLY LINE OF THAT PARTICULAR TRACT OF LAND DESCRIBED IN STATUTORY WARRANTY DEED, DATED SEPTEMBER 14TH, 2011, RECORDED UNDER LEWIS COUNTY AUDITOR'S FILE NO. 3368112, ALSO BEING THE NORTHEASTERLY MARGIN OF ADAMS AVENUE;
THENCE S44°52'45"W ALONG SAID NORTHEASTERLY MARGIN A DISTANCE OF 243.75 FEET TO THE INTERSECTION WITH THE NORTHERLY MARGIN OF TWELFTH STREET, BEING THE MOST EASTERLY CORNER OF THE PLAT OF McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON;
THENCE S45°05'09"W A DISTANCE OF 60.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 14,624 SQUARE FEET MORE OR LESS

EXHIBIT "A"

CITY OF CHEHALIS
ALLEY VACATION

ALLEY VACATION AREA:

THAT PORTION OF ADAMS AVENUE ABUTTING LOTS 4, 5 AND 6, BLOCK 3, AND LOTS 4 AND 5, BLOCK 2, McCORD AND PHILLIP'S ADDITION TO THE CITY OF CHEHALIS, AS RECORDED IN VOLUME 1 OF PLATS, PAGE 123, RECORDS OF LEWIS COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

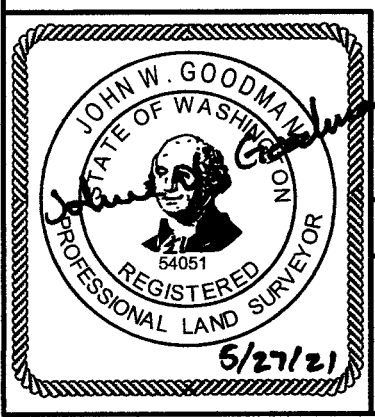
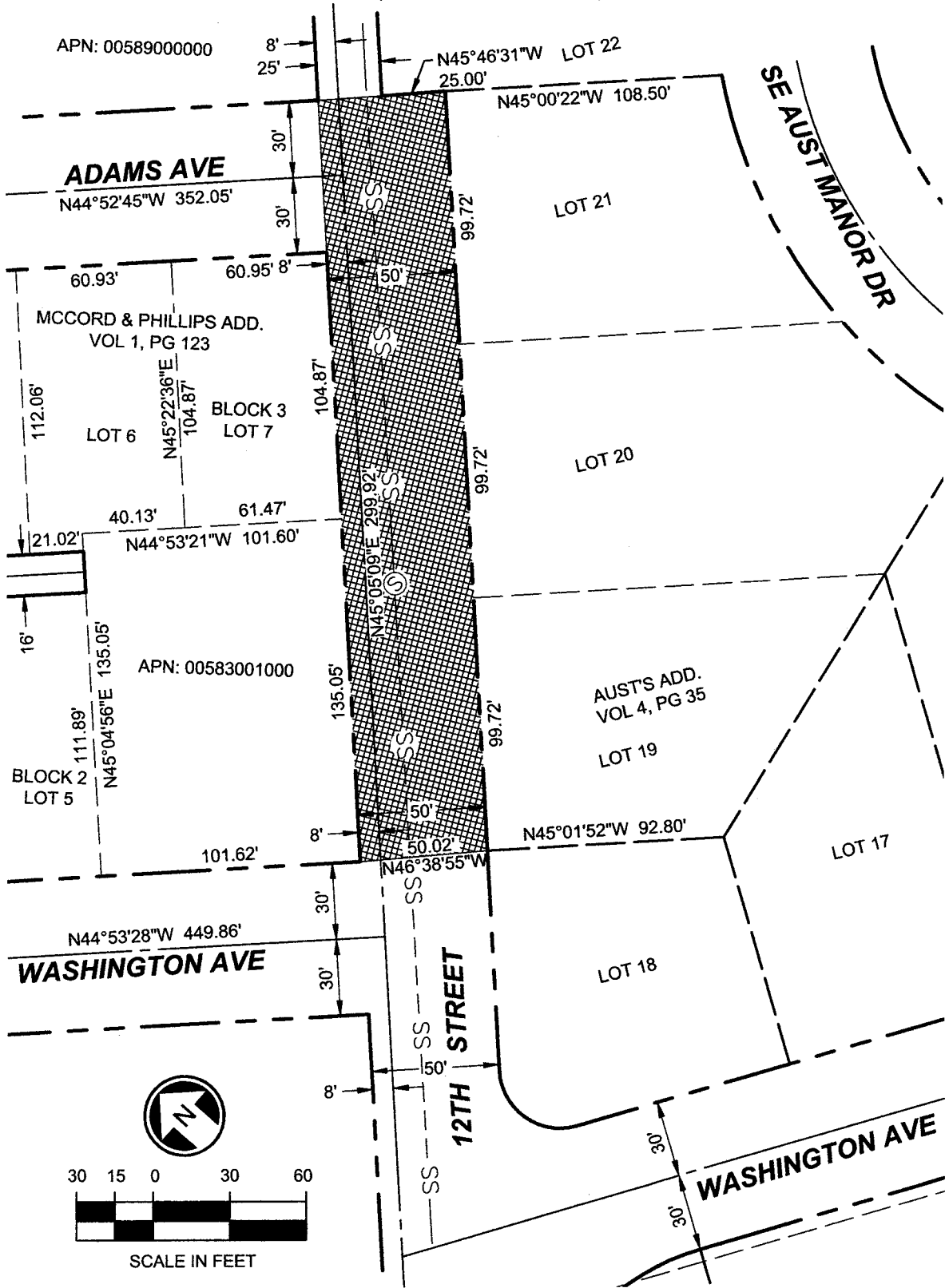
BEGINNING AT THE MOST EASTERLY CORNER OF SAID LOT 5, BLOCK 2 AS SURVEYED ON RECORD OF SURVEY RECORDED UNDER LEWIS COUNTY AUDITOR'S FILE NO. 3531692, IN VOLUME 33 OF SURVEYS AT PAGE 138;
THENCE N44°53'03"W ALONG THE SOUTHWESTERLY MARGIN OF ALLEY ALONG ABUTTING SAID LOTS 5 AND 4 OF BLOCK 2 A DISTANCE OF 142.10 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 4, BLOCK 2;
THENCE N45°05'11"E A DISTANCE OF 16.00 FEET TO THE MOST WESTERLY CORNER OF SAID LOT 4, BLOCK 3;
THENCE S44°53'03"E ALONG THE NORTHEASTERLY MARGIN OF ALLEY ALONG SAID LOTS 4, 5 AND 6, BLOCK 3 A DISTANCE OF 142.10 FEET TO AN ANGLE POINT IN THE SOUTHWESTERLY LOT LINE OF SAID LOT 6, BLOCK 3;
THENCE S45°04'56"W A DISTANCE OF 16.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 2,274 SQUARE FEET MORE OR LESS

EXHIBIT B

12TH STREET VACATION

PORTION OF THE GOVERNMENT LOT 5
(NE 1/4 SE 1/4) SEC 32, T 14 N, R 2 W, W.M.
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON



LEGEND	
	SECTION SUBDIVISION LINE
	STREET RIGHT-OF-WAY LINE
	STREET CENTER LINE
	PROPERTY LINE
	PLAT LOT LINE
	STREET VACATION AREA

STREET VACATION AREA AREA: 14,974 S.F.

ASSESSOR NO: N/A DATE: 05/25/2021

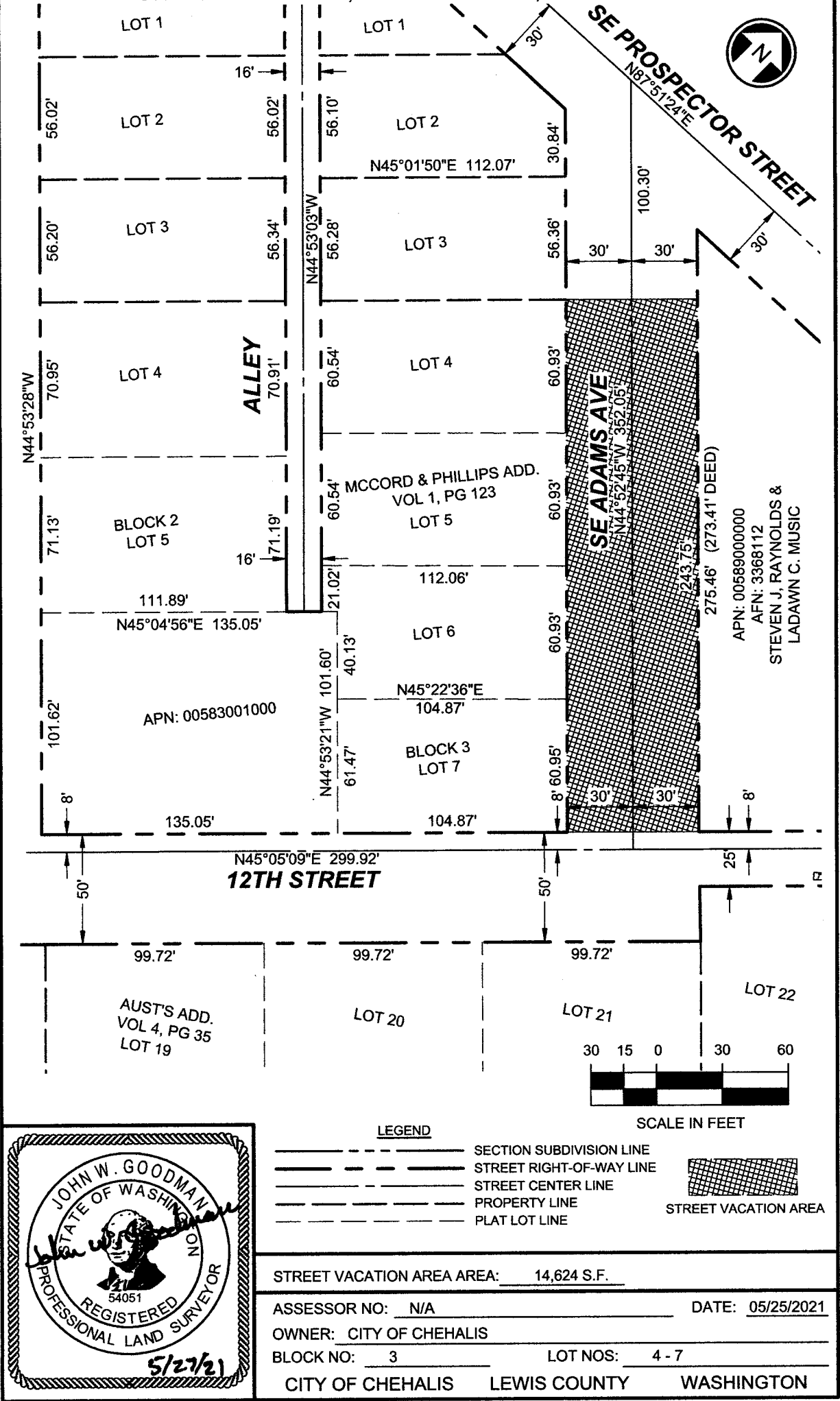
OWNER: CITY OF CHEHALIS

BLOCK NO: 3 LOT NOS: 7 & 19 - 21

CITY OF CHEHALIS LEWIS COUNTY WASHINGTON

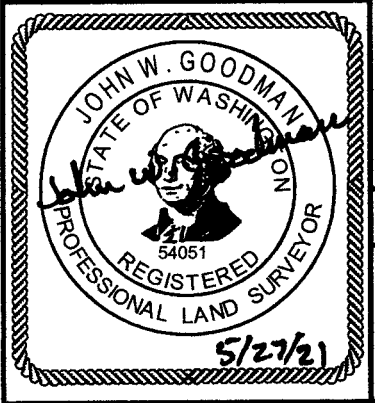
EXHIBIT B SE ADAMS STREET VACATION

PORTION OF THE GOVERNMENT LOT 5
(NE 1/4 SE 1/4) SEC 32, T 14 N, R 2 W, W.M.
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON



LEGEND

- SECTION SUBDIVISION LINE
- STREET RIGHT-OF-WAY LINE
- STREET CENTER LINE
- PROPERTY LINE
- PLAT LOT LINE
- STREET VACATION AREA



STREET VACATION AREA AREA: 14,624 S.F.

ASSESSOR NO: N/A DATE: 05/25/2021

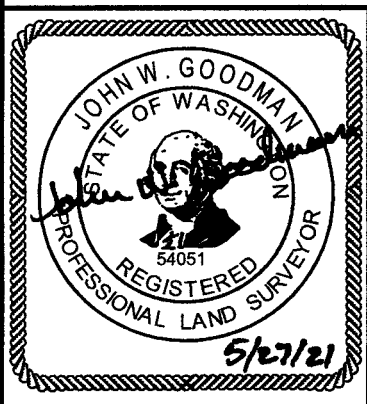
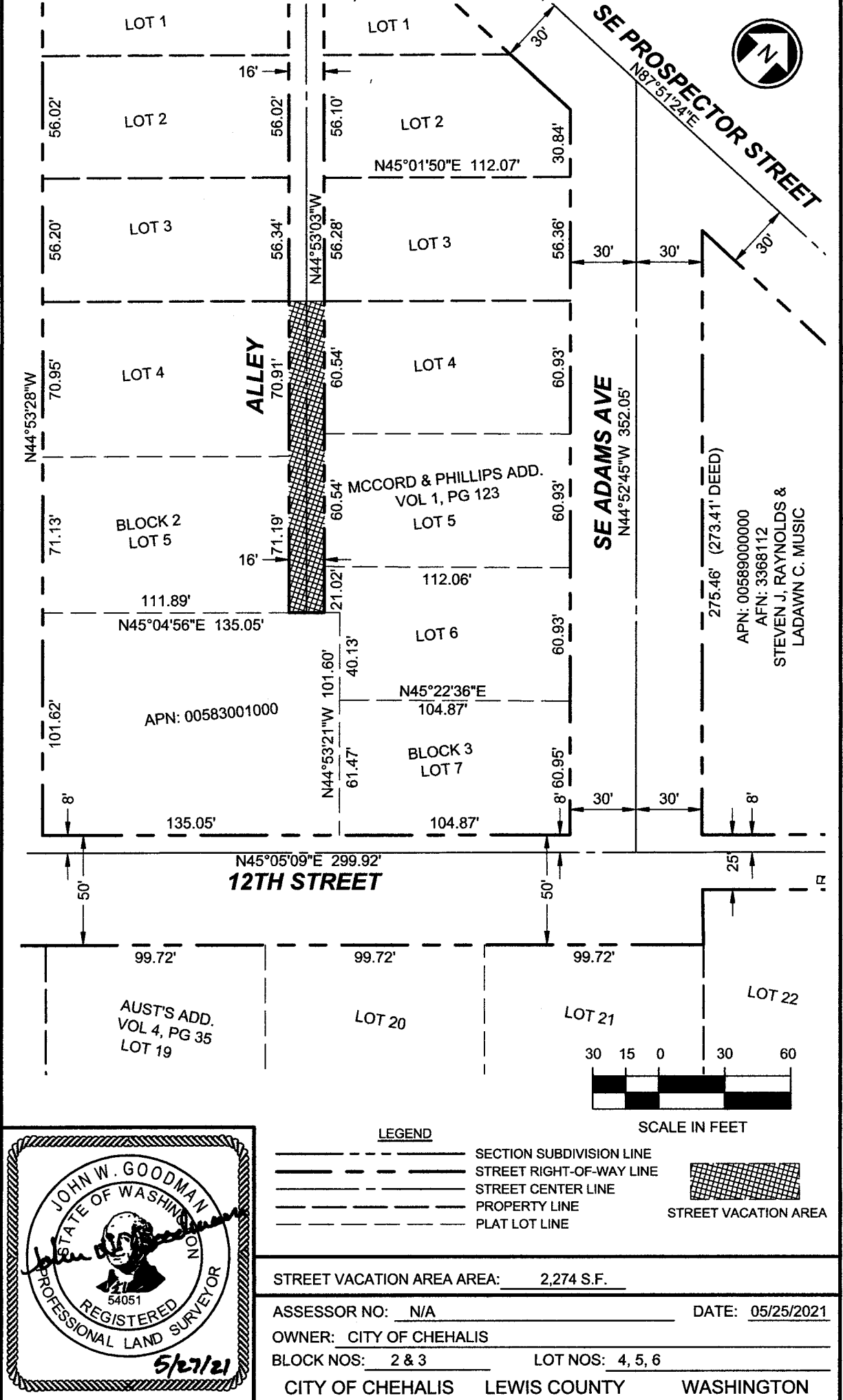
OWNER: CITY OF CHEHALIS

BLOCK NO: 3 LOT NOS: 4 - 7

CITY OF CHEHALIS LEWIS COUNTY WASHINGTON

EXHIBIT B ALLEY VACATION

PORTION OF THE GOVERNMENT LOT 5
(NE 1/4 SE 1/4) SEC 32, T 14 N, R 2 W, W.M.
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON



LEGEND

-----	SECTION SUBDIVISION LINE
-----	STREET RIGHT-OF-WAY LINE
-----	STREET CENTER LINE
-----	PROPERTY LINE
-----	PLAT LOT LINE
	STREET VACATION AREA

STREET VACATION AREA AREA: 2,274 S.F.

ASSESSOR NO: N/A DATE: 05/25/2021

OWNER: CITY OF CHEHALIS

BLOCK NOS: 2 & 3 LOT NOS: 4, 5, 6

CITY OF CHEHALIS LEWIS COUNTY WASHINGTON

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Lodging Tax Advisory Committee
Councilor Jerry Lord, Chair
Alicia Fox, Centralia-Chehalis Chamber of Commerce
Rick Burchett, Chehalis-Centralia Railroad & Museum
Jacob Blue, Holiday Inn Express & Suites
Chip Duncan, Veterans Memorial Museum
Trent Henning, Riverside Golf Club
Lilly Wall, City of Chehalis

BY: Jill Anderson, City Manager
Kiley Franz, City Clerk

MEETING OF: September 27, 2021

SUBJECT: Lodging Tax Advisory Committee Recommendations for 2022 Tourism Funds and Request to Seek Applicants

ISSUE

The LTAC reviews and makes funding recommendations to the City Council to fund various non-profit organizations or government entities for marketing, activities, operations, and expenditures designed to increase tourism. The Lodging Tax Advisory Committee (LTAC) met on Tuesday, September 21, 2021 to review eight requests from six organizations for 2022 tourism funds to make recommendations to the City Council regarding the 2022 funding allocations.

SUMMARY OF REQUESTS SUBMITTED

With a projected beginning fund balance of \$72,990, plus projected revenues of \$235,000, the estimated revenues for 2022 totaled \$307,990. A \$50,000 reserve was set aside for projects/activities that may come up during the year. The dedicated debt service fund for the Recreation Park bond payment schedule totaled \$71,350 for 2022. A total of \$186,640 estimated revenue was available for distribution to lodging tax recipients.

Projected Beginning Fund Balance	\$ 72,990.00
Estimated Revenue	<u>\$ 235,000.00</u>
Total Estimated Funds	\$ 307,990.00
Recommended Ending Fund Balance	\$ 50,000.00
Dedicated Debt Service for Recreation Park	\$ 71,350.00
Total Estimated Available Revenue	\$ 186,640.00

Organization	2022 Requests
Chehalis Community Renaissance Team	\$ 42,200.00
Chehalis-Centralia Railroad and Museum	\$ 47,000.00
Lewis County Historical Museum	\$ 45,000.00
Recreation - Youth and Adult Athletic Tournaments	\$ 20,000.00
Shaw Aquatics Center	\$ 60,500.00
Parks Improvement Fund	\$ 18,500.00
Centralia-Chehalis Chamber of Commerce	\$ 40,000.00
Veterans Memorial Museum	\$ 40,000.00
Totals	\$ 313,200.00

City of Chehalis – Recreation Park Debt Service

The Recreation Park Improvement Project debt service, not to exceed \$75,000/year, was approved by the City Council at the October 14, 2019 meeting. The allocated amount for 2022 is \$71,350.

City of Chehalis – Annual Allocation

The City of Chehalis applied for funding for three separate projects. The Recreation Department applied for funding for Youth and Adult Athletic Tournaments in the amount of \$20,000 and for the Shaw Aquatics Center in the amount of \$60,500. The City also applied for funding to create a Parks Improvement Fund, which requested that 10% of available revenues be placed in reserves annually to cover the costs of future capital improvement projects for parks and recreation facilities. The LTAC has recommended that 20% of available revenue be awarded to the City for all three applications; to be utilized at the discretion of the City. The 20% recommendation was rounded to \$37,340.

The LTAC recommends that 25% of available revenues be committed annually to the City beginning in 2023, to be utilized at the discretion of the City.

The committee unanimously agreed to make the following recommendations to the City Council:

Organization	Request	Recommendation
1. Centralia-Chehalis Chamber	\$ 40,000	\$ 29,860
2. Chehalis-Centralia Railroad & Museum	\$ 47,000	\$ 29,860
3. Chehalis Community Renaissance	\$ 42,200	\$ 29,860
4. Lewis County Historical Museum	\$ 45,000	\$ 29,860
5. Veterans Memorial Museum	\$ 40,000	\$ 29,860
6. City of Chehalis (2022 Requests Combined)	\$ 99,000	\$ 37,340
Total	\$313,200	\$186,640

AWARD PROCESS

A municipality may award amounts different from the LTAC, but only after satisfying procedural requirements of the state statute. A municipality must submit its proposed change(s) to the advisory committee for review and comment at least 45 days before final action on the proposal.

The attachments to this report include the draft minutes from the September 21, 2021 LTAC meeting and 2022 tourism fund projections and requests. Funding request applications are available for review upon request.

Upon City Council approval, all recipients must enter into an agreement with the city for use of the funds. The award recipients are required to submit quarterly reports to request reimbursement for eligible expenditures. All expenses are reviewed for accuracy before reimbursements are disseminated.

LTAC MEMBERSHIP

According to the resolution establishing the LTAC, the City Council is to review membership on an annual basis and make changes as appropriate. In accordance with state law, the committee must have at least five members, appointed by the City Council. Membership must include at least two representatives of businesses required to collect hotel-motel tax, two people involved in activities that are authorized to be funded by the tax, and one elected official who serves as chairperson. The number of persons representing businesses that collect the tax and the number of persons involved in activities authorized to be funded by the tax must be equal. There is no established term of membership.

Current committee members include Jacob Blue, Holiday Inn Express & Suites; Lilly Wall, City of Chehalis, and Trent Henning, Riverside Golf Club, representing businesses required to collect the tax. Members representing activities funded by the tax are Alicia Fox, Centralia-Chehalis Chamber of Commerce; Rick Burchett, Chehalis-Centralia Railroad & Museum; and Chip Duncan, Veterans Memorial Museum. Councilor Jerry Lord is the City Council representative and acts as committee chair.

Several members of the LTAC have served for more than 5 years. Councilor Lord has requested that the City Council consider initiating the application process by inviting all interested and eligible individuals, including existing LTAC members, to apply for an appointment to the LTAC by the City Council for 2022. This would ensure that ensure any interested and qualified persons would have the opportunity to be considered for appointment to the LTAC. The City Council could also consider a practice of inviting applications every year or two and/or creating term limits for the recipients of the funds. The entities that generate revenue in the City are limited, so term limits may be more difficult to establish for those positions.

RECOMMENDATION

The LTAC recommends that the City Council approve its recommendations individually and collectively for use of lodging tax funds for 2022, as follows:

Organization	Request	Recommendation
1. Centralia-Chehalis Chamber	\$ 40,000	\$ 29,860
2. Chehalis-Centralia Railroad & Museum	\$ 47,000	\$ 29,860
3. Chehalis Community Renaissance	\$ 42,200	\$ 29,860
4. Lewis County Historical Museum	\$ 45,000	\$ 29,860
5. Veterans Memorial Museum	\$ 40,000	\$ 29,860
6. City of Chehalis (2022 Requests Combined – See note below)	\$ 99,000	\$ 37,340
Total	\$313,200	\$186,640

The LTAC recommends that the City Council approve the allocation of 20% of available funds, rounded to \$37,340, to the City of Chehalis, to be utilized at the discretion of the City; approve the annual debt service payment for the Recreation Park Improvement Project in the amount of \$71,350; and approve the annual appropriation of 25% of available revenues to the City of Chehalis beginning in 2023, to be utilized at the discretion of the City.

It is also recommended that the City Council provide direction regarding the preferred process for selecting LTAC members, specifically whether or not to open the process to invite qualified individuals to apply for an appointment to the 2022 Lodging Tax Advisory Committee.

SUGGESTED MOTION

I move that the City Council:

- Approve the funding amounts, both individually and collectively, of the Lodging Tax Advisory Committee for use of lodging tax funds for 2022; and
- Approve the allocation of 20% of available funds, rounded to \$37,340, to the City of Chehalis, to be utilized at the discretion of the City in 2022; and
- Approve the annual debt service payment for the Recreation Park Improvement Project in the amount of \$71,350; and
- Approve the annual appropriation of 25% of available revenues to the City of Chehalis beginning in 2023, to be utilized at the discretion of the City; and
- Provide direction regarding the preferred process for selecting LTAC members, specifically whether or not to open the process to invite qualified individuals to apply for appointment to the 2022 Lodging Tax Advisory Committee.

**Chehalis Lodging Tax Advisory Committee
Meeting Minutes
September 21, 2021**

The Lodging Tax Advisory Committee (LTAC) met on Tuesday, September 21, 2021 to review applications for 2022 tourism funding. Members present were: Councilor Jerry Lord, Chair; Alicia Fox, Centralia-Chehalis Chamber of Commerce; Rick Burchett, Chehalis-Centralia Railroad and Museum; Jacob Blue, Holiday Inn; Lilly Wall, City of Chehalis; and Chip Duncan, Veterans Memorial Museum. Chehalis administration included: Jill Anderson, City Manager; Kiley Franz, City Clerk; and Cassie Frazier, City Manager's Administrative Assistant.

Call to Order

The meeting was called to order at 8:43 A.M. by Councilor Jerry Lord.

Councilor Lord welcomed everyone to the meeting. Kiley Franz gave a brief overview of the estimated revenues for 2022. Councilor Lord asked if there were any questions before funding interviews proceeded; there were none.

2020 Funding Request Presentations

The comments below are in addition to the information provided in each organization's application.

Chehalis Community Renaissance Team (CCRT) - \$42,200 (Annalee Tobey)

The request is to fund year-round, general promotion and marketing of Chehalis, using both social media and print. Ms. Tobey explained that the Chehalis Community Renaissance Team planned to use these funds to produce the Experience Chehalis brochure, to maintain the Experience Chehalis social media sites, website, and e-newsletter, radio advertisements, and to assist in the rebranding of the CCRT. Due to the COVID-19 restriction in place during ChehalisFest, a scavenger hunt was created to encourage people to visit local retailers without gathering in large groups. In 2022, the CCRT plans to create a video series to showcase Chehalis, these videos will be used on the Experience Chehalis website and social media sites. A blog showcasing Chehalis stories has been added to the Experience Chehalis website.

Questions/Comments:

- Mr. Burchett stated that he would like to see the radio advertisements targeted to audiences outside of the 50-mile radius.
- Councilor Lord asked if the video series would be posted to YouTube as well. Ms. Tobey said it would.

Chehalis-Centralia Railroad and Museum (CCRM): \$47,000 (Mary Kay Nelson)

Funding is used for marketing and promotion of the steam train. Ms. Nelson explained that the monies awarded from the lodging tax funds were used to support the website and social media marketing campaigns, as well as posters, rack cards, and other such marketing tactics. Ms. Nelson informed the committee that over 6,000 passengers had attended this year, and with the holiday trains, they estimated that there would be about 12,000 passengers by the end of the year. The railroad plans to add a new, premier car for the holiday season, tickets for which have already sold out. Ms. Nelson estimated that 75% of visitors are from 50 to 100 miles away, 14% are from over 100 miles away, and only 11% of visitors are local. She explained that the state had awarded a grant for \$250,000 for the repairs to the steam engine, which will be provided on a reimbursement basis.

Questions/Comments:

- Ms. Fox informed the committee that the Chamber of Commerce received many inquiries regarding the steam train.

Lewis County Historical Museum – \$45,000 (Jason Mattson)

Mr. Mattson informed the committee that the Lewis County Historical Museum had to postpone most events and exhibits planned for 2021 due to the COVID-19 health crisis. He informed the committee that approximately 200 breakfasts had been sold during the museum's participation in ChehalisFest. The museum plans to have a tribute to the Japanese families relocated during World War II, an exhibit on the influential women of Lewis County, the Pioneer Pie Social, a celebration for the 75th anniversary of Kenneth Arnold seeing the 'flying saucer', and author's afternoons. A local organization pooled money to have a live-stream of trains on the track near the museum.

Questions/Comments:

- Councilor Lord asked how many members the museum had retained due to COVID. Mr. Mattson explained that the membership was down approximately 25%.

City of Chehalis – Youth and Athletics Tournaments – \$20,000 (Lilly Wall)

Ms. Wall explained that the request was to support Youth and Athletic Tournaments for 2022. She informed the committee that the upgraded facility had attracted many interested teams, but only 14 tournaments could be hosted due to the COVID-19 restrictions. The facility is now being rented out to different tournament host vendors instead of being held by City staff.

Questions/Comments:

- Mr. Blue asked if the Recreation Department was associated with the Sports Complex in Centralia. Ms. Wall stated that they worked together frequently; the hope is to cross fill for tournaments once the restrictions are lifted. Ms. Wall also stated that the Sports Commission had donated \$40,000 for the grass outfields at Recreation Park.

City of Chehalis – Shaw Aquatics Center – \$60,500 (Lilly Wall)

Ms. Wall informed the committee that the pool had brought in roughly 10,000 visitors per month; of these visitors, zip codes for approximately 43% of these visitors were outside of the 50-mile radius, and 439 visitors were from out of state. Ms. Wall explained some of the upkeep necessary to keep the pool clean and in good condition. Replacement of the sand filters and PVC lines should occur every four to six years, but the pool is currently at eight years. The showers at the facility are push-button operated and consistently have issues; Ms. Wall would like for these showers to be replaced with simple twist operated faucets. The manual vacuum that cleans the shallow area is in need of replacement, and the slides are in need of routine care as well.

Questions/Comments:

- Mr. Blue asked if the swim lessons cover the expense of hosting them. Ms. Wall stated that in 2021 they did not.

City of Chehalis – Parks Improvement Fund – \$18,500 (Jill Anderson)

City Manager Anderson expressed gratitude to the lodging tax advisory committee, the community, and the state grants that assisted in the funding for the overhaul of Recreation Park and Penny Playground. She explained that the intent was to create a reserve fund to ensure that the parks and the pool were well taken care of without significant impacts to the general fund.

Questions/Comments:

- Councilor Lord asked if this would be for just Recreation Park and Penny Playground. Ms. Anderson explained that it would be for all city parks and the Shaw Aquatics Center.
- Mr. Duncan expressed his desire to see 25% of estimated available revenues be dedicated annually to all City activities, to be utilized at the City's discretion for Youth and Adult Athletic Tournaments, necessary maintenance, or reserves for capital improvement projects.

Centralia-Chehalis Chamber of Commerce - \$40,000 (Alicia Fox)

Ms. Fox thanked the City of Chehalis for the capital improvements to the city-owned land occupied by the Chamber of Commerce Building. She explained that due to COVID-19, the purchase of a new building had been changed to the rehabilitation of the current structure. In 2021, the Chamber of Commerce held a virtual STP at Thorbeckes and a Black Friday bag giveaway that encouraged recipients to choose local businesses. The City of Chehalis is considered a premier sponsor and is promoted on any event hosted by the Chamber. In 2022, the Chamber plans to release a new website which will include job listings and tourism specific activities. The website will also include photographs that local businesses can utilize in their own marketing campaigns. During the pandemic, the Chamber focused on providing critical PPE to first responders and local businesses. Ms. Fox explained that any events planned by the Chamber are at the mercy of state mandates.

Questions/Comments:

- Councilor Jerry Lord inquired how the lack of funding from the City of Centralia affected the service they received. Ms. Fox explained that the service remained unaffected, but they were encouraged to become equal partners. She further stated that the consistency from the City of Chehalis was greatly appreciated.

Veterans Memorial Museum – \$40,000 (Chip Duncan)

Mr. Duncan explained that the museum had completed many projects and worked in conjunction with the Chehalis-Centralia Railroad and Museum during the COVID-19 shutdowns. Though it has been hard to work through the pandemic, the museum has taken it as an opportunity to assist the community. Many car shows, craft shows, reunions, and swap meets have been hosted by the museum in their outdoor space. In 2022, the museum plans to create a counseling center for veterans which can assist with mental health concerns, assistance finding jobs, and many other things. The museum utilized lodging tax funds for promotion and event coordination through social media sites.

Questions/Comments:

- Councilor Lord expressed his gratitude for the efforts made by Chip Duncan and the Veterans Memorial Museum to provide activities during the pandemic.

Determine Allocation Recommendations to City Council

Included in the agenda packet were 2022 projected revenues. With a projected beginning fund balance of \$72,990, plus projected revenues of \$235,000, estimated revenues total \$307,990. A \$50,000 reserve was set aside for projects/activities/short falls that may come up during 2022. The committee also allocated \$71,350 to the yearly Recreation Park debt service fund as approved by the City Council at their meeting on October 14, 2019. A total of \$186,640 estimated revenue was appropriated for lodging tax recipients.

It was unanimously decided by the members of the Lodging Tax Advisory Committee to approve the subsequent amounts as recommendations to the city council (with the following notes):

- City of Chehalis – It is recommended that the City of Chehalis be awarded 20% of available revenues for funding year 2022, an amount which has been rounded to \$37,340. It is also recommended that 25% of available revenues annually beginning in 2023; to be utilized at the discretion of the City.

Organization	Request	Recommendation
1. Centralia-Chehalis Chamber	\$ 40,000	\$ 29,860
2. Chehalis-Centralia Railroad & Museum	\$ 47,000	\$ 29,860
3. Chehalis Community Renaissance	\$ 42,200	\$ 29,860
4. Lewis County Historical Museum	\$ 45,000	\$ 29,860
5. Veterans Memorial Museum	\$ 40,000	\$ 29,860
6. City of Chehalis (Combined)	\$ 99,000	\$ 37,340
Total	\$313,200	\$186,640

The recommendations will be reviewed by the City Council at their regularly scheduled meeting on September 27, 2021.

The meeting concluded at 2:36 P.M.

Minutes respectfully submitted by Kiley Franz, City Clerk.

DRAFT

2022 Chehalis Tourism Fund Projections and Requests

As of: 9/24/2021

Projected Beginning Fund Balance	\$ 72,990.00
Estimated Revenue	\$ 235,000.00
Total Estimated Funds	\$ 307,990.00
Recommended Ending Fund Balance	\$ 50,000.00
Dedicated Debt Service for Recreation Park	\$ 71,350.00
Total Estimated Available Revenue	\$ 186,640.00

(Rounded up from \$71,345.60)

	2021 Awarded	2022 Requests	Secondary Request	2021 Recommendations	2021 Council Action
Chehalis Community Renaissance Team	\$ 32,900.00	\$ 42,200.00	\$ 30,200.00	\$ 29,860.00	
Chehalis-Centralia Railroad and Museum	\$ 35,000.00	\$ 47,000.00	\$ 35,000.00	\$ 29,860.00	
Lewis County Historical Museum	\$ 35,000.00	\$ 45,000.00	\$ 40,000.00	\$ 29,860.00	
Recreation - Youth and Adult Athletic Tournaments	\$ 15,000.00	\$ 20,000.00	\$ 15,000.00		
Shaw Aquatics Center	N/A	\$ 60,500.00	\$ 50,000.00	\$ 37,340.00	
Parks Improvement Fund (*)	N/A	\$ 18,500.00	\$ 9,000.00		
Centralia-Chehalis Chamber of Commerce	\$ 38,550.00	\$ 40,000.00	\$ 35,000.00	\$ 29,860.00	
Veterans Memorial Museum	\$ 28,550.00	\$ 40,000.00	\$ 35,000.00	\$ 29,860.00	
Totals	\$ 185,000.00	\$ 313,200.00	\$ 249,200.00	\$ 186,640.00	\$ -

* Parks Improvement Fund Requested 10% of Estimated Available Revenue or 5% as a Secondary Request, Figures Have Been Rounded