

CHEHALIS CITY COUNCIL AGENDA
 CITY HALL
 350 N MARKET BLVD | CHEHALIS, WA 98532

Anthony E. Ketchum, Sr., District 3 Mayor		
Jerry Lord, District 1		Kate McDougall, Position at Large No. 1
Daryl J. Lund, District 2		Kevin Carns, Position at Large No. 2
Dr. Isaac S. Pope, District 4		Robert J. Spahr, Mayor Pro Tem, Position at Large No. 3

Special Meeting of Monday, February 27, 2023, 4:00 pm

To access this meeting via Zoom:

Meeting ID: 834 4212 6653

Pass Code: 674890

WORKSHOP
1. <u>Shoreline Master Plan Update</u> (Planning and Building Manager)

**Regular Meeting of Monday, February 27, 2023
5:00 pm**

To access this meeting via Zoom:

Meeting ID: 834 4212 6653

Pass Code: 674890

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

PRESENTATIONS
4. <u>Recognition of W.F. West High School Wrestling Team</u>
5. <u>Economic Alliance of Lewis County Update - Richard Debolt, Executive Director</u>

CONSENT CALENDAR	ADMINISTRATION RECOMMENDATION	PAGE
6. <u>Minutes of the Regular Meeting February 13, 2023</u> (City Clerk)	APPROVE	1
7. <u>Vouchers and Transfers- Accounts Payable in the Amount of \$722,013.86</u> (Finance Director)	APPROVE	5
8. <u>Acceptance and Closeout of the Fire Department Apparatus Bay Project</u> (Fire Chief)	APPROVE	7
9. <u>First and Final Reading of Resolution No. 03-2023, Procurement Policy Updates</u> (Finance Director)	APPROVE	11
10. <u>Contract Award for Dodge Charger Police Vehicle</u> (Police Chief)	APPROVE	73

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.

UNFINISHED BUSINESS	ADMINISTRATION RECOMMENDATION	PAGE
11. <u>Final Reading of Ordinance No. 1062-B, Petition to Vacate a Portion of Arkansas Way and Ordinance No. 1063-B, Dedication of a Portion of Parcel No. 021612011001 as Arkansas Way Right of Way</u> (Planning and Building Manager)	APPROVE	75

NEW BUSINESS	ADMINISTRATION RECOMMENDATION	PAGE
12. <u>Proposed 2023-2025 Chehalis Police Officer's Guild Collective Bargaining Agreement (CBA)</u> (City Manager and HR/Risk Manager)	APPROVE	97
13. <u>First Reading of Ordinance No. 1064-B, Amendments to Title 7.04.320(B) of the Chehalis Municipal Code - Noise Ordinance</u> (Police Chief)	APPROVE	129
14. <u>First and Final Reading of Resolution No. 04-2023, Authorizing the City Manager and Finance Director to Designate Certain Eligible Expenditures for Reimbursement From Bonds</u> (Finance Director)	APPROVE	135

ADMINISTRATION AND CITY COUNCIL REPORTS	ADMINISTRATION RECOMMENDATION	PAGE
a. <u>Administration Reports</u> <ul style="list-style-type: none">• City Manager Update	INFORMATION ONLY	---
b. <u>Councilor Reports/Committee Updates</u> (City Council)		

EXECUTIVE SESSION
Pursuant to RCW: <ul style="list-style-type: none">a. 42.30.110(1)(c)- Minimum Price at Which Real Estate Will Be Offered for Sale/Leaseb. 42.30.110(1)(i)- Discuss with Legal Counsel Matters Relating to Agency Enforcement Actions or Agency Litigation/ Potential Litigation

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

NEXT REGULAR CITY COUNCIL MEETINGS

MONDAY, MARCH 13, 2023- 5:00 P.M.

MONDAY, MARCH 27, 2023- 5:00 P.M.

Chehalis City Council
Regular Meeting Minutes
February 13, 2023
5:00 p.m.

Council Present: Mayor Ketchum, Councilmember McDougall, Councilmember Spahr, Councilmember Lord, Councilmember Carns (virtual attendance), Councilmember Pope, and Councilmember Lund (virtual attendance)

Council Absent: None

Staff Present: Jill Anderson, City Manager; Kassi Mackie, City Clerk; Glenn Schaffer, HR/Risk Manager; Kevin Nelson, City Attorney; Cassie Frazier, Administrative Assistant; Chun Saul, Finance Director; Tammy Baraconi, Building and Planning Manager; Lilly Wall, Parks and Recreation Director; Lance Bunker, Public Works Director; Randy Kaut, Police Chief; Brandon Rakes, Airport Director; Sally Saxton, Financial Analyst

Public Present: Owen Sexton, Chronicle Reporter and Dave Luxenberg, Legal Counsel; Lindsay Pollock; Edna Fund; Susan Delaire; Karen

1. **Call to Order:**
Mayor Ketchum called the meeting to order at 5:00 p.m.
2. **Pledge of Allegiance**
Mayor Pro-Tem Spahr led the flag salute.
3. **Approval of Agenda**

A motion was made by Councilmember Spahr, seconded by Councilmember Pope, to approve the agenda as presented with updated minutes included. Motion carried unanimously.

PRESENTATIONS

4. **Chamber of Commerce Update-Cynthia Mudge, Executive Director**
Cynthia Mudge presented the Chamber of Commerce website update and upcoming events.
5. **Recognition of WF West Girls Bowling Team-2023 State Champions**
Mayor Ketchum recognized the WF West Girls Bowling Team with a Proclamation in their honor.
6. **LAND Presentation- Alex Dupey, MIG, Inc., Consultants to the Office of Chehalis Basin**
Nat Kale of the Department of Ecology Chehalis Basin, Todd Chaput of the Lewis County Economic Alliance, and Alex Dupey of MIG, Inc. presented.

CONSENT CALENDAR

7. **Minutes of the Regular City Council Meeting of January 23, 2023** (City Clerk)
8. **Vouchers and Transfers- Accounts Payable in the Amount of \$884,339.16** (Finance Director)

9. **Vouchers and Transfers- Payroll in the Amount of \$983,854.33** (Finance Director)
10. **Reclassifying the Recreation/Aquatics Manager Position to Parks and Recreation Director** (HR/Risk Manager)
11. **Appointments and Residency Exemption for Mitch Moberg and John Six to the Historic Preservation Commission** (Building and Planning Manager)

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

PUBLIC HEARING

12. **Petition to Vacate a Portion of Arkansas Way** (Planning and Building Manager)
Building and Planning Manager Tammy Baraconi presented.

Mayor Ketchum opened the public hearing at 5:58 p.m.

There being no one wishing to speak, Mayor Ketchum closed the public hearing at 5:59 p.m.

CITIZENS BUSINESS

John Csernotta from Honda was present to reintroduce himself and provide Council with an update on the progress and tentative opening date of the dealership.

NEW BUSINESS

13. **First Reading of Ordinance No. 1062-B, Petition to Vacate a Portion of Arkansas Way and Ordinance No. 1063-B, Dedication of a portion of Parcel No. 021612011001 as Arkansas Way Right of Way** (Planning and Building Manager)

A motion was made by Councilmember Spahr, seconded by Councilmember Pope, to pass Ordinance No. 1062-B and 1063-B on first reading. Motion carried unanimously.

A motion was made by Councilmember Spahr, seconded by Councilmember Pope, to approve the Boundary Line Agreement and authorize the City Manager to sign the required documents and to approve the changes to the Twin City Town Center Binding Site Plan and authorize the City Manager to sign the required documents. Motion carried unanimously.

14. **Consideration of Offer to Lease Tract 18-A at 710 NW Arkansas Way to Panda Express, Inc.** (Airport Director)

Brandon Rakes, Airport Director presented.

A motion was made by Councilmember Spahr, seconded by Councilmember Pope, to approve acceptance of the Lease for Tract 18-A at 710 NW Arkansas Way for Panda Express, Inc., and authorize the City Manager to execute all necessary documents. Motion carried unanimously.

15. **4th Quarter 2022 Financial Report** (Finance Director)

Chun Saul, Finance Director presented.

ADMINISTRATION AND CITY COUNCIL REPORTS

City Manager Update

City Manager Anderson provided a verbal report including a brief overview of the City's General Fund obligations following Finance Director Chun Saul's presentation. Council concurrence was issued for distribution of a prepared letter supporting Providence nursing staff.

Parks and Recreation Director Lilly Wall provided a summary on a Congressionally directed Grant that will fund the parking lot project near Recreation Park.

Public Works Director Lance Bunker provided a verbal update on the updated waste management laws regarding compost materials that will have a direct impact on the City.

Councilor Reports/Committee Updates

Councilmember McDougall reported attendance at the Experience Chehalis Stakeholder's meeting, Pope's Place Fundraiser, Public Health and Safety Services meeting, and the Chehalis Museum board meeting.

Mayor Ketchum attended a Twin Transit meeting and United Way meeting, Mayor's meeting, ribbon cutting ceremony for Glint Carwash, Chehalis Basin meeting, Experience Chehalis Board meeting, Friends of West Side Park meeting and participated in garbage pickup near Exit 77.

EXECUTIVE SESSION

Pursuant to RCW:

- **42.30.110(1)(c)**- Minimum Price at Which Real Estate Will Be Offered for Sale/Lease
- **42.30.110(1)(i)**- Discuss w/ Legal Counsel Matters Relating to Agency Enforcement Actions or Agency Litigation/ Potential Litigation
- **42.30.140(4)(b)**- Collective Bargaining – Planning or adopting a strategy or position to be taken during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress.

Mayor Ketchum adjourned the regular meeting at 6:44 p.m. and, convened the executive session for 40 minutes or until 7:30 p.m. allowing the public 5 minutes to exit.

Mayor Ketchum adjourned the executive session at 7:30 p.m. and announced that more time was required. Mayor Ketchum reconvened the executive session for 5 additional minutes or until 7:35 p.m.

Mayor Ketchum adjourned the executive session at 7:34 p.m. and reconvened the regular meeting at 7:34 p.m.

ADJOURNMENT

Mayor Ketchum adjourned the meeting 7:35 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: February 27, 2023

SUBJECT: 2023 Vouchers and Transfers – Accounts Payable in the Amount of \$722,013.86.

ISSUE

City Council approval is requested for 2023 Vouchers and Transfers dated February 15, 2023.

DISCUSSION

The February 15, 2023, Claim Vouchers have been reviewed by a committee of three councilors prior to the release of payments. The administration is requesting City Council approval for Replacement Check No. 136055 and Claim Vouchers including Electronic Funds Transfer Checks No. 2642 – 2670, 92 - 95 and Voucher Checks No. 136056 - 136144 in the amount of \$722,139.86 dated February 15, 2023, and Voided Check No. 135986 for the net total of \$722,013.86 as follows:

- \$ 121,847.58 from the General Fund
- \$ 2,379.68 from the Street Fund
- \$ 10,491.79 from the Transportation Benefit District Fund
- \$ 1,962.90 from the LEOFF 1 OPEB Reserve Fund
- \$ 78,385.20 from the Wastewater Fund
- \$ 43,188.51 from the Water Fund
- \$ 3,889.86 from the Storm & Surface Water Utility Fund
- \$ 13,561.21 from the Airport Fund
- \$ 6.62 from the Wastewater Capital Fund
- \$ 436,581.15 from the Water Capital Fund
- \$ 3,846.06 from the Custodial Court Fund

- \$ 5,999.30 from the Custodial Other Agency Fund
- \$ 722,139.86 Total Vouchers for February 15, 2023
- \$<126.00> Voided Check for February 13, 2023
- \$ 722,013.86 Net Total Transfers

RECOMMENDATION

It is recommended that the City Council approve the Replacement Check No. 136055 and Claim Vouchers including Electronic Funds Transfer Checks No. 2642 – 2670, 92 - 95 and Voucher Checks No. 136056 - 136144 in the amount of \$722,139.86 dated February 15, 2023, and Voided Check No. 135986 for the net total of \$722,013.86.

SUGGESTED MOTION

I move that the City Council approve the Replacement Check No. 136055 and Claim Vouchers including Electronic Funds Transfer Checks No. 2642 – 2670, 92 - 95 and Voucher Checks No. 136056 - 136144 in the amount of \$722,139.86 dated February 15, 2023, and Voided Check No. 135986 for the net total of \$722,013.86.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Tedd Hendershot, Fire Chief

MEETING OF: February 27, 2023

SUBJECT: Acceptance and Closeout of the Fire Department Apparatus Bay Project

BACKGROUND

In 2020, the City had to construct an emergency fire station when Lewis County Fire District #6 provided a 60-day notice to the City that it would be terminating the Fire Station Use Interlocal Agreement, effective July 5, 2020. The City then initiated the construction of an emergency station on non-aeronautical Airport land located at 710 NW Arkansas Way. This project was expected to include the construction of a temporary apparatus bay, which was purchased under an Emergency City Council Resolution, so that it could be ordered as quickly as possible for use at the emergency fire station. By the time that the apparatus bay was available for delivery, the City had made significant progress on the purchase of the property at Chamber Way and State Avenue. Therefore, it was decided to wait to construct the apparatus bay until it could be placed at what would become City owned property, that was anticipated to be home to an interim fire station until a new permanent fire station could be completed. The interim fire station, located at 500 NW Sitka, is now operational.

When the City completed purchase of the land for the permanent fire station, it was also able to identify a portion of the site that would accommodate a long-term interim station that could remain operational until a new permanent station could be constructed and occupied. The construction of the interim fire station included several smaller projects:

- Preparation of the site to be used for the interim station, which includes the civil engineering work.
- Purchase and relocation of a manufactured mobile structure to serve as administrative offices and crew quarters for the Fire Department.
- Purchase and construction of the apparatus bay, a project which became subject to the requirements of a permanent structure when the decision was made to construct it on the land that the City purchased for the permanent fire station, as well as the now operational interim fire station.

The apparatus bay has been constructed to meet the applicable building codes and is being used at this time at what is now the interim fire station. It is recommended that the City Council accept the project as complete and release retainage to KBH Construction in the amount of \$16,890.70 after all the statutory requirements have been met.

PROJECT OVERVIEW

On June 15, 2020, KBH Construction was awarded the Emergency Fire Station Site Preparation Project for an original contract of \$271,753.09 under the emergency authority granted by City Council by adoption of Resolution 7-2020 on June 8, 2020. The project, as amended and approved by the City Council on July 13, 2020, added the purchase and construction of an apparatus bay. The project was further amended on August 9, 2021, to include construction of the apparatus bay at the City’s recently purchased property at State Avenue and Chamber Way. The apparatus bay had already been purchased and the purchase price included construction of the building. When the decision was made to construct it as part of the interim fire station, for longer term use, it had to be built to meet permanent building standards as set forth in the Building Code. This required the preparation and pouring of concrete footings and slab; and the purchase and installation of R-20 insulation to meet the WA State Energy Code. As a result, the City Council authorized additional funding on December 13, 2021.

These changes added expenses to the project which are summarized below:

Apparatus Bay Construction and Related Costs – Budget Summary		
Total Budget Authority for Apparatus Bay Construction	\$432,276.84	<i>City Council Actions on July 13, 2020; August 9, 2021; and December 13, 2021</i>
Original KBH Contract	\$170,681.17	Original Cost for Temporary Structure at Emergency Site
Modified KBH Contract	123,355.67	Additional work needed to construct at permanent site
Change Order # 1	8,016.71	Excavation needed for permanent footings
Change Order # 2	12,330.36	Concrete Slab Floor
Change Order # 3	31,061.19	Bay Door, perimeter, and roof insulation; additional electrical outlets and wiring
Change Order #4	20,069.73	Asphalt patching for electrical services and purchase and installation of two heaters
Total for KBH Contract Work	\$365,514.83	

FISCAL IMPACT

The Apparatus Bay Project, which was initially funded as part of the Emergency Fire Station Project and then became a component of the Interim Fire Station Construction Project was budgeted for in the Public Facilities Reserve Fund and the total for the work performed by KBH including change orders and sales tax is \$365,514.83.

KBH Work	\$337,814.08
Sales tax total	\$27,700.75
TOTAL for KBH Work on Apparatus Bay:	\$365,514.83

The total cost of the apparatus bay construction did not exceed the budget authority granted by the City Council through the course of the project, which included actions by the City Council on July 13, 2020; August 9, 2021; and December 13, 2021.

RECOMMENDATION

It is recommended that the City Council accept the Fire Department Apparatus Bay Project as complete and authorize the release of retainage in the amount of \$16,890.70 after all the statutory requirements have been met.

SUGGESTED MOTION

It is recommended that the City Council accept the Fire Department Apparatus Bay Project as complete and authorize the release of retainage in the amount of \$16,890.70 after all the statutory requirements have been met.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

MEETING OF: February 27, 2023

SUBJECT: Resolution No. 03-2023, Procurement Policy Updates, First and Final Reading

ISSUE

Staff seeks the Council approval for updating the City’s current procurement policy. Resolution No. 03-2023 is presented for City Council consideration to revise the previously adopted Administrative Procurement Policies and Procedures.

DISCUSSION

The City’s current Administrative Procurement Policies and Procedures was adopted by resolution No. 17-2022 on January 9, 2023. Since then, the staff has encountered a situation where the wording in the “piggybacking” section of the current policy is problematic and needs to be removed.

In a piggybacking situation, generally a larger entity (awarding entity) procures goods or services in a competitive environment and then extends the pricing to other entities (participating governments). It can benefit those participating in the contract by potentially obtaining better pricing and avoiding the time and resources it takes to conduct the public bidding process.

The City regularly piggybacks on state contracts or other inter-governmental cooperative purchasing agreements.

The City’s policy (page 40. D. Inter-Governmental Cooperative Purchases and “Piggybacking” states that **“the other government’s bid process must be conducted within the previous 12-month period to be valid for use by the City”**. This language was in the City’s old policy and carried over to the new policy, as the staff did not realize the potential conflicts or issues. Staff became aware that the State Department of Enterprise Services (DES) can award multi-year contracts with terms anywhere from 2-6 years, including extensions and renewals.

The state law does not address contract extensions and renewals. Each entity must comply with its own policies and comply with the most restricted laws and policies. Based on the wording of the City's policy, the use of DES contracts as well as other cooperative agreements is problematic.

Therefore, it is recommended that the City's current policy to be updated by removing the wording **"the other government's bid process must be conducted within the previous 12-month period to be valid for use by the City"** from the current policy.

Additional updates will be presented to Council in the upcoming months to supplement the new procurement policy if needed.

FISCAL IMPACT

There is no direct financial impact associated with the revision of the procurement policy.

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 03-2023.

SUGGESTED MOTION

I move that the City Council approve Resolution No. 03-2023 on the first and final reading.

RESOLUTION NO. 03-2023

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, UPDATING PROCUREMENT POLICIES
AND PROCEDURES**

WHEREAS, the City of Chehalis’s existing procurement policy was adopted on January 9, 2023, by Resolution No. 17.2022, and;

WHEREAS the staff has determined a certain wording in the policy is problematic to apply, and;

WHEREAS, staff recommends the existing policy, Section XIV (D) Inter-Governmental Cooperative Purchases and “Piggybacking” is amended to remove the following language “The other governments’ bid must be conducted within the previous 12-month period to be valid for use by the City.”, and;

NOW THEREFORE BE IT RESOLVED, the Chehalis City Council hereby adopts the attached policy “Administrative Procurement Policy & Procedures” as the formal purchasing guidelines for the City of Chehalis.

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 _____ day of February 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

City of Chehalis



Administrative Procurement Policy & Procedures

~~Effective: January 9, 2023~~

~~Resolution No. 17-2022~~

[Updated: February 27, 2023](#)

[Resolution No. 03-2023](#)

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References:

To Find out City's Contracting Requirements: (MRSC Online Tool)

<https://mrsc.org/Home/Research-Tools/Contracting-Requirements.aspx>

MRSC City Bidding Book for Washington State

<https://mrsc.org/getmedia/5f218416-8d03-4ab2-b1af-eb86e42b3e87/City-Bidding-Book-Washington-State.pdf.aspx?ext=.pdf>

MRSC Small Works Roster – A Guide for Washington's local government

<https://mrsc.org/getmedia/76f26736-17ec-4ef9-a082-64f50fdd7d2c/Small-Works-Roster.pdf.aspx?ext=.pdf>

MRSC Intergovernmental Procurement and "Piggybacking"

<https://mrsc.org/getdoc/95432b50-1fce-4c26-9659-7f889bdab254/Purchasing-and-Bidding-Intergovernmental-Purchases.aspx>

Washington State Auditor's Resource Library – Procurement – Buying and Bidding:

https://sao.wa.gov/wp-content/uploads/Resource_Library/Bid_Law_Guide.pdf

Washington State Auditor's Resource Library – Using Other's Awards ("Piggybacking")

https://sao.wa.gov/wp-content/uploads/Resource_Library/Piggybacking-under-Washington-State-Law.pdf

Code of Federal Regulations (CFR): 2 CFR Part 200, Subpart D – Grants and Agreements, Post Federal Award Requirements, Procurement Standards (SS200.317 – 200.327)

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR45ddd4419ad436d>

I. GENERAL

A. Purpose

This document is intended to direct the purchase of goods and services at a reasonable cost and at the best value to the public. An open, fair, documented, and competitive process is to be used whenever reasonable and possible. The purchasing function's integrity, efficiency, and effectiveness are critical elements of sound government.

B. Objectives

The objectives of the City's purchasing program are as follows:

- To provide a uniform system to obtain supplies, materials, equipment, and services in an efficient and timely manner
- To facilitate responsibility and accountability with the use of City resources
- To ensure equal opportunity and competition among suppliers and contractors
- To promote effective relationships and clear communication between the City and its suppliers and contractors
- To comply with the comprehensive State procurement statutes which govern expenditures of public funds
- To promote use of recycled materials and products and dispose of surplus and scrap materials with regards to cost savings and the environment.

C. Scope

These guidelines apply to purchases of:

- Public works projects
- Professional services (including architectural and engineering design)
- Non-professional services
- Supplies, materials, and equipment

The guidelines do not apply to the acquisition, sale, or lease of real property. If grant funding is involved in the proposed purchase, applicable requirements should be obtained from the funding agency. Such requirements may be more restrictive than the City's policy.

D. Controlling Laws

All purchases shall comply with appropriate and relevant federal, state, and city laws and policies. If the appropriate and relevant federal or state laws, regulations, grants, or requirements are more restrictive than these guidelines, such laws, regulations, grants, or requirements should be followed.

In the event any bid threshold limits in the Revised Code of Washington (RCW) are different from the values listed within this Policy, the RCW limits shall control. The City Attorney shall be consulted when questions regarding potential conflicts arise. Applicable laws and regulations will be cited throughout this document.

II. ETHICS OF PROCUREMENT

E. Gifts and Conflicts of Interest

The City is committed to providing a very fair, transparent, and equitable process to our purchases. We ask all staff participating in a solicitation and/or award process to be thoughtful of any perceived or actual conflicts of interest. Many of the situations defined as prohibited conduct or conflicts of interest in the City's Personnel Policies could arise in the procurement context.

1. Reasonable Person Standard. The City seeks to avoid situations that involve conflicts of interests or the appearance of such conflicts based on inappropriate opportunities to influence the solicitation and/or award process. The City uses the measures of how a reasonable person would perceive the situation. A reasonable person standard might consider how the situation would appear if covered by a news story or viewed from the perspective of a public interest group. Common questions to ask are: Could you comfortably explain your actions? Would taxpayers believe you were acting in their best interest?
2. Limitations on gifts. City staff should refuse gifts, meals, and invitations to events such as concerts or sporting events, that could be reasonably perceived as: improperly influencing performance of your official duties; a reward for awarding a contract; or offered or given to influence, find favor, or with a reasonable expectation of creating an obligation to the giver.

Vendors are prohibited from offering gifts during the solicitation and ensuing contract award process.

Contact the Legal Department for assistance if you encounter unusual situations.

F. Former Employees as Vendors/Consultants/Contractors

Contact Legal before initiating a contract with former city employees to determine if doing so would create an actual conflict of interest or the appearance of a conflict of interest.

III. ACCOUNTABILITY AND COMMUNICATIONS

City staff involved in specification development must carefully consider conflicts of interest and other public accountability rules. Consider each of the following:

A. Public Disclosure

The City's procurement process, and the submittals, materials, information, decisions, and many of the notes related to that process are all public records subject to public disclosure unless an exemption applies under the Washington Public Records Act (PRA), Chapter [42.56 RCW](#).

- Submittals are subject to disclosure. Certain state law exemptions may apply, and disclosure may be reasonably delayed to avoid unreasonable interference with the evaluation and award decision.
- Your notes are subject to disclosure as they pertain to the City's official business processes and decisions. Do not make remarks or comments that you would not be comfortable sharing with a public audience.
- Keep those notes that help to document the process and decisions and clearly organize them so they can be understood in the future.
- Important notes and materials that are significant to documenting the decision and process should be given to the City Clerk at the end of the process and saved in the event of a public records request.
- The City is not required to create summaries or new public records in response to a PRA request. The City is not required to do research or analysis for vendors under PRA. However, summaries or analyses are subject to disclosure if the City has already created such records.
- Further information regarding public disclosure may be obtained from the City Clerk.

B. Maintain Confidentiality

Documents, decisions, information, and opinions are generally to be kept confidential, except as required to be disclosed under the Public Records Act. Do not share information other than with city staff who are directly involved in the evaluation and selection process. Project Managers, the City Clerk, and in some cases selection advisory committee members, may contact respondents to city solicitations seeking additional information and clarification regarding vendor submittals, as well as to negotiate a contract. However, conversations or contact with respondents regarding details of the evaluation process should otherwise be limited, and care must be taken to maintain the objectivity of the evaluation process. If respondents call with questions, particularly with regard to evaluation or to request documents, refer them to the City Clerk.

C. Fair, Prudent and Thorough Evaluation

The process must be fair to all respondents; be thoughtful and deliberative in order to preserve the integrity of the public bid process.

1. The Project Manager, and city staff invited to assist in specification development, solicitation efforts, and/or award processes, must be considerate of conflicts of interest and other public accountability rules.

2. In the event a member of a RFP selection advisory committee has a conflict of interest, he or she must immediately withdraw from the process. If you have a conflict or perceived conflict of interest, you must consult with the City Attorney.

Use caution:

- a) when discussing any aspect or any opinion you might have of the solicitation process, vendors, bids, or results until the award is complete.
- b) to avoid actions that give, or may be perceived to give, preferential treatment to any vendor.

IV. GRANTS & FEDERAL FUNDING

Are you trying to procure something that involves any type of grant or federal funding? Then STOP!



Purchases or work that have received a grant or federal funding may not be covered by this manual. These types of purchases often have their own procurement requirements.

ALL GRANTS ARE DIFFERENT, so one size does not fit all. Some grants simply require you to use your own procurement rules, while others require you to insert their contracting clauses into your contract. Contact the City Attorney for advice on how to proceed. We will review your specific grant and guide you on what the next steps are.

The City of Chehalis' internal controls for Federal Grants are detailed in the [Federal Grant Management Policy](#) document.

Field Code Changed

V. CONTROLLED COMMODITIES

The following items require approval from designated people. They are:

- Cell phones, telephone equipment - **IT Manager (contracted IT service provider)**.
- Computers and related equipment, printers, scanners and copiers, and software or systems – **IT Manager and Finance Director**.

VI. DETERMINING CONTRACT VALUE

Contract value refers to the total aggregate value of the contract including all base periods, plus potential renewal periods plus applicable sales and use taxes.

- Example #1: A three-year contract for \$40,000 per year is considered a \$120,000 contract.
- Example #2: A contract originally routed as a one year \$25,000 contract. If a renewal is negotiated for an additional year for another \$25,000, the aggregate value of the contract becomes \$50,000, which will require City Council authorization.
- Example #3: A 60-month copier lease contract for \$500 per month before tax is considered a \$32,460 contract ($\$500 \times 60 = \$30,000$ plus 8.2% sales tax \$2,460).
- Exception: Hardware/software maintenance service agreements are treated as stand-alone agreements and do not need to be aggregated to the original hardware/software purchase agreement.

VII. BID SPLITTING

The breaking of any project into units, or accomplishing any projects by phases, is prohibited if it is done for the purpose of avoiding compliance with bidding statutes ([RCW 35.23.352\(1\)](#)).

The Washington Supreme Court has held that a city cannot break a public work project into phases for the purpose of estimating the cost of a public works project, even though those phases are performed at different intervals of time. Instead, a city, while completing the actual project in phases, must total the cost of all phases of the public works or purchase. If the aggregate cost exceeds the applicable bid limit, the city must bid each phase of the project even though a single phase may cost less than the bid limit.

To avoid bid splitting:

- A. Combine all phases of a public work project when estimating cost.
- B. Combine the total of foreseen identical items purchased at the same time or within a calendar years' time, in which the cost exceeds competition limits (i.e., office supplies, laundry services, janitorial paper products, etc.)
- C. Items that are designed or intended to be used together (i.e., water meter boxes and covers) and the cost exceeds competition limits should be bid together.

VIII. SIGNATURE AUTHORITY AND APPROVAL

Per [RCW 35A.11.010](#), the city's authority to contract, and be contracted with, is vested in the City Council. City Council has delegated authority to the City Manager to execute contracts and modifications up to \$40,000.

Only the City Manager has the designated signature authority to sign contracts and binding agreements for the City.

City Council approval is required for goods or services contracts that:

- A. Are contracts with a total aggregate value over \$40,000
or
- B. Are cost modifications that, either singly or combined with all previous modifications, pushes the total contract amount from under to over the \$40,000
or
- C. Are cost modifications for contracts with an original value over \$40,000 that results in a new total contract amount over the approved budget (budget = bid award plus contingency) approved by Council

Example 1: a \$10,000 contract has a modification of \$1,500 for a new contract amount of \$11,500. The modification does not push the total contract amount over the \$40,001 threshold (B), so it does not need to be approved by Council.

Example 2: a \$35,000 contract has already had a modification #1 of \$1,000 and now has a modification #2 of \$5,000 for a new contract amount of \$41,000. Modification #1 did not meet any of the requirements of A or B, so it did not need to be approved by Council. Combined with the previous modification, modification #2 does push the total contract amount from under to over the \$40,000 signature threshold (B), so it does need to be approved by Council.

Example 3: a \$200,000 contract with 10% contingency budget approved by Council for a total budget of \$220,000. The contract had already had a modification #1 for \$18,000 and now has a modification #2 of \$10,000 for a new contract amount of \$228,000. The modification #1 did not meet the requirement of C, so it did not need to be approved by Council. Combined with the previous modification #1, modification #2 does push the total contract amount over the approved budget, so it does need to be approved by Council.

IX. ELECTRONIC SIGNATURES

The City of Chehalis adheres to the standards outlined in the Uniform Electronic Transactions Act ([RCW 1.80.900](#)).

X. TYPES OF PURCHASES AND PROJECTS

Local government purchases and projects generally fall into one of five categories:

Public works: All work, construction, alteration, repair, or improvement to physical property, other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. Ordinary maintenance is defined as maintenance work performed by the employee of the state or municipality.

Architectural and engineering services: Professional services provided by a consultant that fall under architecture, engineering, land surveying, or landscape architecture. ([RCW 39.80](#))

Personal services: Technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement, mostly intellectual in nature (such as consultants or legal services) and do not include architecture and engineering services.

Purchased services: Services provided by vendors for the repetitive, routine, necessary, or mechanical in nature that support the agency's day-to-day operations and involving minimal decision-making, mostly related to physical work.

Materials, Supplies, and Equipment: Purchases of goods, equipment, supplies, or materials that are not connected with a public works project.



PUBLIC WORKS



XI. PUBLIC WORKS

A. Definition: What is a Public Work?

[RCW 39.04.010](#) defines the term “public work” for bidding purposes as follows:

“Public work” means all work, construction, alteration, repair, or improvement **other than ordinary maintenance** executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein.”

The public works statute does not define what is “ordinary maintenance”, however, [WAC 296-127-010\(7\)\(b\)\(ii\)](#), which defines “ordinary maintenance” in the context of whether prevailing wages have to be paid as part of the contract, defines as follows: “Ordinary maintenance is maintenance work performed by the regular employees of the state or any county, municipality, or political subdivision created by its laws”.

This covers more than you think: “all work, construction, alteration, repair or improvement other than ordinary maintenance” ([RCW 39.04.010](#)) to pretty much any structure or facility the City owns. L&I considers “ordinary maintenance” to be that performed by your own staff, so that means every time you call in a carpenter, plumber, electrician, painter, roofer, elevator repair technician, tree trimmer, fencing company, HVAC repair technician, equipment operator or other person wearing tools who isn’t city staff, the purchase falls under public works procurement rules.

ALL public works in ANY amount requires a written contract, payment of prevailing wages, and insurance.

It is the responsibility of the department managing the project to initiate the Contract Agreement (Exhibit 4) between the City and Contractor and to obtain the necessary compliance documentation prior to awarding any public works contract.

Prevailing wages are also required on all public building maintenance (janitorial) contracts per [RCW 39.12.020](#) and [WAC 296-127-023](#).

One-time projects, less than \$2,500, contractors are allowed to use the no-fee L&I Combined Intent and Affidavit form. Departments are responsible for obtaining the Intent and Affidavit form approved by L&I when submitting an invoice for payment. Payments to contractors will not be made until the L&I approved Combined intent and affidavit form is received by the City.

See Exhibit 5 for Quick Reference Guide to Public Works Contracting and the Matrix of Contract Requirements.

B. Thresholds:

City of Chehalis Contract Requirements (Revised)

Yes = Required; No = Optional	Estimated Cost	Quotes	Formal Bids	City Manager Approval	Council Approval
Public Works					
Single Trade or Craft	\$0-\$75,500	1+ verbal (if under \$15K), 3 Written if \$15K+	No	If \$15K & Over	If \$40K+
	\$75,501+	Not Allowed	Yes	Yes	Yes
Multi Trade or Craft	\$0-\$116,155	1+ verbal (if under \$15K), 3 Written if \$15K+	No	If \$15K & Over	If \$40K+
	\$116,156+	Not Allowed	Yes	Yes	Yes
Using MRSC Small Works Roster	\$0-49,999	Minimum of 3 quotes requested	No	If \$15K & Over	If \$40K+
	\$50,000-\$249,999	On All Roster list or 5+ requested	No	Yes	Yes
	\$250,000-\$350,000	5+, must notify all contractors on the roster list	No	Yes	Yes
	Over \$350,000	Can't use SWR - See bid requirement above			

Note: in the event the threshold limits in the Revised Code of Washington (RCW) are different from the values above, the RCW shall control.

"Craft" or "trade" means a recognized construction trade or occupation for which minimum wage categories are established by the Department of Labor and Industries of the State of Washington in the locality of the City's projects or purchases.

C. Day Labor ([RCW 35.23.352](#))

The City may use our own employees to perform public works projects with an estimated cost up to \$75,500 (single craft) or \$116,155 (multiple craft). For larger projects, you must contract with a responsible contractor. The city must keep records of public works projects in excess of \$5,000 and not let by contract. ([State Auditor's Office Public Works Records](#)). For any project

using city workers that costs in excess of \$25,000, the City must publish it in its official newspaper at least fifteen days before beginning the work ([RCW 39.04.020](#)).

D. Determining the Cost of a Public Work

The total construction cost of each **project** must be estimated in order to correctly apply bid limit dollar amounts to determine if a public works project must be competitively bid. The estimate shall include all phases and anticipated contracts for the entirety of the project, and include materials, supplies, equipment, and labor on the construction of that project AND applicable sales and use taxes. However, the value of volunteer labor, material, or equipment need not be included in the cost estimate for a public works project, as these are not a cost to the agency. If the total project amount is over the bid thresholds, then all contracts, no matter the individual dollar amount, must be procured through the bid process. The estimate may be prepared by an outside third party, however the final cost estimate must be validated by the City. The estimate needs to be prepared before any work begins and should be sent to the Project Manager.

E. Procuring Through Quotes

Projects for single craft or multiple crafts with a reasonably anticipated price equal to or less than the dollar thresholds do not require the use of competitive quotes or bids.

- It is recommended the Project Manager make every effort to obtain more than one quote.

The Project Manager administers the contract process.

F. Small Works Roster (SWR) ([RCW 39.04.155](#))

When the estimated cost of a public works project is \$350,000 or less, the city may follow the Small Works Roster (SWR) process for construction of a public work or improvement as an alternative to the general competitive bidding requirements ([RCW 39.04.155](#), authorized by [RCW 35.22.620\(7\)](#) and [RCW 35.23.352\(4\)](#)). The City of Chehalis has contracted with the Municipal Research and Services Center of Washington (MRSC) for the City use of a statewide electronic database for small public works roster and consulting services developed and maintained by MRSC.

Publication:

At least once a year, on behalf of the City, MRSC shall publish in a newspaper of general circulation within the jurisdiction a notice of the existence of the roster or rosters and solicit the names of contractors for such roster or rosters. Responsible contractors shall be added to the appropriate MRSC roster or rosters at any time that they submit a written request and necessary records.

To use the SWR:

- Notifications and postings must emphasize that bids will be accepted only from contractors on the small works roster.

- Sample text: *In accordance with competitive bid requirements set forth under [RCW 39.04.155](#), Small Works Roster Contract Procedures, the City of Chehalis is pleased to invite you to submit a bid under the subject solicitation. Contractors who bid on this project must be registered on the Small Works Roster by the time that bids are due.*
- Notifications and postings should list if bonds and prevailing wage will be required.
- Project Manager contacts contractors off the Small Works Roster. Invitation for quotations shall include an estimate of the scope and nature of the work to be performed, materials and equipment to be furnished, and the date, time and location to return quote. However, detailed plans and specifications need not be included in the invitation.
- At the time bids are solicited, the City shall not inform a contractor of the terms or amount of any other contractor's bid for the same project.
- No City employee may negotiate with any of the bidders. Some submissions may involve errors, omissions, or other irregularities; contact Legal to decide how to handle them.
- The Project Manager shall make a written record of each contractor's bid on the project and of any conditions imposed on the bid. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection, and available by telephone inquiry.
- The Project Manager initiates the contract process.
- Formal bids are not required.
- Advertising is not required.
- Bid bonds are not required.
- A signed contract IS required.
- Prevailing wage IS required.
- Insurance IS required.
- Retainage may be waived.

Small Works Roster "Limited Public Works Process" – up to \$49,999

If a work, construction, alteration, repair, or improvement project is estimated to cost less than fifty thousand dollars (\$50,000), the City may award such a contract using the limited public works process. ([RCW 39.04.155\(3\)](#))

- minimum of three electronic or written quotations from the appropriate small works roster must be solicited and the contract shall be awarded to the lowest responsible bidder, unless there is a compelling reason to reject all bids and cancel the solicitation ([RCW 39.04.350](#)).
- The City must equitably distribute opportunities for limited public works projects among contractors willing to perform in the geographic area of the work.
- Quotations must be made available to public inspection once the contract is awarded and must be available by electronic request.
- The City will maintain a list of the contractors contacted and contracts awarded during the previous 24 months under the limited public works process, including contractor

name, the contractor's registration number, amount of contract, brief description of the type of work performed, and the date the contract was awarded.

The Project Manager administers the contract process. If the contract is over \$40,000, City Council must approve the award.

Small Works Roster Process - Between \$50,000 and \$249,999

- Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster.
- The Project Manager administers the contract process and if the contract is required to be approved for award by City Council.

Small Works Roster Process - Between \$250,000 and \$350,000

- Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted, in a manner that will equitably distribute the opportunity among the contractors on the appropriate roster.
- However, if the City chooses to solicit bids from less than all the appropriate contractors on the appropriate small works roster, the City must also notify the remaining contractors on the roster that quotations on the work are being sought. The City has the sole option of determining whether this notice to the remaining contractors is made by:
 - publishing notice in a legal newspaper in general circulation in the area where the work is to be done
 - mailing a notice to these contractors, or
 - sending a notice to these contractors by facsimile or email
- The Project Manager administers the contract process, and the contract is required to be approved for award by City Council.

G. Formal Bid Process – Public Works

Competitive bidding is designed to prevent favoritism in awarding public work contracts and to enable local governments to obtain the best work or supplies at the most reasonable prices. It is also designed to provide a fair forum for bidders and to protect the public interest.

1. The Project Manager submits the project information, including technical specifications, bid and contract timeframes, pre-bid conference dates/times (if applicable), and BARS # to the City Clerk.
2. The City Clerk compiles the bid package.

3. The notice to bid is to be published in the City's official newspaper, or a newspaper of general circulation most likely to bring responsive bids, at least 13 days prior to the submittal deadline. The notice shall state the nature of the work for which plans, and specs will then be available free of charge online and on file.
4. Bids must be sealed and filed with the City Clerk within the time specified.
5. Each bid requires a bid proposal deposit of 5% or more in the form of cashier's check, postal money order, or surety bond.
6. Public bid opening is required.
7. The Project Manager verifies the bids meet the requirements of the Invitation to Bid and notifies the City Clerk of the lowest responsive bid.
8. The Project Manager verifies the contractor is a responsible bidder.
9. The Project Manager determines contract award approval requirements, and if required, schedules and prepares the City Council documents.
10. The Project Manager administers the contract process.

H. Requests for Bid Documents

The City of Chehalis Procurement Policy requires that the City maintain the integrity of official bid documents sets, provide swift response when incorporating addenda changes, and communicate in a singular, fair, and equitable manner to registered bidders.

I. Unit-Priced Contracts – On-Call and Systemwide Maintenance

A unit-priced public works contract, sometimes called an "on-call" public works contract, is when a local government contracts for an unknown number of small public works projects over a fixed period of time ("indefinite quantity, indefinite frequency"). State statute ([RCW 35.23.352\(13\)\(b\)](#)) defines a unit-priced contract as:

"[A] competitively bid contract in which public works are anticipated on a recurring basis to meet the business or operational needs of the [agency type], under which the contractor agrees to a fixed period indefinite quantity delivery of work, at a defined unit price for each category of work."

While traditional public works contracts are awarded for specific projects/scopes with a specific total dollar value, unit-priced contracts are not associated with a particular project, do not guarantee any amount of work, and do not establish a total dollar value (although the contract may cap the dollar value at a certain level over the life of the contract). Instead, the agency agrees to pay a defined "unit price" for certain types of anticipated (but unplanned) work or trades over a certain time period.

The prices for different tasks may be based upon different units. Commonly used units include:

- Weight, such as tons
- Surface area, such as square feet or acres
- Volume, such as gallons or cubic yards
- Length/depth, such as linear feet or vertical linear feet

- Time, such as hours
- Quantity of items
- Lump sum per task

When a specific project is identified, individual work orders are authorized based upon either a “not-to-exceed” time and materials basis or a negotiated lump sum amount using the previously established unit prices. Unit-priced contracts allow the City to contract for multiple or recurring small public works projects over time without having to bid each project separately. This saves the City time and money, especially for unanticipated projects that may arise at the last minute.

City of Chehalis Unit-Priced On-Call Contract Requirements:

1. Can only be used for activities that are not specifically planned and have no set project-specific budget.
2. The contract shall have a specified total aggregate not-to-exceed value.
3. The initial term of the contract may not exceed three years, with the option to extend or renew the contract for one additional year.
4. Modifications: During the course of a contract, there may be occasions when the original unit prices do not address particular work items that are needed. In those situations, new line items may be added by contract modification.

To Bid a Unit-Priced On-Call Contract:

- Must use the Formal Bid or Small Work Roster procedures applicable to the estimate total aggregate not-to-exceed value of the contract.
- The Invitation to Bid must:
 - Specify that the contract will expire when the work orders total the estimate total aggregate not-to-exceed value including WA sales tax, or the contract term expiration date, whichever occurs first.
 - Specify how work orders will be issued and include a sample work order.
 - State that there is no minimum volume of work guaranteed.
 - Specify that Prevailing Wage rates in effect at the beginning date of contract year must be applied.
 - Specify that Prevailing Wage rates must be updated, and Intents and Affidavits submitted to Labor and Industries annually (12-month contract period).

Unit Priced Systemwide Maintenance and Repair Contracts:

There are also some systemwide maintenance and repair contracts that are sometimes referred to as “on-call contracts” but actually fall under traditional public works contracting as long as the scope is clearly and properly defined.

To qualify as a traditional public works contract instead of an on-call contract, a systemwide maintenance or repair contract must cover specific activities planned in advance and budgeted (as opposed to on-call contracts which cover activities that are not specifically planned and have no set budget).

Examples include:

- Sewer or storm drain “jetting” (cleaning) up to a certain budget amount, but not an exact number of linear feet
- Sidewalk/trail construction or reconstruction in relation to the City’s pedestrian master plan (not necessarily a fixed quantity), up to a certain budget amount
- Street lighting and signal maintenance and repair in relation to an annual, systemwide work plan
- Storm pond maintenance
- Annual contracts for pavement crack sealing, chip seals, overlays, etc.

These contracts can be structured so that they qualify as public works projects with readily determinable quantities and costs related to a fixed scope. Systemwide maintenance and repair contracts should not cover unanticipated projects or emergency repairs, which would fall under on-call contracting.

J. Withdrawal of Bids – Cancellation of Awards

Bids may be modified or may be withdrawn by written notice received prior to the time set for opening in the office designated in the invitation for bids. After bid opening, withdrawal of bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence presented in a sworn affidavit or declaration submitted no later than 5:00 p.m. on the first business day after bid opening, that a clerical mistake was made and not a mistake in judgment, and the bid price actually intended. All decisions to permit the withdrawal of bids after bid opening, or to cancel awards or contracts based on bid mistakes, shall be made by the City Manager after consulting with legal counsel.

K. Cancellation of Invitations for Quotations or Bids

An invitation for quotations or bids may be canceled at the discretion of the department director. The reasons shall be made part of the contract file. Each invitation for quotations or bids issued by the City shall state that the invitation may be canceled. Notice of cancellation shall be sent to all parties that have been provided with a copy of the invitation. The notice shall identify the invitation for quotations or bids and state briefly the reasons for cancellation.

L. Responsive Bid

Responsive bids are bids that are submitted on time with all of the information the City requested. Bids submitted after the submittal deadline or at the wrong location should be rejected as non-responsive – in other words, the City will neither accept nor open late bids. If a contractor claims extenuating circumstances, refer them to the City Attorney.

Typically, bidders must provide the following information at the time of bidding:

- Sealed bids, with the name of the project and the time and date of the bid opening clearly stated on the outside of the bid packet
- Bid guarantee in the form of a bid bond, cashier’s check, certified check, or personal money order

- Lump sums, unit prices, and total prices in the spaces provided on all of the bid forms, including all appropriate sales taxes
- Receipt of addenda acknowledged
- Acknowledgment of attendance at mandatory pre-bid meeting (to be verified)
- Non-collusion affidavit certificate
- Mandatory bidder responsibility questionnaire with all items filled in

While it is possible to do a brief check when the bids are first opened, the City reserves the right to ascertain full compliance with the bid proposal requirements after a more detailed review, generally within a maximum of 30-45 days.

Additional items may be required shortly after bid opening:

- If supplemental bidder responsibility criteria are required (see below), a separate questionnaire must be filled out and submitted within 72 hours after bid opening. However, this questionnaire should only be required of the apparent low bidder and the next two lowest bidders

For projects that cost an estimated \$1 million or more, a list of all subcontractors for HVAC, plumbing, or electrical work must be submitted ([RCW 39.30.060](#)). The bidder may also submit itself for any of these categories. This list may either be submitted within one hour after the bid opening (the preferred method) or at the time the bid is submitted.

In addition, [RCW 39.04.350\(2\)](#) allows agencies to adopt additional relevant responsible bidder criteria for individual projects. Supplemental criteria may be on two levels:

- A basic level that may include such things as no delinquent state taxes, no federal debarment, minimal prevailing wages violations, no excessive claims against retainage and bonds, no public bidding violations, no termination for cause or default, and unwarranted lawsuits with respect to public contracting.
- A secondary level whose criteria relate to the nature of a specific project. For example, the City may require that a contractor must have completed three projects of a similar scope and dollar volume within the past five years.

These supplemental criteria and associated evaluation methods must be provided in the invitation to bid or bidding documents.

M. Responsible Bidder

The City is required to award public works contracts to a responsible bidder with the lowest responsive bid ([RCW 39.04.010](#)). This applies to informal bidding, such as a small works roster, as well as formal competitive bids.

Responsible bidders ([RCW 39.04.010](#), [RCW 39.04.350](#)) must meet a number of mandatory criteria. The bidder must:

- At the time of bidding be a registered contractor in compliance with chapter [18.27 RCW](#)

- Have a current Washington State Unified Business Identifier (UBI) number
- If applicable, have industrial insurance/workers' comp coverage required in [Title 51 RCW](#)
- Have a Washington State Employment Security Department (ESD) account as required in [Title 50 RCW](#)
- Have a state excise tax registration number as required in [Title 82 RCW](#)
- Not be disqualified from bidding under RCW [39.06.010](#) or [39.12.065\(3\)](#)
- Not have any apprenticeship violations, if applicable
- Certify through a sworn statement that they are not a willful violator of labor laws in reference to [RCW 49.48.082](#).
- Have received training on the requirements related to public works and prevailing wage under chapter [39.04 RCW](#) and chapter [39.12 RCW](#), or received exemption from this requirement by completing three or more public works projects and have had a valid business license in Washington for three or more years;

N. Bid Deposit, Performance and Payment Bond for Public Works Improvement Projects

Whenever competitive quotes or bids are required, a bidder may be required to make a bid proposal deposit in the form of a cashier's check, postal money order, or surety bond an amount equal to not less than five percent (5%) of the total bid, including sales tax ([RCW 35.23.352\(1\)](#)), which percentage shall be specified in the call for bids. As part of any bid submitted, the bidder shall be required to warrant that the bid is a genuine bid, and that he/she has not entered into collusion with any other bidder or any other person. After bids are opened and the contract is awarded, the bid proposal deposits or bid bonds are returned to the unsuccessful bidders. The successful bidder's bid deposit or bond is kept until the bidder enters into a contract with the City and furnishes a performance bond in the full amount of the contract price.

[RCW 39.08.010](#) requires a municipality to have contractors post a performance and payment bond whenever it enters into any public works contract, to ensure that the job will be completed and that all workers, subcontractors, and suppliers will be paid. Prevailing wage claims have priority if there are multiple claims on retainage.

All public works contractors shall furnish a performance bond and a payment bond in an amount equal to the total amount of the contract on a form approved by the City Attorney.

In lieu of a performance bond on contracts of \$150,000 or less a contractor may request to have 10 percent (10%) of the contract retained for a period of 30 days after the date of final acceptance ([RCW 39.08.010](#)). This is intended to help small contractors who may have trouble getting a bond. The request will be evaluated and accepted or rejected by the City Attorney.

However, **bonds are required on any project funded in whole or in part by federal transportation funds**, as [RCW 60.28.011\(1\)\(b\)](#) prohibits public agencies from withholding retainage on such projects. The bond replaces the protections otherwise provided through

retainage.

O. Retainage

For public works project, a municipal government must withhold retainage and must also have a contractor's performance and payment bond on file.

State law ([RCW 60.28.011](#)) requires the City to withhold up to five percent (5%) of the public work contract price earned, not including sales tax, by the city's contractor during performance of public work and construction contracts. The withheld amount, known as "retainage," is for the benefit of laborers and material suppliers in the event the contractor fails to pay them. Retainage may also be used to satisfy tax claims by the Department of Revenue and/or the City, prevailing wage related claims by the Department of Labor and Industries, unemployment compensation related claims by the Employment Security Department, and contract performance claims by the City itself. Retainage is not paid ("released") to the contractor until appropriate releases are received from the involved state agencies and city departments/divisions.

A contractor has several options in how retainage will be held ([RCW 60.28.011](#)):

1. The most common is to have the City withhold and retain five percent (5%) from each payment made during performance of the contract in a non-interest-bearing fund.
2. A bond in-lieu-of retainage (aka "retainage bond") may be submitted by the contractor on the City's standard form or one that is acceptable to the City for all or any portion of the contract retainage amount from an authorized surety insurer.
3. The amount(s) retained may be deposited by the City in an interest-bearing account. Interests on such monies shall be paid to the contractor and is not subject to withdrawal until after final acceptance of the work.
4. An escrow account may be jointly established by the contractor and the City with a bank. This escrow option must utilize the City's standard forms. The monies placed in escrow must be converted into bonds and securities approved by the City and any interest is paid to the contractor as it accrues.

Instead of having retainage withheld from the contract payments, a contract may opt to submit a retainage bond covering any or all of the amount. Local governments must accept these retainage bonds unless they can demonstrate a good reason for refusing.

Most public improvement contracts require retainage. However federally funded transportation projects are required to rely solely on performance and payment bonds instead.

Retainage requirements are not mandatory for non-public works supplies or services but may be used in the discretion of the department/division. Note that even when the City has required a performance bond for these types of contracts, retainage is not held unless specified in the solicitation and contract. This is rare.

At the conclusion of contract performance, any retainage reserved by the City will be released or otherwise disbursed according to the City's standardized contract close out process.

P. Prevailing Wages

State law requires prevailing wages to be paid by the contractor on all public works projects and all public building service maintenance contracts ([RCW 39.12](#)). To see the list of applicable labor categories go to State of Washington Department of Labor and Industries [website](#). Prevailing wage questions may be directed to the Department of Labor and Industries (L&I), Prevailing Wage Section, 360-902-5335.

- There is no minimum dollar amount for public work for prevailing wage. Prevailing wages must be paid for any work, construction, alteration, repair or improvement, other than ordinary maintenance, that the City causes to be performed by a private party through a contract.
- Public works contracts require that each and every employer on the project file a Statement of Intent to Pay Prevailing Wages (Intent), and Affidavit of Wages Paid (Affidavit), regardless of the size of the contract (**Exception for contract less than \$2,500*) The forms are filed with L&I and, once they are approved, are submitted by the employer to the City's Project Manager.
 - *For really small public works projects less than \$2,500, contractors are allowed to use the no-fee Combined Intent and Affidavit Form.
- Owner/Operators that do not have any employees do not need to pay themselves prevailing wages, however, they do still need to file Intents and Affidavits with the Department of Labor and Industries and list in section 3 of the form that they are Owner/Operator.
- For all public works contracts, except janitorial and building service maintenance contracts, the applicable prevailing wage rates shall be those in effect on the submittal due date. These rates shall remain in effect throughout the duration of the contract. If a contract is not awarded within six months of the submittal due date, the applicable prevailing wage rates shall be those in effect on the date the contract is awarded and shall remain in effect for the duration of the contract ([WAC 296-127-011](#)).
- For janitorial, building service maintenance contracts, and unit-priced contracts, the prevailing wage rates in effect on the submittal due date are the minimum rates that must be paid for the first year of such contract and thereafter. However, any janitorial, building service maintenance contract, and unit priced contract, of more than one year in duration must include wage increase language specifying that wages will be altered annually to follow the most recent publication of prevailing wage rate ([WAC 296-127-023](#)).

- Specification documents must state that workers shall receive the prevailing rate of wage. The specifications must either list all of the applicable prevailing wage rates, or else provide the URL address for L&I's [Prevailing Wage Rates for Public Works Contracts](#) with the exact wage publication date and county. NOTE: Prevailing wage rates are adjusted twice annually – usually in the spring and fall.
- Payments by the City are not allowed when contractors have not submitted an Intent form that has been approved by the L&I industrial statistician. The City may not release retainage until all contractors and subcontractors have submitted an Affidavit form that has been certified by L&I. The requirement to submit these forms should also be stated in the contract.
- Should the City fail to comply, the City can be held responsible for any unpaid prevailing wages.

****Federal Prevailing Wage Requirements**

The federal government has its own public works prevailing wage requirements, or wage decisions, established by the Davis-Bacon Act (DBA). For any public works project receiving federal funding, contractors must pay the higher of the state or federal wage rates ([WAC 296-127-025](#)). This should also be stated in the bid specifications and contracts.

To look up current federal wage decisions by trade and county, see Wage Determinations Online [Selecting DBA Wage Decisions](#).



SERVICES



XII. SERVICES

The first step in successfully contracting for services is to determine the category of service that you will be contracting for, as there are distinct differences between service types and the manner of solicitation. Distinguishing between services and public work is also important, as services may have different bidding requirements.

A. Architectural and Engineering Services (A&E Services)

Professional architecture and engineering (A&E) services are services provided by any person, other than an employee of the agency, that fall under the general statutory definitions of:

- Architecture (Chapter [18.08 RCW](#))
- Engineering (Chapter [18.43 RCW](#))
- Land surveying (Chapter [18.43 RCW](#))
- Landscape architecture (Chapter [18.96 RCW](#))

Purchases of A & E Services

Architectural and Engineering consultants are initially selected based upon their qualifications, rather than price. The defining characteristic of chapter [39.80 RCW](#) is its strict insistence on qualification-based selection (QBS) of A&E professionals. In contrast to public works contracts, purchases (equipment, materials, and supplies), and purchased service contracts, an agency **cannot consider price** in the selection process for professional A&E services: it must select the most qualified firm, and then negotiate a price for the work contemplated. There are two ways to select an A&E firm based upon their qualifications:

1. Procure using a request for proposals (RFP) process. This process requires the City representative to develop a written scope of the project and any criteria used to select the service provider and then select a qualified contractor from the City's MRSC architectural, landscape architectural, and engineering service roster, following the procedures of [39.80 RCW](#).
2. If the Project Manager does not choose to use the appropriate roster, then a formal Request for Qualification (RFQ) process must be followed, following the procedures of [39.80 RCW](#).

The City will negotiate a contract with the most qualified firm at a price which the City determines is fair and reasonable. In making its determination the City shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature. If the City is unable to negotiate a satisfactory contract with the firm selected at a price the City determines to be fair and reasonable, negotiations shall be terminated, and the City shall begin negotiations with the next highest qualified firm. Forward all documentation to the City Clerk for archiving. Once a firm has been selected, the information will be provided to the Project Manager who then administers the contract process.

B. Personal Services

Services provided by independent consultants require specialized knowledge, advanced education, professional licensing or certification and where the primary service provided is mental or intellectual, involving the consistent exercise of judgment and discretion. Personal services do not include architecture and engineering services.

- Examples: accountants, attorneys, consultants, graphic artists, strategic planning, studies/analysis, training, certification services

Purchases of Personal Services

1. Obtain written documentation from qualified firm(s) or individual(s) describing the proposed services, applicable fees, related qualifications, as well as the timeframe for service delivery when applicable.
2. The MRSC Consultant Roster can be used if desired.
3. Generally, no competitive bidding is needed. However, if the project includes grant funding, the grant conditions may require a competitive procurement process.
4. If a formal Request for Proposals is needed, contact the City Clerk for assistance.
5. Submit all proposals and any evaluation documents to the Project Manager who then administers contract process.
6. Generally, the more complex or expensive the project is anticipated to be the more rigorous the solicitation should be, recognizing that there are some matters that require specialized expertise that is not widely available.

C. Purchased Services

Purchased services are those provided by vendors for routine, necessary, and continuing functions of a local government agency, mostly relating to physical activities. These services are usually repetitive, routine, or mechanical in nature, support the agency's day- to-day operations, involve the completion of specific tasks or projects, and involve minimal decision-making.

For most purchased services, the main determinant of award is price and there are no bid limits or requirements for advertising, bonds and/or retainage, or, depending on the specific facts, prevailing wages. Contractors whose work includes only observing, directing, verifying, and reporting would not have a prevailing wage requirement. There are a number of purchased services, however, that hover over that thin gray line between purchased services and public works contracting. Purchased service contracts require, on the whole, much less paperwork than public works contracts. If a particular contract is very near the gray line, the conservative approach is to consider it a public works contract.

Contact the Project Manager if there is any doubt as to if a project is a purchased service or public work.

- Examples: janitorial services, elevator or equipment inspection (but not *repair*), grounds keeping, pest control, moving services, fire extinguisher inspection, vehicle towing

L&I considers some service contracts, such as HVAC maintenance or road striping, to be public

works and subject to public works bidding requirements.

Purchases of Purchased Services

1. Determine if you will procure through obtaining quotes, a formal bid, or RFP. The City Clerk must be involved in the formal bid or RFP process.
2. If obtaining quotes, request quotes from 1 or more qualified firms or individuals describing the desired services. Request prices (including prevailing wage if applicable), schedules, and qualifications.
3. Evaluate the proposals and determine the lowest responsible bidder.
4. Submit proposals and all evaluation documents to the Project Manager who then administers contract process.

D. Publication

[RCW 39.80.030](#) requires that the city shall publish in advance the city's requirement for professional services. The city may comply with this section by (1) publishing an announcement on each occasion when professional services provided by a consultant are provided by the city; or (2) announcing generally to the public its projected requirements for any category of type of professional service to create a Consultant Roster. Advertising for the Consultant Roster must be done at least once a year by MRSC on the city's behalf. The MRSC Consultant Roster will distinguish between professional architectural and engineering services as defined in [RCW 39.80.020](#) and other consulting services. Firms or persons providing consulting services shall be added to the appropriate roster at any time they submit a written request and necessary records. The city reserves the right to publish an announcement on each occasion when professional services or other consulting services are required.



MATERIALS, SUPPLIES, AND EQUIPMENT



XIII. PURCHASING MATERIALS, SUPPLIES, EQUIPMENT

(Unrelated to Public Work/Construction, Services, A&E)

At first glance, one would think there would be no trouble figuring out what purchases fall into the category of "materials, supplies, and equipment" not used in connection with a public work project or improvement. Stationery, rubber bands, fire trucks, and copy machines come to mind.

And services should also be pretty easy to identify. But sometimes the situation is ambiguous. Distinguishing between public works and materials, supplies and equipment not used in a public work is important, as different bidding requirements apply to each.

Common sense can be a good guide in this area of the law, but sometimes gray areas can create confusion and uncertainty. If you are concerned about a specific situation, consult the City Clerk.

A. Thresholds and Local Preferences:

City of Chehalis Contract Requirements (Revised)					
Yes = Required; No = Optional	Estimated Cost	Quotes	Formal Bids	City Manager Approval	Council Approval
Materials, Supplies, Equipment (Unrelated to Public Work/Construction, Services, A/E)					
	\$0-\$2,500	1+	No	No	No
	\$2,501-\$7,499	3+	No	No	No
	\$7,500+	Not Allowed	Yes	If \$15K+	If \$40K+
MRSC Vendor List	\$0-\$15,000	3+	No	No	No
	Over \$15,000	Can't use Vendor List - See bid requirements above			

All dollar limits include freight, handling, set-up cost, and appropriate sales tax. [RCW 39.30.040](#) allows any local sales tax revenue generated by the purchase to be considered in determining the lowest responsive and responsible bid. Any other preferences favoring local businesses are not permitted during any formal bid process. It is the Department Head's and Division Manager's responsibility to appoint who shall make purchases for their department on the City's behalf under the respective quote limits.

B. Informal Competitive Quotes - Materials, Supplies or Equipment between \$2,501-\$7,499

1. A City representative shall make an effort to contact at least three vendors. Departments are encouraged to attempt to obtain at least one quote from a business within the City of Chehalis. The number of vendors contacted may be reduced if the item being sought

is only available from a smaller number of vendors. When fewer than three quotes are requested or if there are fewer than three replies, an explanation shall be documented on the Purchase Quotation Sheet (Exhibit 1)

2. Whenever possible, quotes will be solicited on a lump sum or fixed unit price basis.
3. At the time quotes are solicited, the city representative shall not inform a vendor of any other vendor's quote.
4. A written record shall be made by the city representative of each vendor's quote on the materials, supplies, or equipment, and of any conditions imposed on the quote by such vendor.
5. It is allowable to use criteria other than cost (e.g., qualifications, available staff, delivery timelines, return policies, etc.) in making an award.
6. Award shall be made to the vendor submitting the lowest and best responsible quote.
7. Whenever there is a reason to believe that the lowest acceptable quote is not the best price obtainable, all quotes may be rejected, and the City may obtain new quotes.
8. Attach all written quotes to the invoice.

Notes:

- In the request for quotes, be sure technical information defines acceptable quality and ensure vendors are quoting on equal and comparable items. All vendors must be provided the same information. If one vendor offers an acceptable alternate, it must be re-quoted using the alternate specifications.
- The City will not pay for any technical information from the vendor. If the information is to be shared with other vendors, it must be stated so up front. If you use a vendor's technical information without their approval, you may find yourself in a legal tangle.
- Staff may arrange on-site demonstrations or delivery of preview/trial merchandise but must keep in mind that just because you have demoed someone's product does not mean you will be able to buy it. Competition may still be required, and it must be made clear to the vendor beforehand that no preferential treatment will be given.
- Obtain freight pricing (FOB Destination, Freight Prepaid).

C. Purchases by Use of MRSC Vendor Roster – Materials, Supplies, or Equipment \$0 – \$15,000

When purchasing materials, supplies, or equipment not connected to a public works project in the amount of \$15,000 or less, the City may award purchasing contracts by a vendor list process ([RCW 39.04.190](#)). The City of Chehalis has contracted with the Municipal Research and Services Center of Washington (MRSC) for the City use of a statewide electronic vendor roster developed and maintained by MRSC.

Publication:

At least twice a year, on behalf of the City, MRSC shall publish in a newspaper of general circulation within the district a notice of the existence of a roster(s) of vendors for materials, supplies, and equipment, and shall solicit names of vendors for the roster.

To use the Vendor Roster, the Project Manager:

- Drafts a written description of the specific materials, supplies, or equipment to be purchased, including the number, quantity, quality, and type desired, the proposed delivery date, and any other significant terms of purchase.
- Makes a good faith effort to contact at least three (3) of the vendors on the roster to obtain telephone or electronic solicitation quotations from the vendors for the required materials, supplies, or equipment.
- Doesn't share telephone quotation from one vendor with other vendors solicited for the bid on the materials, supplies, or equipment.
- Saves a written record of each vendor's bid on the material, supplies, or equipment, and of any conditions imposed on the bid by such vendor and documents them on the Purchase Quotation Sheet (Exhibit 1).

D. Formal Bid Process – Materials, Supplies, or Equipment \$7,500+

Unless the Vendor Roster process is used, purchases of supplies, goods, materials, and/or equipment over \$7,500 that are not part of a public work contract must call for bids using the formal bid process, with price being the primary factor in the contract award decision. Purchases of custom or specialty goods, and/or products that are subject to proprietary design or similar rights, are sometimes conducted using the Request for Proposal (RFP) process, with price performance criteria as well as price being factors in the contract award decision.

- Unless otherwise specifically approved by the City Council, all contracts relating to the purchase of materials, equipment, or supplies shall be in accordance with the city budget.
- The Project Manager notifies the Finance Department regarding any budget transfers to cover funding.
- The Project Manager submits the project information, including technical specifications, bid and contract timeframes, pre-bid conference dates/times (if applicable), BARS #, as well as a list of potential vendors (if applicable), to the City Clerk.
- The City Clerk compiles the bid package and administers the bid process.
- An invitation for bids shall be issued which shall include the specifications and the contractual terms and conditions applicable to the procurement.
- Public notice of the invitation for bids shall be published at least once in a newspaper of general circulation. The public notice shall state the date and time of bid opening. Bids not received by the date and time stated for bid opening will not be accepted or considered.
- Bids shall be opened publicly and recorded at the time and place designated in the invitation for bids.
- Withdrawal of Bids - Cancellation of Awards. Bids may be modified, or the bid may be withdrawn by written notice received in the office designated in the invitation for bids prior to the time set for opening. After bid opening, withdrawal of bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence

presented in a sworn affidavit or declaration submitted no later than 5:00 p.m. on the first business day after bid opening, that a clerical mistake was made and not a mistake in judgment, and the bid price actually intended. All decisions to permit the withdrawal of bids after bid opening, or to cancel awards or contracts based on bid mistakes, shall be made by the City Manager after consulting with legal counsel.

- The Project Manager verifies the bids meet the requirements of the Invitation to Bid and notifies the City Clerk of the lowest responsible bidder.
- Award. The award of bid shall be made to the lowest responsible bidder whose bid meets the specifications and evaluation criteria set forth in the invitation for bids. The City may reject all bids at its discretion.
- The Project Manager determines contract award approval requirements, and if required, schedules and prepares the City Council documents.
- The Project Manager administers the contract process.

E. Lowest Responsible Vendor

The following factors, in addition to price, may be taken into account by the City in determining the lowest responsible vendor. If any or all of these criteria will be applied during the evaluation process, then they must be included in the Invitation to Bid:

1. The ability, capacity, and skill of the vendor to perform the contract
2. The character, integrity, reputation, judgment, experience, and efficiency of the vendor
3. Whether the vendor can perform the contract within the time specified
4. The quality of performance of previous contracts or services
5. The previous and existing compliance by the vendor with laws relating to the contract
6. Such other information as may be secured having a bearing on the decision to award the contract.

If recommendation for award is being made to anyone other than the lowest bidder, send a memo stating specific reasons why the low bid is not acceptable to the City Clerk for evaluation.

F. Life Cycle Costing

In considering the purchase of materials, equipment, supplies, whenever there is a reason to believe that applying the "life cycle costing" method of quote evaluation would result in the lowest total cost to the City, first consideration shall be given to purchases with the lowest life cycle cost which complies with the specifications.

G. Electronic Data Processing (Computer) and Telecommunications Equipment, Software, or Services – Comparative Negotiations

Recognizing the unique aspects of computer and telecommunication systems, the legislature established an alternative process for making such purchases. [RCW 39.04.270](#), which is available to all municipalities, allows purchases through use of an alternative competitive negotiation process rather than through competitive bidding. At a minimum, the following steps are required:

- A. A request for proposals (RFP) must be published in a newspaper of general circulation

- at least 13 days before the last date on which the proposals will be received.
- B. The RFP must identify significant evaluation factors, including price, and their relative importance.
 - C. The City must provide reasonable procedures for technical evaluation of the proposals, identification of qualified sources, and selection for awarding the contract.
 - D. The award must be made to the qualified bidder whose proposal is “most advantageous” to the City with price and other factors considered.
 - E. The City may reject all proposals for good cause and request new proposals.

The procurement may be structured on a performance basis, rather than a design specification, so that the City may specify a result, rather than the type or model of equipment.

Requisitions for electronic data processing systems shall be routed through and reviewed by the Finance Director and IT Manager for compatibility certification prior to purchase. This will allow for the appraisal of the present supply of devices and the possible elimination of unnecessary expenditures of City funds.

H. Lease Agreements / Contracts

Lease with an Option to Purchase (or Installment Purchase)

A lease of personal (or real) property with an option to purchase may require competitive bids, depending on the type of property involved and its cost. [RCW 35.42.220](#) requires a call for bids in accordance with [RCW 35.23.352](#), if the cost of the property to be leased exceeds the amount specified in [RCW 35.23.352](#).

The cost is the total value of the item to be leased, not the yearly lease payment. From a practical standpoint, this provision probably means that every lease with an option to purchase must be bid because the limit is so low. A lease of property without an option to purchase does not require a call for bids.

Other Long-Term Lease Agreement

All long-term (more than 12-months), non-cancellable lease agreements / contracts must follow the City's general purchases policy.

A short-term lease (12-months or less) of property without an option to purchase does not require a call for bids.

XIV. EXCEPTIONS TO THE COMPETITIVE PROCESS

The Washington State statutes ([RCW 39.04.280](#), [RCW 39.34.030](#), [RCW 39.30.045](#), [RCW 35.21.278](#)) contain exceptions to the previously discussed bidding requirements. Exceptions, when exercised, should make good business sense and be in the best interest of the city.

It is important to note that ONLY the requirement for competitive bidding or advertising is waived. It does not waive any contractual requirements, approvals, or insurance requirements.

NOTE: If you think your project or purchase falls under one of the exceptions to the bid law, think again. The bid laws are there for a reason – to try to ensure that cities get the best buy for their money. Many of the projects or purchases that a city might consider falling within exceptions are in the “gray” area of the law. If there is any doubt, the Finance Director should check with the city’s auditor.

Exemptions to the competitive bidding requirements:

- Purchases that are clearly and legitimately limited to a single source of supply
 - Licensed or patented good or service
 - Items that are uniquely compatible with existing equipment, inventory, systems, programs or services
 - Meets City standards (i.e., water meters)
 - Factory-authorized warranty services
- Purchases involving special facilities or market conditions
 - Item is of special design, shape or manufacture that matches or fits with existing equipment, inventory, systems; used items; auctions
- Purchases in an emergency
- Inter-Governmental Cooperative Purchases
- Purchases of insurance or bonds
- Pollution control facilities and some neighborhood “self-help” projects may be exempt from bidding requirements
- Cities may hire the state or county to do road projects without going out for bids

A. Brand Name and Sole Source Purchases

Brand Name Bidding

Cities may advertise for bids by specifying a particular brand name item as long as the responsible officials have exercised their judgment and determined that a certain brand name is of higher quality or is better suited to the municipality’s needs. In *Smith v. City of Seattle*, the city advertised for bids for incandescent lamps, specifying a particular brand. In a suit brought by a maker of a similar lamp, the court stated that as long as the officials involved exercised their discretion in determining that a particular brand of lamps was more desirable, the city’s procedure was proper in the absence of abuse of discretion or fraud. In this case, the fact that the city had used the specified lamps previously and they had performed satisfactorily provided a rational basis for city authorities to limit the bid advertisement to that specified brand of

lamps, and the court found no abuse of discretion. There is no requirement that bid specifications naming a particular brand also include a phrase such as "or an equal brand." Contact the City Clerk for assistance in determining and documenting the brand name need, and preparation of bidding documents.

Sole Source Purchases

A sole source is a unique exception to the City's purchasing policies. A sole source situation is when it is only feasible to obtain a good or service from one supplier or service provider.

Sole source conditions include such things as: (a) products, systems, information, or services that are subject to patent or other proprietary use rights; (b) supplies or services that only one vendor is capable of providing or authorized to provide; (c) items that are available from a single source and such items are required in order to function with existing equipment, systems, programs, or services; (d) situations where the sole source is the only practical way to meet the City's requirements or delivery deadlines; and/or (e) security requirements or information mandates that limit procurement from only a single vendor.

- Unless a specific sole source condition exists, the department/division and project manager shall follow standard competitive solicitation process.
- If there is any doubt, the department/division should pursue a competitive solicitation.
- Specifications must be expansive as possible to ensure the greatest pool of bidders to compete. There must be a clear and appropriate reason for specifications that narrow the field to a sole source.
- A late start to the project does not justify a sole source.
- Prior contracts with a vendor for work on a project is not necessarily an appropriate reason for a sole source waiver.
- The department/division making such a waiver request must document sufficient information that objectively establishes there is only a single source or that a patented or proprietary use right restriction exists. If you have used expansive specifications and find significant data that indicate a sole source, complete a [Sole Source Justification Form](#) (Exhibit 2) and submit to the Finance Director.
- Sole source waivers require a City Council resolution.
- The Project Manager will prepare the City Council documents and administer the contract process.

B. Special Market Conditions

Special Market Conditions – What Are They?

[RCW 39.04.280\(1\)\(b\)](#) provides a "special market conditions" waiver from the bidding requirements for purchases of materials, supplies, or equipment. To use this exemption, the City Council must pass a resolution stating "the factual basis for the exception".

What are special market conditions? No definition is given in the statutes. Some have suggested that if supplies or used equipment are offered at a very favorable price and will be sold before a city will have a chance to complete the bidding process, there is a special market condition.

However, since there have been no court cases or attorney general's opinion on this subject, if an employee wishes to invoke "special market conditions" to waive the bidding requirements, the Project Manager and City Attorney should be consulted.

Auctions (Surplus Property)

Sometimes the City will find exactly what it needs, at a favorable price, at an auction. Obviously, seeking bids would be impossible in an auction setting. [RCW 39.30.045](#) authorizes a city to acquire supplies, materials, and equipment through an auction conducted by the United States or any agency thereof, an agency of the state of Washington, a municipality or other government agency, or any private party, without bids, if the items to be purchased can be obtained at a competitive price. This authority, it would seem, would allow a city to make a purchase on an internet-based auction service, such as eBay, as well as through more traditional, in-person auctions. The Department Head must pre-approve an upper bidding limit, (which must be within the approved City budget), for the person doing the bidding.

C. Emergency Purchases

[RCW 39.04.280\(1\)\(c\)](#) specifically authorizes a municipality to waive competitive bidding requirements for purchases "in the event of an emergency". For purposes of this section "emergency" means unforeseen circumstances beyond the control of the city that either: (a) present a real, immediate threat to the proper performance of essential functions; or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.

In the event of an emergency, the City Manager may act on behalf of the City Council to declare an emergency situation exists, waive competitive bidding requirements, and award all necessary contracts to address the emergency situation.

Competitive bidding may be waived subject to the following process:

1. Obtain concurrence of the Department Head or designee that a qualifying emergency requiring immediate acquisition of goods or services exists.
2. The Project Manager must inform the contractor that prevailing wage rates apply, and the paperwork will be required as soon as possible, and before payment is made.
3. Promptly notify the Project Manager of emergency situations by submitting a memo describing the situation as soon as an emergency is known.
4. The Project Manager prepares the contract and City Council documents.
5. Once approved by City Council, the Project Manager sends the contract, bonds and insurance requirements to the contractor. Work may begin without the required documents, but the executed contract must be obtained, along with an executed bond, and insurance documentation, as soon as possible, and before any payment is made.

State law requires that if a contract is awarded without competitive bidding due to an emergency, a written finding of the existence of an emergency must be made by the governing

body or its designee and duly entered of record no later than two weeks following the award of the contract ([RCW 39.04.280](#)). If a contract is awarded without competitive bidding due to an emergency, the city council must pass a resolution during an open public meeting to declare the existence of an emergency, no later than two weeks following the award of the contract(s).

Public works and improvements emergencies (e.g., broken water main, washed-out road, sewer main break, etc.) require contract, performance bond, prevailing wages, and insurance. Local, state and federal laws do not exempt these requirements during an emergency.

D. Inter-Governmental Cooperative Purchases and “Piggybacking”

[RCW 39.34.030](#) allows the city to join with other governmental agencies for the purchase of supplies, equipment, or services. This is done by entering into a written Intergovernmental Cooperative Purchasing Agreement (also known as an “interlocal agreement”). Contact the City Clerk for assistance through this process.

Prior to making a purchase under such an agreement, the City must ensure that the procedure used by the agency that originally awarded the bid, proposal, or contract is allowable within the city’s purchasing policy. The originating agency must also have fulfilled one of two additional public notice requirements:

- Posted the bid or solicitation notice on a web site established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations.
- Provided an access link on the state’s web portal to the notice.

The originating agency’s procurement, advertisement, and contract documents must be saved with the City’s contract documents.

~~The other government’s bid process must have been conducted within the previous 12-month period to be valid for use by the City.~~

Commented [CS1]: Proposed to be removed.

Approval and authority for entering into an Interlocal Corporate Purchasing Agreement will be determined by the anticipated cost of the procurement. Blanket Interlocal Cooperative Purchasing Agreements where the costs of the potential purchases are not known will be treated as purchases over \$15,000.

The City may also make a bid call with another government entity as a joint purchase that complies with the procurement requirements of both jurisdictions.

When practical, the City should include language in its solicitations that allows other public agencies to purchase from Chehalis’ contracts, provided that other agencies provide similar rights and reciprocal privileges to the City of Chehalis.

The City Council must approve all Intergovernmental Cooperative Purchasing Agreements.

E. Pollution Control Facilities

Chapter [70.95A RCW](#), relating to pollution control facilities and enacted in 1973, may offer an important exception to bidding requirements. The term “facility” is defined to mean “any land, building, structure, machinery, system, fixture, appurtenance, equipment or any combination thereof . . . which is used or to be used . . . in furtherance of the purpose of abating, controlling, or preventing pollution.” “Pollution” is defined broadly to include water pollution, land pollution, solid waste disposal, thermal pollution, radiation contamination, or noise pollution. To exercise this exemption, the Project Manager must receive a written certification from the Department of Ecology, or applicable regulating agency, that the project is designed to abate, control, and/or prevent pollution.

F. Neighborhood “Self-Help” Projects ([RCW 35.21.278](#))

The City may contract with certain groups to do neighborhood improvement projects without regard to the competitive bidding laws. These groups include chambers of commerce, service organizations, community, youth, or athletic associations, or other similar associations located in and providing service to the immediate neighborhood. The contracting association may make park and recreation improvements, install equipment and artwork, and provide maintenance services while being reimbursed by the City for its expenses. The consideration received by the City (the improvements, artwork, etc.) must be at least equal to three times the City’s payment to the association. All payments made by the City under the authority of this section for all such contracts in any one year shall not exceed twenty-five thousand dollars (\$25,000) or two dollars (\$2) per resident within the boundaries of the City, whichever is greater.

G. State or County Construction or Repair of Streets ([RCW 47.24.050](#))

By passing a resolution, the City Council may authorize Lewis County to construct, repair, or maintain a city street. The City pays the “actual cost” of the work, with the payment being deposited in the county road fund. The state Department of Transportation may also provide engineering assistance road projects or do the actual construction. The state is reimbursed from the City’s share of the motor vehicle excise tax in the motor vehicle fund. Such agreements with the county or the state do not require competitive bids.

XV. ADDITIONAL/SPECIAL CONSIDERATIONS

When contracting anybody to do anything for the City, there are three main requirements that need to be met.

A. Certificates of Insurance

The contractor or consultant must furnish the City with a Certificate of Insurance, naming the City of Chehalis as primary and noncontributory **additional insureds with an additional attached endorsement**. Insurance requirements are determined by the City Attorney.

B. Washington State Contractor’s License

It is unlawful for the City to hire *anyone* to perform public work on our property that

does not have a valid State of Washington Contractor's License. If someone is not properly licensed, DO NOT HIRE THEM. You may look up a contractor to determine if they have a valid Contractor's License at:

- [Department of Labor and Industries](#)
- [Department of Revenue](#)

C. City of Chehalis Business License

A City of Chehalis business license is required consistent with City of Chehalis Municipal Code ([CMC 5.04.020](#)).

You may look up business licenses on the [Department of Revenue website](#).

XVI. DISPOSAL OF SURPLUS PROPERTY

The City has a separate policy for the disposal of surplus property. Refer to the [Fixed Asset Policies and Procedure](#) and the [Guidelines for Surplus](#) for more information.

Field Code Changed

Field Code Changed

XVII. TRADE-INS

Trade-Ins are allowed on new purchases if approved by Legal and Finance in advance. Trade-Ins must be negotiated, documented at "Fair Market Value" by the Project Manager, and declared surplus ahead of time. Fair Market Value can be obtained by finding comparable units that have been sold at online auctions, e.g. [www.publicsurplus.com](#), [www.ebay.com](#), [www.rockanddirt.com](#), [www.ironplanet.com](#) or other online sources such as [Edmunds.com](#), [Kelley Blue Book](#), or [NADA](#). [www.govdeals.com](#) is a good place to find auction results for comparable.

Trade-Ins may also be requested ahead of time in the Bid Specifications as a "Guaranteed Buy Back". Work with Legal if you would like to consider this option.

XVIII. SALES TAX AND USE TAX

A. Sales Tax

The City of Chehalis is not sales tax exempt. State law defines which activities are subject to the retail sales tax. Generally, all sales of tangible personal property to consumers for their own use are considered retail sales, as well as a variety of services.

Sales tax is "destination based" for shipped or delivered merchandise and is collected based on the location where the buyer receives or takes possession of the merchandise.

- Destination based tax does not apply to the sales of motor vehicles, trailers, semi-trailers, aircraft, watercraft, modular homes, manufactured and mobile homes, towing services, and florists. Sales tax is based on the seller's location even if the seller delivers the items to customers.
- Sales tax on services are coded to the location where they are performed.
- Over the counter (in person) sales are based on the location of the sale.

To look up tax rates, visit the Washington State Department of Revenue (DOR) [website](#).

B. Use Tax

Use tax is a tax on goods and certain services that are paid to the state when sales tax is owed but was not collected by the seller. For example, if the seller should have collected sales tax on the sale, or sales tax is owed because the seller is out of state and does not collect Washington sales tax, the City still owes the tax and pays it to the state in the form of use tax. Use tax is destination based.

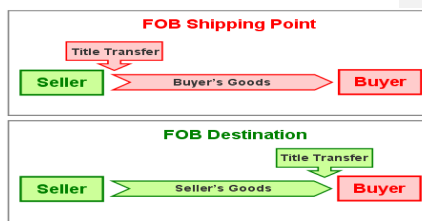
Use tax is due if:

- Goods are purchased in another state that does not have a sales tax or a state with a sales tax lower than Washington's. For example, items purchased from a business in Oregon to be used in Washington are subject to use tax.
- Goods are purchased from someone who is not authorized to collect sales tax. For example, purchases of furniture from an individual through a newspaper classified ad or a purchase of artwork from an individual collector.
- Goods are purchased out of state by subscription, through the Internet, or from a mail order catalog company. Some of these companies collect Washington's sales tax, but if the company from which you order does not, the City still must pay use tax.
- Personal property is acquired with the purchase of real property.

XIX. FREIGHT

A. Shipping Terms

Whenever you are purchasing an item that will incur freight charges, always request that it be shipped Freight-On-Board (FOB) Destination, Freight Prepaid. What this means is that the vendor you ordered the merchandise from owns it until it reaches your door and there won't be a separate invoice for freight. If anything should happen to the merchandise during shipping, the vendor (not the City) is responsible for filing the claims with the carrier. FOB determines at what point the ownership transfers. If an item is FOB origin, the City owns the merchandise from the point of shipping while it is in transit.



Freight prepaid or collect refers to who is responsible for paying shipping charges - the city or the seller.

B. Receiving Freight

It is the responsibility of the individual who signs for the carrier's delivery receipt to properly receive all cartons they are signing for. Anyone who accepts and signs for receipt of goods, acknowledges that the item was received and accepted as delivered.

Get what you sign for

1. Confirm the package or carton is being delivered to the proper location.

2. Verify the number of cartons, crates or pieces is correct according to quantities on the packing slip.
3. Open packages and verify order is correct.

Damaged Cartons

Any person receiving freight must make a notation on the carrier's delivery receipt of apparent damage to packages. State the specific type of damage on the delivery receipt and obtain the driver's signature (not just initials) on your copy of the receipt.

Concealed Damage

If the shipment of goods received showed no sign of damage upon receipt, but damage to the contents is found upon opening, concealed damage exists.

1. Call the carrier immediately upon discovery of the damage and request an inspection. Notate the date and the person contacted.
2. Notify the vendor to file a claim.
3. All shipping cartons should be retained for inspection on any damage.
4. When making a request for an inspection, advise the carrier whenever possible what the value of the damaged goods is. If the value is less than \$50.00, most carriers will frequently waive inspection. Indicate the person contacted on the claim form.
5. When an inspection is made, specific damages should be notated by both parties and signed by both on the inspection report. Send the report to the vendor and keep a copy for the city records.

XX. PAYMENTS

Inform all vendors to send invoice(s) to:

City of Chehalis
Accounts Payable
1321 S. Market Blvd
Chehalis, WA 98532-3619

All questions regarding payments should be directed to the city Accounts Payable office at: 360-345-3223 or by email to croberts@ci.chehalisa.wa.us

Invoices related to contracts are reviewed and approved by Project Manager

The City of Chehalis offers EFT/ACH deposit for remittances. If a vendor would like to apply they need to complete the Vendor EFT/ACH Enrollment Form which can be obtained from the Finance Department and return it to the City of Chehalis Accounts Payable.

Accounts payable checks are paid on the 15th and the last working day of each month.

XXI. APPENDICES

A. Glossary

Bid

The executed document submitted by a bidder in response to an invitation to bid (ITB), a request for proposals, or a request for quotations.

Bid Bond

A bond or deposit submitted with a bid, for a sum not less than 5% of the bid amount (including sales tax). Designed to help ensure that a bid has been made in good faith and that the bidder will enter into a contract if a bid is accepted.

Bidder

A person or legal entity who submits a bid in response to a solicitation.

Change Order

Work that is added or removed from the original scope of work, as agreed upon in the contract signed by City and contractor before work began. As the work proceeds, either the city or the contractor decides a change is needed to be made to accommodate unforeseen factors. Change orders can be agreed to by the Project Manager but does not obligate any party until a contract modification is fully executed.

Contract

A verbal or written, legally binding mutual promise between two or more parties.

Contract Modification

Written modification to a contract (sometimes called an amendment). A modification may include one or more change orders and must be fully executed by both parties before it obligates the contractor to render services, or the city to pay for services rendered, in excess to the original contract.

Final Acceptance

Final acceptance occurs when the City formally accepts the work as complete, and it starts the clock for releasing retainage held on the contract. The Notice of Final Acceptance cannot be issued until all requirements of the contract have been met including, but not limited to:

- Intents to Pay Prevailing Wages for the contractor and any subcontractors have been approved by the Department of Labor and Industries
- Final invoice for the project received by the city
- The Project Manager has determined the contractor has completed the required deliveries or performed the required services
- All as-builts have been received by the city

Fully Executed

A document is fully executed when all parties have agreed to the terms and conditions by

signing and dating the document and initialing any changes.

Notice of Completion

After final acceptance of any public works project over \$35,000, a public agency must file a Notice of Completion with the Department of Revenue (DOR), Department of Labor and Industries (L&I), and Employment Security Department (ESD) (RCW 60.28.051). Each state agency must approve the Notice of Completion separately, at which point each agency will send a certificate of release certifying that all applicable taxes, premiums, and penalties have been paid. If DOR, L&I, or ESD report that there are unpaid taxes or fees, the agency must pay the missing amount to the state within 10 days and subtract it from the retainage (RCW 60.28.060).

Request for Proposal (RFP)

All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals. The RFP procedure permits negotiation of proposals and prices, as distinguished from competitive bidding and a notice inviting bids. The procedure allows changes to be made after proposals are opened and contemplates that the nature of the proposals and/or prices offered will be negotiated prior to award.

Request for Quotation/Qualification (RFQ)

A document generally used for obtaining a summary of qualifications from prospective providers of professional services.

Payment Bonds

The purpose of a payment bond is to guarantee that the Contractor shall “pay all laborers, mechanics and sub-contractors.”

Performance Bonds

The purpose of a performance bond is to guarantee that the Contractor shall “faithfully perform all provisions of the contract.”

Sealed Bid

A bid which has been submitted in a sealed envelope to prevent its contents from being revealed before the deadline for the submission of all bids.

Specifications

A description of what the purchaser seeks to buy or accomplish - and consequently what a bidder must be responsive to in order to be considered for award of a contract. May be a description of the physical or functional characteristics, or the nature of a supply or service. May also include a description of any requirements for inspecting, testing, or preparing a supply or service item for delivery.

B. Purchase Quotation Sheet



PURCHASE QUOTATION SHEET

Exhibit 1

Date _____ **Employee Name:** _____

Purchases from \$2,501 to \$15,000 require three (3) quotations which will become a part of the purchase request. Purchases between \$2,501 to \$7,499 requires three (3) verbal quotes and \$7,500-\$15,000 requires three (3) written quotes.

Description of Item:

Business Name:		Quote:
Contact:		Sales Tax:
Phone Number:		TOTAL

Business Name:		Quote:
Contact:		Sales Tax:
Phone Number:		TOTAL

Business Name:		Quote:
Contact:		Sales Tax:
Phone Number:		TOTAL

C. Sole Source Justification Form



Sole Source Justification Form Exhibit 2
 For purchase of products, supplies or routine services
 (not for Public Works)

This form is required with all requests for a sole source determination or exception of purchasing procedures for the procurement of any equipment, supplies or services.

The justifications should clearly indicate why the legally mandated competitive process required for the procurement is not practicable or possible or is not in the best interests of the City. Letters from the manufacturer of the goods or providers of the service are not, by themselves, adequate justification. The form must be complete with any attachments and must be signed by the department head.

Sole Source Purchases - Purchases that are clearly and legitimately limited to a single source of Supply: RCW 39.04.280(2)(a)

A "sole source" is characterized as meeting one or more of the following standards: (a) the City department has conducted a process whereby it can justify purchase of a specific product; (b) the City requires legitimate specifications to which only one vendor can successfully respond; or (c) the product is available only through one manufacturer (or distributor) and the manufacturer so certifies.

If, after conducting a good faith review of available resources, the requesting department manager/director determines that there is only one source of the required materials, supplies, or equipment, a purchase contract may be awarded without complying with established bid requirements.

The requesting department manager/director must submit a written request for sole source procurement to the Finance Manager for review. The vendor must also certify in writing that the City is getting the lowest offered price.

To engage in sole source bidding, the City Council must pass a resolution that states, "the purchase is clearly and legitimately limited to a single source or supply."

Describe the item and its function:

Proposed Vendor: _____
Vendor's Address: _____
Vendor Contact (Name and Phone number) _____
Estimated Cost: _____
Describe Warranty (if applicable): _____
Describe Installation (if applicable): _____

The following section is to explain why only this particular brand, product or service is suitable. Check the boxes and attach detail to make the business case for the product and service you consider to be sole source. Document a convincing case based on one or more of the following

reasons, to clearly explain why it is not possible to use an alternate. This should also rely upon the time and expense of training a new vendor to take over the contract duties, because the bid selection process will have proper ways of factoring that element into the award decision.

- [] Proprietary. The item is licensed, patented, or copyrighted with only vendor. Why is this particular licensed or patented product the only one suitable for your purpose?
- [] Comparability: The purchase is for replacement parts or components of existing equipment, inventory, systems, data, programs, or services. Provide the business case for the standard and attach a copy of the standard if it is written.
- [] Authorized Service Provider, Repair and/or Warranty Services: The Vendor is either a factory authorized warranty service provider or else that particular Vendor is required for Warranty services according to the conditions of a current City Contract. The purchase is for technical service in connection with the assembly installation or servicing of equipment of a technical or specialized nature.
- [] Continuation of work. We now require additional work, additional item or additional service, but we did not know it would be needed when the original order was placed.
- [] Unique design: Requires unique features that are essential aesthetic requirements, or not practical to match to the existing design or equipment, such as artwork. Describe.
- [] Special Bargain: This might include a surplus item, an auction sale, used equipment, returned "open box" purchase, or other similar one-time bargains. Describe.
- [] Delivery Date: Only one supplier can meet required delivery date. Explain why this delivery date is essential. This can only be used in limited circumstances, for delivery deadlines that are the result of an unanticipated situation, and not a circumstance that could have been reasonably anticipated or averted by advance City planning.
- [] Project or Research Continuity: Product, systems, services, or data must comply with an ongoing project, research, data, testing or analysis without a compromise in the integrity of the project. Also, this should be a situation that cannot be replicated by another company because there is a legal or physical obstruction to disclosing the project information to allow another company the opportunity to replicate. Examples include situations where a company has legal and/or proprietary rights to customization such as software code, or to data; or testing or data is collected through a unique measuring instrument that cannot be accurately duplicated and offered by another vendor.
- [] Requirement by Funding Source: Lender, grantor (such as Federal Government) or other provider of funds requires the specific product, service, or system. Attach a copy of the document that clearly shows such a requirement is imposed by the funding source.
- [] Legal Monopoly: Only one supplier, such as electricity, water, or sewage.
- [] Other. Describe

Why is this the only company that can provide the sole source project or service? The previous section explains why a particular product, manufacturer or service is necessary. The section below discusses why the company you request is the only available company.

1. What necessary features does this vendor provide which are not available from other vendors? Be specific.

2. What steps were taken to verify that these features are not available elsewhere?
 - Other brands/manufacturers were examined (list phone numbers and names, and explain why these were not suitable)
 - Other vendors were contacted (list phone numbers and names, and explain why these were not suitable)
 - Other (please explain)

3. Will this purchase obligate the City to a particular vendor for future purchases? Either in terms of maintenance that only this vendor will be able to perform and/or if we purchase this item, will the City need more "like" items in the future to match this one?

4. Explain why the price for this purchase or service is considered to be fair and reasonable and what efforts were made to the best possible price for the taxpayers' dollars?

5. Explain the consequence(s) to the City or Public, including a dollar amount estimate of the financial impact, if this justification is not approved.

I certified that my department's recommendation for sole source is based upon an objective review of the good/service being required and appears to be in the best interest of the City. I know of no conflict of interest on my part or personal involvement in any way with this request. No gratuities, favor, or compromising action have been taken place. Neither has my personal familiarity with particular brands, types of equipment, materials or firms been a deciding influence on my request to sole source this purchase when there are other known suppliers to exist.

Signed: Requester	Date
Signed: Department Director or Designee	Date
Reviewed by: Finance Director or Designee	Date
Approved by: City Manager	Date

D. Check List for Small Public Works Projects



Exhibit 3

Check List for Small Public Works Projects \$350,000 or Less
 (This Check List should be used (in sequential order) for all public work excluding ordinary maintenance items)

Project Name: _____

Start Date: _____

- Develop specification and/or scope of work in compliance with standards specifications manual; include prevailing wage, performance and payment bonds, E-Verification, and retainage requirements
- Send specifications and scope of work to at least five (5) contractors listed on the Small Works Roster for projects over \$49,999; and to at least three (3) contractors for projects under \$50,000.

Contractor Name	Phone	Email	Date Contacted	Date Received	Bid Amount

- Document all responses, even non-responses, with date contacted and date received; allow 7 to 14 days for response time for projects over \$49,999
- Award Project to the lowest responsible bidder: _____
- Notify all contractors that were not selected of bid results for projects over \$49,999
- Draft Contracts in compliance with standards specifications manual; include prevailing wage, performance bonds, E-Verification, and retainage requirements
- Have City Manager execute contract agreements
- Obtain L&I Intent to Pay Prevailing Wages Form from Contractor; Alternate process may be used for projects under \$2,500 (Combined Intent & Affidavit Form)

- Obtain Performance Bond (For projects under \$150,000, 10% retainage can be used in lieu of Performance and Payment Bond at the contractor's request and approved by the City Attorney)
- Obtain Certificate of Liability Insurance from Contractor
- Verify Contractor has obtained all applicable and required permits
- Issue Notice to Proceed
- Inspect work and materials to ensure it has been completed per the specifications and scope of work
- Obtain invoice to include sales tax
- Process invoice for payment and prepare retainage voucher
Retainage is 5% (10% if no Performance Bond was obtained for projects under \$150,000)
- Send Notice of Completion to Department of Revenue for projects over \$35,000
- Obtain L&I Affidavit of wages paid from contractor, or off of the L&I website
- Obtain Department of Revenue Payment of Excise Taxes by Public Works Contractor
(Projects over \$35,000)
- Obtain Employment Security Department Certificate of Payment of Contributions, Penalties, and interest on public work contracts over \$35,000
- Obtain L&I release for payment on workers' comp. insurance premiums on projects over \$35,000
- Release and pay retainage
- Close and file project per the Washington Secretary of State Records Retention Manual

E. Contract Agreement (all Public Works Contracts)

Exhibit 4

CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT dated the _____ day of _____, _____, by and between the **CITY OF CHEHALIS, WASHINGTON**, (hereinafter called **OWNER**) and _____ (hereinafter called **CONTRACTOR**). **OWNER** and **CONTRACTOR**, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK.

CONTRACTOR shall complete all Work as specified or indicated. The Work is generally described as follows:

Article 2. PREVAILING WAGE REQUIREMENT.

This is a public works project and requires that prevailing wage be paid as governed by Chapter 39.12 RCW – Prevailing Wages on Public Works, regardless of the contract amount.

Each individual contractor and subcontractor on a public works project must individually file a “Statement of Intent to Pay Prevailing Wages and an Affidavit of Wages Paid” with the Washington State Department of Labor and Industries for each contract. **CONTRACTOR** and subcontractor must provide **OWNER** with compliance documentation.

Article 3. CONTRACT AGREEMENT PRICE.

OWNER shall pay **CONTRACTOR** for completion of the Work in accordance with the Contract Agreement equal to the amounts determined:

Bid/Quote Amount \$ _____

Sales Tax _____

TOTAL \$ _____

CONTRACTOR ACCEPTANCE

By: _____

Title: _____

Date: _____

CITY OF CHEHALIS

By: _____

Title: City Manager

Date: _____

F. Quick Reference Guide to Public Works Contracting

Exhibit 5

Quick Reference Guide to Public Works Contracting

Competitively Bid Public Work Projects **

- Over \$350,000 (But can be for smaller projects) *Note RCW (1 craft \$75.5K+; 2+ craft \$116,155+, unless using small works roster process)
- Formal Advertisement Required (13 days before bid opening)
- Bid Bonds Required
- Sealed Bids Required
- Public Bid Opening Required
- Formal Award Required
- Performance and Payment Bonds Required (RCW: may be waived with 10% retainage if \$150K or less)
- Retainage Required (RWC: 5%, or 10% with Bond Waiver if \$150K or less)
- Payment of Prevailing Wages Required

Small Works Roster Projects **

- \$350,000 or less
- No Advertisement Required, Just Notice to Appropriate Contractors on the Small Works Roster
- Bid Bonds Optional
- Electronic, Faxed or Telephone Quotes Allowed
- Informal Quote Opening(s)
- Award Can Be Delegated
- Performance and Payment Bonds Required (RWC: can be waived if \$150,000 or less with 10% retainage)
- Retainage Required (RCW: 5%, or 10% with Bond Waiver if \$150K or less)
- Payment of Prevailing Wages Required

Limited Public Work Projects (Using Small Works Roster) **

- Under \$50,000
- No Advertisement Required, Just Notice to Appropriate Contractors on the Small Works Roster
- Bid Bonds Optional
- Electronic, Faxed or Telephone Quotes Allowed
- Informal Quote Opening(s)
- Award Can Be Delegated
- Performance and Payment Bonds Can Be Waived, with 10% retainage.
- Payment of Prevailing Wages Required

Emergency Contracts

- Under RCW 39.04.280(1) (But Read Parts 2 & 3)
- No Advertisement Required
- Bid Bonds are Impractical
- Electronic, Faxed, or Telephone Quotes Allowed
- Informal Quote Opening(s)
- Award Can be Delegated
- Performance and Payment Bonds Can Be Waived, But Not Recommended
- Retainage May Be Waived.
- Payment of Prevailing Wages Required

Professional Services Contracts

- No Competitive Bid Required – See page30 of Procurement Policy for requirements and selection process

Architectural & Engineering Services Contracts

- Advertisement to Request Qualifications Required – See Page 28--29 of Procurement Policy for requirements and selection process**

G. Check List for Inter-Governmental Cooperative Purchase and “Piggybacking” (Exhibit 6)

This resource was developed by the Center for Government Innovation of the Office of the Washington State Auditor. You may send questions, comments, or suggestions to Center@sao.wa.gov.

Checklist item	Yes/no
1. Have you evaluated all procurement options and determined piggybacking is the best viable option for the procurement?	
2. Have you obtained and reviewed for the original bid award?	
2a. Did the awarding entity handle the procurement process itself? (You cannot piggyback on a contract that is already a piggyback on another.)	
2b. Does the solicitation and contract allow for others to use the bid award (i.e., contain an assignability clause)?	
2c. Does it include the goods or service sought?	
2d. Is the contract active and will it be open for the period desired (including renewal options), and is the option for piggybacking valid, if applicable?	
2e. Do the quality, specifications or deliverables meet expectations?	
2f. Have you evaluated the effect of or drawback to any changes or options it would like, but that this procurement method would not provide for?	
2g. Is the price reasonable when compared to a cost or price analysis?	
3. Does the City qualify to piggyback on this contract and not have to comply with the City’s own bidding requirements	
3a. Is the awarding entity considered a “public agency” under RCW 39.04.020?	
3b. Did the public agency follow its own bid requirements and complete a proper evaluation of bids?	
3c. Was the notice of bid or solicitation posted on a website of a public agency, purchasing cooperative or similar service provider website, for purposes of posting public notice of bid or proposal solicitations; or was an access link provided on the state’s web portal to the notice?	
3d. Was documentation obtained to support that the bid process and various requirements were met? Retain records for your files.	
3e. Are you planning to use federal funds? If using federal funding, you must demonstrate the bid met the most restrictive of your state, local or federal bid requirements. See the federal section below for more details.	

4. If the City does not qualify under step 3 above, have you evaluated whether the bid meets the City's requirements?	
4a. Did the awarding entity follow its own bid requirements and complete a proper evaluation of bids?	
4b. Was the bid advertised in accordance with the awarding entity's requirements and notice posted on its website?	
4c. Does the bid award also adhere to the City of Chehalis's procurement requirements?	
4d. Was documentation obtained to support the bid process and various requirements were met? Keep records for your files.	
5. If using federal funds, did you ensure all federal procurement requirements are adhered to?	
5a. Does the awarding entity's procurement process comply with the most restrictive of the Washington state's, City of Chehalis', or federal procurement requirements?	
5b. Did you ensure compliance with suspension and debarment requirements before entering into a contract with the vendor (do not rely on the awarding entity)?	
5c. Did you consider any specific guidance the federal agency might have, including contacting your grantor if needed?	
5d. Does your draft or proposed contract with the vendor include required contract language such as for the Davis Bacon Act/prevaling wages?	
6. Did the City enter into an interlocal agreement or contract with the awarding entity after completing the steps above?	
6a. Did you ensure any interlocal agreement meets legal requirements under RCW 39.34.030 ?	
6b. Does the City have an active contract with the awarding agency for using a cooperative?	
6c. If relying on a membership agreement in place of an interlocal agreement, did you ensure it met applicable requirements?	

H. Matrix of Contract Requirements

Field Code Changed

City of Chehalis Contract Requirements (Revised 1/9/2023)

Yes = Required; No = Optional	Estimated Cost	Quotes	Formal Bids	City Manager Approval	Council Approval	Advertisement & Formal Bid Opening	Bid Bond	Performance / Payment Bonds	Retainage	Intents & Affidavits	Notice of Final Acceptance	Notice of Completion
Public Works												
Single Trade or Craft	\$0-\$75,500	1+ verbal (if under \$15K), 3 Written if \$15K+	No	If \$15K & Over	If \$40K+	No	No	Yes, or Waiver with 10% Retainage	5% or 10% with Bonds Waiver	Under \$2,500 use the no-fee Combined Form; \$2,500+ Yes	Yes	If \$35K+
	\$75,501+	Not Allowed	Yes	Yes	Yes	Yes - 13 Days Before Bid Opening	Yes, 5% of Bid	Yes, or Waiver with 10% Retainage if \$150K or less	5%, or 10% with Bonds Waiver if \$150K or less	Yes	Yes	Yes
Multi Trade or Craft	\$0-\$116,155	1+ verbal (if under \$15K), 3 Written if \$15K+	No	If \$15K & Over	If \$40K+	No	No	Yes, or Waiver with 10% Retainage	5% or 10% with Bonds Waiver	Under \$2,500 use the no-fee Combined Form; \$2,500+ Yes	Yes	If \$35K+
	\$116,156+	Not Allowed	Yes	Yes	Yes	Yes - 13 Days Before Bid Opening	Yes, 5% of Bid	Yes, or Waiver with 10% Retainage if \$150K or less	5%, or 10% with Bonds Waiver if \$150K or less	Yes	Yes	Yes
Using MRSC Small Works Roster	\$0-49,999	Minimum of 3 quotes requested	No	If \$15K & Over	If \$40K+	No	No	Yes, or Waiver with 10% Retainage if \$150K or less	5% or 10% with Bonds Waiver	Yes	Yes	If \$35K+
	\$50,000-\$249,999	On All Roster list or 5+ requested	No	Yes	Yes	No	No	Yes, or Waiver with 10% Retainage if \$150K or less	5%, or 10% with Bonds Waiver if \$150K or less	Yes	Yes	Yes
	\$250,000-\$350,000	5+, must notify all contractors on the roster list	No	Yes	Yes	No	No	Yes	5%	Yes	Yes	Yes
	Over \$350,000	Can't use SWR - See bid requirement abo										
Materials, Supplies, Equipment (Unrelated to Public Work/Construction, Services, A/E)												
	\$0-\$2,500	1+	No	No	No	No	No	No	No	No	No	No
	\$2,501-\$7,499	3+	No	No	No	No	No	No	No	No	No	No
	\$7,500+	Not Allowed	Yes	If \$15K+	If \$40K+	Yes, No Min # of Days	No	No	No	No	No	No
MRSC Vendor List	\$0-\$15,000	3+	No	No	No	No	No	No	No	No	No	No
	Over \$15,000	Can't use Vendor List - See bid requirements above										
Personal Services (Consultants)												
May Use MRSC Consultant	Any Amount	1+	No	If \$15K+	If \$40K+	No	No	No	No	No	No	No
Purchased Services												
	Any Amount	1+	No	If \$15K+	If \$40K+	No	No	No	No	Possibly*	No	No
* Janitorial Service contracts require I & A. Must receive an Intent before the first payment and receive an Affidavit before the final payment for the service contract period.												
Architectural and Engineering (A/E) Services												
	Any Amount	Both a RFQ and RFP Required - No Quotes or Bids Allowed	No	If \$15K+	If \$40K+	Yes, No Min # of Days	No	No	No	No	No	No
May Use MRSC Consultant Roster	Any Amount	RFP Required - No Quotes or Bids Allowed	No	If \$15K+	If \$40K+	No	No	No	No	No	No	No

NOTE: All Contracts and Agreements must be executed by the City Manager

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Randy Kaut, Police Chief

MEETING OF: February 27, 2023

SUBJECT: Contract Award – Dodge Charger Police Vehicle

ISSUE

City staff seeks City Council consent to award a contract in the amount of \$43,275.54 to Northsound Auto Group, LLC for a purchase of a 2023 Dodge Charger police vehicle. This is a 2023 budgeted purchase to add to the Police Department fleet; however, the City’s recently adopted procurement policy requires City Council approval of purchases over \$40,000.

DISCUSSION

In 2022, the Police Department placed an order through Washington State Contract 05916 for a Dodge Charger patrol vehicle after receiving approval from the City Council. The vehicle is now available and authorization to complete the purchase is being requested consistent with the City’s procurement policy.

FISCAL IMPACT

Contractor	Northsound Auto Group, LLC
Contract Amount	\$43,275.54
Budgeted Funds	\$65,300.00
BARS #	302.45.594.021.64.00
Budget Amendment Required?	No

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to award contract PH513914 with Northsound Auto Group, LLC in the amount of \$43,275.54 for the purchase of a Dodge Charger police vehicle, which is a budgeted expense.

SUGGESTED MOTION

I move that the City Council authorize the City Manager to award contract PH513914 with Northsound Auto Group, LLC in the amount of \$43,275.54 for the purchase of a Dodge Charger police vehicle.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Tammy Baraconi, Planning and Building Manger

MEETING OF: February 27, 2023

SUBJECT: Ordinance No. 1062-B, Second and Final Reading – A Petition to Vacate a Portion of Arkansas Way; and Ordinance No. 1063-B, Second and Final Reading – Dedication of Right of Way

INTRODUCTION

On March 30, 2022, the City received a right of way vacation petition from Scott Blinks on behalf of HJP, Inc. for the entire portion of Arkansas Way directly east of Louisiana Avenue. (Exhibit A) This project was declared a complete application on January 10, 2023.

The City Council considered this item for first reading on February 13, 2023. Since the first reading, there have been modifications to the ordinances to reflect that the agreement related to the equitable exchange of property has not yet been executed. In addition, there are certain matters that were considered as a part of this project that were approved on February 13. References to those items have been left in the document and crossed out to indicate that they do not require additional action at this time.

PROPOSED RIGHT-OF-WAY VACATION

On March 30, 2022, the City received a right of way vacation petition from Scott Blinks on behalf of HJP, Inc. for the entire portion of Arkansas Way east of Louisiana Avenue. After much discussion, an agreement was reached by staff and HJP, Inc. for a right of way vacation for a much smaller piece of Arkansas Way in exchange for a dedication for a piece of property that is currently part of the I-5 Toyota, owned by HJP, Inc., to become a part of Arkansas Way. On January 23, 2023, the City Council issued Resolution No. 02-2023 to establish a public hearing to take public comment on this proposal.

The original application from HJP, Inc was for the entirety of Arkansas Way east of Louisiana Avenue. After several meetings and much discussion, it was determined that it is not in the best interest of development in this area to vacate the entire section of Arkansas Way. Staff then began discussions with HJP, Inc. and Interstate Honda, which leases the property adjacent to this section of Arkansas Way to determine a solution that is best for the developers and public safety.

It was determined through this negotiation that the City would vacate a portion of Arkansas Way to HJP, Inc. in exchange for a portion of I-5 Toyota to be dedicated as Arkansas Way right of way. It was determined that Interstate Honda would perform the necessary upgrades to the intersection of Louisiana Avenue and Arkansas Way.

The amount of Arkansas Way that is being vacated is 8,430 sq feet. The amount of I-5 Toyota, parcel #021612011001 that is being dedicated is 4,068 sq feet. This decision was reached based upon appraisals and conversations between the City and Scott Blinks, who is representing the applicant.

To accomplish this process, the City Council must take the following steps.

1. Vacate a portion of Arkansas Way. (Ordinance 1062-B)
2. ~~Agree to the Boundary Line Agreement. (Exhibit C) Approved on February 13, 2023~~
3. ~~Approve the changes to the Binding Site Plan. (Exhibit D) Approved on February 13, 2023~~
4. Dedicate a portion of I-5 Toyota as Arkansas Way. (Ordinance 1063-B)

All these steps are dependent upon the others. The denial of one step will result in all of these being denied. If the City Council approves the ROW Vacation on second and final reading of the ordinances, the parties will need to execute the related agreement to provide for the equitable exchange of property, as noted in Ordinance 1063-B. The terms of that agreement have tentatively been agreed to by the parties; however, the agreement will need to be finalized upon approval of the ROW Vacation. In the very unlikely event that the exchange of property cannot be completed, the City Council will be asked to void the ROW vacation by ordinance in the future.

ANALYSIS

The staff analysis of the applicable codes and recommendations follows.

Applicable Code:

CMC 12.32 Street and Alley Vacations
RCW 35.79 Streets – Vacation

Public Notice:

Public notice was sent to all property owners within 300 feet of the proposed vacations. The notice was emailed on January 24, 2023. A notice was posted in The Chronicle legal notices section on January 26, 2023. (Exhibit F) The comment period ends on February 13, 2023, at 4PM. No comments were received.

SEPA and Environmental Constraints:

As per WAC 197-11-800 Categorical exemptions, the vacation process is not subject to the SEPA process. The right of way does not provide access to any bodies of water (RCW 35.79.035) that would prevent the vacation process from moving forward in a typical manner. All other environmental constraints such as soils have been reviewed at development.

Utilities:

There are no public utilities located beneath this section of Arkansas Way.

Access:

Both I-5 Toyota and Interstate Honda will access their site from Louisiana Avenue as well as Arkansas Way with a right in and right out of the round- a-bout.

Staff finds that the easterly portion of Arkansas Way is not currently developed and there is no right of way contemplated in this area including consideration for utilities, parks, or pedestrian/bike access.

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

Staff finds that the dedication and improvements of the easterly intersection of Louisiana Avenue and Arkansas Way will not cause a landowner to lose access to their property.

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

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

FISCAL IMPACT

An appraisal of the land has been conducted by Nadine Tauscher on behalf of the City. Ms. Tauscher's appraisals indicate that the area of Arkansas Way directly adjacent to I-5 is valued less than the developed property of I-5 Toyota. In other words, the property that the City would be receiving has been appraised for more than the property that the City would be giving up in the proposed exchange.

After many conversations the City Attorney and Scott Blinks, the representative for HJP, Inc. came to an equitable trade of 8,430 sq feet of Arkansas Way for 4,068 sq feet of I-5 Toyota. No exchange of funds is required to finalize this project.

RECOMMENDATION

1. I move that the City Council approve on second reading Ordinance No. 1062-B, A Petition to Vacate a Portion of Right-of-Way on Arkansas Way east of Louisiana Avenue.
- ~~2. Staff recommends that the City Council authorize the City Manager to sign the Boundary Line Agreement, allowing a portion of right of way to become part of I-5 Toyota and a portion of I-5 Toyota become Arkansas Way right of way. Approved and Completed on February 13, 2023~~
- ~~3. Staff recommends that the City Council authorize the City Manager to sign Binding Site Plan No. 6 for Twin City Town Center Binding Site Plan. Approved and Completed on February 13, 2023~~
4. I move that the City Council approve on second reading Ordinance No. 1063-B, an Ordinance Dedicating a Portion of I-5 Toyota, parcel number 021612011001 as Arkansas Way right of way.

SUGGESTED MOTION

1. I move that the City Council approve on second reading Ordinance No. 1062-B, A Petition to Vacate a Portion of Right-of-Way on Arkansas Way east of Louisiana Avenue.

2. I move that the City Council approve on second reading Ordinance No. 1063-B, an Ordinance Dedicating a Portion of I-5 Toyota, parcel number 021612011001 as Arkansas Way right of way.

ORDINANCE NO. 1062-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
PROVIDING FOR THE VACATION OF A PORTION OF
ARKANSAS WAY EAST OF LOUISIANA AVENUE.**

Whereas, the City of Chehalis received a petition from Scott Blinks on behalf of HJP, Inc. on March 30, 2022 and declared a complete application on January 10, 2023 more particularly described in said petition; and,

Whereas, pursuant to RCW 35.79.010, the City Council of the City of Chehalis did, at a regularly scheduled meeting on the 23rd day of January 2023, adopt Resolution No. 02-2023, setting the date of February 13, 2023, at the hour of 5:00pm as the time for a public hearing on said petition, which date was not less than twenty (20) days nor more than sixty (60) days after the adoption of said Resolution; and,

Whereas, the City Council of the City of Chehalis held a public hearing to consider said petition on the 13th day of February 2023, after due notice to the owners of all property abutting and adjacent to the area identified in said petition as required by law; and,

Whereas, the City of Chehalis must provide for utility service to all properties in the vicinity, including provisions for utilities provided by others; now, therefore,

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

Section 1.

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

- A portion of Arkansas Way east of Louisiana Avenue containing an area of 8,430 sq feet or 0.19 acres

shall be, and the same hereby is, vacated.

Section 2.

The City of Chehalis shall retain an easement and the right to grant easements over, under and across all said vacated portions of right-of-way for the provision of utility services.

Section 3.

This ordinance shall become effective only upon the date that HJP, Inc, the owners of the real property adjacent and abutting said vacated rights-of-way shall compensate the City of Chehalis in an amount equal to the value of the rights-of-way so vacated via transfer of comparably valued land as part of a separate agreement.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its mayor this ____ day of _____, 2023.

Mayor

Attest:

City Clerk

Approved as to Form and Content:

City Attorney

EXHIBIT "A"

CITY OF CHEHALIS
NW ARKANSAS WAY

STREET VACATION AREA:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUATER OF SECTION 19,
TOWNSHIP 14 NORTH, RANGE 2 WEST OF THE WILLAMETTE MERIDIAN, LEWIS COUNTY,
WASHINTON, DESCRIBED AS FOLLOWS:

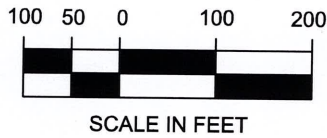
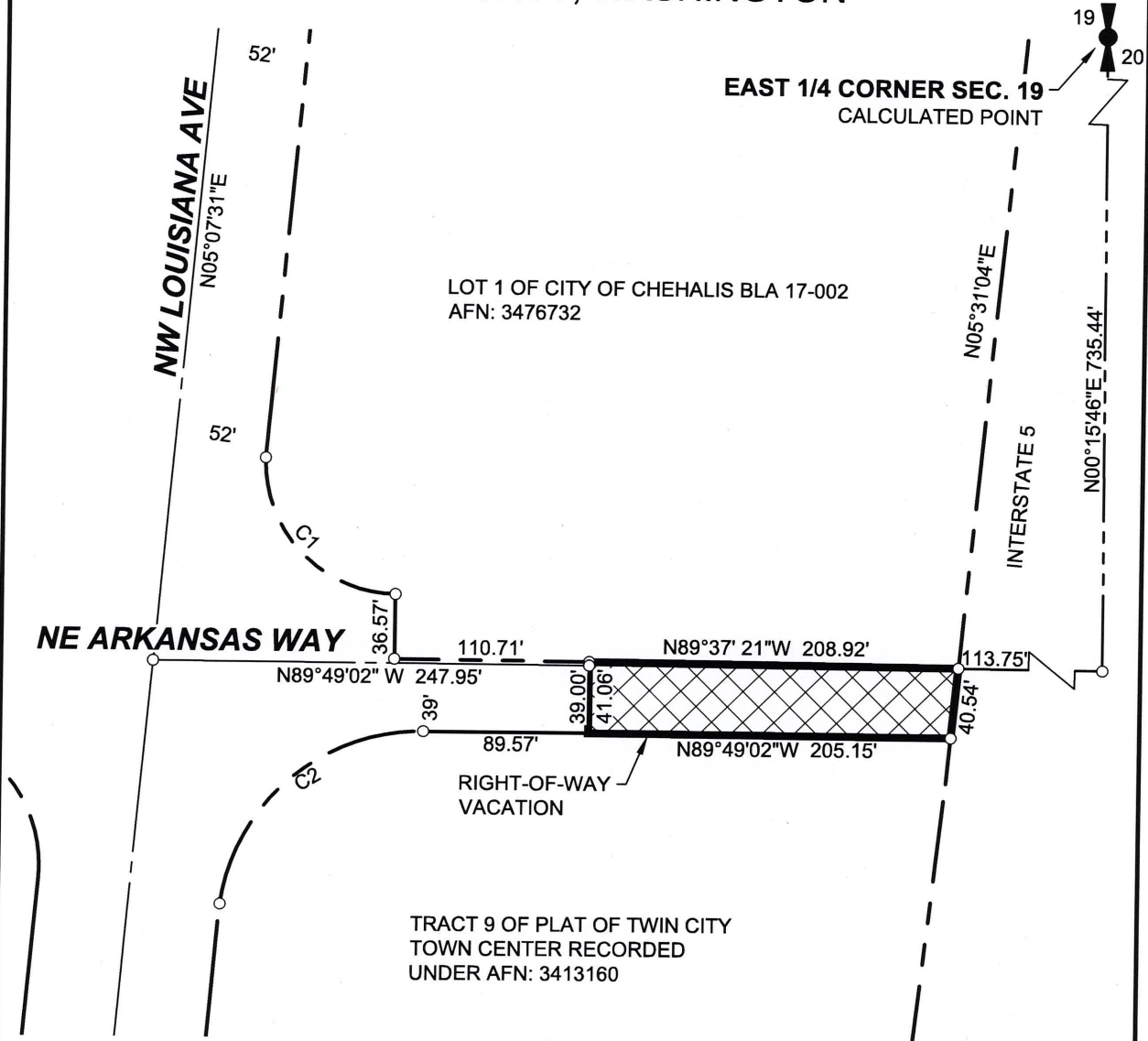
COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 19;
THENCE N00°15'46"W ALONG THE EAST LINE THEREOF A DISTANCE OF 188.45 FEET TO THE
NORTH LINE OF THE SOUTH 575.00 FEET OF SAID NORTHEAST QUARTER OF THE SOUTHEAST
QUARTER OF SECTION 19;
THENCE N89°37'31"W ALONG THE NORTH LINE THEREOF A DISTANCE OF 113.76 FEET TO THE
POINT OF BEGINNING, BEING ON THE WESTERLY MARGIN OF INTERSTATE NO. 5;
THENCE CONTINUING ALONG SAID NORTH LINE N89°37'31"W A DISTANCE OF 208.92 FEET;
THENCE S00°10'58"W A DISTANCE OF 41.06 FEET;
THENCE S89°49'02"E A DISTANCE OF 295.15 FEET TO THE WESTERLY MARGIN OF INTERSTATE
NO. 5;
THENCE N05°31'07"E ALONG SAID WESTERLY MARGIN A DISTANCE OF 40.54 FEET TO THE
POINT OF BEIGNNING.

CONTAINING AN AREA OF 8,430 SQ FEET, OR 0.19 ACRES MORE OR LESS.

EXHIBIT B

RIGHT-OF-WAY VACATION

PORTION OF THE NE 1/4 NE 1/4, SEC 19, T 14 N, R 2 W, W.M. LEWIS COUNTY, WASHINGTON



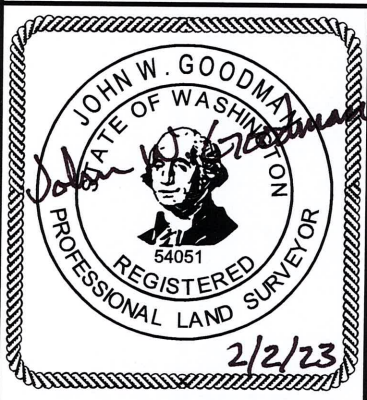
LINE AND CURVE DATA			
CURVE	DELTA	RADIUS	LENGTH
C1	94°56'36"	75.00'	124.28'
C2	85°03'24"	115.00'	170.72'

LEGEND

- SECTION LINE
- CENTERLINE
- RIGHT-OF-WAY LINE
- LOT LINE
- EASEMENT LINE
- SITE BOUNDARY/ PARENT PARCEL



VACATION AREA = 8,430 SQFT



FORESIGHT
SURVEYING, INC.
PROFESSIONAL LAND SURVEYORS

1583 N NATIONAL AVE
CHEHALIS, WA 98532 OFFICE: (360) 748-4000

EXHIBIT B

JOB NO: 5207 DATE: 02/02/2023
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON

CITY OF CHEHALIS

PETITION FOR RIGHT-OF-WAY VACATION

PETITION CONTACT Name: HJP Investments, LLC
 Address: Attn: Heidi Pehl
P.O. Box 98, Chehalis, WA 98532
 Phone: (360) 748-3355

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

Property Address	Property Owner(s)	
	Print	Sign
1950 N.W. Louisiana Ave. Chehalis, WA 98532	HJP Investments, LLC By: Heidi Pehl	<u>Heidi Pehl, Manager</u>

Legal description of right-of-way to be vacated, as prepared by licensed land surveyor or other qualified professional:
See attached survey map - detailing property exchange areas

Total area of right-of-way to be vacated: 6,137 square feet
 Total properties petitioning for vacation: 1 Total properties abutting right-of-way to be vacated: 1
 Ratio of properties petitioning vs. total properties: N/A - Property exchange
 (Note: A minimum 2/3 ratio of abutting property owners must petition for vacation before it will be considered.)

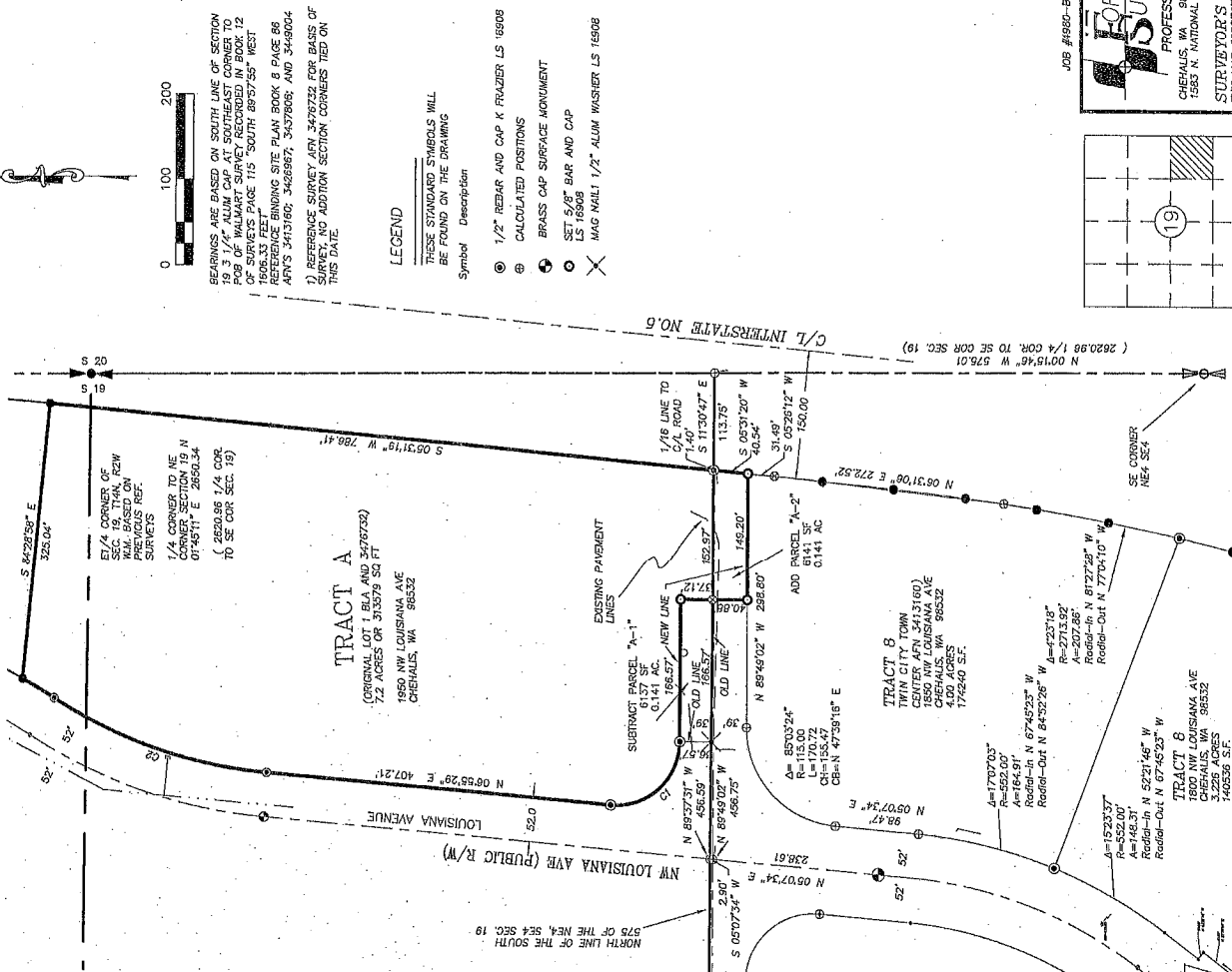
Attach map of right-of-way being petitioned for vacation and surrounding area, including identification of all streets, alleys, and abutting property owners.

Please submit this completed petition with attachments to: Development Review Committee
 (Attach additional sheets if necessary) 1321 S. Market Blvd.
 Chehalis, WA 98532
 phone 360.345.2229

date received

CITY OF CHEHALIS BLA NO. 21-

CURVE DATA	CHORD BEARING	CHORD DISTANCE	ARC BEARING	ARC DISTANCE
1	S 84°52'45" E	325.04'	S 84°52'45" E	325.04'
2	S 84°52'45" E	325.04'	S 84°52'45" E	325.04'



BEARINGS ARE BASED ON SOUTH LINE OF SECTION 19 T14N, R22W, W.M. AS SHOWN ON THE PREVIOUS REF. SURVEYS.
POB OF WALLMART SURVEY RECORDED IN BOOK 12 OF SURVEY'S PAGE 115 "SOUTH 89°57'35" WEST 1066.33' FEET ENDING SITE PLAN 8004 & PACE 86
PROPERTY TAX PARCEL BOUNDARIES THIS SUBJECT PROPERTY: PLAIN OR DISCUSSION OF THE ORIGINAL FLOW IS PROHIBITED.
4) ALL FURTHER SITE DEVELOPMENT MUST MEET THE DESIGN MANUAL AND THE CITY OF CHEHALIS MUNICIPAL BUILDING CODE AND THE CITY OF CHEHALIS MUNICIPAL DESIGN MANUAL, AND ALL OTHER APPLICABLE FEDERAL, STATE AND LOCAL LAWS.

LEGEND

- THESE STANDARD SYMBOLS WILL BE FOUND ON THE DRAWING
- ⊙ 1/2" REBAR AND CAP K RAZOR LS 16909
 - ⊕ CALCULATED POSITIONS
 - ⊕ BRASS CAP SURFACE MONUMENT
 - ⊕ SET 5/8" BAR AND CAP
 - ⊕ MAG NAIL 1/2" ALUM WASHER LS 16908

CONDITIONS OF DEVELOPMENT:
1) THIS BOUNDARY LINE ADJUSTMENT IS DONE IN COMPLIANCE WITH ROW 5617 AND DOES NOT CREATE A NEW BOUNDARY LINE. ADJUSTMENT WAS REVIEWED FOR COMPLIANCE WITH CITY, FREEMAN COMMERCIAL ZONING CLASSIFICATION.
2) ALL ADJUSTMENTS TO BOUNDARIES OF THIS SUBJECT PROPERTY, PLAIN OR DISCUSSION OF THE ORIGINAL FLOW IS PROHIBITED.
3) ALL FURTHER SITE DEVELOPMENT MUST MEET THE DESIGN MANUAL AND THE CITY OF CHEHALIS MUNICIPAL BUILDING CODE AND THE CITY OF CHEHALIS MUNICIPAL DESIGN MANUAL, AND ALL OTHER APPLICABLE FEDERAL, STATE AND LOCAL LAWS.

CITY ENGINEER APPROVAL
REVIEWED AND APPROVED FOR RECORDING ON BEHALF OF THE CITY OF CHEHALIS.

CITY APPROVAL
REVIEWED AND APPROVED FOR RECORDING BY THE CITY OF CHEHALIS.

TREASURER TAX CERTIFICATION
LEWIS COUNTY TREASURER PROPERTY TAX CERTIFICATION ALL CURRENT AND DELINQUENT TAXES ARE PAID OR NOT REQUIRED TO BE PAID ON THIS PARCEL FOR TAX YEAR _____

AUDITOR'S CERTIFICATE
I HAVE REVIEWED THE RECORD OF FORESIGHT SURVEYING INC. THIS _____ AND RECORDED IN VOLUME _____ OF BOUNDARY LINE ADJUSTMENT MAPS, ON PAGE _____ RECORDS OF LEWIS COUNTY, WASHINGTON.

PROFESSIONAL LAND SURVEYORS
CHEHALIS, WA 98532
Ph (360) 748-4000
fore@fore-sighting.com

LEWIS COUNTY AUDITOR
LEWIS COUNTY AUDITOR
JOB #980-BLA

STATIONER'S CERTIFICATE
I HAVE REVIEWED THE RECORD OF FORESIGHT SURVEYING INC. THIS _____ AND RECORDED IN VOLUME _____ OF BOUNDARY LINE ADJUSTMENT MAPS, ON PAGE _____ RECORDS OF LEWIS COUNTY, WASHINGTON.

LEWIS COUNTY TREASURER
DATE _____

PLANNER
DATE _____

LEWIS COUNTY TREASURER
DATE _____

AUDITOR'S CERTIFICATE
I HAVE REVIEWED THE RECORD OF FORESIGHT SURVEYING INC. THIS _____ AND RECORDED IN VOLUME _____ OF BOUNDARY LINE ADJUSTMENT MAPS, ON PAGE _____ RECORDS OF LEWIS COUNTY, WASHINGTON.

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LEWIS COUNTY AUDITOR
LEWIS COUNTY AUDITOR
JOB #980-BLA

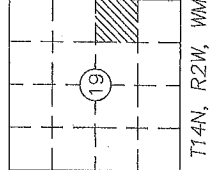
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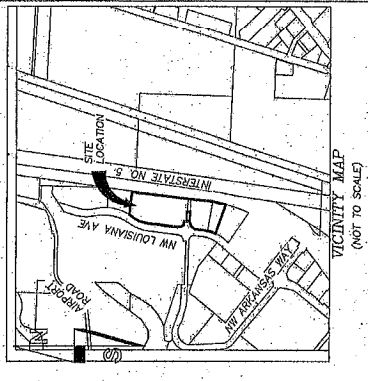
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LEWIS COUNTY AUDITOR
LEWIS COUNTY AUDITOR
JOB #980-BLA

STATIONER'S CERTIFICATE
I HAVE REVIEWED THE RECORD OF FORESIGHT SURVEYING INC. THIS _____ AND RECORDED IN VOLUME _____ OF BOUNDARY LINE ADJUSTMENT MAPS, ON PAGE _____ RECORDS OF LEWIS COUNTY, WASHINGTON.



AUDITORS INDEX
NE 1/4 OF THE SE 1/4, SEC. 19, T. 14 N., R. 02 W., W.M.



OWNERS CERTIFICATION
We, THE CITY OF CHEHALIS, as the owners of the property contained in this boundary line adjustment hereby certify that there is an interest by reason of ownership, contract for purchase, earnest money agreement or option by any other means, in the property described herein, and that the structures of all the persons with an interest of record therein are shown on this map and that the information contained herein is true and correct to the best of our knowledge.

CHEHALIS, CITY MANAGER

OWNERS CERTIFICATION
We, HLP INVESTMENTS, LLC as the owners of the land in which there is an interest by reason of ownership, contract for purchase, earnest money agreement or option by any other means, in the property described herein, and that the structures of all the persons with an interest of record therein are shown on this map and that the information contained herein is true and correct to the best of our knowledge.

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CHEHALIS, CITY MANAGER

OWNERS CERTIFICATION
We, HLP INVESTMENTS, LLC as the owners of the land in which there is an interest by reason of ownership, contract for purchase, earnest money agreement or option by any other means, in the property described herein, and that the structures of all the persons with an interest of record therein are shown on this map and that the information contained herein is true and correct to the best of our knowledge.

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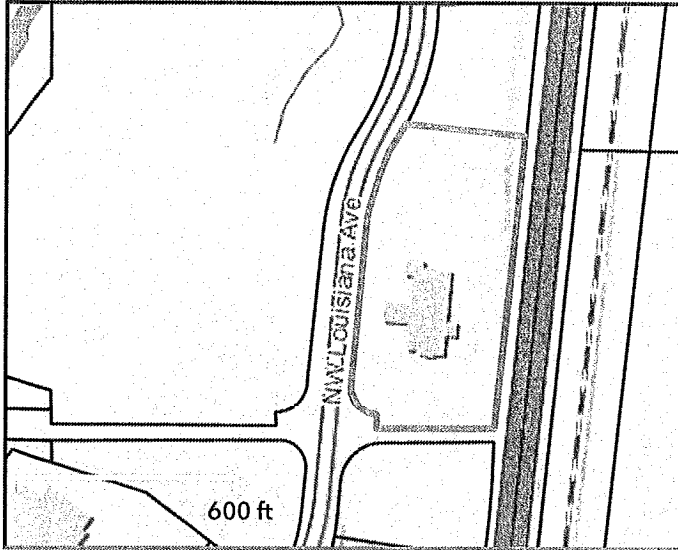
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Address 1950 NW Louisiana Ave, Chehalis
 Parcel Number **021612011001**
 Owner Hjp Investments Llc
 Account # 2197407

Assessed Value
 \$5,972,200

Taxes Owed
 \$28,501.03

General Information

Parcel Number 021612011001
 Address 1950 NW Louisiana Ave,
 Chehalis
 Use Code 55 Retail - Auto
 TCA (Tax Code Area) 020
 Current Use No
 Total Acres 7.200

Owner Hjp Investments Llc
 Po Box 98
 Chehalis, WA 98532-0098
 Tax Payer Hjp Investments Llc
 Po Box 98
 Chehalis, WA 98532-0098
 Partial Legal Description Section 19 Township 14N Range
 02W PT E2 E2 E2 LT 1 BLA
 3476732

BUSINESS INFORMATION

Business Name:

HJP INVESTMENTS, LLC

UBI Number:

602 343 865

Business Type:

WA LIMITED LIABILITY COMPANY

Business Status:

ACTIVE

Principal Office Street Address:

1950 NW LOUISIANA AVE, CHEHALIS, WA, 98532-1715, UNITED STATES

Principal Office Mailing Address:

PO BOX 1227, CHEHALIS, WA, 98532-0250, UNITED STATES

Expiration Date:

11/30/2022

Jurisdiction:

UNITED STATES, WASHINGTON

Formation/ Registration Date:

11/21/2003

Period of Duration:

PERPETUAL

Inactive Date:

Nature of Business:

REAL PROPERTY INVESTMENT

REGISTERED AGENT INFORMATION

Registered Agent Name:

SCOTT E BLINKS

Street Address:

345 NW PACIFIC AVE, CHEHALIS, WA, 98532-0000, UNITED STATES

Mailing Address:

PO BOX 867, CHEHALIS, WA, 98532-0000, UNITED STATES

GOVERNORS

Title	Governors Type	Entity Name	First Name	Last Name
GOVERNOR	INDIVIDUAL		ROBERT	PEHL
GOVERNOR	INDIVIDUAL		HEIDI	PEHL

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

Cindy Thayer, and/or Sarah Burdick, and/or Ronda Pogorelc and/or Cheyenne Denman says that she is the legal clerk of

The
Chronicle

a semi-weekly newspaper, which has been established, published in the English language, and circulated continuously as a semi-weekly newspaper in the City of Centralia, and in Lewis County, Washington, general circulation in Lewis County for more than six (6) months prior to the date of the first publication of the notice hereto attached, and that the said Chronicle was on the 7th day of July 1941, approved as a legal newspaper by the Superior Court of said Lewis County. And that the attached is a true copy and was published in regular issues (and not in supplement form) of said newspaper as LEGAL # 125110 RE: Notice of Public Hearing Vacate-22-001

once each day for a period of 1 day

commencing on 01/26/2023 and ending on 01/26/2023

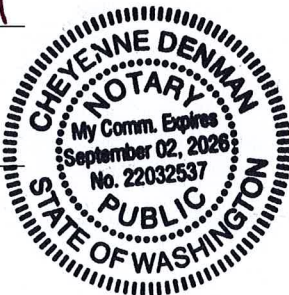
and both regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is the sum of \$ 148.00

Ronda Pogorelc
Subscribed and sworn to before me 01/26/2023

Cheyenne Denman

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

Centralia



125110 Notice of Public Hearing Vacate-22-001

**NOTICE OF
PUBLIC HEARING
City Council
Permit #Vacate-22-001**

TOPIC: Applicant has requested a section of Arkansas Avenue between I-5 Toyota and the new Honda Dealership, at the easterly corner of Louisiana Avenue and Arkansas Avenue.

DATE, TIME and PLACE: February 13, 2023 at 5:00 PM Chehalis City Hall, Council Chambers 350 N. Market Blvd Chehalis, WA

CONTACT: To view the proposed changes during regular business hours or to request a copy, contact:

Tammy Baraconi,
Planning and Building Manager
1321 S. Market Blvd
Chehalis, WA 98532
360.345.2229 or via email at tbaraconi@ci.chehalis.wa.us

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

Written public comment can be accepted until 4:30 PM on February 13, 2023

Published: The Chronicle
January 26, 2023

ORDINANCE NO. 1063-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
PROVIDING FOR THE DEDICATION OF A PORTION OF
PARCEL NUMBER 021612011001.**

Whereas, the City of Chehalis received a petition from Scott Blinks on behalf of HJP, Inc. on March 30, 2022 and declared a complete application on January 10, 2023 to vacate a portion of Arkansas Way east of Louisiana Avenue more particularly described in Ordinance number 1062-B; and,

Whereas, the applicant and the City of Chehalis are negotiating an agreement whereby there is an equitable exchange of property from parcel number 021612011001 in lieu of a payment for right of way vacation; and,

Whereas, the City Council of the City of Chehalis held a public hearing to consider the petition to vacate on the 13th day of February 2023, after due notice to the owners of all property abutting and adjacent to the area identified in said vacation petition as required by law; and,

Whereas, the City Council passed ordinance number 1062-B on first and second reading vacating the requested portion of Arkansas Way; and,

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

Section 1.

The legal descriptions of parcel number 021612011001 from which the land is being dedicated as found in Exhibit A and for the portion of right of way being dedicated is described in Exhibit B with certified survey drawings as Exhibit C and summarized as follows:

- A portion of Arkansas Way east of Louisiana Avenue containing an area of 4,068 sq feet or 0.09 acres

shall be, and the same hereby is, dedicated.

Section 2.

This ordinance shall become effective only upon the date that HJP, Inc, transfers the dedicated property to the City of Chehalis as part of the separate agreement.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its mayor this ____ day of _____, 2023.

Mayor

Attest:

City Clerk

Approved as to Form and Content:

City Attorney

EXHIBIT “A”

HJP INVESTMENTS, LLC
PIN: 021612011001

GRANTOR’S ENTIRE PARCEL:

LOT 1 OF CITY OF CHEHALIS BOUNDARY LINE ADJUSTMENT 17-002 RECORDED DECEMBER 15,
2017, UNDER AUDITOR’S FILE NO. 3476732.

EXHIBIT "B"

HJP INVESTMENTS, LLC
PIN: 021612011001

RIGHT-OF-WAY DEDICATION AREA:

THAT PORTION OF GRANTOR'S PARCEL, (DEFINED IN EXHIBIT A), DESCRIBED AS FOLLOWS:

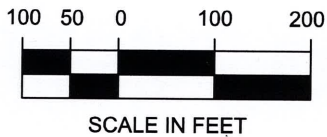
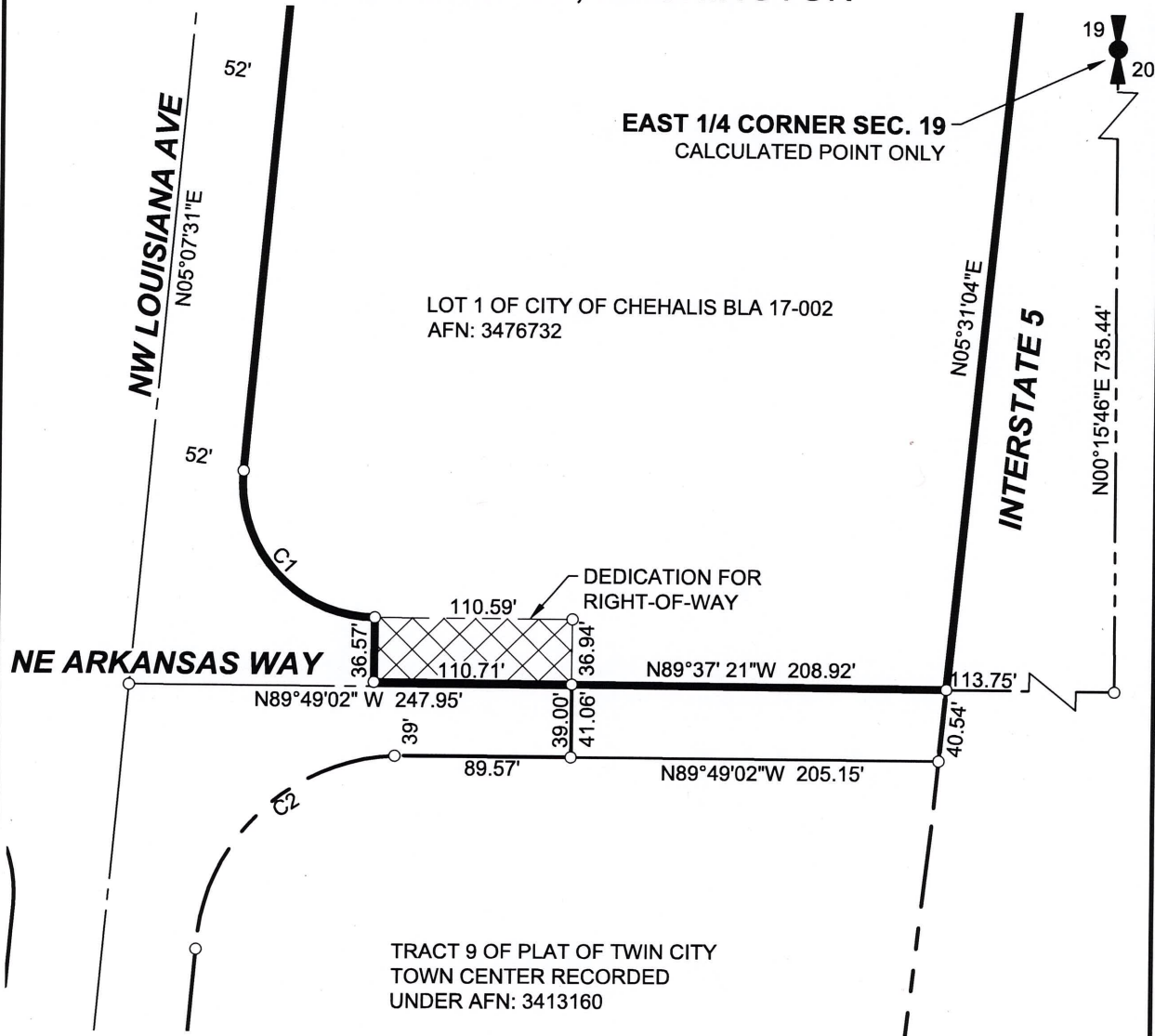
COMMENCING AT THE SOUTHEAST CORNER OF GRANTOR'S PARCEL, BEING ON THE WESTERLY MARGIN OF INTERSTATE NO. 5;
THENCE N89°37'31"W ALONG THE SOUTH LINE OF GRANTOR'S PARCEL A DISTANCE OF 208.92 FEET, TO THE **POINT OF BEGINNING**; THENCE CONTINUING ALONG SAID SOUTH LINE N89°37'31"W A DISTANCE OF 110.71 FEET;
THENCE N00°22'29"E A DISTANCE OF 36.57 FEET;
THENCE S89°49'02"E A DISTANCE OF 110.59 FEET;
THENCE S00°10'58"W A DISTANCE OF 36.94 FEET TO THE **POINT OF BEGINNING**.

CONTAINING AN AREA OF 4,068 SQ. FEET OR 0.09 ACRES MORE OR LESS.

EXHIBIT C

RIGHT-OF-WAY DEDICATION

PORTION OF THE NE 1/4 NE 1/4, SEC 19, T 14 N, R 2 W, W.M.
LEWIS COUNTY, WASHINGTON



LINE AND CURVE DATA

CURVE	DELTA	RADIUS	LENGTH
C1	94°56'36"	75.00'	124.28'
C2	85°03'24"	115.00'	170.72'

LEGEND

- SECTION LINE
- CENTERLINE
- RIGHT-OF-WAY LINE
- LOT LINE
- SITE BOUNDARY/ PARENT PARCEL



DEDICATION AREA = 4,068 SQFT



PROFESSIONAL LAND SURVEYORS
1583 N NATIONAL AVE
CHEHALIS, WA 98532 OFFICE: (360) 748-4000

EXHIBIT C

JOB NO: 5207 DATE: 02/02/2023
CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON

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

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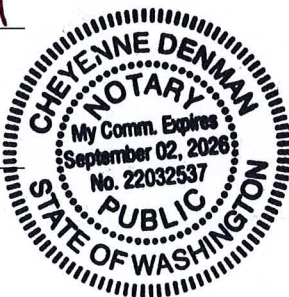
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Written public comment can be accepted until 4:30 PM on February 13, 2023

Published: The Chronicle
January 26, 2023

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Glenn Schaffer, HR/Risk Manager

MEETING OF: February 27, 2023

SUBJECT: Proposed 2023–2025 Chehalis Police Officer’s Guild CBA

ISSUE

The Collective Bargaining Agreement (CBA) between the Chehalis Police Officer’s Guild Personnel and the City expired on December 31, 2022. The City’s negotiating team has been working with the Union to negotiate the terms of a new agreement for several months.

DISCUSSION

The City’s negotiating team started meeting with representatives of the Police Guild to discuss the positions for each side in August of last year. Several issues were brought to the table, to include wages, overtime, the current patrol schedule, education incentives, equipment, and uniforms, just to name a few. These negotiations took place during a time of high inflation, which varied between from 8.1 % to 10.1 % from February 2022 through December 2022 according to the Consumer Price Index for All Urban Consumers (CPI-U) for Seattle-Tacoma-Bellevue. Inflation peaked at 10.1% in June of 2022. According to the most recent CPI-U report, inflation was 8.4% higher in December 2022 than in December 2021.

The 2023-2025 proposed CBA between the Chehalis Police Officer’s Guild and the City includes the following more significant changes and updates:

- Minor changes were made to several of the sections to update the effective dates, clarify language and procedures and update legal terms. These sections include overtime posting, clarifications of overtime on holidays and overtime for detectives covering patrol shifts; a call-back seniority list to fill mandatory overtime shifts; and a 48-hour notification requirement for vacation leave.
- Section 7.2.1 outlines the percentage for which police officers will contribute to their insurance premiums. Police officers will now pay 10% of their insurance premiums, which is an increase for them of 1% over the 2022 rate.
- Section 7.9.1 outlines an education incentive to begin January 1, 2024 of 1% for officers having an AA Degree, and 2% for officers having a BA or BS Degree.
- Section 14, Appendix A outlines the salary schedule for 2023, 2024 and 2025. The wages include an increase of 9% in 2023, a 5% increase in 2024, and a 4% increase in 2025. It is important to note that the 2023 increase of 9% includes a 1% increase for the police officers being required to wear body cameras.

The City has received the ratified contract from the Chehalis Police Officer's Guild.

FISCAL IMPACT

The proposed CBA will increase the 2022 base wages of the represented employee by 9% in 2023, 5% in 2024, and 4% in 2025. There will also be an impact in regard to the education incentive of 1% and 2% depending on the number of employees who take advantage of this benefit.

The City's Adopted 2023 Budget includes a 4% increase for salaries and wages for all employees, so an amendment will be needed in early 2023 to include the additional costs associated with the contract.

RECOMMENDATION

It is recommended that the City Council approve the 2023-2025 Collective Bargaining Agreement between the City and the Chehalis Police Officer's Guild and authorize the City Manager to execute the related documents.

SUGGESTED MOTION

Move to approve the 2023-2025 Collective Bargaining Agreement between the City and the Chehalis Police Officer's Guild and authorize the City Manager to execute the related documents.

COLLECTIVE BARGAINING

AGREEMENT

BETWEEN

CHEHALIS POLICE OFFICERS GUILD
(Representing Uniformed Police Personnel)

AND

CITY OF CHEHALIS

January 1, 2023 –
December 31, 2025

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1 INTRODUCTION

1.1 Description of Parties

1.1.1 This Agreement has been made and entered into by and between the CITY OF CHEHALIS, WASHINGTON, hereinafter referred to as the "Employer", and CHEHALIS POLICE OFFICERS GUILD, hereinafter referred to as the "Guild."

1.2 Preamble

1.2.1 The purpose of this Agreement is to achieve and maintain harmonious relations between the Employer and Guild, to provide for equitable and peaceful adjustments of differences which may arise, and to establish proper standards of wages, hours, and other conditions of employment.

2 RECOGNITION

2.1 Scope of the Bargaining Unit

2.1.1 The Employer recognizes the Guild as the exclusive bargaining representative for, and this Agreement shall cover, all full-time and regular part-time commissioned employees in the Police Department, excluding the Chief of Police, Deputy Chief or other second in command positions above the rank of Sergeant, non-commissioned employees and all other positions excluded from the statutory definition of "public employee".

3 MANAGEMENT RIGHTS

3.1 Customary Functions

3.1.1 Except as limited by an express provision of this Agreement, the Employer shall retain the right to exercise the customary functions of management in accordance with RCW 41.56. The parties hereby recognize the Employer's right to determine the methods and processes of providing services, including, but not limited to, the right to hire, lay off, transfer, promote, demote, discipline, discharge, determine work schedules and assign work, introduce new equipment, new and improved methods of operation, assignment of employees to specific jobs within the department, and the use of reserves, in accordance with established contractual guidelines.

3.1.2 Subject to the provisions of this Agreement, the Guild recognizes that the Employer's management rights include, by way of non-exclusive example, the right to:

- A. Determine the Employer's budget, methods of operation, facilities, and equipment.
- B. Hire, promote, transfer, assign, retain, and lay off employees (subject to Article 6.8).
- C. For just cause, suspend, demote, discharge, and otherwise discipline non-probationary employees (subject to Article 12).
- D. Determine the methods and means by which the Employer's operations are to be conducted and the Employer's hours of operation.
- E. Direct employees and determine their duties (subject to Article 5).
- F. Take emergency action as necessary to perform the proper functions of the Employer.

- G. Determine the management and organizational structure of the Employer.
- H. Maintain the efficiency of the operation entrusted to the Employer.
- I. Determine and administer policy (subject to subsection 3.1.3 below).

The foregoing list of specific management rights is not intended to, and shall not be construed as, restrictive of, or as a waiver of, any management rights of the Employer not listed herein (except to the extent expressly abridged by a specific provision of this Agreement). To that end, the foregoing list is for illustrative purposes only.

3.1.3 Nothing contained in this Agreement shall be construed as permitting the Employer to make unilateral changes in those mandatory subjects of bargaining set forth in RCW 41.56. The Employer shall provide written notice to the Guild of any policy change affecting mandatory subjects of bargaining prior to implementation of the respective policy.

3.2 General Obligations

3.2.1 As the public has the right to expect the maximum performance from its Police Department, the employees have an obligation to maintain an acceptable level of police performance and productivity. The Employer shall have the right to establish performance standards as a means of measuring the level of police performance and productivity of employees as a basis for promotions, disciplinary actions, and work schedules. No personal business, appointments, visitations, or other personal activities will be conducted on the Employer's time without the Employer's approval.

3.3 Departmental Rules & Regulations

3.3.1 The Guild agrees that its members shall comply in full with Police Department rules and regulations, including those relating to conduct and work performance. The Employer shall notify the Guild of all changes in departmental rules and regulations at the time of implementation. It is the intent of the Employer not to establish rules and regulations which conflict with the collective bargaining agreement.

3.3.2 All members shall familiarize themselves with the laws, rules, regulations, directives and customs governing conduct and procedure in their jobs.

4 GUILD SECURITY

4.1 Guild Membership

4.1.1 The parties agree that, pursuant to the United States Supreme Court's ruling in *Janus v. AFSME* in June 2018, it is not a condition of employment to become a member of the Guild in order hold an employment position covered by this Agreement. To comply with *Janus* (and any other applicable law/legislation), employees desiring to become and/or remain a member of the Guild shall advise the Employer of this desire in writing by voluntarily executing an "opt-in" letter provided by the Guild which expressly authorizes the withholding of Guild dues from the respective employee's paycheck. The "opt-in" letter shall state with specificity the amount of the authorized deduction from the employee's paycheck. After receiving the foregoing documentation, the Employer shall remit the authorized amount of dues to the Guild on a monthly basis for the respective employee.

4.1.2 The employee may revoke his/her authorization for the Guild dues deduction discussed in Section 4.1.1 above at any time by providing written notice to the Guild. The Guild, in turn, shall immediately provide a copy of this written notice to the Employer's Human Resources Department.

4.1.3 Employees in the Guild shall hold the Employer harmless and shall indemnify the Employer from responsibility for withholding errors and damages flowing there from caused by faulty information furnished by employees or the Guild, and the Guild shall promptly refund to the employee any amounts paid to the Guild in error.

5 COMPENSABLE HOURS

5.1 Hours of Work

5.1.1 The regular work week for an employee covered by this Agreement shall consist of five (5) eight (8) hour days with two (2) consecutive days off. The Employer reserves the right to adopt a work week of four (4) ten (10) hour days with three (3) consecutive days off or five (5) eight and one half (8.5) hour days with two (2) or three (3) consecutive days off alternating each week or a 10 hour 40 minute schedule. Employees shall be notified seven (7) days prior to such change. The provisions of this article shall not be applicable to those employees engaged in authorized shift rotation or shift change pursuant to the following terms.

5.1.2 During the shift rotations and/or shift changes, overtime shall be paid for all days worked after the fifth (5th) consecutive eight (8) hour (or greater) day without two (2) consecutive days off.

5.2 Overtime

5.2.1 Any compensable hours in excess of eight (8) hours per day or forty (40) hours per week shall be paid at a rate of time and one-half the employee's regular rate of pay. Any part of a one-half (1/2) hour shall constitute one half (1/2) hour of compensable time.

5.2.2 In the event that the ten (10) hour shift is implemented, overtime shall be paid at the rate of time and one-half the employee's regular rate of pay for all compensable hours in excess of ten (10) hours per day or forty (40) hours per week.

5.2.3 In the event that the eight and one half (8.5) hour shift is implemented, overtime shall be paid at the rate of time and one-half the employee's regular rate of pay for all compensable hours in excess of eight and one-half (8.5) hours per day or in excess of the employee's regularly scheduled work week (34 or 42.5 hours).

5.2.4 The Chief of Police or his/her designee shall have the right to require overtime work and officers may not unreasonably refuse overtime assignments. Non-mandatory overtime must be approved, when possible in advance, by a shift supervisor and/or designee.

5.2.5 Employees shall not utilize sick leave or compensatory time to exceed the daily overtime threshold. If, however, an employee is mandated to work overtime at the end of their scheduled shift into a day with pre-approved vacation or compensatory hours, with the approval of the Chief or his/her designee, the employee will receive overtime compensation and the first sentence of this Section 5.2.5 shall not apply.

5.2.6 If the Chief of Police or his/her designee orders an employee to perform mandatory unscheduled overtime on the employee's regular days off or prior to the employee's regular start time of his/her shift at the end of their regular days off, the Employer shall compensate the employee at two (2) times his/her regular rate of pay for those unscheduled hours. This Section 5.2.6 shall not apply to situations where an employee is previously scheduled to report to work on a regular day off (this includes, without limitation, situations where an employee reports to work on a regular day off for training, court appearances, or any other previously scheduled event).

5.2.7 A Detective may not work overtime unless he/she: (i) has already worked more than 40 hours during Employer's designated work week; (ii) receives a callout; (iii) works posted overtime patrol

outside of their regular work hours; (iv) is assigned to patrol and performs approved work outside of their scheduled patrol shift; or (v) obtains approval from the Chief of Police or designee in advance.

5.2.8 Overtime opportunities for employee shifts shall be posted, when practical, within seven (7) days of the start of the overtime opportunity. Employees shall be able to bid on overtime based on current MOUs (if any) and current Agreement language. Employees shall notify other employees if they are “bumped” for a shift – either in person or by telephone. The bumping employee shall be responsible for the notification of the employee that was bumped. 24 hours before the start of the overtime opportunity, the overtime shall be considered scheduled and there shall be no opportunity to bump the scheduled employee. Once scheduled, employees will work the scheduled overtime with the exception of sick call.

5.2.9 If there is an overtime shift occurrence, the on-duty Sergeant/OIC will make a good faith effort to contact officers on days off following the procedures outlined in this Agreement. The officers on days off are not allowed to receive overtime compensation for not being called and for hours not worked.

5.3 Compensatory Time

5.3.1 All employees may elect to accrue compensatory time in lieu of receiving overtime wages. Compensatory time shall accrue at the rate of time and one-half for each overtime hour worked and shall be subject to the following conditions:

- a) An employee shall be permitted to accumulate up to three hundred sixty (360) hours of compensatory time. Such accrued time shall be cumulative from year to year. After the effective date of this Agreement, compensatory time exceeding the aforementioned limit shall be paid to the employee at the hourly rate in effect at the time of payment.
- b) When taken as time off work, compensatory time shall be paid at the employee’s current rate of pay.
- c) After the effective date of this Agreement, an employee may convert all or parts thereof accrued compensatory time to wages at the hourly rate of pay in effect at the time of payment. Requests for cash-out of accrued compensatory time shall be made in writing, specifying the number of hours to be cashed out, and submitted to the Chief of Police or designee on or before the 20th day of the current payroll month. Cash out of accrued compensatory time will not be allowed in December of each year, unless the employee gives notice by the 25th of November of his/her intent to cash out hours.
- d) The Chief of Police or designee shall have the authority to approve or deny expenditure of compensatory time.
- e) Pre-approved scheduled compensatory time off may only be denied in the event of an emergency which would endanger or severely impair the Employer's ability to provide adequate law enforcement services to the public.
- f) Compensatory time may be utilized in conjunction with accrued vacation and may be utilized prior to and in lieu of accrued sick leave under the same terms and conditions set forth in the sick leave provision of this Agreement.
- g) The Employer shall maintain a system by which an accurate means of compensatory time accrual, expenditure, and cash outs can be maintained and controlled.
- h) When the employment of an employee is terminated (for whatever reason) or in the case of the employee’s death, accrued compensatory time up to the maximum of three hundred sixty (360) hours shall be paid to the employee or his/her estate at the hourly rate in effect at the time of payment.

5.4 Shift Schedules

5.4.1 Employees shall be given seventy-two (72) hours notification prior to any unscheduled shift changes unless emergency circumstances, beyond the Employer's control, compels a reassignment of shift schedules. The payment of overtime for short-term vacancies, less than five (5) days, shall not be construed as an "emergency". Employees mandated to an unscheduled shift change when an emergency is not present and without seventy-two (72) hours' notice shall be compensated at the employee's overtime rate of pay for all hours work outside of his or her adjusted schedule. Upon mutual agreement between the Employer and affected employee, the employee may adjust his/her shift start time without notice as required above and without additional overtime liability.

5.4.2 Shift schedules shall be projected and posted seven (7) months in advance and provide for day off rotations approximately every fifty six (56) days or as otherwise agreed upon by the bargaining unit and the Chief of Police. Guild members shall bid for shifts by seniority. The projected shift schedules should not be construed as guaranteed shifts for any individual employee and are subject to change.

5.4.3 The Employer shall establish a designated work week as provided for in the Fair Labor Standards Act.

5.4.4 Shift vacancies that occur will be filled using bargaining unit personnel in the following order; the shift will be offered to personnel on days off on a voluntary basis. The shift will be split into four (4) hour slots offered to personnel from the preceding and succeeding shifts on a voluntary basis. The shift will be split into four (4) hour slots and personnel from the preceding and succeeding shifts will be assigned to the shift. Reserve officers or exempt personnel may be assigned to work the shift.

5.4.5 Employees may be approved for double back shifts only at the discretion of the shift supervisor. Employees who work five (5) hours of overtime or more on a back to back shift shall receive a meal chit for fifteen dollars (\$15.00), reimbursement up to a maximum of fifteen dollars (\$15.00) for meals, or the Employer shall provide a meal to the affected employees.

5.4.6 Employees ordered to work on their day off to cover a patrol shift through overtime shall be ordered in on a rotating basis. The parties shall compile and maintain a seniority list, which shall be ordered from least senior to most senior. When an ordered in shift happens, the employee at the top of the list on days off will be ordered in – and shall then be placed at the bottom of the list. The next time an ordered in shift happens, the next employee on the top of the list on days off will be ordered in – and so on. The intent of this Section 5.4.6 is to make it so the least senior employee does not repeatedly get ordered in on his/her days off. If an employee on days off is not contacted or is unable to be contacted, the employee shall keep their spot on the list and shall not receive overtime compensation for the shift since they did not work it.

5.5 Call Time

5.5.1 A call-back is defined as an official assignment of work which does not continuously precede or follow an employee's regularly scheduled working hours. Call-back shall not include departmental meetings, State or federally mandated testing, or training sessions in which the employee(s) are notified a minimum of five (5) calendar days in advance of such activities.

5.5.2 Employees called out during their off duty hours, shall be guaranteed a minimum of four (4) hours of compensation at the employee's applicable rate of pay. The greater part of fifteen (15) minutes shall count as fifteen (15) minutes of compensable time.

5.5.3 Minimum call-back pay shall not apply in cases where an employee is called back to correct a work deficiency of said employee.

5.6 Court Time

5.6.1 Any employee required to attend a court hearing or proceeding emanating from performance of their official duties as an employee of the Chehalis Police Department is to be paid a minimum of three (3) hours at time and one-half their regular rate of pay. If the employee is required to attend court on his/her scheduled day off, the minimum shall be increased to four (4) hours at time and one-half their regular rate of pay. Any additional time spent above and beyond the applicable minimums shall be compensated at time and one-half the employee's regular rate of pay.

5.6.2 The minimums outlined above are intended for hours worked attending and/or participating in court related activities outside of the employee's regularly scheduled hours of work. The minimums are not intended for hours worked in conjunction with regular scheduled hours of work.

5.7 Working Out of Classification

5.7.1 An employee who performs the work of a higher job classification, with approval from the Chief of Police or his/her designee, shall be compensated an additional five (5%) percent for all hours worked payable to the first hour worked out of classification.

5.7.2 The senior on-duty patrol officer shall be the officer in charge (OIC) unless another individual is designated as the OIC by the Chief or designee. Such designation shall be at the sole discretion of the Chief or designee.

5.7.3 An employee who is temporarily assigned by the department head to a management or mid-management position with a higher pay range for a period in excess of thirty-nine (39) consecutive hours, and who performs the job duties of such a position, shall be compensated at fifteen percent (15%) over his/her existing wage for the entire period of time when so assigned. In no case will the total amount paid be greater than the person currently occupying the position.

5.8 Detective Assignments

5.8.1 Sergeants assigned as Detective Sergeant shall have their monthly base salary increased by five percent (5.0%) for the duration of the assignment. An employee assigned by the Chief of Police as a detective shall have their monthly base salary increased by five percent (5.0%) for the duration of the assignment. An employee assigned as a detective shall serve at the pleasure of the Chief of Police, however, an anticipation of assignment duration shall be provided to the employee prior to the assignment. There is no guarantee as to the number of positions that will be assigned at any given time nor shall there be a guarantee of the duration of the assignments.

5.8.2 When an opening for a detective's assignment becomes available and the Chief of Police determines that the position should be filled, a notice of said pending assignment shall be posted and a review committee shall be established to receive applications submitted from interested employees. The review committee shall then submit their recommendations to the Chief of Police for final determination prior to the official assignment.

5.9 Specialty Pay

5.9.1 An employee assigned to CIRT shall have their monthly base salary increased by two point five percent (2.5%) for the duration of the assignment.

5.9.2 An employee assigned as a Field Training Officer shall receive an additional five percent (5%) added to his/her regular pay while so engaged.

5.9.3 Employees who are assigned as K-9 officers shall receive an additional nineteen (19) hours per month at time and one-half (1½) the minimum wage for care and custody of the police canine.

5.9.4 Employees who are assigned as defensive tactics instructors, firearms instructors, and EVOC instructors shall have an additional 1.5% added to his/her regular pay “while so engaged”. For purposes of this Section 5.9.4, “while so engaged” means: (i) while the employee is actively teaching approved curriculum during scheduled training days, to include the set up and break down of the facility for said training; and (ii) during scheduled instructor development days designed to prepare the instructor for upcoming scheduled in-service training days. “While so engaged” shall not apply to outside trainings and classes the instructor may attend relating to the discipline for which he/she receives specialty pay.

6 EMPLOYMENT POLICIES

6.1 Non-Discrimination

6.1.1 In accordance with applicable law, neither the Employer nor the Guild shall discriminate in a manner which would violate Federal or State laws against any employee covered by this Agreement because of race, creed, color, national origin, sex, age, religion, mental or physical disability, political beliefs, sexual orientation (including gender identity and gender expression), honorably discharged military status, genetic history, marital status, Guild or non-Guild activities, or any other category protected by applicable law.

6.2 Shift Changes

6.2.1 An employee may exchange scheduled work shifts with another employee subject to the following conditions:

- a) Such shift change shall not impose any additional cost on the Employer.
- b) The Employer will not be held responsible for enforcing any agreements made between employees.

6.2.2 An employee may exchange shift rotations with another employee with approval of the Chief of Police or designee. There shall be no specific limit on the number of times an employee may request a shift exchange. Provided, however, under no circumstances may a shift exchange result in any additional cost or expense to the Employer. The Employer will not approve continuous shift exchanges which result in an employee continuously working on graveyard shift. An employee involved in such rotation change shall be responsible for performing the same responsibilities as those associated with the shift to which he/she had originally been assigned prior to the approved change.

6.3 No Strike

6.3.1 The Employer and the Guild agree that the public interest requires the efficient and uninterrupted performance of all the Employer's services and to this end, pledge their best efforts to avoid or eliminate any conduct contrary to this objective. The Employer and the Guild recognize that the cessation or interruption of services of the employees during the life of this Agreement is in violation of this Agreement. Employees in the bargaining unit, while acting in the course of their employment, shall not honor any picket line established by the Guild or any other labor organization when called upon to cross such picket line in the line of duty. The Guild recognizes and agrees that disciplinary action may be taken by the Employer against any employee or employees engaged in a violation of this provision.

6.3.2 In the event the Employer determines that a breach of any of the foregoing provisions has occurred, the Employer shall, as soon as possible, attempt to notify the Guild of the alleged breach. The Guild shall secure an immediate and orderly return to work after being notified by the Employer of the breach of this article.

6.3.3 Employees shall not be entitled to any benefits or wages whatsoever while they are engaged in a strike, boycott, slowdown, mass sick call, any form of work stoppage, refusal to perform duties or other interruption of work.

6.4 Equipment and Safety

6.4.1 An employee will not be required to operate unsafe, mechanically unsound equipment. Unsafe equipment should be reported to the employee's supervisor.

6.4.2 In the event of a dispute concerning the safety or mechanical condition of a vehicle, the employee may be assigned, by his supervisor, to another duty in an area of the City or to another motorized unit.

6.4.3 Employees shall be issued a ballistic vest which meets or exceeds the minimum requirements set forth in the National Institute of Justice standards. Ballistic vests shall be reconditioned and/or replaced based upon the manufacturer's recommendations.

6.5 Rest Breaks

6.5.1 During the course of a work shift, employees shall be permitted to take a thirty (30) minute lunch break and two (2) fifteen minute rest breaks. All such breaks will be taken as time permits. If the employee fails to take any or all such breaks, for whatever reason, he or she shall not have the right to claim additional compensation for that time.

6.6 Secondary Employment

6.6.1 An employee wishing to hold outside employment, including self-employment, shall notify the Chief of Police of their intent to engage in outside employment which will not:

- a) Result in a conflict of interest;
- b) Result in advertising on Employer property;
- c) Involve the use of Employer's equipment or supplies; or
- d) Infringe on their ability to do their job for the Employer.

6.6.2 If the work being performed or to be performed is determined to be unacceptable, as specified above, the Chief may direct the employee not to engage in specific outside employment or direct the employee to withdraw from their outside employment within fourteen (14) calendar days. The reasons for the directive(s) shall be set forth in writing by the Chief of Police. Any action taken by the Employer under this provision shall be subject to the grievance procedure if it appears that the action taken is unwarranted or unjust.

6.7 Training

6.7.1 Mandatory training is that in which the employee's attendance is required by the Employer. Mandatory training shall be considered compensable hours worked at the employee's applicable rate of pay. For compensation purposes, mandatory training shall include travel time round trip to and from such training. Employees directed to attend mandatory training shall be provided with a two (2) week notification for unscheduled shift changes.

6.7.2 Voluntary training is that in which the employee requests to attend training for individual career enhancement or advancement. Voluntary training shall not be considered compensable hours worked, even though the Employer may pay for all or part of the training, provided the guidelines in

the Fair Labor Standards Act are followed. The employee's work schedule may be adjusted to accommodate the employee's request for voluntary training.

6.7.3 An employee who feels that the Employer is operating outside of the F.L.S.A. guidelines, as it pertains to voluntary training, may directly or through their Guild Representative bring this issue to the attention of the Employer for adjustment. If the question is not resolved, the employee may seek whatever legal recourse is available under federal or state statutes to address the question at hand.

6.8 Seniority

6.8.1 Each employee shall have seniority standing equivalent to the continuous length of service within the employee's entry-level job classification unless this specific seniority application is modified by other provisions of this Agreement. An employee must have twelve (12) months continuous service with the department to be eligible for vacation seniority.

6.8.2 Reduction In Force: Employees shall be laid off in the reverse order of the employee's seniority within their respective entry level job classification and shall subsequently be recalled in a similar fashion; i.e., the last employee laid off shall be the first recalled.

6.8.3 Seniority shall be terminated by separation from employment with the Employer, except in the case of a reduction of force, or an authorized leave of absence. Seniority shall be maintained by the affected employee(s) for twenty four (24) months from the effective date of the reduction in force or from the effective date of an authorized leave of absence unless otherwise denoted in this Agreement.

6.9 Employee Evaluations

6.9.1 Performance evaluations shall be returned to the employee within thirty (30) calendar days after being reviewed and signed by the employee unless circumstances beyond the Employer's control prevents the normal processing of the evaluation.

6.10 Leaves of Absences

6.10.1 Medical Leave: An employee may apply for a leave of absence due to a medical problem that causes the employee to be unable to perform his or her regular duties. Such requests must be in writing and accompanied by a corroborating statement from the employee's attending physician estimating the amount of time that the employee will be unable to perform his or her duties. Once the employee has exhausted all accrued leaves during such period of disability, the Employer shall grant a medical leave of absence, without compensation and without accrual of benefits to the employee, such that the total time off work during such period is up to six (6) months.

6.10.2 The Employer may require that the employee submit to an examination by a physician of the Employer's choice at the Employer's expense at any time prior to or during this leave of absence. An employee on such leave of absence shall provide the Employer with periodic updates from his or her own physician.

6.10.3 Extensions of a medical leave of absence, beyond the time guaranteed above shall be at the sole discretion of the Employer. An employee on such leave may return to work early if the Employer is notified in advance. Failure or inability to return from leave on or before the established date may result in termination.

6.10.4 Regular Leave: A leave of absence must be requested in writing and be submitted to the Chief. The Employer reserves the right to approve or deny any leave requested. No benefits, such as vacation or sick leave are earned while on leave. Leaves in excess of six (6) months shall require an adjustment of the employee's seniority date.

6.10.5 Employees on leave may return early from leave if they notify their supervisor in advance. Failure to return from leave on or before the agreed upon date may result in termination.

6.10.6 Leaves Provided by Applicable Statute. The Employer will provide employees with family and medical leave, pregnancy disability leave, military leave and other paid and unpaid leave required by State and Federal law including:

- a) Family and Medical Leave (29 U.S.C. 2601 et seq., and RCW 49.78)
- b) Family Care Act Leave (RCW 49.12.265)
- c) Pregnancy Disability Leave (RCW 49.60)
- d) Leave for Victims of Domestic Violence, Sexual Assault and Stalking (RCW 49.76)
- e) Leave for Spouses of Deployed Military Personnel (RCW 49.77)
- f) Leave for Certain Emergency Services Personnel (RCW 49.12.460)

Leave eligibility, benefits and requirements will be determined by applicable law and will be administered according to the Employer's policy.

6.11 Personnel Files

6.11.1 Personnel records are maintained on all employees and are the property of the Employer and are maintained by the Human Resources Director. The records include, among other things, an employee's application, any examination materials, reports of the results of any employment reference checks, a list of positions held and pay rates received, performance evaluations, memos or letters regarding any disciplinary actions or other counseling sessions, and records regarding fringe benefits administration.

6.11.2 An employee's personnel records are confidential. Only the employee, the employee's immediate supervisor and Chief or designee and the Human Resources Director or other appropriate personnel authorized by the City Manager, may examine employee personnel records. Employees are entitled to review their own personnel file upon request. Employees may request the removal of information they deem irrelevant, erroneous, or outdated. Upon consultation with the department head, final determination of the retention of such material shall be made by the Human Resources Director. The employee shall have the opportunity to submit a letter of rebuttal regarding any information contained in the file that is in dispute.

6.11.3 Confidential personnel records shall not be released to any other unauthorized individuals, except with the written consent of the employee, in response to valid court orders or government request directing the provisions of information from personnel records, or if disclosure is otherwise required by applicable law.

6.11.4 All employees are required to provide their current home telephone number and address to their Employer.

7 EMPLOYEE BENEFITS

7.1 Clothing and Equipment Allowance

7.1.1 It is the intent of the Employer to maintain the quality of uniforms to the highest law enforcement standards. This Agreement does not prohibit the Employer from obtaining the best price possible by bidding with businesses currently supplying the department with uniforms and cleaning.

7.1.2 The proper uniform shall consist of such items of apparel and equipment as approved by the Chief of Police. A listing of uniforms and equipment which is applicable under the quartermaster system shall be maintained for employee/employer reference.

7.1.3 Employees required by the Chief of Police to wear a uniform shall be furnished with all necessary apparel and equipment on a quartermaster system. A committee, consisting of one Sergeant, a Patrol Officer, and the Chief, or designee will be formed to set the minimum quantity of the various items needed for a complete uniform. Once the minimum quantity has been established, the Employer will furnish each officer with the quantity of uniform apparel and equipment established by the committee. Replacement of worn apparel and equipment will be on an as needed basis. The cleaning of said apparel and equipment shall be provided by the Employer on a weekly basis.

7.1.3.1 Notwithstanding Section 7.1.3 above, the maximum allowable amount for the purchase or replacement of work boots (which constitute part of the employee's uniform) shall be an amount equivalent to the retail price of the "Danner Acadia" boot as set forth on Danner's website.

7.1.4 Employees assigned as detective will receive an allowance up to six hundred dollars (\$600) dollars per calendar year. In addition, the employee's uniforms and equipment shall be maintained in the same manner as the uniformed personnel.

7.1.5 An employee who has authorized personal items damaged or destroyed in the line of duty, provided that the loss is not directly related to employee negligence, shall be reimbursed by the Employer for replacement and/or repair costs. If the damage is directly related to the arrest of a suspect, it shall be the employee's responsibility to ensure that the City Attorney and/or Prosecutor are advised of the damage or loss so that Employer reimbursement may be sought through the criminal justice system.

7.1.6 Upon separation of employment (regardless of the reason for separation), employees shall return all clothing, equipment, and other items purchased by the Employer that were issued to the employee.

7.2 Health and Welfare

7.2.1 For medical coverage effective January 1, 2020, all employees in the bargaining unit and their eligible dependents will be enrolled in the LEOFF Health and Welfare Trust Plan F. Employee premium contributions shall be through payroll deduction in the preceding pay period (e.g. January premiums are deducted from the December pay period).

7.2.2 The City and the Employee will share the expense of the premiums for medical insurance as follows:

From December 1, 2022 forward, the Employer will pay 90% and the Employee will pay 10% of the full premium through a payroll deduction.

7.2.3 Employees may elect to create "excess savings" to their medical premium benefit dollars through the following methods:

a) By voluntarily declining coverage for an eligible spouse and/or dependent(s).

7.2.4 Employees who create "excess savings" to their medical premium benefit dollars as outlined above shall receive fifty (50) percent of the created excess savings as Employer funded contributions into a Voluntary Employees' Beneficiary Association (VEBA) account established by the employee with VEBA Trust. Excess savings are calculated by subtracting the reduced cost of the full premium from the Employer paid contribution rate established for the LEOFF Health and Welfare Trust Plan F. No Employer funded VEBA contribution will occur if there is no excess savings to an employee's medical premium benefit dollars.

7.2.5 Individually and collectively, employee VEBA accounts will be governed by the terms, policies and conditions set forth by the VEBA Trust administrators and applicable Internal Revenue Service codes.

7.2.6 Individually and collectively, employees and dependents insurance plan eligibility will be governed by the underwriting rules and policies of the LEOFF Health and Welfare Trust as long as insurance is provided through that source.

7.2.7 Dental Insurance: Effective January 2023 the Employer will pay the full premium cost of the Delta Dental PPO Enhanced 100/80/50 Plan. The Employer shall enter into a Dental Care Service Contract with Delta Dental of Washington for dental coverage and make the required monthly contributions for each employee who was compensated for eighty (80) hours or more in the preceding month. The required premium contributions on behalf of each eligible employee shall be made by the tenth (10th) of each month.

7.2.8 Vision Insurance: Effective January 2023, vision benefits are provided through the LEOFF Health and Welfare Trust Plan F.

7.2.9 Long Term Disability Insurance: The Employer shall remit the monthly premium for long-term disability insurance for non-LEOFF I commissioned officers provided through the Washington Council of Police Officers. The payment for this coverage shall be funded via a payroll deduction. The specific insurance provider of this benefit may be changed upon mutual agreement of the Guild and the Employer.

7.2.10 It shall be the responsibility of the employee to notify the Employer's personnel or payroll offices in writing within thirty (30) days of any change of dependent coverage (e.g. marriage, divorce, newborn), regarding Employer paid benefits; lack of such notification shall result in the employee reimbursing the city for excess insurance premium costs paid.

7.2.11 If no successor Collective Bargaining Agreement is agreed to by December 31, 2025, the medical cost share shall remain at 90% Employer contribution share and 10% employee contribution share unless something to the contrary is mutually agreed to by the parties. Nothing in this section shall be construed as to limit the parties' ability to negotiate a different cost share with an effective date of January 1, 2026.

7.2.12 Eligible "dependents", for purposes of health insurance coverage under this Section 7.2, shall mean dependents of employees up to the age of 26 years old. After a dependent reaches age 26, he/she may continue to receive health insurance coverage, if permitted by the terms of the applicable health care plan, at the employee's sole expense through a payroll deduction.

7.3 Bereavement Leave

7.3.1 An employee shall be allowed to utilize accumulated sick leave with full pay for the purpose of making arrangements for and/or attending funeral services of a person related by blood, marriage, or legal adoption; including grandparent, parent, spouse, brother, sister, child, grandchild, or any relative living in the employee's household.

7.3.2 At the discretion of the department head or designee additional relatives or in-laws may be considered immediate family for the purpose of bereavement leave if the Chief or designee believes the employee had a close relationship with the deceased. Any decision made regarding the granting or denial of bereavement leave shall not be considered as precedent setting for any subsequent requests made in accordance with this provision.

7.3.3 The first two (2) days of bereavement leave shall not be debited against the employee's sick leave. This provision shall also be applicable for the designated K-9 handler in the event the handler's dog is killed in the line of duty.

7.4 Sick Leave

7.4.1 Sick leave with pay shall accrue at the rate of eight (8) hours of sick leave for each month of continuous service. Any sick leave accrued which is unused in any year shall be accumulated for succeeding years. Sick leave shall not accrue during leaves of absence without pay or layoff. Probationary employees shall be eligible for paid sick leave. Sick leave shall be granted for the following reasons.

- a) Personal illness or physical incapacity resulting from causes beyond the employee's control.
- b) Enforced quarantine of the employee by a physician.
- c) Illness within the immediate family (spouse, parents and legal dependents) of the employee necessitating the employee's absence from work.
- d) Medical or dental treatment within the immediate family of the employee as defined above necessitating employee's absence from work.
- e) Maternity leave.
- f) Any other purpose authorized by applicable law.

7.4.2 When an employee utilizes accrued sick leave, the employee is required to notify the supervisor as soon as possible prior to the start of the employee's shift or immediately upon onset of sickness while on duty.

7.4.3 Absence for part of a day for reasons in accordance with these sick leave provisions shall be charged against accrued sick leave in an amount not less than one-half hour. Regular days off shall not be charged against sick leave.

7.4.4 An employee injured on the job and who qualifies for State Industrial insurance may request to have their accrued sick leave benefits pro-rated to ensure that the employee continues to receive a regular net paycheck. In the event that a LEOFF II employee exhausts all of his/her accrued sick leave benefits prior to being released to return to work, the Employer shall continue to provide the same pro-rated sick leave benefits for a period of time not to exceed six (6) months from the original date of the employee's job-related injury and/or illness.

7.4.5 When the employment of an employee is terminated (for whatever reason) or in the case of the employee's death, accrued sick leave up to a maximum of seven hundred and twenty (720) hours shall be paid to such person or his/her estate. The last uncompleted year of service shall be pro-rated based upon the number of months completed in the last year of service. The following formula will be used to compute payment:

Number of years of service (max 30) divided by 30	X	Employee's total accumulated Sick Leave Hours	=	If this value is less than or equal to 720 hours, use this value. If this value greater than 720 hours, then use 720	X	Employee current hourly rate of pay	=	Compensation due to employee
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Notwithstanding the foregoing, an employee who voluntarily resigns and fails to give at least fourteen (14) calendar days advance notice of intent to resign will not be entitled to receive any payment for accumulated sick leave.

7.4.6 To receive sick leave pay in excess of three (3) consecutive working days, an employee may be required to present a statement by a physician certifying that the employee's condition prevented him/her from performing the duties of his/her position during the period of illness. In addition, the Chief of Police may require a physician's statement for sick leave of less than three (3) days duration if there is suspected abuse of the sick leave program.

7.4.7 The Employer shall retain the right to take corrective steps to deal with sick leave abuse or situations where the employee has prolonged and/or frequent or regular absences. Corrective steps may include requiring medical consultations, doctor's slips or disciplinary action, including dismissal.

7.4.8 An employee shall be allowed to donate a portion of their accrued sick leave hours to another employee who is ill or disabled. Such donations are limited to cases in which the donee is suffering from an injury, illness or disability preventing him or her from returning to work, and in which the donee has exhausted all of his or her accrued paid leave time. The donee first must have exhausted his or her leave time and may not receive more than three hundred sixty (360) hours accumulative from donors for any one injury or illness in any one calendar year. Donated hours are excluded from termination sick leave pay-off provisions.

7.5 Longevity

7.5.1 Employees shall receive longevity pay in proportion to their continuous years of service as a full-time police officer with the City of Chehalis at the following percentages of base monthly salary:

After 5 years	After 10 years	After 15 years	After 20 years	After 25 years
1%	2%	3%	4%	5%

7.6 Holidays

7.6.1 The employees shall receive ten (10) paid holidays. For the purpose of application of this provision, the holidays specified below are designated holidays:

New Year's Day	January 1
Martin Luther King's Birthday	3 rd Monday in January
Presidents Day	3 rd Monday in February
Memorial Day	Last Monday of May
Independence Day	July 4
Labor Day	1 st Monday of September
Veterans Day	November 11
Thanksgiving Day	4 th Thursday in Nov.
Day after Thanksgiving	Day after Thanksgiving
Christmas Day	December 25

7.6.2 An employee who is required to work a designated holiday shall be compensated at time and one-half for all hours worked at the employee's applicable rate of pay. An employee who desires to have overtime, which is earned on a holiday, credited as compensatory time shall notify the Employer in writing no later than January 15th of each calendar year. Such decision shall be irrevocable until the following calendar year. This determination only applies to the additional one half time actually earned on a recognized holiday, during a normal scheduled work shift. For compensation purposes, the commencement and/or ending of a designated holiday shall be 12:00 midnight.

7.6.3 The Employer may designate an employee(s), who is scheduled to work, to take the designated holiday off. Employees who are given the day off shall have the amount of hours off debited from their vacation accrual. The city's day of observance may be recognized as the designated holiday for non-rotating day shift personnel for the purpose of designating time off.

7.7 Vacation

7.7.1 Annual leave shall be accumulated by and granted to employees. An employee shall not be entitled to use annual leave benefits until such time as they have been employed continuously for one (1) year. Annual leave credits shall accrue from the beginning of employment and effective January 1, 2023, shall accumulate as follows:

Completed Years of Service	Accrual Rate Hours per Month	Hours of Accrued Vacation
0	7.33	88
1	7.33	88
2	8.00	96
3	8.66	104
4	9.33	112
5	10.00	120
6	10.00	120
7	10.66	128
8	11.33	136
9	12.00	144
10	12.66	152
11	13.33	160
12	13.33	160
13	14.00	168
14	14.00	168
15	14.66	176
16	14.66	176
17	14.66	176
18	15.33	184
19	15.33	184
20	16.00	192
21	16.00	192
22	16.66	200
23	16.66	200
24	17.33	208
25	17.33	208
26 yrs. and greater	18.00	216

7.7.2 On January 1st of each calendar year or prorated on the employee's date of hire, each eligible employee's vacation bank shall be credited with (99) ninety-nine holiday hours (8 hours of which shall be for a floating holiday). In the event of termination, holiday hours credited but not earned will be debited from the employee's accrual prior to issuing the employee's final paycheck.

7.7.3 Vacation leave may be accumulated to a maximum of three hundred twenty (320) hours. Vacation leave exceeding three hundred twenty (320) hours shall, at the end of the calendar year, be cashed out hour for hour at the employee's applicable rate of pay.

7.7.4 Vacation bids shall be based on an employee's seniority within the employee's classification rather than the employee's departmental seniority. Within a designated shift, Sergeants shall have preference over their subordinates for vacation bidding purposes. All other employees shall utilize departmental seniority, within their classification, for vacation bidding preferences within their designated shift assignment.

7.7.5 Sergeants shall have the first opportunity to bid on one (1) vacation period during each calendar year, followed by officers on each Sergeant's shift using seniority.

- a) To enable the Employer to assess training opportunities and scheduling options, no employee vacation bids/requests may be submitted between January 15th and January 31st for the following calendar year, except with the consent of the Employer.
- b) Beginning January 15th and at any time thereafter during the following calendar year, the Employer may reserve up to fifteen (15) calendar days on which no employee vacation bids/requests will be approved, except with the consent of the Employer (Employer shall not change these 15 days once communicated to the Guild). Existing vacation bids/requests already approved on a date subsequently reserved by the Employer will be honored in accordance with the terms of Section 7.7 Vacation.
- c) Beginning February 1st of each calendar year, vacation scheduling for the remainder of the calendar year shall be on a first come first serve basis. Employees shall provide Employer at least 48 hours notice if they wish to utilize vacation (or compensatory time) under this Section 7.7.5 – such that the Employer can plan accordingly. Employees failing to provide 48 hours notice may only utilize vacation (or compensatory time) under this Section with the approval of the Chief of Police or his/her designee. In the event that two officers on the same shift request the same day off, the selection shall be based upon rank then seniority.
- d) With the exception of primary vacation bids, no employee may request vacation or compensatory time the day before, day of, or day after a recognized holiday listed in 7.6.1.

7.7.6 An employee shall be permitted to schedule and take their vacation in conjunction with their regularly scheduled days off. Employees shall not have their shift artificially adjusted to coincide with the designated work week.

7.7.7 The Employer shall maintain two vacation schedules. The Patrol Officers and Sergeants shall be on one schedule. A maximum of three (3) employees on this schedule shall be allowed to be on vacation at the same time, but in no case shall the employees be on the same shift. The second schedule shall consist of departmental employees not assigned to patrol duties. The Employer shall determine the maximum number of employees permitted to be on vacation at the same time on the second schedule.

7.7.8 Seniority bidding shall be utilized on blocks of forty (40) hours or more. Work weeks that do not facilitate a forty (40) hour vacation block due to regular shift rotations or circumstances beyond the employee's control shall fall within the forty (40) hour vacation block definition even though the period of time scheduled off may be less than forty (40) hours. Vacation selections of less than forty (40) hours shall be on a first submission basis following the completion of the seniority bid selection.

7.7.9 Once scheduled, an employee's vacation shall not be changed nor shall the employee be called back from vacation unless an emergency exists. The term "emergency" shall not include Employer scheduling errors, court appearances where the prosecutor can reschedule or postpone the trial appearance, or the payment of overtime to fill vacant shifts.

7.7.10 An employee who is required to return from a scheduled vacation to fill a vacant shift, shall not have the days worked debited from their respective vacation banks and shall be compensated at time and one-half for all hours worked at the employee's applicable rate of pay.

7.7.11 Upon termination of employment, employees with more than one year of service shall be paid for all unused accumulated vacation leave earned within the stated limitations. Unused accumulated

vacation shall be paid to the employee's estate in cases where the employee has died. While on annual leave, employees shall be paid at their current rate of pay. No employee shall be paid for unearned vacation leave.

7.7.12 When an employee transfers from one department within the Employer's service to another, the vacation leave credits shall also be transferred.

7.7.13 The Chief of Police or designee may grant a change in scheduled vacation if ten (10) day prior written notice is given by the employee so long as the rescheduling does not infringe upon any other employee's previously scheduled vacation.

7.8 Tuition Reimbursement

7.8.1 Reimbursement of tuition and book fees may be granted for approved job related courses of study provided through any accredited college or university. Conditions for tuition and book reimbursement shall be:

- a) An employee must be full-time in order to be eligible for tuition and book reimbursement.
- b) Prior approval of the course work must be obtained from the Chief of Police Services and City Manager.
- c) An employee must complete course work with a grade "C" or better or "Pass" in pass/fail system.
- d) If prepayment is not made, then the employee must apply for reimbursement within sixty (60) calendar days following completion of course work each term of class, quarter and/or semester.
- e) An employee is expected to seek courses and/or correspondence course at/from accredited colleges or universities with the lowest tuition fees provided that; 1) an employee's work schedule can reasonably accommodate the courses at such college or university including but not limited to reasonable commuting time; and 2) the courses available at the least expensive college or university are transferable to a four (4) year institution.

7.8.2 Upon completion of an authorized course, books and/or material which are returnable shall be sold back to the bookstore. Money recovered shall be returned to the Employer by means of a personal check or money order.

7.8.3 No funding shall be made available to any employee for participation in a Doctoral program.

7.8.4 Employees may request prepayment of authorized anticipated expenses for tuition and books. Failure of the employee to receive a qualified grade, as set forth in Section 7.8.1 shall result in the prepayment advance being refunded to the Employer through either a payroll deduction, an employee's personal check, or money order.

7.8.5 Following completion of any course for which prepayment or reimbursement of fees has been provided in accordance with this section; an employee must remain in the services of the Employer for at least as long a period of time as the term in which that course was offered. Failure to do so (except for any reason not controlled by the employee) shall result in prorated repayment of fees to the Employer by the separating employee.

7.9 Educational Incentive

7.9.1 Beginning on January 1, 2024, education incentive pay shall be awarded to employees who have obtained an Associates (AA) or Bachelor's (BA or BS) degree in accordance with the schedule below:

- AA Degree: One percent (1%)
- BA or BS Degree: Two percent (2%)

8 SALARY SCHEDULE

8.1 Employee Classifications and Wages

- a) The salary schedule is attached to this agreement as an Appendix.
- b) An employee's signature on a time sheet does not constitute a waiver of the employee's right to seek contractual redress of pay related issues which may be erroneously reflected on said time sheet.

9 GRIEVANCES

9.1 Definition

9.1.1 All grievances, defined as a dispute or disagreement concerning the interpretation, application, or alleged violation of a specific provision of this Agreement and alleged inappropriate, improper, or unwarranted disciplinary action, shall be settled as provided in this article. Grievances shall be processed in strict accordance with the following procedures and stated time limits unless mutually waived in writing.

9.1.2 An employee electing to utilize the appeal process available through the Civil Service Rules and Regulations shall forfeit their right to utilize the grievance procedure as set forth in this provision. Employees may not file simultaneous appeals through the grievance procedure and the Civil Service Rules and Regulations. In addition, parties agree that pursuing a grievance to arbitration under this Article 9 constitutes an election of remedies and a waiver of any and all rights by Guild and persons represented by the Guild to litigate or otherwise prosecute the grievance and its subject matter in a court of law or other forum.

9.1.3 The parties recognize that probationary employees may not grieve discipline imposed upon them (including termination) during their respective probationary period.

9.2 Procedure

9.2.1 Prior to initiating the contractual grievance process, the aggrieved employee may discuss the grievance with the Chief of Police or designee.

9.2.2 An employee grievance shall be submitted to the Guild for determination of merit. If the Guild decides that the grievance lacks merit, no further action is necessary on the Guild's part, but the employee may proceed on his/her own.

9.2.3 If an employee and/or the Guild has a grievance, it must be submitted in writing to the Chief or the Chief's designee within ten (10) working days from the date of occurrence or from the date the employee and/or the Guild would have reasonably become aware of the alleged problem. If the grievance is not submitted within the stated time limitations, the grievance shall be deemed to be waived. This written notice shall include the following:

- a) Statement of the grievance and relevant facts;
- b) If applicable, the specific provision(s) of the Agreement violated;
- c) Remedy sought;
- d) Copy to the City Manager.

9.2.4 Following written notification of the grievance, the employee and/or the Guild shall schedule a meeting with the Chief of Police or designee and the grievant. If the grievance is not satisfactorily resolved, the Chief of Police or designee shall respond in writing, unless withdrawn by the Guild, within a reasonable amount of time as to his/her position on the grievance. The grievance shall then be referred to the City Manager unless withdrawn by the Guild.

9.2.5 Once referred to the City Manager, the Guild shall schedule a meeting with the City Manager to discuss the grievance. If the matter remains unresolved, the City Manager shall respond in writing within a reasonable amount of time as to the Employer's official position on the grievance.

9.2.6 If the grievance is not resolved to the satisfaction of both parties as set forth in the forgoing paragraphs, the grievance shall be submitted to the Chehalis Civil Service Commission or to grievance arbitration as set forth in Section 9.3. Issues that are submitted to grievance arbitration may not be submitted to the Civil Service Commission for resolution.

9.2.7 Disciplinary action which does not create a property loss, (i.e., loss of accrued leave credit, suspension, demotion, or discharge) shall not proceed to arbitration or to a Civil Service hearing. Advancement to arbitration shall be deferred, contingent upon subsequent actions of the employee and Employer.

- a) If the employee becomes subject to another disciplinary action, and if the Employer relies upon the deferred action to support its new disciplinary action, then both disciplinary actions shall advance to arbitration, and the original deferred grievance shall be heard and adjudicated first, and the latter disciplinary action shall be heard and adjudicated second.

9.2.8 Nothing contained in this provision shall be construed to prevent a Civil Service appointed position from seeking resolution to a lesser disciplinary action in front of the Civil Service Commission without Guild representation.

9.3 Grievance Arbitration

9.3.1 The parties shall attempt to select a mutually agreeable Arbitrator. If the parties are unable to agree upon an arbitrator, either party may request a list of seven (7) independent arbitrators from Public Employment Relations Commission to hear the issue in dispute. Such reference to arbitration will be made within thirty (30) calendar days after the decision in Section 9.2.5. Upon receipt of the independent arbitrator list, the parties shall select the arbitrator by alternatively striking a name from the list until only one (1) name remains. The party entitled to make the first strike of an arbitrator's name shall be determined by the flip of a coin. The parties shall select the arbitrator within fourteen (14) calendar days of their receipt of the list of arbitrators.

9.3.2 In connection with any arbitration proceeding held pursuant to this Agreement, it is understood as follows:

- a) When an interpretation and application of this Agreement falls within the issue at hand, the arbitrator's power shall be limited to interpretation or application of the express terms of this Agreement. The arbitrator shall have no power to render a decision that will add to, subtract from or alter, change, or modify the terms of this Agreement.
- b) The arbitrator shall conduct a hearing at which the parties may submit their cases concerning the grievance. The arbitrator shall accept proffered evidence deemed relevant and admissible by him/her

(and shall be empowered to request such additional information as he/she may deem necessary). Each party may call such witnesses as may be necessary. Each party may be represented by an attorney. The arbitrator shall rule only on the basis of information presented in the hearing and shall refuse to receive any information after the hearing except in the presence of both parties and upon mutual agreement (provided, however, the arbitrator may, in his/her discretion, allow the parties to submit post-hearing briefs). The arbitrator shall be empowered to establish the procedures of the arbitration which are not otherwise specifically articulated in this Section 9.3.

- c) The decision of the arbitrator shall be final, conclusive and binding upon the Employer, the Guild, and the employees involved provided the decision does not involve action by the Employer which is beyond its jurisdiction.
- d) Each party shall bear the cost of presenting its own case. The expenses of the arbitrator, if any, shall be borne equally by both parties.
- e) Either party may request that a stenographic record of the hearing be made. The party requesting such record shall bear the cost thereof, provided, however, if the other party requests a copy, such cost shall be shared equally.

9.3.3 Arbitration awards shall not be made retroactive beyond the date of the occurrence or nonoccurrence upon which the grievance is based, that date being ten (10) working days or less prior to the initial filing of the grievance pursuant to the procedures outline above in this Article 9.

10 GUILD BUSINESS

10.1 Guild Representative Access

10.1.1 It is agreed that, for the purpose of carrying out the terms of this Agreement and contacting the employees regarding Guild affairs, the representative for the Guild shall have the right to enter and visit the establishment during business hours. The Employer shall furnish a bulletin board for posting notices of Guild business for the employees.

11 GENERAL PROVISIONS

11.1 Severability

11.1.1 If any provision of this Agreement or the application of such provisions shall be in any court or by other governmental action be held invalid, the remaining provisions and their application shall not be affected thereby. Provided, however, upon such invalidation the parties' signatories hereto agree to immediately meet to re-negotiate such parts or provisions affected.

11.2 Civil Service

11.2.1 Except as specifically provided otherwise in this Agreement, the Chehalis Civil Service Commission's rules and regulations effective at the time of entering into this Agreement pertaining to hiring, promotion, demotion, discipline, and retention (including termination and reduction in force) shall prevail. The Employer agrees to negotiate over proposed changes to wages, hours, and terms and conditions of employment that are mandatory subjects of bargaining.

11.3 Use of Reserves

11.3.1 Reserve officers shall only be used to supplement the normally scheduled work force, but may be used as direct replacements after all available work has been offered to off-duty bargaining unit members.

12 EMPLOYEE DISCIPLINE

12.1 Just Cause

12.1.1 All disciplinary action, including suspension and termination, taken against an employee shall only be for just cause, provided, however, this provision shall not apply to the first twelve (12) months of an employee's initial employment with the Employer, during which time the employment status shall be strictly at will,

12.2 Types of Discipline

12.2.1 Progressive discipline is acknowledged and utilized by the Employer. The forms of discipline generally utilized in seeking corrective action may include, but shall not be limited to: verbal reprimand (reduced to writing to reflect its occurrence), written reprimand, demotion, suspension, and/or employment termination. Verbal reprimands may not be grieved by either the employee or the Guild.

12.2.1.1 In the event the Employer issues a written reprimand, the issuer of the written reprimand shall state within the reprimand the date upon which Employer shall no longer consider the written reprimand for future disciplinary purposes – provided the employee does not engage in the same or similar conduct during the designated time frame (which shall be between one and three years – in the discretion of the Employer).

12.2.1.2 The Employer may also, in its discretion, decide to provide employees with non-disciplinary verbal coaching/counseling and/or written memorandums of non-disciplinary coaching, counseling, and/or training to address low level performance issues. None of the foregoing types of non-disciplinary actions are subject to the grievance procedure in this Agreement.

12.2.2 The parties recognize that some infractions are so serious that discharge can occur with the first violation. If management or supervisory personnel of the City determine that a particular offense by a particular employee is a "serious offense," then the City is not obligated to initiate discipline with a verbal reprimand, but may, in its sole discretion, apply any stage of disciplinary action deemed appropriate.

12.3 Disciplinary Investigations

12.3.1 Prior to an employee being interviewed by the Employer or designee regarding non-criminal matters which may lead to disciplinary action, an employee shall receive written notification, providing the following information:

- a) The basis of the alleged inquiry and the policies alleged to have been violated; and
- b) Notice of his or her right to have a Guild representative present at the interview; and
- c) A copy of the original written complaint which caused the inquiry to be initiated.

12.3.2 Interviews and Investigation. In cases of serious violations, which may result in a written reprimand, suspension, demotion or termination, the complaint must also be forwarded to the Guild. The interview of an employee concerning action(s) or inactions(s), which, if proved, could reasonably lead to a written reprimand, suspension without pay, demotion, or discharge for that employee, shall be conducted under the following conditions and procedures:

- a) The outcome of administrative reviews/internal investigations shall be a finding that is categorized as either "sustained," "not sustained," "unfounded," or "exonerated."
- b) The Employer shall inform the employee within a reasonable time after a complaint is made against him/her which will result in a formal investigation of said employee. The Employer

shall endeavor to provide this notice within three business days (i.e., Monday through Friday), but the parties acknowledge that circumstances could exist which delay the Employer's ability to provide the notice within that timeframe. When the Employer provides the notice, it shall inform the employee in writing, with a copy to the Guild, of the nature of the investigation; the specific allegations related thereto; and the policies, procedures and/or laws that form the basis for the investigation; and shall be advised that an opportunity to consult with a Guild representative will be afforded prior to the interview. Absent exigent circumstances, the Employer shall provide the employee who is the subject of the investigation with 72 hours advance notice prior to his/her investigatory interview. The employee may waive the seventy-two hour notice in writing only.

- c) The requirements of these shall not apply if (1) the employee is under investigation for violations that are punishable as felonies or misdemeanors under law, or (2) notices to the employee would jeopardize the administrative investigation.
- d) If a complainant has filed a formal complaint regarding an action or inaction of an employee and the Employer deems further investigation is necessary, the employee shall be provided a copy of the complaint as soon as practical, with a copy forwarded to the Guild. If a fact finding determines that there is no basis for further investigation, the Employer shall inform the employee in writing of the existence of the original complaint and the outcome of the fact finding.
- e) The employee shall have the right to have a Guild representative present during any interview, which may reasonably result in discipline of the employee. The Guild representative may not obstruct or hinder the interview, but he/she can clarify points, ask questions of the interviewee at the conclusion of the investigator's questions, or point out pertinent information to assist in gathering facts. The opportunity to have a Guild representative present at the interview or the opportunity to consult with a Guild representative shall not unreasonably delay the interview. However, if the interview begins with the consent of the employee in the absence of a Guild representative, but during the interview the employee concludes that assistance is required by reason of increasing seriousness of the disciplinary problem, the employee shall be allowed a reasonable time not to exceed seventy-two (72) hours in which to obtain a Guild representative.
- f) To the extent reasonably possible, all interviews under this Section shall take place at the Police Department facilities.
- g) The Employer may schedule the interview outside of the employee's regular working hours; however, in that event the appropriate overtime payment shall be made to the employee.
- h) The employee shall be required to answer any question concerning a non-criminal matter under investigation and shall be afforded all rights and privileges to which the employee is entitled under State or Federal laws.
- i) The employee shall not be subject to abusive or offensive language or to coercion, nor shall interviewer(s) make promises of award or threats of harm as inducements to answer questions.
- j) During an interview, the employee shall be entitled to such reasonable intermissions as the employee may request for personal physical necessities.
- k) All interviews shall be limited in scope to activities, circumstances, events and conduct that pertain to the action(s) or inaction(s) of the employee that is the subject of the investigation. Nothing in this Section shall prohibit the Employer from questioning the employee about information that is developed during the course of the interview.

- l) If the Employer tape-records the interview, a copy of the complete tape-recorded interview of the employee, noting the length of all recess periods, shall be furnished the employee upon the employee's written request. If the interviewed employee is subsequently charged with misconduct, at the request of the employee or on its own volition, the Employer shall provide a copy of the recording to the Guild on behalf of the employee.
- m) Interviews and Internal Affairs investigations shall be conducted as promptly as possible under the circumstances at the time. If an investigation cannot be concluded within thirty (30) days of its commencement, notification will be provided to the employee and the Guild with an explanation for the delay, along with an estimated completion date. The granting of extensions by Administration shall not be unreasonably withheld.
- n) The employee and the Guild shall be advised within 14 calendar days, in writing, of the results of the investigation and what future action, if any, will be taken regarding the matter investigated.

12.3.3 Pre-Disciplinary Hearing. A pre-disciplinary hearing shall be held by the Employer in cases in which the complaint is believed to be valid and sanctions that could impact a property right (i.e., termination, demotion, or suspension) are anticipated in order to provide the employee an opportunity to explain their perspective and clear their name regarding the matters at issue. The employee shall be provided notice of the hearing at least seventy-two (72) hours before the hearing date. The Employer shall schedule the hearing within a reasonable time after completion of the subject investigation, taking into account the complexity of the case and the schedules of the various personnel involved. Should additional investigation be required before a hearing can be set, the involved employee(s) shall be notified in writing of the delay and the expected completion date. The Employer and Employee may also mutually agree to waive the seventy-two (72) hour hearing notification requirement. The written notification of the hearing shall provide the following information:

- a) The basis of the alleged infraction;
- b) The applicable policies/rules/directives alleged to have been violated;
- c) Advice to the employee of his or her right to Guild representation during the hearing; and
- d) A copy of the complete investigative materials provided to the Chief (upon written request of employee).

A pre-disciplinary hearing shall be conducted during the employee's normal work hours unless the urgency to resolve the complaint dictates otherwise. If the employee is working a shift other than day shift, the pre-disciplinary hearing will be held as close as practical to the employees normal work hours.

The employee may, if the employee wishes, advise the Employer that he or she will not proceed with a pre-disciplinary hearing. Once the Employer has afforded the employee the opportunity of a pre-disciplinary hearing and the employee chooses not to participate, the Employer may proceed with disciplinary action.

Following the pre-disciplinary hearing, the Employer shall notify the affected employee in writing of the outcome within fourteen (14) calendar days of completion of the aforementioned pre-disciplinary hearing, not including the hearing date. If the Employer is unable to meet the foregoing deadline, it shall provide the employee with a written explanation of the reason for the delay and the estimated completion date. In cases where a timed letter has been placed into an employee's file, such letter shall be automatically removed from the file upon the expiration of the duration of the notice.

An employee shall be required to sign a disciplinary document prior to the same being placed in his/her personnel file to acknowledge receipt of the same. The employee's signature shall also

acknowledge that the Employer is placing the disciplinary document in his/her file but shall not constitute an admission by the employee that he/she agrees with the discipline. The Employer shall provide notice to a member of the Guild's Executive Board when it imposes discipline upon a Guild member.

12.4 Administrative Leave

12.4.1 On a case by case basis, the Employer may place an employee on administrative leave with pay for an indefinite period of time, as determined by the Chief of Police or his designee to be in the best interests of the Employer during the pendency of an investigation or other administrative proceeding. Administrative Leave, with pay, shall not be considered "discipline" and as such may not be grieved under the grievance procedure of this Agreement.

12.4.2 Any employee under criminal investigation shall be placed on administrative leave (either paid or unpaid, as determined appropriate by the City in its discretion) until a decision is made as to whether criminal charges shall be filed against said employee. After a charging decision is made, the Employer shall decide whether it is appropriate to keep the employee on administrative leave (either paid or unpaid) or take other action in respect to the employee's continued employment. Nothing in this Section 12.4 shall be construed, however, as preventing the City from commencing its own administrative (civil) investigation into the employee's alleged conduct or from initiating disciplinary proceedings at any point (to include prior to when a criminal charging decision is made).

13 TERM OF AGREEMENT

13.1 This Agreement shall be deemed effective on January 1, 2023. Such agreement shall continue in effect through and including December 31, 2025.

CHEHALIS POLICE OFFICERS GUILD

CITY OF CHEHALIS

Warren Ayers, Guild President

T. Jill Anderson, City Manager

Kassi Mackie, City Clerk

14. APPENDIX "A"- SALARY SCHEDULE

14.1 2023-2025 Wages

Effective December 25, 2022: There will be a 9% increase for all Guild members to 2022 base wages (see chart below):

Classification	Pay Range		STEP A	STEP B	STEP C	STEP D	STEP E
2023 (9% Increase above 2022 base wage)							
Non-Academy	21P	M	5,067				
Police Officer	22P	M	6,334	6,637	6,969	7,305	7,667
Police Detective	23P	M	6,652	6,971	7,316	7,670	8,051
Police Sergeant	24P	M	8,520	8,878			
Police Sergeant/Detective	25P	M	8,994	9,322			

Effective December 25, 2023: There will be a 5% increase for all Guild members to 2023 base wages (see chart below):

Classification	Pay Range		STEP A	STEP B	STEP C	STEP D	STEP E
2024 (5% Increase above 2023 base wage)							
Non-Academy	21P	M	5,320				
Police Officer	22P	M	6,651	6,969	7,317	7,670	8,050
Police Detective	23P	M	6,985	7,320	7,682	8,054	8,454
Police Sergeant	24P	M	8,946	9,322			
Police Sergeant/Detective	25P	M	9,444	9,788			

Effective December 25, 2024: There will be a 4% increase to 2024 base wages for all Guild members (see chart below):

Classification	Pay Range		STEP A	STEP B	STEP C	STEP D	STEP E
2025 (4% Increase above 2023 base wage)							
Non-Academy	21P	M	5,533				
Police Officer	22P	M	6,917	7,248	7,610	7,977	8,372
Police Detective	23P	M	7,264	7,613	7,989	8,376	8,792
Police Sergeant	24P	M	9,304	9,695			
Police Sergeant/Detective	25P	M	9,822	10,180			

14.2 Step Placement and Advancement

14.2.1 Non-Academy Graduate: A new employee, who is required to attend the Washington State Law Enforcement Academy, shall receive eighty percent (80%) of Step A until such time as the employee successfully completes his or her academy training provided that such employee is sent to the Academy within thirty (30) calendar days of employment. Such employee would become eligible for advancement from Step A to Step B on the first anniversary of his or her original date of hire with the City of Chehalis.

14.2.2 The Chief of Police, at the Chief of Police's sole discretion, may start a new hire up to Step D of the salary schedule depending on the employee's experience and job qualifications.

14.2.3 Merit Step Advancement: Advancement from one salary step to a higher salary step, not to exceed the maximum step of the salary range, shall be dependent upon the employee's job performance as evaluated by the Chief of Police. Merit step advancements are not to be granted automatically, but may be given annually, on or before the employee's anniversary date, to any employee who consistently meets or exceeds the standard requirements of the position. Annual performance evaluations shall be conducted on each employee, and the Chief of Police shall present the evaluations to the City Manager for review and consideration for merit advancement.

14.2.5 In the case of denial of merit advancement, written notification of such denial shall be submitted to the employee at the time of denial. Said notification shall include the specific reasons for the denial. Any denial of merit advancement, except in the case of probationary employees, shall be subject to the grievance procedure as contained in this Agreement.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Randy Kaut, Police Chief
Kevin Nelson, City Attorney

MEETING OF: February 27, 2023

SUBJECT: **First Reading of Ordinance No. 1064-B, Amendments to Title 7.04.320(B) of the Chehalis Municipal Code (Noise Ordinance)**

ISSUE

Currently the noise ordinance for the City of Chehalis states that a violation occurs if the sound emanating from a location “unreasonably interferes with the peace, comfort, and repose of owners or possessors of real property.” With recent citizen complaints related to amplified sound originating from commercial businesses, it was recommended that an objective standard be established by City Ordinance to assist law enforcement in determining if amplified sound originating from a business would be considered a violation.

DISCUSSION

The purpose for modifying our current noise ordinance is to develop a reasonable and tested standard for amplified noise originating from a commercial property. Under Washington Administrative Code (WAC) 173-60-040, the standard for permissible noise emanating from a commercial property is 57 dBA (decibel level A) when measured from a location in a zoned residential area. WAC 173-60-040 also reduces the permissible noise limit to 47 dBA after 10:00 pm. With an attempt to be consistent with Washington State noise standards, we have put together a draft ordinance reflecting these noise levels for amplified sound emanating from a commercial property using limits from WAC 173-60-040. Additionally, after a recent discussion with the City Beautification Committee, the proposed ordinance includes language setting the sound level reduction at 11:00 pm on weekends (Friday, Saturday, Sunday). Other minor changes to the ordinance are proposed in an attempt to clarify or clarify existing language.

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 1064-B on first reading to adopt changes to Chapter 7.04.320(B) of the Chehalis Municipal Code to specify when a violation of the noise ordinance occurs for commercial properties using amplified sound.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 1064-B on first reading amending Chapter 7.04.320(B) of the Chehalis Municipal Code to specify when a violation of the noise ordinance occurs for commercial properties using amplified sound.

ORDINANCE NO. 1064-B

**AN ORDINANCE OF THE CITY OF CHEHALIS,
WASHINGTON, AMENDING CHAPTER 7.04.320(B) OF
THE CHEHALIS MUNICIPAL CODE AND
ESTABLISHING AN EFFECTIVE DATE HEREOF.**

WHEREAS the City of Chehalis has previously enacted Chehalis Municipal Code (“CMC”) 7.04.320(B) Noises Which Disturb Others; and

WHEREAS the City Council desires to regulate noise levels emanating from commercial properties in a manner that is fair and reasonable to both commercial property owners and other members of the community and public; and

WHEREAS the current code provisions have proven to be difficult for the public to understand and comply with in certain situations; and

WHEREAS the City desires to update its noise ordinance accordingly;

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

Section 1. Section 7.04.320(B) of the Chehalis Municipal Code shall be, and the same hereby is, amended to read as follows:

7.04.320 Nuisances.

B. Noises Which Disturb Others.

1. It shall be unlawful for any person to cause a public noise disturbance or be in possession and control of property from which a public noise disturbance emanates. The following sounds, without limitation, are determined to be public noise disturbances:

a. The frequent, repetitive, or continuous sounding of any horn or siren attached to a motor vehicle, except as a warning of danger or as specifically permitted or required by law.

b. Yelling, shouting, hooting, whistling, or singing on or near the public streets, particularly between the hours of 10:00 p.m. and 7:00 a.m. or at any time and place so as to unreasonably disturb or interfere with the peace, comfort, and repose of owners or possessors of real property.

c. The creation of frequent, repetitive, or continuous sounds which emanate from any public or private property, which unreasonably interferes with the peace, comfort, and repose of other owners or possessors of real property such as sounds from musical instruments, audio sound systems, band sessions, or social gatherings.

Reasonableness shall be determined based upon the following four factors: 1) the hours of the sound, 2) the duration of the sound, 3) the location of the sound, and 4) the zoning of the location of the sound. No single factor being present or absent shall be dispositive, and the reasonableness shall be a totality of the circumstances. In considering the zoning location, the measurement location limitations for commercial premises may be considered but are not dispositive.

d. Sounds from motor vehicle audio sound systems, such as tape players, radios, compact disc players, MP3 players, and the like, operated at a volume so as to be audible greater than 50 feet from the vehicle itself.

e. The use of any loudspeaker, amplifier, or other similar device, which shall project sound beyond the property lines of a commercial premises upon which it is being used whenever such sound exceeds the following exterior sound level limits as measured from a neighboring property or public land or public right of way:

Zoning of Measurement Location		
Residential	Commercial	Industrial
57 dBA	60 dBA	65 dBA

- i. The sound level limits are based on at least two separate measurements within 60 minutes.
- ii. During a measurement interval, the sound level may not exceed the sound level limits by more than 15 dBA.
- iii. Between the hours of 10 p.m. and 7 a.m. during weekdays, and between the hours of 11 p.m. and 9 a.m. on Fridays, Saturdays, and Sundays and legal holidays as defined by the Washington State Legislature, the exterior sound level limits are reduced by 10 dBA where the measurement location lies within a residential district of the City.

f. Exceptions from Prohibitions. None of the terms or prohibitions of this section shall apply to or be enforced against:

- i. Any vehicle of local or state government while engaged in necessary public business;

ii. Excavations or repairs of bridges, streets, or highways by or on behalf of the city, Lewis County, or the state of Washington, during the night time when the public welfare and convenience render it impossible or impracticable to perform such work during daylight hours; or

iii. The reasonable use of loudspeakers or amplifiers in the course of public addresses or permitted public events at reasonable times and reasonable hours or occurrences.

g. In order to make or allow noise that would otherwise be prohibited, a special event permit is required through the City of Chehalis which may specify modified restrictions on time, area, and volume as are necessary to preserve the public peace and safety.

2. Creating, causing, or allowing noises which disturb others is a misdemeanor.

Section 2. The effective date of this ordinance shall be the 31st day of March 2023.

PASSED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its mayor this 27th day of February 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

MEETING OF: February 27, 2023

SUBJECT: Resolution No. 04-2023 Authorizing the City Manager and Finance Director to Designate Certain Eligible Expenditures for Reimbursement from Future Bond Issues, First and Final Reading.

INTRODUCTION

The City has recently completed the purchase of the Marwood Water Rights and anticipates that it will issue bonds later this year to execute a purchase of water rights from Trans Alta. Resolution No. 04-2023 has been prepared for First Reading by the City Council to request authorization for the City Manager and Finance Director to designate certain expenditures for reimbursement from tax-exempt bonds that may be issued in the future upon City Council approval. While the Marwood Water Rights purchase prompted the preparation of the Resolution, the authority granted to the City Manager and Finance Director to designate certain expenses as reimbursable would remain applicable to all future bond issues, if approved.

DISCUSSION

The City issues tax-exempt and tax-advantaged obligations (i.e. bonds) from time to time.

A reimbursement bond is the portion of a bond issue used to reimburse the issuer for an original expenditure made before the reimbursement bonds are issued and paid from a source other than a reimbursement bond.

The City must declare official intent to use bonds to reimburse itself not later than 60 days after payment of the original expenditures. The execution of any intent certificate does not obligate the City to issue any debt, all of which will require separate and additional official approval by the City Council.

The Resolution No. 04-2023 authorizes the City Manager and Finance Director to designate certain expenditures for potential reimbursement from bonds that may be authorized and approved for issuance by the City Council in the future, including but not limited to the eligible expenses associated with the purchase of the Marwood Water Rights.

POTENTIAL BOND FOR WATER RIGHTS PURCHASE AND REIMBURSEMENT

The City has completed a purchase of the Marwood Water Rights for a price of \$448,000, not including legal and other related fees. An Earnest deposit of \$25,000 was paid on May 1, 2022, and the final payment of \$423,000 was paid on 2/15/2023.

The City is currently working on purchasing additional water rights from the TransAlta Water Bank for a price of \$5,040,000, not including legal and other related fees. It is expected that the City will issue bonds in the second half of 2023 to finance the purchase.

The City has an option to reimburse the \$423,000 payment for Marwood Water Rights purchase from the anticipated bonds if it declares its “official intent” to issue bonds to reimburse itself before May 16, 2023.

Staff has prepared an Official Intent Certificate which is specifically for the purchase of water rights. The anticipated maximum principal amount of Reimbursement Bonds expected to be issued at this time is \$5,463,000 which includes \$5,040,000 for TransAlta Water Rights purchase price plus \$423,000 for a portion of the Marwood Water Rights purchase costs that the City intends to reimburse.

The reimbursement resolution is recommended to give the City flexibility, but it doesn't require the City to issue bonds. The actual bond issuance will require additional official approval by the City Council. The City can decide whether or not to reimburse these costs, in this case the eligible Marwood Water Rights expenses, with the bond issues at that time. The City's decision will depend on the bond price, interest rates, debt service payments, and the City Water Funds' balance status at the time the City actually begins the bonds issue process.

BUDGET COMMITTEE REVIEW

Preparation of the resolution allowing inclusion of eligible costs associated with the Marwood Water Rights purchase was discussed with the City Council Budget Committee. The Committee recommended bringing the matter to the full City Council and that passage of the resolution preserves the right to obtain reimbursement through a future bond issue without obligating the City to do so.

FISCAL IMPACT

There are no costs associated with the passage of the resolution.

RECOMMENDATION

It is recommended that the City Council pass Resolution No. 04-2023.

SUGGESTED MOTION

I move that the City Council pass Resolution No. 04-2023 on the first and final reading.

RESOLUTION NO. 04-2023

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, AUTHORIZING THE CITY MANAGER AND FINANCE DIRECTOR TO DESIGNATE CERTAIN EXPENDITURES FOR POTENTIAL REIMBURSEMENT FROM BONDS THAT MAY BE AUTHORIZED AND APPROVED FOR ISSUANCE BY THE CITY COUNCIL IN THE FUTURE.

WHEREAS, the City of Chehalis, Washington (the “City”) issues tax-exempt and tax-advantaged obligations from time to time (including bonds, leases and lines of credit) for the purpose of financing its governmental activities; and

WHEREAS, the United States Department of the Treasury has promulgated regulations limiting the ability of the City to use the proceeds of tax-exempt and taxable Build America Bond obligations for reimbursement of prior expenditures; and

WHEREAS, the regulations permit the City to appoint one or more officials for the purpose of identifying and qualifying capital projects for reimbursement purposes;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Chehalis as follows:

SECTION 1. *Appointment of City Manager and Finance Director.* Pursuant to U.S. Treasury Regulation Section 1.150-2(e)(1), the City Council hereby designates and appoints the City Manager and Finance Director of the City as the responsible officials for the purpose of issuing statements of official intent in compliance with Treasury Regulation Section 1.150-2.

SECTION 2. *Statements of Official Intent.* Upon a determination by the City Manager and/or Finance Director that the costs of a particular capital project may be reimbursed from the proceeds of a tax-exempt or tax-advantaged obligation(s) of the City, the City Manager or Finance Director are authorized and directed to execute a certificate of official intent, substantially in the form attached hereto as Exhibit A. Each certificate so executed shall become a part of the official records of the City available for public inspection and review.

No capital projects will be undertaken unless such projects have been previously approved in the customary manner by the City Council, and the execution of any intent certificate shall not obligate the City to issue any debt all of which shall require separate and additional official approval by the City Council.

ADOPTED at a regular meeting of the City Council of the City of Chehalis, Washington,
and executed by its Mayor this _____ day of _____ 2023.

Mayor

ATTEST:

City Clerk

CERTIFICATE

I, the undersigned, Clerk of the City of Chehalis, Washington (the “City”), and keeper of the records of the City Council (the “Council”), DO HEREBY CERTIFY:

1. That the attached Resolution No. 04-2023 is a true and correct copy of a resolution of the City Council, as finally adopted at a regular meeting of the Council held on the _____ day of _____ 2023, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the passage of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been fully fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____ 2023.

City Clerk

(SEAL)

EXHIBIT A

FORM OF OFFICIAL INTENT CERTIFICATE

Pursuant to Resolution No. ____ of the City Council of the City of Chehalis, Washington (the “City”), the undersigned, [City Manager/Finance Director] of the City hereby states as follows:

SECTION 1. The City reasonably expects to reimburse the expenditures described herein with the proceeds of debt to be incurred by the City (the “Reimbursement Bonds”).

SECTION 2. The maximum principal amount of Reimbursement Bonds expected to be issued is \$ _____.

[Select one version of Section 3]

SECTION 3. The expenditures with respect to which the City reasonably expects to be reimbursed from the proceeds of Reimbursement Bonds are for _____ [insert general functional description of the property, project or program].

OR

SECTION 3. The expenditures with respect to which the City reasonably expects to be reimbursed from the proceeds of Reimbursement Bonds will be made from _____ [insert name of fund or account from which the expenditure will be made and description of the functional purpose of the fund, for example, capital improvement program].

Dated this ____ day of _____, 20__.

[City Manager/Finance Director]

OFFICIAL INTENT CERTIFICATE

Pursuant to Resolution No. 04-2023 of the City Council of the City of Chehalis, Washington (the “City”), the undersigned, Finance Director of the City hereby states as follows:

SECTION 1. The City reasonably expects to reimburse the expenditures described herein with the proceeds of debt to be incurred by the City (the “Reimbursement Bonds”).

SECTION 2. The maximum principal amount of Reimbursement Bonds expected to be issued is \$5,463,000.

SECTION 3. The expenditures with respect to which the City reasonably expects to be reimbursed from the proceeds of Reimbursement Bonds are for the purchase of various water rights.

Dated this _____ day of _____ 2023.

Finance Director