

CHEHALIS CITY COUNCIL AGENDA

CITY HALL
350 N MARKET BLVD | CHEHALIS, WA 98532

Anthony E. Ketchum, Sr.
Mayor

Jerry Lord, District 1
Daryl J. Lund, District 2
Kate McDougall, Position at Large No. 1

Dr. Isaac S. Pope, District 4
Robert J. Spahr, Mayor Pro Tem, Position at Large No. 3
Kevin Carns, Position at Large No. 2

Regular Meeting of Monday, June 27, 2022 5:00 pm

To access this meeting via Zoom:

Meeting ID: 834 4212 6653
Pass Code: 674890

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

SPECIAL BUSINESS

4. Swearing in of Newly Appointed Kevin Carns for At-Large Position No. 2. (Municipal Court Judge)

PRESENTATIONS

5. Experience Chehalis Update. (Annalee Toby, Executive Director)
6. Informational Presentation on Cryptocurrency. (Justin Podhola)

ADMINISTRATION
RECOMMENDATION PAGE

ITEM

CONSENT CALENDAR

7. <u>Minutes of the Regular City Council Meeting of June 13, 2022.</u> (City Clerk)	APPROVE	1
8. <u>Minutes of the Special City Council Meeting of June 20, 2022.</u> (City Clerk)	APPROVE	5
9. <u>Vouchers and Transfers – Accounts Payable in the Amount of \$1,206,077.71 Dated June 15, 2022.</u> (City Manager, Finance Director)	APPROVE	7
10. <u>Resolution No. 07-2022 Surplus Property.</u> (City Clerk)	APPROVE	9
11. <u>Acceptance of Washington State Department of Ecology Spill Responsive Equipment Grant.</u> (Fire Chief)	APPROVE	13

12. <u>Lodging Tax Advisory Committee Recommendations for Redistribution of 2022 Funding for the Chehalis Centralia Railroad and Museum.</u> (Councilor Lord)	APPROVE	37
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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 Kassi Mackie at 360-345-1042 or at kmackie@ci.chehalis.wa.us. Public comments will be limited to five (5) minutes.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
UNFINISHED BUSINESS		
13. <u>Resolution 06-2022, Adoption of the 2023-2028 Six-Year Transportation Improvement Program.</u> (Public Works Director)	APPROVE	47
14. <u>Ordinance No. 1031-B, Second Reading- A Moratorium on the Establishment of Cryptocurrency Mining or Farming.</u> (Building and Planning Manager)	APPROVE	51

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
NEW BUSINESS		
15. <u>Chehalis Avenue Project: Addendum to Gibbs & Olson Agreement.</u> (City Manager, Public Works Director)	APPROVE	59

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

EXECUTIVE SESSION		
18. Pursuant to RCW: a. 42.30.110(1)(c) – Sale/Lease of Real Estate		

**THE CITY COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.
NEXT REGULAR CITY COUNCIL MEETING IS MONDAY, JULY 11TH, 2022.**

Chehalis City Council
Meeting Minutes
June 13, 2022

Council Present: Mayor Ketchum, Councilmember McDougall, Councilmember Pope, Councilmember Spahr, Councilmember Lund (via Zoom)

Council Absent: Councilmember Lord

Staff Present: Jill Anderson, City Manager; Tammy Baraconi, Building and Planning Manager; Lance Bunker, Public Works Director; Kassi Mackie, City Clerk; Jud Riddle, Interim Water Supervisor; Erin Hillier, City Attorney; Randy Kaut, Police Chief; Chun Saul, Finance Director; Celest Wilder, Engineering Technician; Tedd Hendershot, Interim Fire Chief; Brandon Rakes, Airport Operations Coordinator

Public Present: Members of the Chehalis Rotary; Lindsay Pollock

1. **Call to Order:**

Mayor Ketchum called the meeting to order at 5:00 p.m.

2. **Pledge of Allegiance**

Councilmember McDougall led the flag salute.

3. **Approval of Agenda**

A motion was made by Councilmember Spahr, seconded by Councilmember McDougall to approve the agenda as presented. The motion carried unanimously.

PRESENTATIONS

4. **Proclamation: Recognition of Rotary**

Mayor Ketchum presented the proclamation to members of the Chehalis Rotary.

CONSENT CALENDAR

5. Minutes of the regular City Council meeting of May 23, 2022.

6. Vouchers and Transfers – Accounts Payable in the Amount of \$166,286.85 Dated May 31, 2022.

7. Vouchers and Transfers- Payroll in the Amount of \$826,623.31 Dated May 31, 2022.

8. Appointment of Scott Forsman to the Planning Commission.

9. Approval of Lewis/Grays Harbor County Ambulance Service Consortium.

A motion was duly made and passed approving the items on the Consent Calendar as though acted on individually.

PUBLIC HEARING

10. Public Hearing for 2023-2028 Six-Year Transportation Improvement Program

Public Works Director Lance Bunker provided a brief presentation covering the 2023-2028 TIP.

Mayor Ketchum opened the public hearing at 5:23 p.m.

There being no one wishing to speak, Mayor Ketchum closed the public hearing at 5:24 p.m.

CITIZENS BUSINESS

Mr. Bob Heymann was present to provide public comment on Jackson Park 3. Mr. Heymann believes there would be support for the project if some of the concerns could be resolved.

Renell Norquest provided public comment on Jackson Park 3 and traffic concerns on 21st Street.

Paul Olson provided public comment on Jackson Park 3 and traffic concerns on 21st Street. Mr. Olson would like to see sidewalks put in prior to the development proceeding.

OLD BUSINESS

NEW BUSINESS

11. Ordinance No. 1030-B: Traffic Impact Analysis

Celest Wilder, Engineering Technician provided clarity regarding the proposal to revise the criteria used to determine when a Traffic Impact Analysis would be required by the City with Public Works Director Lance Bunker.

A motion was made by Councilmember Spahr, seconded by Councilmember McDougall to approve Ordinance No. 1030-B. The motion carried unanimously.

12. Ordinance No. 1031-B: Moratorium on the Establishment of Cryptocurrency Mining or Farming

Building and Planning Manager Tammy Baraconi presented.

Councilmember Pope voiced concerns, which Manager Baraconi addressed. Councilmember Pope also requested more information on liability for the City with Cryptocurrency.

Councilmember Spahr requested more information prior to the final vote on this Ordinance.

Councilmember McDougall requested more information on assessment of penalties.

A motion was made by Councilmember Spahr, seconded by Councilmember Pope to approve Ordinance No. 1031-B at first reading. The motion carried unanimously.

ADMINISTRATION AND CITY COUNCIL REPORTS

13. **City Manager Update**

- City Manager Jill Anderson encouraged the public to submit applications for the vacant council seat by 5:00 p.m. on Tuesday, June 14.
- Movies in the park June 16th, July 7th, July 21st, and August 11th
- Music in the parks July 22nd, July 29th, and August 5th

14. **Councilor Reports/Committee Updates**

- Councilmember Spahr provided a verbal update.
- Councilmember McDougall provided a verbal report on Experience Chehalis.
- Mayor Ketchum provided a verbal report on meetings and events over the last few weeks.

EXECUTIVE SESSION

Mayor Ketchum adjourned the regular meeting and convened the executive session at 6:13.

15. **Litigation/Potential Litigation**

16. **Real Estate Transaction**

ADJOURNMENT

Mayor Ketchum adjourned the meeting at 7:15 p.m.

Anthony Ketchum, Sr., Mayor

Attest: Kassi Mackie, City Clerk

Chehalis City Council
Special Meeting Minutes
June 20, 2022

Council Present: Mayor Ketchum, Councilmember McDougall, Councilmember Pope, Councilmember Spahr, Councilmember Lund (virtual attendance), Councilmember Lord
Council Absent: None

Staff Present: Jill Anderson, City Manager; Kassi Mackie, City Clerk; Cassie Frazier, Administrative Assistant

Public Present: David Plotz (virtual attendance), Kevin Carns, Paul Dugaw

1. **Call to Order:**
Mayor Ketchum called the meeting to order at 5:00 p.m.

SPECIAL BUSINESS

2. **Interview Candidates for City Council Member At-Large No. 2 Vacant Position**
Candidates were interviewed in the following order:
 - David Plotz
 - Kevin Carns
 - Paul Dugaw

EXECUTIVE SESSION

3. **Evaluate Qualifications of a Candidate to Appoint for Elective Office**

Mayor Ketchum adjourned the regular meeting and convened the executive session at 5:38 p.m.

Mayor Ketchum adjourned the executive session and reconvened the regular session at 5:53 p.m.

NEW BUSINESS

4. **Selection of a Candidate to Fill Vacant Position- City Council Member At-Large Position No. 2**

A motion was made by Councilmember Lund, seconded by Councilmember Lord to nominate Kevin Carns At-Large Position No. 2. The motion carried unanimously.

ADJOURNMENT

Mayor Ketchum adjourned the meeting at 5:55 p.m.

Anthony Ketchum, Sr., Mayor

Attest: Kassi Mackie, City Clerk

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Clare Roberts, Accounting Tech II

MEETING OF: June 27, 2022

SUBJECT: 2022 Vouchers and Transfers – Accounts Payable in the Amount of \$1,206,077.71

ISSUE

City Council approval is requested for 2022 Vouchers and Transfers dated June 15, 2022.

DISCUSSION

The June 15, 2022 Claim Vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Claim Vouchers including Electronic Funds Transfer Checks No. 2087 – 2130 and 57 - 59 and Voucher Checks No. 134412 - 134527 in the amount of \$1,206,077.71 dated June 15, 2022 which included the transfer of:

- \$ 175,304.32 from the General Fund
- \$ 8,179.89 from the Street Fund
- \$ 19,478.72 from the Transportation Benefit District Fund
- \$ 2,211.64 from the LEOFF 1 OPEB Reserve Fund
- \$ 8,687.50 from the G.O. Bond Fund
- \$ 429.70 from the Public Facilities Reserve Fund
- \$ 1,319.65 from the Garbage Fund
- \$ 903,479.60 from the Wastewater Fund
- \$ 44,562.65 from the Water Fund
- \$ 2,474.53 from the Storm & Surface Water Utility Fund
- \$ 16,209.87 from the Airport fund

- \$ 2,640.00 from the Wastewater Capital Fund
- \$ 13,304.24 from the Water Capital Fund
- \$ 3,487.34 from the Custodial Court Fund
- \$ 4,308.06 from the Custodial Other Agency Fund

RECOMMENDATION

It is recommended that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No. 2087 – 2130 and 57 - 59 and Voucher Checks No. 134412 - 134527 in the amount of \$1,206,077.71 dated June 15, 2022.

SUGGESTED MOTION

I move that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No2087 – 2130 and 57 - 59 and Voucher Checks No. 134412 - 134527 in the amount of \$1,206,077.71 dated June 15, 2022.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Kassi Mackie, City Clerk

MEETING OF: June 27, 2022

SUBJECT: Resolution No. 07-2022, First and Final Reading – Declaring City Property to be Surplus

ISSUE

RCW 35A.11.010 allows for the disposal of municipal property by declaring it surplus and by adoption of a resolution stating such by the City Council before being sold, transferred, or disposed of.

DISCUSSION

The Water Department has identified the following items for surplus within the department:

- 2001 Grumman Olson Van

The Chehalis Police Department has identified the following items for surplus within the department:

- Radar Trailer
- Hand-held Radar, Vindicator
- Hand-held Radar, Stalker Basic
- Animal Carrier
- Smith & Wesson M&P Pistol

SPECIAL CIRCUMSTANCES

The Smith & Wesson pistol that is on the surplus list was the pistol used by the late Rick Silva, a Chehalis Police Officer who died in 2015 as a result of injuries sustained in the line of duty. Mrs. Silva, Rick's widow, has asked to have the pistol. If it approved for surplus, the plan is to give the pistol to Mrs. Silva as a very small token of respect for the sacrifice that she and her family have had to endure.

The City typically trades in its used, outdated, or unneeded weapons that are considered surplus. The trade in value of the pistol in question is about \$50. Considering the circumstances, this pistol has a di minimis financial value; however, there is an extraordinary emotional value to the Silva family to have this pistol as a reminder of their loved one.

The transfer of the ownership of the gun would be documented consistent with applicable procedures.

FISCAL IMPACT

Proceeds from items that are sold or auctioned will go to their respective department/division or the general fund when applicable.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 07-2022 declaring the equipment identified as surplus and authorize the City Manager to sell, donate, or dispose of it in an appropriate manner.

SUGGESTED MOTION

Move adoption of Resolution No. 07-2022

RESOLUTION NO. 7-2022

A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON, DECLARING PERSONAL PROPERTY OF THE CITY OF CHEHALIS TO BE SURPLUS AND OF NO FURTHER USE TO THE CITY, AND DIRECTING THE DISPOSITION THEREOF.

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

Section 1. The following described personal property of the City of Chehalis, Washington, a municipal corporation, shall be, and the same hereby is, declared to be surplus and no longer of necessary use.

Police Department	Identifying Information
<ul style="list-style-type: none">• Radar Trailer• Hand-held Radar, Vindicator• Hand-held Radar, Stalker Basic• Animal Carrier• Smith & Wesson M&P Pistol	<ul style="list-style-type: none">• #34799D• #5263• #KE7494• None• #DTN8027
Water Department	Identifying Information
<ul style="list-style-type: none">• 2001 Grumman Olson Van	<ul style="list-style-type: none">• Vin: 1FCLE49S51HA29460

Section 2. The personal property described herein shall be disposed of by the City Manager.

ADOPTED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this 27th day of June 2022.

Anthony Ketchum Sr., Mayor

Attest:

Kassi Mackie, City Clerk

Approved as to form and content:

Erin Hillier, City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chief Hendershot Fire Department

MEETING OF: June 27, 2022

SUBJECT: Acceptance of Washington State Department of Ecology Spill Prevention, Preparedness, and Response equipment grant in the Amount of \$32,500.00

ISSUE

The City has received funding authorization of \$32,500.00 from Washington State Department of Ecology for Oil spill and Haz-Mat response.

DISCUSSION

Staff applied to the Washington Department of Ecology for a Spill Prevention, Preparedness, and Response Equipment Grant in June of 2021. This grant was established to create a supply cache trailer for spills within Lewis County and the Southwest region of Washington State. A spill response cache currently does not exist in Lewis County. The intended purchases include a cargo trailer for storage, spill response materials and protective equipment. This equipment is essential to combat spills efficiently with minimal impact to the community and environment.

The goal in this project is to improve local, regional, and statewide oil spill and hazardous material response capabilities through the acquisition of equipment and resources.

The effective date of the agreement is July 1st, 2021 and expires June 30th, 2023.

FISCAL IMPACT

There are no match requirements for this grant. The City will be reimbursed 100% of eligible costs for items within the scope of work for the full grant offer amount of \$32,500. These grant funds will be included in the 2nd budget amendment for FY2022.

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to accept funding authorized by the Department of Ecology for spill prevention, preparedness, and response equipment in the amount of \$32,500.00 and sign all related documents.

SUGGESTED MOTION

Motion to authorize the City Manager to accept funding authorized by Department of Ecology for spill prevention, preparedness, and response equipment in the amount of \$32,500.00 and sign all related documents.



Agreement No. SPPREG-2123-CiChFD-00016

SPILL PREVENTION, PREPAREDNESS, AND RESPONSE EQUIPMENT GRANT AGREEMENT

BETWEEN

THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

CHEHALIS FIRE DEPARTMENT CITY OF

This is a binding Agreement entered into by and between the state of Washington, Department of Ecology, hereinafter referred to as "ECOLOGY," and Chehalis Fire Department city of, hereinafter referred to as the "RECIPIENT," to carry out with the provided funds activities described herein.

GENERAL INFORMATION

Project Title:	Oil spill & Haz-Mat response cache
Total Cost:	\$32,500.00
Total Eligible Cost:	\$32,500.00
Ecology Share:	\$32,500.00
Recipient Share:	\$0.00
The Effective Date of this Agreement is:	07/01/2021
The Expiration Date of this Agreement is no later than:	06/30/2023
Project Type:	Equipment Cache Grant

Project Short Description:

To create a supply cache trailer for oil spills within Lewis county and SW region.

Project Long Description:

Currently an oil spill /Haz-Mat response cache does not exist in Lewis county. The project will be to purchase a cargo trailer and to purchase the spill response materials needed to create a supply cache based off the inventory of similar cache trailers used by the Department of Ecology. Creating a cache in Lewis county will allow for a quick response by local responders or by Department of Ecology personnel to spills in the region with necessary sorbents and equipment to minimize impact to communities, culture and the environment.

Overall Goal:

The overall goal of this project is to improve local, regional, and statewide oil spill and hazardous materials response

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

capacity through the acquisition of equipment, resources, and training to support the Recipient's emergency response role.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

RECIPIENT INFORMATION

Organization Name: Chehalis Fire Department city of

Federal Tax ID: 91-6001235

Mailing Address: 350 N Market Blvd
Chehalis, WA 98532

Physical Address: 350 N Market Blvd
Chehalis, Washington 98532

Contacts

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

Project Manager	Tedd Hendershot Fire Chief 350 N. Market Blvd. CHEHALIS, WA, Washington 98532 Email: thendershot@ci.chehalis.wa.us Phone: (360) 345-4239
Billing Contact	Tedd Hendershot Fire Chief 350 N. Market Blvd. CHEHALIS, WA, Washington 98532 Email: thendershot@ci.chehalis.wa.us Phone: (360) 345-4239
Authorized Signatory	Jill Anderson City Manager 350 N Market Blvd Chehalis, Washington 98532 Email: mrsjillbeitelspacher@gmail.com Phone: (360) 345-4239

Agreement No: SPPREG-2123-CiChFD-00016
 Project Title: Oil spill & Haz-Mat response cache
 Recipient Name: Chehalis Fire Department city of

ECOLOGY INFORMATION

Mailing Address: Department of Ecology
 Spills
 PO BOX 47600
 Olympia, WA 98504-7600

Physical Address: Spills
 300 Desmond Drive SE
 Lacey, WA 98503

Contacts

<p>Project Manager</p>	<p>Laura Hayes</p> <p>PO Box 47600 Olympia, Washington 98504-7600 Email: lhay461@ecy.wa.gov Phone: (425) 495-2632</p>
<p>Financial Manager</p>	<p>Aaron Hubler</p> <p>PO Box 47600 Olympia, Washington 98504-7600 Email: AHUB461@ecy.wa.gov Phone: (360) 485-5921</p>
<p>Technical Advisor</p>	<p>David Byers</p> <p>PO Box 47600 Olympia, Washington 98504-7600 Email: dbye461@ecy.wa.gov Phone: (360) 790-6899</p>

Agreement No: SPPREG-2123-CiChFD-00016
 Project Title: Oil spill & Haz-Mat response cache
 Recipient Name: Chehalis Fire Department city of

AUTHORIZING SIGNATURES

RECIPIENT agrees to furnish the necessary personnel, equipment, materials, services, and otherwise do all things necessary for or incidental to the performance of work as set forth in this Agreement.

RECIPIENT acknowledges that they had the opportunity to review the entire Agreement, including all the terms and conditions of this Agreement, Scope of Work, attachments, and incorporated or referenced documents, as well as all applicable laws, statutes, rules, regulations, and guidelines mentioned in this Agreement. Furthermore, the RECIPIENT has read, understood, and accepts all requirements contained within this Agreement.

This Agreement contains the entire understanding between the parties, and there are no other understandings or representations other than as set forth, or incorporated by reference, herein.

No subsequent modifications or amendments to this agreement will be of any force or effect unless in writing, signed by authorized representatives of the RECIPIENT and ECOLOGY and made a part of this agreement. ECOLOGY and RECIPIENT may change their respective staff contacts without the concurrence of either party.

This Agreement shall be subject to the written approval of Ecology’s authorized representative and shall not be binding until so approved.

The signatories to this Agreement represent that they have the authority to execute this Agreement and bind their respective organizations to this Agreement.

Washington State
 Department of Ecology

Chehalis Fire Department city of

By: _____
 Carlos Clements Date
 Spills
 Program Manager

By: _____
 Jill Anderson Date
 City Manager

Template Approved to Form by
 Attorney General's Office

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

Mike Kytta

Fire Chief

Date

Chun Saul

OFM

Date

Agreement No: SPPREG-2123-CiChFD-00016
 Project Title: Oil spill & Haz-Mat response cache
 Recipient Name: Chehalis Fire Department city of

SCOPE OF WORK

Task Number: 1 **Task Cost: \$0.00**

Task Title: Project Administration

Task Description:

- A. The RECIPIENT will administer the project. Responsibilities will include, but are not limited to: maintenance of project records, submittal of requests for reimbursement and corresponding backup documentation, progress reports and recipient closeout report (including photos), compliance with applicable procurement, contracting, and interlocal agreement requirements, application for, receipt of, and compliance with all required permits, licenses, easements, or property rights necessary for the project, and submittal of required performance items.
- B. The RECIPIENT must manage the project. Efforts will include: conducting, coordinating, and scheduling project activities and assuring quality control. Every effort will be made to maintain effective communication with the RECIPIENT’s designees; ECOLOGY, all affected local, state, or federal jurisdictions; and any interested individuals or groups. The RECIPIENT must carry out this project in accordance with any completion dates outlined in this agreement.

Task Goal Statement:

Properly managed project that meets agreement and Ecology administrative requirements.

Task Expected Outcome:

1. Timely and complete submittal of requests for reimbursement, quarterly progress reports and recipient closeout report.
2. Properly maintained project documentation

Recipient Task Coordinator: Tedd Hendershot

Project Administration

Deliverables

Number	Description	Due Date
1.1	Quarterly Progress Reports	
1.2	Recipient Closeout Report	
1.3	Project Outcome Summary Report	

Agreement No: SPPREG-2123-CiChFD-00016
 Project Title: Oil spill & Haz-Mat response cache
 Recipient Name: Chehalis Fire Department city of

SCOPE OF WORK

Task Number: 2 **Task Cost: \$32,500.00**

Task Title: New Response Equipment and Resources

Task Description:

A. The RECIPIENT will purchase only approved, eligible response equipment, tools, and supplies in accordance with ECOLOGY’s requirement outlined in the Administrative Requirements for Recipients of Ecology Grants and Loans Managed In EAGL guidebook.

B. The RECIPIENT will purchase and take possession of approved, eligible oil spill and hazardous materials response and firefighting equipment, tools, and supplies that support the described project for oil spill and hazardous materials response and firefighting capacity building as described in the funding guidelines and that has been approved by ECOLOGY.

Task Goal Statement:

Build and support spill and hazardous materials response and firefighting capacity through the purchase of approved, eligible response equipment, tools, and supplies as described in the project.

Task Expected Outcome:

1. Timely and complete implementation of the task, including the purchase and acquisition of approved, eligible response equipment, tools, and supplies.
2. Properly store and maintain response equipment, tools, and supplies.

Recipient Task Coordinator: Tedd Hendershot

New Response Equipment and Resources

Deliverables

Number	Description	Due Date
2.1	Purchase and receive approved, eligible equipment	06/30/2023
2.2	Schedule equipment inspection with Ecology	06/30/2023

Agreement No: SPPREG-2123-CiChFD-00016
 Project Title: Oil spill & Haz-Mat response cache
 Recipient Name: Chehalis Fire Department city of

BUDGET

Funding Distribution EG220576

NOTE: *The above funding distribution number is used to identify this specific agreement and budget on payment remittances and may be referenced on other communications from ECOLOGY. Your agreement may have multiple funding distribution numbers to identify each budget.*

Funding Title: Oil spill & Haz-Mat response cache Funding Type: Grant
 Funding Effective Date: 07/01/2021 Funding Expiration Date: 06/30/2023

Funding Source:

Title: Model Toxics Control Operating Account (MTCOA)
 Fund: FD
 Type: State
 Funding Source %: 100%
 Description:

Approved Indirect Costs Rate: Approved State Indirect Rate: 0%
 Recipient Match %: 0%
 InKind Interlocal Allowed: No
 InKind Other Allowed: No
 Is this Funding Distribution used to match a federal grant? No

Oil spill & Haz-Mat response cache	Task Total
Project Administration	\$ 0.00
New Response Equipment and Resources	\$ 32,500.00

Total: \$ 32,500.00

Funding Distribution Summary

Recipient / Ecology Share

Funding Distribution Name	Recipient Match %	Recipient Share	Ecology Share	Total
Oil spill & Haz-Mat response cache	0.00 %	\$ 0.00	\$ 32,500.00	\$ 32,500.00
Total		\$ 0.00	\$ 32,500.00	\$ 32,500.00

AGREEMENT SPECIFIC TERMS AND CONDITIONS

N/A

SPECIAL TERMS AND CONDITIONS

GENERAL FEDERAL CONDITIONS

If a portion or all of the funds for this agreement are provided through federal funding sources or this agreement is used to match a federal grant award, the following terms and conditions apply to you.

A. CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY

EXCLUSION:

1. The RECIPIENT/CONTRACTOR, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT/CONTRACTOR is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
2. The RECIPIENT/CONTRACTOR shall provide immediate written notice to ECOLOGY if at any time the RECIPIENT/CONTRACTOR learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact ECOLOGY for assistance in obtaining a copy of those regulations.
4. The RECIPIENT/CONTRACTOR agrees it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of Federal Regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
5. The RECIPIENT/CONTRACTOR further agrees by signing this agreement, that it will include this clause titled "CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
6. Pursuant to 2CFR180.330, the RECIPIENT/CONTRACTOR is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

7. RECIPIENT/CONTRACTOR acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
8. RECIPIENT/CONTRACTOR agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to ECOLOGY before requests for reimbursements will be approved for payment. RECIPIENT/CONTRACTOR must run a search in <http://www.sam.gov> and print a copy of completed searches to document proof of compliance.

B. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) REPORTING REQUIREMENTS:

CONTRACTOR/RECIPIENT must complete the FFATA Data Collection Form (ECY 070-395) and return it with the signed agreement to ECOLOGY.

Any CONTRACTOR/RECIPIENT that meets each of the criteria below must report compensation for its five top executives using the FFATA Data Collection Form.

- Receives more than \$30,000 in federal funds under this award.
- Receives more than 80 percent of its annual gross revenues from federal funds.
- Receives more than \$25,000,000 in annual federal funds.

Ecology will not pay any invoices until it has received a completed and signed FFATA Data Collection Form. Ecology is required to report the FFATA information for federally funded agreements, including the required Unique Entity Identifier in www.sam.gov <http://www.sam.gov/> within 30 days of agreement signature. The FFATA information will be available to the public at www.usaspending.gov <http://www.usaspending.gov/>.

For more details on FFATA requirements, see www.frs.gov <http://www.frs.gov/>.

C. FEDERAL FUNDING PROHIBITION ON CERTAIN TELECOMMUNICATIONS OR VIDEO SURVEILLANCE SERVICES OR EQUIPMENT:

As required by 2 CFR 200.216, federal grant or loan recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

1. Procure or obtain;
2. Extend or renew a contract to procure or obtain; or
3. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment, video surveillance services or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232 <https://www.govinfo.gov/content/pkg/PLAW-115publ232/pdf/PLAW-115publ232.pdf>, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

Recipients, subrecipients, and borrowers also may not use federal funds to purchase certain prohibited equipment, systems, or services, including equipment, systems, or services produced or provided by entities identified in section 889, are recorded in the System for Award Management (SAM) <https://sam.gov/SAM/> exclusion list.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

Agreement No: SPPREG-2123-CiChFD-00016
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GENERAL TERMS AND CONDITIONS

Pertaining to Grant and Loan Agreements With the state of Washington, Department of Ecology

GENERAL TERMS AND CONDITIONS

For DEPARTMENT OF ECOLOGY GRANTS and LOANS

06/24/2021 Version

1. ADMINISTRATIVE REQUIREMENTS

- a) RECIPIENT shall follow the "Administrative Requirements for Recipients of Ecology Grants and Loans – EAGL Edition." (<https://fortress.wa.gov/ecy/publications/SummaryPages/1701004.html>)
- b) RECIPIENT shall complete all activities funded by this Agreement and be fully responsible for the proper management of all funds and resources made available under this Agreement.
- c) RECIPIENT agrees to take complete responsibility for all actions taken under this Agreement, including ensuring all subgrantees and contractors comply with the terms and conditions of this Agreement. ECOLOGY reserves the right to request proof of compliance by subgrantees and contractors.
- d) RECIPIENT’s activities under this Agreement shall be subject to the review and approval by ECOLOGY for the extent and character of all work and services.

2. AMENDMENTS AND MODIFICATIONS

This Agreement may be altered, amended, or waived only by a written amendment executed by both parties. No subsequent modification(s) or amendment(s) of this Agreement will be of any force or effect unless in writing and signed by authorized representatives of both parties. ECOLOGY and the RECIPIENT may change their respective staff contacts and administrative information without the concurrence of either party.

3. ACCESSIBILITY REQUIREMENTS FOR COVERED TECHNOLOGY

The RECIPIENT must comply with the Washington State Office of the Chief Information Officer, OCIO Policy no. 188, Accessibility (<https://ocio.wa.gov/policy/accessibility>) as it relates to “covered technology.” This requirement applies to all products supplied under the Agreement, providing equal access to information technology by individuals with disabilities, including and not limited to web sites/pages, web-based applications, software systems, video and audio content, and electronic documents intended for publishing on Ecology’s public web site.

4. ARCHAEOLOGICAL AND CULTURAL RESOURCES

RECIPIENT shall take all reasonable action to avoid, minimize, or mitigate adverse effects to archaeological and historic archaeological sites, historic buildings/structures, traditional cultural places, sacred sites, or other cultural resources, hereby referred to as Cultural Resources.

The RECIPIENT must agree to hold harmless ECOLOGY in relation to any claim related to Cultural Resources discovered, disturbed, or damaged due to the RECIPIENT’s project funded under this Agreement.

RECIPIENT shall:

- a) Contact the ECOLOGY Program issuing the grant or loan to discuss any Cultural Resources requirements for their project:
 - Cultural Resource Consultation and Review should be initiated early in the project planning process and must be completed prior to expenditure of Agreement funds as required by applicable State and Federal requirements.
 - * For state funded construction, demolition, or land acquisitions, comply with Governor Executive Order 21-02, Archaeological and Cultural Resources.

Agreement No: SPPREG-2123-CiChFD-00016
 Project Title: Oil spill & Haz-Mat response cache
 Recipient Name: Chehalis Fire Department city of

- For projects with any federal involvement, comply with the National Historic Preservation Act of 1966 (Section 106).
- b) If required by the ECOLOGY Program, submit an Inadvertent Discovery Plan (IDP) to ECOLOGY prior to implementing any project that involves field activities. ECOLOGY will provide the IDP form.

RECIPIENT shall:

- Keep the IDP at the project site.
 - Make the IDP readily available to anyone working at the project site.
 - Discuss the IDP with staff, volunteers, and contractors working at the project site.
 - Implement the IDP when Cultural Resources or human remains are found at the project site.
- c) If any Cultural Resources are found while conducting work under this Agreement, follow the protocol outlined in the project IDP.
- Immediately stop work and notify the ECOLOGY Program, who will notify the Department of Archaeology and Historic Preservation at (360) 586-3065, any affected Tribe, and the local government.
- d) If any human remains are found while conducting work under this Agreement, follow the protocol outlined in the project IDP.
- Immediately stop work and notify the local Law Enforcement Agency or Medical Examiner/Coroner's Office, the Department of Archaeology and Historic Preservation at (360) 790-1633, and then the ECOLOGY Program.
- e) Comply with RCW 27.53, RCW 27.44, and RCW 68.50.645, and all other applicable local, state, and federal laws protecting Cultural Resources and human remains.

5. ASSIGNMENT

No right or claim of the RECIPIENT arising under this Agreement shall be transferred or assigned by the RECIPIENT.

6. COMMUNICATION

RECIPIENT shall make every effort to maintain effective communications with the RECIPIENT's designees, ECOLOGY, all affected local, state, or federal jurisdictions, and any interested individuals or groups.

7. COMPENSATION

- a) Any work performed prior to effective date of this Agreement will be at the sole expense and risk of the RECIPIENT. ECOLOGY must sign the Agreement before any payment requests can be submitted.
- b) Payments will be made on a reimbursable basis for approved and completed work as specified in this Agreement.
- c) RECIPIENT is responsible to determine if costs are eligible. Any questions regarding eligibility should be clarified with ECOLOGY prior to incurring costs. Costs that are conditionally eligible require approval by ECOLOGY prior to expenditure.
- d) RECIPIENT shall not invoice more than once per month unless agreed on by ECOLOGY.
- e) ECOLOGY will not process payment requests without the proper reimbursement forms, Progress Report and supporting documentation. ECOLOGY will provide instructions for submitting payment requests.
- f) ECOLOGY will pay the RECIPIENT thirty (30) days after receipt of a properly completed request for payment.
- g) RECIPIENT will receive payment through Washington State's Office of Financial Management's Statewide Payee Desk. To receive payment you must register as a statewide vendor by submitting a statewide vendor registration form and an IRS W-9 form at website, <https://ofm.wa.gov/it-systems/statewide-vendorpayee-services>. If you have questions about the vendor registration process, you can contact Statewide Payee Help Desk at (360) 407-8180 or email PayeeRegistration@ofm.wa.gov.
- h) ECOLOGY may, at its sole discretion, withhold payments claimed by the RECIPIENT if the RECIPIENT fails to satisfactorily comply with any term or condition of this Agreement.
- i) Monies withheld by ECOLOGY may be paid to the RECIPIENT when the work described herein, or a portion thereof, has been completed if, at ECOLOGY's sole discretion, such payment is reasonable and approved according to this Agreement, as appropriate, or upon completion of an audit as specified herein.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

j) RECIPIENT must submit within thirty (30) days after the expiration date of this Agreement, all financial, performance, and other reports required by this Agreement. Failure to comply may result in delayed reimbursement.

8. COMPLIANCE WITH ALL LAWS

RECIPIENT agrees to comply fully with all applicable federal, state and local laws, orders, regulations, and permits related to this Agreement, including but not limited to:

- a) RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.
- b) RECIPIENT agrees to be bound by all applicable federal and state laws, regulations, and policies against discrimination.
- c) RECIPIENT certifies full compliance with all applicable state industrial insurance requirements.
- d) RECIPIENT agrees to secure and provide assurance to ECOLOGY that all the necessary approvals and permits required by authorities having jurisdiction over the project are obtained. RECIPIENT must include time in their project timeline for the permit and approval processes.

ECOLOGY shall have the right to immediately terminate for cause this Agreement as provided herein if the RECIPIENT fails to comply with above requirements.

If any provision of this Agreement violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

9. CONFLICT OF INTEREST

RECIPIENT and ECOLOGY agree that any officer, member, agent, or employee, who exercises any function or responsibility in the review, approval, or carrying out of this Agreement, shall not have any personal or financial interest, direct or indirect, nor affect the interest of any corporation, partnership, or association in which he/she is a part, in this Agreement or the proceeds thereof.

10. CONTRACTING FOR GOODS AND SERVICES

RECIPIENT may contract to buy goods or services related to its performance under this Agreement. RECIPIENT shall award all contracts for construction, purchase of goods, equipment, services, and professional architectural and engineering services through a competitive process, if required by State law. RECIPIENT is required to follow procurement procedures that ensure legal, fair, and open competition.

RECIPIENT must have a standard procurement process or follow current state procurement procedures. RECIPIENT may be required to provide written certification that they have followed their standard procurement procedures and applicable state law in awarding contracts under this Agreement.

ECOLOGY reserves the right to inspect and request copies of all procurement documentation, and review procurement practices related to this Agreement. Any costs incurred as a result of procurement practices not in compliance with state procurement law or the RECIPIENT's normal procedures may be disallowed at ECOLOGY's sole discretion.

11. DISPUTES

When there is a dispute with regard to the extent and character of the work, or any other matter related to this Agreement the determination of ECOLOGY will govern, although the RECIPIENT shall have the right to appeal decisions as provided for below:

- a) RECIPIENT notifies the funding program of an appeal request.
- b) Appeal request must be in writing and state the disputed issue(s).
- c) RECIPIENT has the opportunity to be heard and offer evidence in support of its appeal.
- d) ECOLOGY reviews the RECIPIENT's appeal.
- e) ECOLOGY sends a written answer within ten (10) business days, unless more time is needed, after concluding the review.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

The decision of ECOLOGY from an appeal will be final and conclusive, unless within thirty (30) days from the date of such decision, the RECIPIENT furnishes to the Director of ECOLOGY a written appeal. The decision of the Director or duly authorized representative will be final and conclusive.

The parties agree that this dispute process will precede any action in a judicial or quasi-judicial tribunal.

Appeals of the Director's decision will be brought in the Superior Court of Thurston County. Review of the Director's decision will not be taken to Environmental and Land Use Hearings Office.

Pending final decision of a dispute, the RECIPIENT agrees to proceed diligently with the performance of this Agreement and in accordance with the decision rendered.

Nothing in this Agreement will be construed to limit the parties' choice of another mutually acceptable method, in addition to the dispute resolution procedure outlined above.

12. ENVIRONMENTAL DATA STANDARDS

a) RECIPIENT shall prepare a Quality Assurance Project Plan (QAPP) for a project that collects or uses environmental measurement data. RECIPIENTS unsure about whether a QAPP is required for their project shall contact the ECOLOGY Program issuing the grant or loan. If a QAPP is required, the RECIPIENT shall:

- Use ECOLOGY's QAPP Template/Checklist provided by the ECOLOGY, unless ECOLOGY Quality Assurance (QA) officer or the Program QA coordinator instructs otherwise.
- Follow ECOLOGY's Guidelines for Preparing Quality Assurance Project Plans for Environmental Studies, July 2004 (Ecology Publication No. 04-03-030).
- Submit the QAPP to ECOLOGY for review and approval before the start of the work.

b) RECIPIENT shall submit environmental data that was collected on a project to ECOLOGY using the Environmental Information Management system (EIM), unless the ECOLOGY Program instructs otherwise. The RECIPIENT must confirm with ECOLOGY that complete and correct data was successfully loaded into EIM, find instructions at:
<http://www.ecy.wa.gov/eim>.

c) RECIPIENT shall follow ECOLOGY's data standards when Geographic Information System (GIS) data is collected and processed. Guidelines for Creating and Accessing GIS Data are available at:
<https://ecology.wa.gov/Research-Data/Data-resources/Geographic-Information-Systems-GIS/Standards>. RECIPIENT, when requested by ECOLOGY, shall provide copies to ECOLOGY of all final GIS data layers, imagery, related tables, raw data collection files, map products, and all metadata and project documentation.

13. GOVERNING LAW

This Agreement will be governed by the laws of the State of Washington, and the venue of any action brought hereunder will be in the Superior Court of Thurston County.

14. INDEMNIFICATION

ECOLOGY will in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.

To the extent that the Constitution and laws of the State of Washington permit, each party will indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this Agreement.

15. INDEPENDENT STATUS

The employees, volunteers, or agents of each party who are engaged in the performance of this Agreement will continue to be employees, volunteers, or agents of that party and will not for any purpose be employees, volunteers, or agents of the other party.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

16. KICKBACKS

RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this Agreement to give up any part of the compensation to which he/she is otherwise entitled to or receive any fee, commission, or gift in return for award of a subcontract hereunder.

17. MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MWBE)

RECIPIENT is encouraged to solicit and recruit, to the extent possible, certified minority-owned (MBE) and women-owned (WBE) businesses in purchases and contracts initiated under this Agreement.

Contract awards or rejections cannot be made based on MWBE participation; however, the RECIPIENT is encouraged to take the following actions, when possible, in any procurement under this Agreement:

- a) Include qualified minority and women's businesses on solicitation lists whenever they are potential sources of goods or services.
- b) Divide the total requirements, when economically feasible, into smaller tasks or quantities, to permit maximum participation by qualified minority and women's businesses.
- c) Establish delivery schedules, where work requirements permit, which will encourage participation of qualified minority and women's businesses.
- d) Use the services and assistance of the Washington State Office of Minority and Women's Business Enterprises (OMWBE) (866-208-1064) and the Office of Minority Business Enterprises of the U.S. Department of Commerce, as appropriate.

18. ORDER OF PRECEDENCE

In the event of inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable federal and state statutes and regulations; (b) The Agreement; (c) Scope of Work; (d) Special Terms and Conditions; (e) Any provisions or terms incorporated herein by reference, including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; (f) Ecology Funding Program Guidelines; and (g) General Terms and Conditions.

19. PRESENTATION AND PROMOTIONAL MATERIALS

ECOLOGY reserves the right to approve RECIPIENT's communication documents and materials related to the fulfillment of this Agreement:

- a) If requested, RECIPIENT shall provide a draft copy to ECOLOGY for review and approval ten (10) business days prior to production and distribution.
- b) RECIPIENT shall include time for ECOLOGY's review and approval process in their project timeline.
- c) If requested, RECIPIENT shall provide ECOLOGY two (2) final copies and an electronic copy of any tangible products developed.

Copies include any printed materials, and all tangible products developed such as brochures, manuals, pamphlets, videos, audio tapes, CDs, curriculum, posters, media announcements, or gadgets with a message, such as a refrigerator magnet, and any online communications, such as web pages, blogs, and twitter campaigns. If it is not practical to provide a copy, then the RECIPIENT shall provide a description (photographs, drawings, printouts, etc.) that best represents the item.

Any communications intended for public distribution that uses ECOLOGY's logo shall comply with ECOLOGY's graphic requirements and any additional requirements specified in this Agreement. Before the use of ECOLOGY's logo contact ECOLOGY for guidelines.

RECIPIENT shall acknowledge in the communications that funding was provided by ECOLOGY.

20. PROGRESS REPORTING

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

- a) RECIPIENT must satisfactorily demonstrate the timely use of funds by submitting payment requests and progress reports to ECOLOGY. ECOLOGY reserves the right to amend or terminate this Agreement if the RECIPIENT does not document timely use of funds.
- b) RECIPIENT must submit a progress report with each payment request. Payment requests will not be processed without a progress report. ECOLOGY will define the elements and frequency of progress reports.
- c) RECIPIENT shall use ECOLOGY's provided progress report format.
- d) Quarterly progress reports will cover the periods from January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. Reports shall be submitted within thirty (30) days after the end of the quarter being reported.
- e) RECIPIENT must submit within thirty (30) days of the expiration date of the project, unless an extension has been approved by ECOLOGY, all financial, performance, and other reports required by the Agreement and funding program guidelines. RECIPIENT shall use the ECOLOGY provided closeout report format.

21. PROPERTY RIGHTS

- a) Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property under this Agreement, the RECIPIENT may copyright or patent the same but ECOLOGY retains a royalty free, nonexclusive, and irrevocable license to reproduce, publish, recover, or otherwise use the material(s) or property, and to authorize others to use the same for federal, state, or local government purposes.
- b) Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish ECOLOGY information; present papers, lectures, or seminars involving information supplied by ECOLOGY; or use logos, reports, maps, or other data in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to ECOLOGY.
- c) Presentation and Promotional Materials. ECOLOGY shall have the right to use or reproduce any printed or graphic materials produced in fulfillment of this Agreement, in any manner ECOLOGY deems appropriate. ECOLOGY shall acknowledge the RECIPIENT as the sole copyright owner in every use or reproduction of the materials.
- d) Tangible Property Rights. ECOLOGY's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans," shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by ECOLOGY in the absence of state and federal statutes, regulations, or policies to the contrary, or upon specific instructions with respect thereto in this Agreement.
- e) Personal Property Furnished by ECOLOGY. When ECOLOGY provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to ECOLOGY prior to final payment by ECOLOGY. If said property is lost, stolen, or damaged while in the RECIPIENT's possession, then ECOLOGY shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.
- f) Acquisition Projects. The following provisions shall apply if the project covered by this Agreement includes funds for the acquisition of land or facilities:
 1. RECIPIENT shall establish that the cost is fair value and reasonable prior to disbursement of funds provided for in this Agreement.
 2. RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this Agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses intended by this Agreement.
- g) Conversions. Regardless of the Agreement expiration date, the RECIPIENT shall not at any time convert any equipment, property, or facility acquired or developed under this Agreement to uses other than those for which assistance was originally approved without prior written approval of ECOLOGY. Such approval may be conditioned upon payment to ECOLOGY of that portion of the proceeds of the sale, lease, or other conversion or encumbrance which monies granted pursuant to this Agreement bear to the total acquisition, purchase, or construction costs of such property.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

22. RECORDS, AUDITS, AND INSPECTIONS

RECIPIENT shall maintain complete program and financial records relating to this Agreement, including any engineering documentation and field inspection reports of all construction work accomplished.

All records shall:

- a) Be kept in a manner which provides an audit trail for all expenditures.
 - b) Be kept in a common file to facilitate audits and inspections.
 - c) Clearly indicate total receipts and expenditures related to this Agreement.
 - d) Be open for audit or inspection by ECOLOGY, or by any duly authorized audit representative of the State of Washington, for a period of at least three (3) years after the final grant payment or loan repayment, or any dispute resolution hereunder.
- RECIPIENT shall provide clarification and make necessary adjustments if any audits or inspections identify discrepancies in the records.

ECOLOGY reserves the right to audit, or have a designated third party audit, applicable records to ensure that the state has been properly invoiced. Any remedies and penalties allowed by law to recover monies determined owed will be enforced. Repetitive instances of incorrect invoicing or inadequate records may be considered cause for termination.

All work performed under this Agreement and any property and equipment purchased shall be made available to ECOLOGY and to any authorized state, federal or local representative for inspection at any time during the course of this Agreement and for at least three (3) years following grant or loan termination or dispute resolution hereunder.

RECIPIENT shall provide right of access to ECOLOGY, or any other authorized representative, at all reasonable times, in order to monitor and evaluate performance, compliance, and any other conditions under this Agreement.

23. RECOVERY OF FUNDS

The right of the RECIPIENT to retain monies received as reimbursement payments is contingent upon satisfactory performance of this Agreement and completion of the work described in the Scope of Work.

All payments to the RECIPIENT are subject to approval and audit by ECOLOGY, and any unauthorized expenditure(s) or unallowable cost charged to this Agreement shall be refunded to ECOLOGY by the RECIPIENT.

RECIPIENT shall refund to ECOLOGY the full amount of any erroneous payment or overpayment under this Agreement.

RECIPIENT shall refund by check payable to ECOLOGY the amount of any such reduction of payments or repayments within thirty (30) days of a written notice. Interest will accrue at the rate of twelve percent (12%) per year from the time ECOLOGY demands repayment of funds.

Any property acquired under this Agreement, at the option of ECOLOGY, may become ECOLOGY's property and the RECIPIENT's liability to repay monies will be reduced by an amount reflecting the fair value of such property.

24. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are declared to be severable.

25. STATE ENVIRONMENTAL POLICY ACT (SEPA)

RECIPIENT must demonstrate to ECOLOGY's satisfaction that compliance with the requirements of the State Environmental Policy Act (Chapter 43.21C RCW and Chapter 197-11 WAC) have been or will be met. Any reimbursements are subject to this provision.

26. SUSPENSION

When in the best interest of ECOLOGY, ECOLOGY may at any time, and without cause, suspend this Agreement or any portion thereof for a temporary period by written notice from ECOLOGY to the RECIPIENT. RECIPIENT shall resume performance on the next business day following the suspension period unless another day is specified by ECOLOGY.

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

27. SUSTAINABLE PRACTICES

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is fully encouraged to implement sustainable practices and to purchase environmentally preferable products under this Agreement.

- a) Sustainable practices may include such activities as: use of clean energy, use of double-sided printing, hosting low impact meetings, and setting up recycling and composting programs.
- b) Purchasing may include such items as: sustainably produced products and services, EPEAT registered computers and imaging equipment, independently certified green cleaning products, remanufactured toner cartridges, products with reduced packaging, office products that are refillable, rechargeable, and recyclable, 100% post-consumer recycled paper, and toxic free products.

For more suggestions visit ECOLOGY's web page, Green Purchasing,
<https://ecology.wa.gov/Regulations-Permits/Guidance-technical-assistance/Sustainable-purchasing>.

28. TERMINATION

a) For Cause

ECOLOGY may terminate for cause this Agreement with a seven (7) calendar days prior written notification to the RECIPIENT, at the sole discretion of ECOLOGY, for failing to perform an Agreement requirement or for a material breach of any term or condition. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Failure to Commence Work. ECOLOGY reserves the right to terminate this Agreement if RECIPIENT fails to commence work on the project funded within four (4) months after the effective date of this Agreement, or by any date mutually agreed upon in writing for commencement of work, or the time period defined within the Scope of Work.

Non-Performance. The obligation of ECOLOGY to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this Agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of ECOLOGY, to perform any obligation required of it by this Agreement, ECOLOGY may refuse to pay any further funds, terminate in whole or in part this Agreement, and exercise any other rights under this Agreement.

Despite the above, the RECIPIENT shall not be relieved of any liability to ECOLOGY for damages sustained by ECOLOGY and the State of Washington because of any breach of this Agreement by the RECIPIENT. ECOLOGY may withhold payments for the purpose of setoff until such time as the exact amount of damages due ECOLOGY from the RECIPIENT is determined.

b) For Convenience

ECOLOGY may terminate for convenience this Agreement, in whole or in part, for any reason when it is the best interest of ECOLOGY, with a thirty (30) calendar days prior written notification to the RECIPIENT, except as noted below. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Non-Allocation of Funds. ECOLOGY's ability to make payments is contingent on availability of funding. In the event funding from state, federal or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to the completion or expiration date of this Agreement, ECOLOGY, at its sole discretion, may elect to terminate the Agreement, in whole or part, or renegotiate the Agreement, subject to new funding limitations or conditions. ECOLOGY may also elect to suspend performance of the Agreement until ECOLOGY determines the funding insufficiency is resolved. ECOLOGY may exercise any of these options with no notification or restrictions, although ECOLOGY will make a reasonable attempt to provide notice.

In the event of termination or suspension, ECOLOGY will reimburse eligible costs incurred by the RECIPIENT through the effective date of termination or suspension. Reimbursed costs must be agreed to by ECOLOGY and the RECIPIENT. In no

Agreement No: SPPREG-2123-CiChFD-00016
Project Title: Oil spill & Haz-Mat response cache
Recipient Name: Chehalis Fire Department city of

event shall ECOLOGY's reimbursement exceed ECOLOGY's total responsibility under the Agreement and any amendments. If payments have been discontinued by ECOLOGY due to unavailable funds, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination.

RECIPIENT's obligation to continue or complete the work described in this Agreement shall be contingent upon availability of funds by the RECIPIENT's governing body.

c) By Mutual Agreement

ECOLOGY and the RECIPIENT may terminate this Agreement, in whole or in part, at any time, by mutual written agreement.

d) In Event of Termination

All finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, reports or other materials prepared by the RECIPIENT under this Agreement, at the option of ECOLOGY, will become property of ECOLOGY and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Nothing contained herein shall preclude ECOLOGY from demanding repayment of all funds paid to the RECIPIENT in accordance with Recovery of Funds, identified herein.

29. THIRD PARTY BENEFICIARY

RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this Agreement, the state of Washington is named as an express third party beneficiary of such subcontracts with full rights as such.

30. WAIVER

Waiver of a default or breach of any provision of this Agreement is not a waiver of any subsequent default or breach, and will not be construed as a modification of the terms of this Agreement unless stated as such in writing by the authorized representative of ECOLOGY.

End of General Terms and Conditions

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Lodging Tax Advisory Committee
Councilor Jerry Lord, Chair
Jacob Blue, Holiday Inn Express & Suites
Chip Duncan, Veterans Memorial Museum
Annalee Tobey, Experience Chehalis
Lilly Wall, Stan Hedwall RV

BY: Jill Anderson, City Manager
Cassie Frazier, Administrative Assistant

MEETING OF: June 27, 2022

SUBJECT: Lodging Tax Advisory Committee Recommendation Related to the 2022 Funding for the Chehalis Centralia Railroad and Museum

ISSUE

The Lodging Tax Advisory Committee (LTAC) met on Tuesday, June 21, 2022, to review a request from the Chehalis Centralia Railroad and Museum (CCRM) to expand the use of the 2022 tourism funds granted to the organization to include overhead and operating costs, as well as the previously approved marketing purposes.

SUMMARY OF REQUEST SUBMITTED

The Chehalis Centralia Railroad and Museum (CCRM) has submitted a request asking permission for flexibility in the use of the 2022 lodging tax funds. The recommendation from the LTAC, and approved by the City Council on September 27, 2021, authorized the expenditure of \$29,860 for tourism promotion, advertising, and projects that promote tourism. The CCRM has requested the ability to use the allocated funds for operations and overhead, in addition to the previously specified purposes. They have not requested an increase in the allocation for 2022. The ability to expand the use of the funding from solely marketing to also include operational expenses associated with the non-profit would assist in covering overhead costs during their temporary closure due to insurance issues and ongoing track repairs as a result of the January 2022 flood.

The City Council considered the request from the CCRM on April 25, 2022 and referred it to the LTAC. In response to City Council direction, the LTAC met on Tuesday, June 21, 2022, to review the request. After review and discussion of the matter, the LTAC is recommending that the City Council approve the redistribution of the existing allocation of \$29,860 to include overhead/operating costs in addition to tourism promotion and advertising. All of the proposed uses, including operation/overhead costs are allowed uses for lodging tax dollars per RCW 67.28.1816. Lodging Tax funding is distributed on a

reimbursement basis where the eligible organizations only recoup costs by submitting applicable receipts corresponding to their request.

RECOMMENDATION

The LTAC recommends that the City Council approve its recommendation to allow the CCRM to utilize the granted 2022 lodging tax funding of \$29,860 for ongoing operational expenses, as well as marketing, advertising, tourism promotion, and projects that promote tourism.

SUGGESTED MOTION

I move that the City Council approve the LTAC recommendation to allow the CCRM to use the lodging tax funding of \$29,860 awarded for 2022 for ongoing operational expenses, as well as marketing, advertising, tourism promotion, and projects that promote tourism.



**City of Chehalis
Lodging Tax Application for Funding Year 2022**

Lodging Tax Committee Members
 Chad Taylor, Chehalis City Council (Chair)
 Alicia Bull, Centralia-Chehalis Chamber of Commerce
 Rick Burchett, Chehalis-Centralia Railroad & Museum
 Todd Chaput, Holiday Inn Express & Suites
 Chip Duncan, Veterans Memorial Museum
 Gloria Choi, Econo Lodge
 Trent Henning, Riverside Golf Club

Submit nine (9) copies by:
 Friday, September 3, 2021 *(No exceptions)*

To: Chehalis Lodging Tax Advisory Committee
 Chehalis City Hall
 350 N Market Blvd. Room 101
 Chehalis, WA 98532

Questions: City Manager's Office
 360-345-1042 ext. 203

Applications are accepted from non-profit organizations or government entities.

TOURISM PROMOTION: Activities, operations, and expenditures designed to increase tourism, including but not limited to: advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists - RCW 67.28.080(6).

USE OF FUNDS: RCW 67.28.1816(1) provides that lodging tax revenues may be used, directly by any municipality or destination marketing organization for:

- Tourism marketing;
- The marketing and operations of special events and festivals designed to attract tourists;
- Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district created under chapters 35.57 and 36.100 RCW; or
- Supporting the operations *(but not capital expenditures)* of tourism-related facilities owned or operated by nonprofit organizations described under 26 U.S.C. Sec. 501(c)(3) and 26 U.S.C. Sec. 501(c)(6) of the internal revenue code of 1986, as amended.

REQUIRED DOCUMENTS CHECKLIST

Documents must be labeled by number and submitted in order.

1. Organization's total budget (specify current or next year)
2. Current annual filing with IRS (Form 990, 990-EZ, or 990-N)
3. Balance Sheet *OR* Statement of Assets, Liabilities, and Fund Balance ending Dec. 2020 *AND* July 2021.
4. Income statement *OR* Profit and Loss Statement ending Dec. 2020 *AND* July 2021.
5. Bank statements ending Dec. 2020 and July 2021 *(must balance with financial statements)*
6. Statement signed by the President and Treasurer that the documents presented are true and correct to the best of their knowledge and belief

Organization	Chehalis Centralia Railroad & Museum (CCRM)	
Contact Person Title	Mary Kay Nelson / Vice President	
Mailing Address	PO Box 1680, Chehalis WA 98532	
Phone E-mail	360-508-1774	
Organization is:	<input checked="" type="checkbox"/> Non-Profit	<input type="checkbox"/> Government Agency
Federal Tax ID #	91-1353377	
State UBI #	601-798-865	

Certification: The applicant hereby certifies and affirms that it does not now, nor will it during the performance of any contract arising from this application, unlawfully discriminate against any employee, applicant for employment, client, customer, or other person who might benefit from said contract, by reason of age, race, color, ethnicity, sex, religion, creed, place of birth, or degree of handicap, and further certifies and affirms that it will abide by all relevant local, state, and federal laws and regulations.

Certified by:

Mike Beeler

(Signature)

Title:

Amusement

Print or type name:

Mike Beeler

Date:

9/3/2021

Project Summary – Describe activity, project, or event. What is the time frame for the activity, project, or event?

The Chehalis Centralia Railroad owns and operates a scenic tourist excursion railroad to the benefit of all citizens for the promotion of economic growth and development in Lewis County. Our request this year is for funds to promote train rides and improve interpretive signage at the CCRM Depot/Yard. CCRM will increase fares by \$1 this year and commit to a new Rail Days Event in May, each generating \$12,000. We are asking for an increase from Chehalis LTAC of \$12,000 which will match those activities and generate an additional \$36,000 for signage, ticketing agent salary and marketing and promotion. We will continue to utilize \$35,000 for digital and radio marketing.

Benefit to City – How does this request directly benefit the promotion of Chehalis and its local tourist-oriented attractions, museums, motels, and businesses? (e.g. contributions to local tax revenues; local attraction/business collaboration)

The marketing helps support the economy of Chehalis and surrounding areas by offering a train ride to over 12,000 riders annually. This activity is a destination activity, bringing in passengers from all across the northwest. Passengers spend approximately 2 hours per ride and it is expected they also frequent restaurants, hotels and other attractions. We offer an event venue for groups, reunions, and fundraisers. The total estimated positive economic impact to the Chehalis/Centralia and thus Lewis County area is about \$925,661 per year. This generates about \$75,904 in annual tax revenue, according to a recent study by the Port of Chehalis.

Marketing and Promotion – The primary target audience for marketing/promotion must be tourists living outside of Lewis County. Describe how you intend to market and promote the activity/project/event outside of Lewis County.

We promote the Train Excursions through our website with Facebook and Google advertising as well as print and radio ads in the local community. Tickets are purchased online through the website. Rack cards are distributed to 152 regional restaurants, attractions, Amtrak and hotels through Certified Folder Display.

Social media such as Instagram and Facebook help send traffic and are especially effective in bringing traffic to the train for events and special dinner trains. Online searches for the website result in effective conversion of ticket sales.

Business Plan – Does the organization have a long-term business plan? Yes No Explain the organization's goals/objectives/methods (e.g. Goal – provide tourism events; Objective – hold one "ABC" event; Method – sign up an additional 15 exhibitors for a total of 123 exhibitors)

Goals: Increase ridership, therefore increasing revenue to support the continuing operation of the Railroad for the future.

Objectives: Add more capacity for riders and increase number of rides and events during the year.

Method: Increase effective online marketing activity

Improve railyard, buildings and train visually with interpretive signage

Target small group markets such as senior centers, youth groups, schools and military groups

Partner with local museums such as the Veterans and Historical Museum.

Increase School Days in June

Offer Hotel Packages

Accountability & Reporting Standards – Explain the organization’s accountability and reporting standards.

The organization is led by 11 board members and is accountable to 70 members and sponsors. Key Performance Indicator (KPI) Reports are provided at monthly board meetings, and distributed to the membership with the Board Minutes each month. Information is gathered from Google Analytics and Dynamic Ticket Solutions that shows where our traffic is from and who they are. This information helps us focus our product offerings. Additionally, and most importantly safety is our #1 concern. We meet our deadlines for our FRA (Federal Railroad Administration) and WUTC (WA Utilities and Transportation Commission) reports and inspections.

Attendee Estimates – RCW 67.28.1816(2)(a) requires applicants to provide estimates of how any moneys received will result in increases in the number of people traveling for business or pleasure on a trip, including the method used to determine the estimates. The following information is required:

1. Overall attendance: 12,000

Methodology: Direct Count Indirect Count Representative Survey
 Informal Survey Structured Estimate Other (Explain)

2. Attendees traveling 50 miles or more: 9,000

Methodology: Direct Count Indirect Count Representative Survey
 Informal Survey Structured Estimate Other (Explain)

3. Of the total attendees traveling 50 miles or more in #2, how many traveled from another state or country: 50

Methodology: Direct Count Indirect Count Representative Survey
 Informal Survey Structured Estimate Other (Explain)

4. Attendees who stayed overnight in:

a. Paid accommodations: 100

Methodology: Direct Count Indirect Count Representative Survey
 Informal Survey Structured Estimate Other (Explain)

b. Unpaid accommodations: 200

Methodology: Direct Count Indirect Count Representative Survey
 Informal Survey Structured Estimate Other (Explain)

5. Paid lodging nights: 100

Methodology: Direct Count Indirect Count Representative Survey
 Informal Survey Structured Estimate Other (Explain)

PLEASE KEEP THIS INFORMATION ON ONE PAGE

INCOME – List all sources, amounts, and status of funding from which you anticipate or are requesting for this proposal.		
Source	Confirmed (Yes /No)	Amount
City of Chehalis Lodging Tax	No	\$47,000
		\$
		\$
		\$
		\$
		\$
TOTAL (Must match total expenses)		\$47,000

EXPENSES – Based on full funding, list total anticipated expenses.			
Item	Chehalis Funds	Other Funds	Total
Marketing & Promotion	\$47,000	\$24,000	\$71,000
Operations (e.g., rent, utilities, janitorial, supplies, copies)	\$	\$	\$
Personnel (e.g., salaries, benefits, etc.)	\$	\$	\$
Contract Services	\$	\$	\$
Capital Projects (<i>Applies only to municipalities/public facility districts</i>)	\$	\$	\$
Other (Explain)	\$	\$	\$
TOTAL (* Must match total income)	\$	\$	(*) \$71,000

What percentage of your **total project cost** does your request for Chehalis lodging tax funds represent? 66 %

PARTIAL FUNDING – Partial funding may be recommended by the LTAC. Can the activity/project/event operate with reduced funding? Yes No

If yes, priority 2 funding amount is \$ 35,000. Explain how reduced funding will impact the activity/project/event.

Chehalis-Centralia Railroad & Museum

Budget Overview: CCRM - 2021 - FY21 P&L

January - December 2021

	TOTAL
Income	
500 Excursions - DTS	427,197.67
510 Sales - Gift Shop	3,622.00
525 NON-DTS Excursions & Events	12.82
530 Member Dues	1,121.31
540 Donations	4,751.43
545 Sponsorships	4,890.00
550 Grants	41,500.50
580 Misc Income	20,000.00
585 Projects - #15 - Income	149,500.00
590 Refunds	-635.85
Total Income	\$651,959.88
Cost of Goods Sold	
600 Cost of Goods Sold	3,100.00
Total Cost of Goods Sold	\$3,100.00
GROSS PROFIT	\$648,859.88
Expenses	
700 Rent & Lease	11,372.56
705 Equipment Rental	500.00
710 Office Supplies & Software	3,089.62
715 Utilities	8,723.21
720 Insurance	46,594.83
723 Taxes & Licenses	25,298.88
726 Dues & subscriptions	1,405.65
730 Legal & Professional Services	4,651.00
735 Advertising & Marketing (LTAC)	34,878.34
740 Payroll Wage Expenses	30,835.57
745 Payroll Tax Expenses	5,856.91
748 Janitorial/Cleaning Supplies	675.00
750 Engine Maintenance	13,463.81
754 Passenger Car Maintenance	9,109.38
756 Other Rolling Stock Maintenance	800.00
760 Excursions - DTS - Expenses	24,087.74
766 Events Expenses	60,662.28
770 Gift Shop	189.97
774 Train Supplies & Materials	414.99
776 Small Tools <\$2,500	4,009.16
780 Repairs & Maintenance	2,562.57
782 Projects - #15 - Expenses	150,425.20
784 ROW & MOW	24,201.00
790 Volunteers	900.00
792 Loan Payments	9,500.00
794 Bank Charges & Fees	11,201.74

Chehalis-Centralia Railroad & Museum

Budget Overview: CCRM - 2021 - FY21 P&L

January - December 2021

	TOTAL
798 Finance costs	675.00
799 Interest Paid	669.72
Total Expenses	\$486,754.13
NET OPERATING INCOME	\$162,105.75
Other Income	
595 Interest Earned	2.33
Total Other Income	\$2.33
Other Expenses	
786 Fuel	36,170.77
Total Other Expenses	\$36,170.77
NET OTHER INCOME	\$ -36,168.44
NET INCOME	\$125,937.31

CCR&M Marketing Budget	2022 Proposed Budget
Income	
City of Chehalis	\$ 47,000
Total	\$ 47,000
Expense	
Digital Marketing	
Facebook Ads	\$ 3,000
Google Adwords	\$ 3,000
Constant Contact newsletter	\$ 850
Radio Advertising	
Radio Pumpkin, Polar Express and Santa Train	\$ 4,000
Radio Summer Season	\$ 2,000
Print Advertising	
The Chronicle	\$ 500
DeVaul Chehalis Fest	\$ 300
DeVaul Summer Guide	\$ 400
Kalmbach Publishing -Trains Magazine	\$ 2,000
ScenicWA Visitor Guide	\$ 500
White River Productions Rail Fan Magazine	\$ 2,000
WTA ExperienceWA.com	\$ 1,000
WSVG - Saga City 2022	\$ 1,100
Print-graphics	
Graphic Design	\$ 500
Signs WSDOT I-5	\$ 700
Rack cards	\$ 2,000
Certified Folder	\$ 3,450
Interpretive signs at Railyard	\$ 7,000
Video and photography	\$ 1,000
Website Development	\$ 1,000
Event Coordinators	\$ 5,000
Ticketing Agent	\$ 5,000
Operations	
Postage	\$ 200
Supplies	\$ 500
Total Expenses	\$ 47,000



April 7, 2022

Dear Ms. Anderson,

As a follow up to our recent meeting regarding the Chehalis Centralia Railroad & Museum, our Executive Committee met last night, (April 6, 2022) and stated their desire to ask the City of Chehalis to modify our request for lodging tax funds. As you know, the flooding of January 6, 2022 caused track damage to approximately 1 mile of track, just 1.3 miles from the Depot located at Sylvenus Street. This damage resulted in the suspension of our popular train excursions until the damage can be repaired. With the FEMA declaration for Lewis County in place, we will be requesting funds from FEMA for the track repair.

Concurrently, we have had an unfortunate situation develop with our liability insurance. We expect to finalize the insurance package for premises liability within the week. This, however will not allow us to run revenue generating rides until we can obtain full liability for the 10 miles of track. You (City of Chehalis) will receive documents as also insured on both policies early next week. Once full liability is reinstated, which could take several months, we will return to full operations.

Due to these issues, the Chehalis Centralia Railroad, respectfully requests approval to modify the LTAC award for 2022 (\$29,860) from use in marketing, to add operational expenses for reimbursement. As a tourist operation bringing in significant tax revenue, as well as over 14,000 passengers last year, we believe operational funding fits the definition as a tourism activity and is thusly qualified to apply for LTAC funds. These funds would help CCRM pay for the day-to-day expenses while we wait to resume revenue generating rides. Ongoing costs such as rental, utilities, internet and phone are monthly costs associated with our attraction.

We look forward to resuming this popular community activity and with the support of our local businesses and many dedicated individuals, we are determined to rebuild and put our train back on track.

Sincerely,

Date Signed: 4/7/22

Mary K. Nelson, President

Chehalis Centralia Railroad & Museum Board of Directors

Chehalis-Centralia
Railroad & Museum
SteamTrainRide.com

PO Box 1680
Chehalis WA 98532
360-748-9593
info@steamtrainride.com

501c3 Non-profit
EIN 91-1353377
UBI 601-798-865

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Lance Bunker, Public Works Director

MEETING OF: June 27, 2022

SUBJECT: Resolution No. 6-2022, First and Final Reading - Adopting the 2023-2028 Six-Year Transportation Improvement Program

ISSUE

On June 13, 2022, the City Council held a public hearing for the purpose of receiving public comment on the proposed 2023-2028 Transportation Improvement Program (TIP). No public comment was received, and therefore, the final TIP is being presented for adoption without change. Attached is Resolution No. 6-2022, which includes the recommended 2023-2028 Six-Year TIP.

DISCUSSION

The City is required to annually update the six-year transportation improvement plan and to submit any updates to the Washington State Regional Transportation Planning Organization (RTPO), whose duty is to submit a Regional Transportation Plan to the Washington State Department of Transportation. As mentioned in the past, a project's inclusion in the City's or RTPO's TIP does not, by itself, provide or guarantee funding. However, for a project to be eligible for federal or state funding assistance, it must first be listed in the TIP. Should a funding opportunity arise for a project not listed on the TIP, the TIP can be amended by City Council action to add the project.

FISCAL IMPACT

There is no fiscal impact associated with the adoption of the plan; however, the plan identifies the estimated fiscal impact of projects in the coming years. Most notably, the City's Transportation Benefit District funds will be utilized for projects and engineering services later this year. The use of those funds have been previously approved or will be the subject of City Council consideration in connection to specific project actions.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 6-2022 on first and final reading.

SUGGESTED MOTION

I move that the City Council adopt Resolution No. 6-2022 on first and final reading.

RESOLUTION NO. 6-2022

**A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON,
ADOPTING THE 2022-2027 SIX-YEAR TRANSPORTATION
IMPROVEMENT PLAN FOR THE CITY OF CHEHALIS.**

WHEREAS, pursuant to RCW 35.77.010, a public hearing was held by the City Council on the 13th day of June 2022 to consider the 2023-2028 six-year transportation improvement plan for the city; and

WHEREAS, the City Council is desirous of adopting a six-year transportation improvement plan, now, therefore,

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

Section 1. The 2023-2028 six-year transportation improvement plan for the City, hereto attached and by this reference incorporated herein, shall be, and the same hereby is, adopted as the 2023-2028 six-year transportation improvement plan for the City effective the reporting year 2022/2023.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this 27th day of June 2022.

Tony Ketchum, Mayor

Attest:

Kassi Mackie, City Clerk

Approved as to form and content:

Erin Hillier, City Attorney

CITY OF CHEHALIS - 2023-2028 SIX YEAR TRANSPORTATION IMPROVEMENT PROGRAM

Project	General Description	Funding Source	Start Year	Prior Years	2023	2024	2025	2026	2027	2028	Future	Total Cost
Citywide Preservation Program	Chip-sealing, HMA preleveling, patching	Arterial Steel/4% Funds/TBD	N/A		\$ 175,000.00	\$ 175,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00		\$ 1,150,000.00
Market Blvd. - Park to N National Ave.	Renaissance streetscape planning	Grants/ Arterial Steel/4% Funds/ TBD/Utility Funds	2023		\$ 300,000.00		\$ 2,750,000.00					\$ 3,050,000.00
Main St. - BNSF to I-5	Grind and inlay	Grants/TBD	2022		\$ 714,830.00							\$ 714,830.00
Chamber Way Bridge Replacement	Replace Bridge	Grants/ Arterial Steel/4% Funds/TBD	2023		\$ 250,000.00		\$ 33,600,000.00					\$ 33,850,000.00
Market Blvd - Park St to 13th St	Reconstruction	Grants/ Arterial Steel/4% Funds/TBD	2024				\$ 300,000.00	\$ 4,700,000.00				\$ 5,000,000.00
Rec-Park Overflow Parking Lot	Construct additional parking between SW Parkland and SW 13th St	Grants/ Arterial Steel/4% Funds/TBD	2023		\$ 600,000.00							\$ 600,000.00
Market Blvd - 13th to city limits	Reconstruct, pedestrian improvements	Grants/ARPA/SLFRF	2026					\$ 300,000.00	\$ 4,500,000.00			\$ 4,800,000.00
Louisiana Avenue	Widening/realignment just south of Chamber	Arterial Steel/4% Funds/TBD	2024			\$ 75,000.00						\$ 75,000.00
National Ave./ Coal Cr. Improvements	Coal Creek Bridge, intersection, pedestrian improvements, reconstruction	Grants/ Arterial Steel/4% Funds/TBD	2026					\$ 200,000.00	\$ 2,500,000.00			\$ 2,700,000.00
Louisiana Ave. - Chamber Way to Home Depot	Grind & inlay, Chamber to Home Depot, traffic control improvements	Grants/ Arterial Steel/4% Funds/TBD	2024			\$ 275,000.00						\$ 275,000.00
Riverside Dr/Newaukum Ave repairs	Spot repairs Hwy 6 to Shorey Rd/sidewalks	Grants/ Arterial Steel/4% Funds/TBD	2026					\$ 500,000.00				\$ 500,000.00
Winchester Hill Dr.	Spot repair/ double chip seal or overlay	Arterial Steel/4% Funds/TBD	2023		\$ 70,000.00							\$ 70,000.00
20th St. - Market to Salisbury	Grind and inlay	Grants/ Arterial Steel/4% Funds/TBD	2026					\$ 300,000.00				\$ 300,000.00
Cascade Ave. - Main St. to 13th St.	Spot Repairs & Grind and Inlay	Grants/ Arterial Steel/4% Funds/TBD	2025				\$ 250,000.00	\$ 2,250,000.00				\$ 2,500,000.00
Louisiana Ave Repairs (Post West Street Replacement)	Spot repair & overlay Hwy 6 North	Grants/ Arterial Steel/4% Funds/TBD	Future								\$ 450,000.00	\$ 450,000.00
Snively Ave improvements	Reconstruct 16th to 20th	Grants/ Arterial Steel/4% Funds/ TBD/Utility Funds	Future						\$ 2,500,000.00			\$ 2,500,000.00
National Ave. - Market to Chamber	Reconstruct, pedestrian improvements	Grants/ Arterial Steel/4% Funds/TBD	Future							\$ 1,525,000.00		\$ 1,525,000.00
13th St. - Market to Interstate	Grind & overlay, ADA compliance	Grants/ Arterial Steel/4% Funds/TBD	Future							\$ 600,000.00		\$ 600,000.00
Guardrail	Various locations throughout city	Grants/ Arterial Steel/4% Funds/TBD	Future			\$ 125,000.00						\$ 125,000.00
Front, Pacific, Park Streets improvements	Grind, overlay/utility/frontage improvements	Grants/ Arterial Steel/4% Funds/TBD	Future								\$ 2,500,000.00	\$ 2,500,000.00
				\$ -	\$ 2,109,830.00	\$ 650,000.00	\$ 37,100,000.00	\$ 8,450,000.00	\$ 9,700,000.00	\$ 2,325,000.00	\$ 2,950,000.00	\$ 63,284,830.00

Current Year (2022) Projects

South end chipseal, patching, prelevel
National Ave- Grind and inlay. Chamber to Kreskey
Chehalis Avenue- Repair 3rd St. to 9th St.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tammy Baraconi, Planning and Building Manager

MEETING OF: June 27, 2022

SUBJECT: Ordinance No. 1031-B, Second Reading – A Moratorium on the Establishment of Cryptocurrency Mining or Farming.

INTRODUCTION

This issue was reviewed by Council on June 13, 2022. It passed the first reading and is now scheduled for consideration on second and final reading

ISSUE

In recent years cryptocurrency mining has achieved high profits and as such is a very lucrative business model that requires little investment on the part of the entrepreneur but creates huge demands on electrical resources. The City currently has no regulation in place to control where or how these businesses establish themselves within the City. Therefore, a twelve-month moratorium is being proposed to allow staff time to create a proposal for zoning regulations related to cryptocurrency mining and/or farms.

DISCUSSION

Cryptocurrency is a term encompassing code-based protocols supporting an electronic, non-physical media for the exchange of value. Cryptocurrency mining is a continuous process where computers work to solve algorithms to maintain and build an algorithmic chain, or blockchain, and in exchange are granted cryptocurrency. They have an ever-fluctuating value and can be exchanged for conventional currency. Until recently, they have achieved high market prices.

The typical characteristics of cryptocurrency mining include computer hardware, high electricity use, and use of equipment to cool the hardware. Some facilities will use oil baths to help cool the servers involved. The continuous use of specialized computer hardware creates a high-density load situation which is taxing the existing electrical distribution and service infrastructure. As you can imagine our energy consumption characteristics of cryptocurrency mining was not envisioned in the development of the City's plans as they pertain to accommodating future growth.

Some communities have received rolling brown outs and blackouts as result of new cryptocurrency mining. In addition to the black outs, the high-density load also creates a fire safety hazard. Other communities such as Wenatchee, prior to zoning changes, have found cryptocurrency mining operations in apartments as well as shipping containers in residents' yards.

Lewis County PUD, until very recently had a moratorium on cryptocurrency mining operations however that has since expired. This recent event has seen the installation of three new cryptocurrency mining

sites in just the past two months. One is in the Port of Chehalis, one is at the old Hacienda Restaurant on Meridian Drive, and the third one is located within Yardbirds.

The mining operation located in the Port has sufficient power. However, the two remaining operations have been told by the PUD that they will not be provided any more power than what has historically been provided. The three cryptocurrency mining companies currently in place would be allowed to continue operations during the proposed moratorium however, if adopted the moratorium would prohibit new companies from establishing their cryptocurrency mining businesses here until proper regulations are enacted to ensure an orderly and predictable pattern of growth within the City.

NEXT STEP

If the City Council passes the proposed ordinance, a public hearing will be scheduled for July 11, 2022, to take public testimony. If passed, the ordinance before you today would place a pause on new cryptocurrency mining operations for a period of up to 12 months.

RCW 36.70A.390 outlines requirements for adoption of a moratorium on zoning controls which requires council to take public testimony within 60 days of adoption of the ordinance. If, after taking public testimony, the Council determines that this proposed legislation is not in the best interests of the public, the ordinance can be repealed.

FISCAL IMPACT

There are no fiscal impacts to the City associated with the adoption of this moratorium.

RECOMMENDATION

It is recommended that the City Council adopt on second and final reading Ordinance No. 1031-B - A moratorium on the establishment of cryptocurrency mining or farming for twelve months.

SUGGESTED MOTION

I move that the City Council adopt Ordinance No. 1031-B on second and final reading.

ORDINANCE NO. 1031-B

AN ORDINANCE OF THE CITY OF CHEHALIS, ADOPTING A MORATORIUM RELATING TO CRYPTOCURRENCY MINING OPERATIONS IN THE CITY OF CHEHALIS, TO BE EFFECTIVE IMMEDIATELY, SETTING A DATE FOR THE PUBLIC HEARING ON, AND DECLARING AN EMERGENCY NECESSITATING IMMEDIATE ADOPTION.

WHEREAS, cryptocurrency is a term encompassing code-based protocols supporting an electronic, non-physical media for the exchange of value; and

WHEREAS, cryptocurrency mining is a continuous process where computers work to solve algorithms to maintain and build an algorithmic chain, or blockchain, and in exchange are granted cryptocurrency; and

WHEREAS, typical physical characteristics of cryptocurrency mining include specialized computer hardware, high electricity use, and the use of equipment to cool the hardware; and

WHEREAS, cryptocurrencies have an ever-fluctuating monetary value and can be exchanged for conventional currency; and

WHEREAS, the value of certain cryptocurrencies has been achieving high market prices in the recent past; and

WHEREAS, the region's low electricity prices create a high rate of return for locating cryptocurrency mining operations in the City; and

WHEREAS, the continuous use of specialized computer hardware creates a high-density load situation which is taxing the existing electricity distribution and service infrastructure throughout various parts of the City; and

WHEREAS, the use of this specialized computer hardware, creating a high density load situation, in areas or at facilities where the electricity distribution infrastructure is not designed for its high energy loads creates a fire safety hazard; and

WHEREAS, the energy consumption characteristics of cryptocurrency mining was not envisioned in the development of the community's plans as they pertain to accommodating future growth; and

WHEREAS, if the current trends continue where cryptocurrency mining becomes increasingly prevalent, the Lewis County Public Utility District (PUD) may not be able to meet the community's electricity consumption needs in a timely manner and therefore the community would not be able to accommodate its projected growth without the siting and construction of significant electrical infrastructure including power substations and lines; and

WHEREAS, the Lewis County PUD, as a public utility, does not have economic development authority or the ability to enforce or regulate the City's community or economic development goals. and;

WHEREAS, it is the City of Chehalis's understanding that Lewis County PUD, as a public utility, has limited legal authority, beyond rates and service regulations, to ensure that the public health safety concerns are adequately addressed, or that after connecting a High Density Load (HDL) there is sufficient capacity reserved in the electrical infrastructure to meet the City's community and economic development goals; and

WHEREAS, the Chehalis City Code does not currently have a specific land use category for cryptocurrency mining; and

WHEREAS, City staff, in cooperation with Lewis County PUD staff, need

time to study the impacts cryptocurrency mining has on the electricity distribution network and to develop standards to appropriately evaluate and address the impacts; and

WHEREAS, the Chehalis City Council hereby finds that an emergency moratorium to regulate further establishment of cryptocurrency mining in the City of Chehalis until the Lewis County PUD and the City can study the appropriate land use and/or licensing regulations to address cryptocurrency mining; and

WHEREAS, RCW 36.70A.390 and RCW 35A.63.220 authorize the City Council to adopt an moratorium for a period of up to twelve (12) months if a public hearing on the proposal is held within at least 60 days of its adoption and immediately following the public hearing findings of fact are adopted providing for the twelve (12) month period; and

WHEREAS, the City Council desires to impose a twelve (12) month moratorium regulating cryptocurrency mining operations in the City of Chehalis; and;

WHEREAS, moratoriums enacted under RCW 36.70A.390 are methods by which local governments may preserve the status quo so that new regulations will not be rendered moot by intervening development; and

WHEREAS, in conformity with the responsibilities of the City of Chehalis to meet health, safety, and general welfare requirements and provide zoning and land use regulations pursuant to state law, and the City's authority to regulate land use activities within its corporate limits, the City intends to develop appropriate zoning requirements for the regulation of cryptocurrency mining operations.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DO ORDAIN as follows:

SECTION I
Findings

The recitals set forth above are hereby adopted as the City Council's findings in support of the moratorium imposed by this Ordinance.

SECTION II
Definitions

Pursuant to Washington State law, a moratorium that amends the Chehalis Municipal Code (CMC) by the addition of the following sections to read as follows:

17.06.505 "Cryptocurrency mining" means the operation of specialized computer equipment for the primary purpose of mining one or more blockchain based cryptocurrencies such as Bitcoin. This activity typically involves the solving of algorithms as part of the development and maintenance of a blockchain which is a type of distributed ledger maintained on a peer-to-peer network. Typical physical characteristics of cryptocurrency mining include specialized computer hardware; High Density Load (HDL) electricity use; a high Energy Use Intensity (EUI) where the operating square footage as determined by the Utility is above 250kWh/fr²/year and with a high load factor in addition to the use of equipment to cool the hardware and operating space. For the purposes of the associated regulations, cryptocurrency mining does not include the exchange of cryptocurrency or any other type of virtual currency nor does it encompass the use, creation, or maintenance of all types of peer-to-peer distributed ledgers."

SECTION III
Moratorium Enacted for Effective Term

The City of Chehalis hereby enacts a moratorium on the use and development of cryptocurrency mines, as defined, within the city limits.

The moratorium set forth in this Ordinance shall be in effect for a period of twelve (12) months from the date this Ordinance is passed and shall automatically expire at the conclusion of that twelve (12) month period unless the same is extended by the City as provided in state law or unless terminated sooner by Ordinance.

SECTION IV

Public Hearing

Pursuant to RCW 36.70A.390 and RCW 35A.63.220, the City Council shall hold a public hearing, on the moratorium imposed, on July 11, 2022 at 5 p.m., upon notice. Immediately after the public hearing, the City Council shall adopt both findings of fact on the subject of this moratorium and either justify its continued imposition or cancelation.

SECTION V Severability

If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a Court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance or its application to any other person or situation.

SECTION VI

Declaration of Emergency

The City Council hereby declares that an emergency exists necessitating that this Ordinance take effect immediately upon passage by a majority plus one of the whole membership of the Council, and that the same is not subject to a referendum if passed by unanimous vote of the council (RCW 35A.11.090). Without an immediate moratorium on the City's acceptance of development applications for cryptocurrency mining within City limits, such applications could become vested, leading to development that could be incompatible with the development regulations eventually adopted by the City. Therefore, the moratorium must be imposed as an emergency measure to protect the public health, safety and welfare, and to prevent the submission of a flood of applications to the City (upon knowledge of the City's intent to review the appropriateness of these uses in City limits) in an attempt to vest rights for an indefinite period of

time.

**SECTION VII
Effective Date**

This Ordinance, as a public emergency ordinance necessary for the protection of public safety, property, or welfare, shall take effect immediately upon passage by a majority plus one vote of the City Council.

PASSED BY THE CITY COUNCIL OF THE CITY OF CHEHALIS at a regular meeting thereof, this 27th day of June, 2022.

CITY OF CHEHALIS

By: _____
Anthony Ketchum, Mayor

Attest:

By: _____
Kassi Mackie, City Clerk

Approved for form:

By: _____
Erin Hillier, City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Lance Bunker, Public Works Director

MEETING OF: June 27, 2022

SUBJECT: Amendment No. 2 of the SW Chehalis Avenue Project Engineering Services Agreement with Gibbs and Olson to add construction management services for an amount not to exceed \$270,000

ISSUE

A second amendment to the Agreement for Engineering Services between the City of Chehalis and Gibbs & Olson for the SW Chehalis Avenue Project has been prepared to add construction management services to the scope of work and is being presented for City Council action at this time.

DISCUSSION

Gibbs and Olson was selected to provide design work for the SW Chehalis Avenue Reconstruction Project at the June 13, 2020, City Council meeting with the provision that the contract could later be supplemented to provide construction management for the project. The project will include roadway replacement, new curb, gutter and sidewalk, limited storm-drain improvements, and 8 -inch water line replacement. It is important to note that this is considered a maintenance project of an existing roadway. Chehalis Avenue is It is not being extended or expanded.

The Engineers Scope of Work is modified to include the additional scope of work and increased cost of \$270,000 as shown in Exhibit A of the attached document for the provision of construction management services. Project tasks included in construction management agreement are consulting, staking, change orders, compaction testing, oversight, submittal review, pay estimates, project closeout and record drawings. Current staffing shortages within the City of Chehalis coupled with the project knowledge that Gibbs and Olson has make this agreement essential to bringing the Chehalis Avenue Reconstruction Project to a satisfactory conclusion.

FISCAL IMPACT

The proposed cost for the supplemented Construction Management Engineering Services agreement is \$270,000 and will be funded primarily by water and Transportation Benefit District funds.

RECOMMENDATION

It is recommended that the City Council approve Amendment No. 2 to the Agreement for Engineering Services with Gibbs and Olson for the Chehalis Avenue Project to amend the scope of work to include

construction management for an amount not to exceed \$270,000 and authorize the City Manager to execute the agreement and related documents.

SUGGESTED MOTION

I move that the City Council approve Amendment No. 2 to the Agreement for Engineering Services with Gibbs and Olson for the Chehalis Avenue Project to amend the scope of work to include construction management for an amount not to exceed \$270,000 and authorize the City Manager to execute the agreement and related documents.

AMENDMENT NO. 2

This Amendment No. 2 modifies the Agreement for Engineering Services (Agreement) between Gibbs & Olson, Inc., Longview, Washington (Engineer) and the City of Chehalis, Washington (Client) executed on April 13, 2020, and previously amended with Amendment No. 1 executed on February 16, 2022, for a project known as the Chehalis Avenue Reconstruction Project.

The following modifications are made to the Agreement and all other terms and conditions in the original Agreement remain in full force and effect.

Engineer's Scope of Work is modified to include the additional scope of work as shown in the attached Exhibit A - Scope of Work. Engineer's Budget is increased by \$270,000 to provide compensation for the additional Scope of Work as detailed in the attached Exhibit B - Budget Estimate.

Original Agreement Amount	\$152,600.00
Amendment No. 1.....	\$25,000.00
<u>Amendment No. 2.....</u>	<u>\$270,000.00</u>
The new Total Agreement Amount including Amendment No. 1	\$447,600.00

GIBBS & OLSON, INC.

CITY OF CHEHALIS, WASHINGTON



By: Richard A. Gushman, PE - President

By: T. Jill Anderson, City Manager

June 7, 2022

Date

Date

Attachments:

Exhibit A – Scope of Work

Exhibit B – Budget Estimate

File: 0155.1083

**AMENDMENT NO. 2
EXHIBIT A
SCOPE OF WORK**

SCOPE OF WORK

Consultant's Scope of Work is modified to include providing construction phase services for the Chehalis Avenue Improvements project as described below.

Construction Phase Engineering Services

During the project's construction phase, Consultant shall within the limits of the construction phase budget in Exhibit B:

- 1) Consultant will provide project management and administration consisting of the following:
 - a. General project administration.
 - b. Project narrative progress reports to be included with each monthly invoice.

Consultant will also participate in the following meetings:

- c. Pre-construction conference with Agency, Contractor and utility representatives.
 - d. Up to 12 construction progress meetings that are anticipated to be held initially weekly for the first 4 weeks of construction and then every 2-weeks thereafter.
- 2) Consult with and advise the Agency and provide clarification of the intent of the design plans and specifications as requested.
- 3) Consultant will video document existing conditions within the project limits prior to the start of construction for reference if needed. All existing driveways and other key features within the project limits will be video documented prior to the start of construction.
- 4) Consultant will provide construction staking control for use by Contractor. A maximum of 16 trips and 152 hours of 2-man survey crew have been budgeted for construction survey. Additional survey trips and/or time will be considered out of scope work and will be billed at Consultant's standard rates on a time and materials basis.
- 5) Visits to Site and Observation of Construction. In connection with observations of the work of the Contractor(s) while it is in progress:
 - a. The Consultant shall visit the site periodically to observe the prosecution of the work and determine if such work is proceeding in accordance with the Contract Documents within the limits of the construction phase budget. 12 onsite construction meetings and site visits have been budgeted. Consultant shall issue necessary interpretations and clarifications of the Contract Documents and in connection therewith prepare work directive changes and change orders as required.
 - b. Provide the services of a Resident Project Representative (RPR) and any assistants to be the Consultant's agent or employee under the Consultant's supervision. RPR's onsite observation and documentation will typically be full-time during construction.
 - c. The purpose of Consultant's visits to and representation by the RPR (and assistants, if any) at the site will be to enable Consultant to better carry out the duties and responsibilities assigned to and undertaken by Consultant during the Construction Phase, and, in addition, by exercise of Consultant's efforts as an experienced and qualified design professional, to provide for the Agency a greater degree of confidence that the completed work of Contractor(s) will conform generally to the Contract

Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by Contractor(s). On the other hand, Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of the Contractor(s) or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractor(s) furnishing and performing their work. Accordingly, Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' failure to furnish and perform their work in accordance with the Contract Documents.

- d. Consultant will communicate regularly with the Contractor regarding planned daily activities, information to be included in the daily inspection report and collection of construction documentation. All other coordination with the Contractor should be through the Agency, as necessary.
- e. Shop Drawings. Consultant shall review and take appropriate action in respect of Shop Drawings, samples and other data, which Contractor(s) are required to submit for compliance with the Contract Documents. Such reviews and approvals or other action shall not extend to means, methods, techniques, sequences or procedures of construction or to safety precautions and programs incident thereto.
- f. Substitutes. Consultant shall evaluate and determine the acceptability of substitute materials and equipment proposed by Contractor(s).
- g. Inspections and Tests. Consultant shall receive and review all certificates of inspections, testing and approvals required by laws, regulations, ordinances, codes, orders or the Contract Documents but only to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract documents.
- h. Change Orders. Consultant will assist the Agency in negotiating any construction change orders with the project's Contractor. Consultant will review and evaluate Contractor change order requests and provide input regarding the validity of each request to the Agency. Once the Agency approves a change order, the Consultant will distribute the change order documents to the Contractor and Agency for execution by both entities. Approved change orders are considered part of the Contract Documents.
- i. Applications for Payment. Based on Consultant's on-site observations as an experienced and qualified design professional, on information provided by the Resident Project Representative and on review of applications for payment and the accompanying data and schedules, Consultant shall review Contractor pay requests and make recommendations to Agency regarding payment.
- j. Contractor(s)' Completion Documents. Consultant shall receive and review maintenance and operation instructions, schedules, guarantees, bonds and certificates of inspection, tests and approvals which are to be assembled by Contractor(s) in accordance with the Contract Documents (but such review will only be to determine that their content complies with the requirements of, and in the case of certificates, tests and approvals the results certified indicate compliance with, the Contract Documents); and shall transmit them to Agency with written comments.

- k. Limitations of Responsibility. Consultant shall not be responsible for the acts or omissions of any Contractor, or of any subcontractor or supplier, or any of the Contractor(s)' or subcontractor's or supplier's agents or employees or any other persons (except Consultant's own employees and agents) at the site or otherwise furnishing or performing any of the Contractor(s)' work; however, nothing contained above, shall be construed to release Consultant from liability for failure to properly perform duties and responsibilities assumed by Consultant in the Contract Documents.
- 6) Consultant will subcontract for compaction testing of import aggregates and asphalt. RPR will observe and document field compaction testing activities in the RPR's daily report.
- 7) Prepare a set of reproducible Record Drawings showing those significant changes made during the construction process, based on the marked-up prints, drawings, testing data and other data furnished by the Contractor and Agency to Consultant.

Amendment No. 2 - Exhibit B - Budget Estimate
Chehalis Avenue Improvements - Chehalis, WA
 Construction Phase Engineering Services

Project Tasks	Principal	Eng V	Eng III	Eng I	Design Tech II	Inspector	2 Man Crew	Sr. Land Surveyor	Word Proc.	Geotech. Sub.	Total Cost
Project Management, Administration & Meetings											
Construction Management and Administration	12	16	24	0	0	0	0	0	0	\$0	\$ 8,768
Pre-construction Meeting	0	4	4	4	0	4	0	0	2	\$0	\$ 2,368
Construction Progress Meetings (assumes 12 meetings)	4	8	48	24	0	0	0	0	2	\$0	\$ 12,020
Total Project Management	16	28	76	28	0	4	0	0	4	\$0	\$ 23,156
Construction Phase Engineering Services											
Existing Condition Documentation Prior to Construction	0	2	2	2	0	8	0	0	0	\$0	\$ 1,826
Construction Staking	0	2	4	0	0	0	152	80	0	\$0	\$ 41,346
Compaction Testing	0	2	2	0	0	0	0	0	0	\$11,500	\$ 13,506
Interpretations, Clarifications, Const. Oversight and Documentation	6	16	64	64	0	1100	0	0	0	\$0	\$ 152,728
Shop Drawing/Submittal Review	0	4	24	48	0	0	0	0	0	\$0	\$ 9,812
Pay Estimates	2	6	12	24	0	0	0	0	0	\$0	\$ 6,038
Substantial Completion/Final Completion/Project Closeout	1	2	4	8	0	4	0	0	0	\$0	\$ 2,566
Record Drawings	1	2	4	8	4	8	0	0	0	\$0	\$ 3,478
Total Construction Phase Engineering	10	34	114	152	4	1112	152	80	0	\$11,500	\$ 229,474
Total Construction CIM	26	64	192	182	4	1124	152	80	4	\$11,500	\$ 254,456
GPS Equipmt											\$ 8,200
Mileage											\$ 6,600
Reproduction/maps											\$ 300
Field Supplies (Stakes/Hubs/Lath/Paint/Tacks) & Misc. Expenses											\$ 444
Total Expenses											\$ 15,544
Total Construction Phase Engineering Budget											\$ 270,000
Original Contract Amount											\$ 152,600
Amendment No. 1											\$ 25,000
Total Contract Amount with Amendment No. 2											\$ 447,600
2022 Billing Rates	\$220.00	\$173.00	\$140.00	\$120.00	\$108.00	\$120.00	\$195.00	\$135.00	\$78.00		