

CHEHALIS CITY COUNCIL AGENDA

CITY HALL

350 N MARKET BLVD | CHEHALIS, WA 98532

Anthony E. Ketchum, Sr., District 3
Mayor

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

Kate McDougall, Position at Large No. 1
Kevin Carns, Position at Large No. 2
Robert J. Spahr, Mayor Pro Tem, Position at Large No. 3

Regular Meeting of Monday, May 22, 2023

5:00 pm

To access this meeting via Zoom:

Meeting ID: 834 4212 6653

Pass Code: 674890

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

PRESENTATIONS/PROCLAMATIONS

4. **Proclamation: Public Works Week** (Mayor Ketchum)

CONSENT CALENDAR

	ADMINISTRATION RECOMMENDATION	PAGE
5. Minutes of the Regular Meeting May 8, 2023 (City Clerk)	APPROVE	1
6. Vouchers and Transfers- Accounts Payable in the Amount of \$275,661.74 (Finance Director)	APPROVE	5
7. Consider Approval: AWC Voting Delegate (City Clerk)	APPROVE	7
8. Consider Approval: Addition of Bailiff Position to Salary Schedule (Court Administrator)	APPROVE	9
9. Consider Approval: Purchase of Andritz Replacement Parts for Belt Filter Press (Wastewater Superintendent)	APPROVE	15
10. Setting June 12, 2023, at 5:00 p.m. for a Public Hearing for the 2024-2029 Six-year Transportation Improvement Program (Public Works Director)	APPROVE	23
11.		

PUBLIC HEARINGS

	ADMINISTRATION RECOMMENDATION	PAGE
There are no public hearings scheduled.		

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
12. Final Reading of Ordinance No. 1068-B, Amending the 2023 Budget (Finance Director)	APPROVE	25

NEW BUSINESS	ADMINISTRATION RECOMMENDATION	PAGE
13. Contract Agreement: Main Street Improvements, Phase 2 Construction Management (Public Works Director)	APPROVE	47

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

EXECUTIVE SESSION
Pursuant to RCW: <ul style="list-style-type: none">42.30.110(1)(b)-Selection of Site or Acquisition of Real Estate42.30.110(1)(i)- Litigation/Potential Litigation

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

NEXT REGULAR CITY COUNCIL MEETINGS

MONDAY, JUNE 12, 2023- 5:00 P.M.

MONDAY, JUNE 26, 2023- 5:00 P.M.

Chehalis City Council
Regular Meeting Minutes
May 8, 2023
5:00 p.m.

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

Council Absent: None

Staff Present: Jill Anderson, City Manager; Kassi Mackie, City Clerk; Kevin Nelson, City Attorney; Susan Stayner, Administrative Assistant to the City Manager; Cassie Frazier, Airport Administrative Assistant; Chun Saul, Finance Director; Sally Saxton, Financial Analyst; Lilly Wall, Parks and Recreation Director; Justin Phelps, Wastewater Superintendent; Lance Bunker, Public Works Director; Tammy Baraconi, Building and Planning Manager; Randy Kaut, Police Chief

Press Present: Owen Sexton, The Chronicle

1. **Call to Order:**
Mayor Ketchum called the meeting to order at 5:00 p.m.
2. **Pledge of Allegiance**
Councilor McDougall led the flag salute.
3. **Approval of Agenda**
The agenda was amended to remove item #4 and the executive session.

A motion was made by Mayor Pro-Tem Spahr, seconded by Councilmember Lund, to approve the agenda as amended. Motion carried unanimously.

PRESENTATIONS

4. ~~**Badge Pinning Ceremony for Adam Fulbright, Fire Chief**~~
5. **Proclamation: Police Week**
Mayor Ketchum presented a proclamation to Randy Kaut, who represented the Chehalis Police Department, as part of the City Council's recognition of Police Week and Peace Officer's Memorial Day.
6. **Lewis County Tennis Association**
Emma Lund and Janae Wood presented plans for the indoor tennis courts, coming soon to Chehalis.

CONSENT CALENDAR

7. **Minutes of the Regular City Council Meeting of April 24, 2023** (City Clerk)
8. **Vouchers and Transfers- Accounts Payable in the Amount of \$399,059.30** (Finance Director)

9. Vouchers and Transfers- Payroll in the Amount of \$877,399.46 (Finance Director)
10. Contract Award: Airport Master Plan Consulting/Grant Application and Acceptance (Airport Director)
11. Contract Approval: Review and Inspection Services with Building Code Services, LLC (Building and Planning Manager)

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

CITIZENS BUSINESS

None

UNFINISHED BUSINESS

None

NEW BUSINESS

12. Contract Award: Main Street Phase II Resurfacing Project (Public Works Director)

Public Works Director Lance Bunker presented.

A motion was made by Mayor Pro-Tem Spahr, seconded by Councilmember Pope to award the Main Street Phase II Grind and Inlay Project to Rognlin's Construction in the amount of \$537,740.00, authorize a 15% contingency budget of \$80,661.00, and authorize the City Manager to execute all project related documents, including change orders, not exceeding a total construction cost of \$618,401.00, and a total project cost including matching funds and contingency of \$776,721.00.

13. First Reading of Ordinance No. 1068-B, Amending the 2023 Budget (Finance Director)

Finance Director Chun Saul presented.

A motion was made by Councilor Lund, seconded by Councilmember Lord to approve Ordinance No. 1068-B on first reading.

ADMINISTRATION AND CITY COUNCIL REPORTS

City Manager Update

City Manager Anderson welcomed Fire Chief Fulbright, reported attendance at the Experience Chehalis Clean-up Day, provided an update on the City of Chehalis clean-up weekend, and invited Council feedback on a letter requested by Mayor Ketchum and Councilor Lund taking a position on the proposed changes to the federal maximums relating trailer truck weights and size.

2023 Q1 Financial Status Report

Finance Director Chun Saul presented a recap of the current fiscal year budget for quarter one.

Councilor Reports/Committee Updates

Councilor Lund expressed interest in finding out about the opportunity for Council to visit Hanford for in-depth training on the duties and responsibilities of our fire staff. Councilor Lund also requested information on the concerns at Penny Playground regarding bullying. Lilly Wall, Parks and Recreation Director reported on the staff's efforts to mitigate bullying and vandalism at the parks but welcomed any suggestions from Council.

Councilor McDougall attended a 911 Dispatch meeting, Public Health and Social Services Advisory Board and Board of Health Meeting.

EXECUTIVE SESSION

Pursuant to RCW:

- ~~42.30.110(1)(i) Litigation/Potential Litigation~~

ADJOURNMENT

Mayor Ketchum adjourned the meeting at 6:22 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: May 22, 2023

SUBJECT: 2023 Vouchers and Transfers – Accounts Payable in the Amount of \$275,661.74.

ISSUE

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

DISCUSSION

The May 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 Claim Vouchers including Electronic Funds Transfer Checks No. 2840 - 2868, 105 - 107 and Voucher Checks No. 136592 - 136680 in the amount of \$275,661.74 dated May 15, 2023 which included the transfer of:

- \$ 141,624.51 from the General Fund
- \$ 4,591.91 from the Street Fund
- \$ 1,962.90 from the LEOFF 1 OPEB Reserve Fund
- \$ 594.77 from the Garbage Fund
- \$ 54,961.08 from the Wastewater Fund
- \$ 24,713.20 from the Water Fund
- \$ 3,408.20 from the Storm & Surface Water Utility Fund
- \$ 2,855.94 from the Airport Fund
- \$ 9,615.41 from the Wastewater Capital Fund
- \$ 14,647.91 from the Water Capital Fund
- \$ 9,615.41 from the Stormwater Capital Fund
- \$ 3,025.68 from the Custodial Court Fund

- \$ 4,044.79 from the Custodial Other Agency Fund

RECOMMENDATION

It is recommended that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No. 2840 - 2868, 105 - 107 and Voucher Checks No. 136592 - 136680 in the amount of \$275,661.74 dated May 15, 2023.

SUGGESTED MOTION

I move that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No. 2840 - 2868, 105 - 107 and Voucher Checks No. 136592 - 136680 in the amount of \$275,661.74 dated May 15, 2023.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Kassi Mackie, City Clerk

MEETING OF: May 22, 2023

SUBJECT: Appoint Councilor McDougall as the City's Voting Delegate to the 2023 AWC Annual Business Meeting

ISSUE

The annual business meeting of the Association of Washington Cities (AWC) will be held at the annual conference in Spokane on June 22. In order to have a vote at the annual business meeting, the City Council is required to appoint a voting delegate(s). Councilor McDougall and City Manager Anderson will be attending the conference and annual business meeting.

DISCUSSION

The 2023 AWC annual business meeting is scheduled for June 22 in conjunction with AWC's annual conference. AWC bylaws allow each city to appoint up to three voting delegates. Voting delegates have the opportunity to influence the operations of AWC by:

- Electing the members of the AWC Board of Directors
- Engaging on issues that impact cities; and
- Considering bylaw amendments

It is proposed that that the City Council appoint Councilor McDougall as the City's voting delegate to the 2023 AWC annual business meeting and appoint City Manager Anderson as the alternate.

FISCAL IMPACT

There is no fiscal impact associated with the appointments.

RECOMMENDATION

It is recommended that the City Council appoint Councilor McDougal as the City's AWC voting delegate and City Manager Anderson as the alternate to represent Chehalis at the 2023 AWC annual business meeting.

SUGGESTED MOTION

I move that the City Council appoint Councilor McDougal as the City's AWC voting delegate and City Manager Anderson as the alternate to represent Chehalis at the 2023 AWC annual business meeting.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Madisen Lester, Court Administrator

MEETING OF: May 22, 2023

SUBJECT: Addition of Bailiff Position to the 2023 Salary Schedule

ISSUE

Up until recently, the City has contracted private security services for the Municipal Court. Since the termination of our long-time security contract, the Municipal Court has struggled to find an affordable replacement. It is proposed that a Bailiff position be created to replace the hired security service.

DISCUSSION

Effective April 26, 2023, the City's contract for private security services for the Municipal Court ended. Since that time, a great deal of effort has been put in to locate a new security company, but the search for an affordable replacement has been unsuccessful. Therefore, it is proposed that the Bailiff position be created to provide needed courtroom security. The Bailiff will assist the current Community Corrections Officer with security screening and maintaining decorum in the courtroom, just as the contracted security company did.

The City would like to add the Bailiff position to the 2023 Salary Schedule at a range 1N. The Bailiff position is a non-represented, hourly position without benefits that will normally be used one day per week for four to five hours, so the impact on the budget is very low. The only exception to these low hours would be a jury trial, which seldom occurs.

The City Council Budget Committee has reviewed the proposal to add the bailiff position and is supportive of the change.

FISCAL IMPACT

Funding for the addition of this position is included in the recently amended 2023 budget and has been reviewed by the Budget Committee.

RECOMMENDATION

It is recommended that the City Council approve the addition of the Municipal Court Bailiff position and add the position to the 2023 City of Chehalis Salary Schedule at salary range 1N.

SUGGESTED MOTION

Move to approve the addition of the Municipal Court Bailiff position and add the position to the 2023 Salary Schedule at salary range 1N.

CITY OF CHEHALIS POSITION DESCRIPTION

Class Title: **Court Bailiff**
Department: **Municipal Court**

FLSA Status: Non-Exempt
Union Status: Non-Represented
Updated: April 2023

*Position descriptions are intended to present a descriptive list of the range of duties performed by employees in the class. Descriptions are **not** intended to reflect all duties performed within the job.*

NATURE OF POSITION:

This part-time (hourly) position serves as Court Bailiff helping to maintain security and decorum in the courtroom and assisting with courtroom security screening. This position is responsible for directing public movement into and out of the courtroom to maintain order and security. This position will have substantial contact with all parties in the criminal justice system, including defendants, judges, lawyers, corrections staff, and the public.

SUPERVISION RECEIVED:

Works under the general supervision of the Court Administrator and Chehalis Municipal Court Judge.

SUPERVISION EXERCISED:

None generally.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

The following tasks are typical for positions in this classification. Any single position may not perform all of these tasks and/or may perform similar related tasks not listed here.

Attends court sessions as scheduled and ensures readiness for court proceedings.

Directs public movement into and out of the courtroom to maintain order and security.

Assists the Community Corrections Officer as necessary.

Establishes and maintains effective working relationships with attorneys, law enforcement personnel, other agencies, co-workers, criminal justice officials and the general public.

Maintains composure and takes responsible action during stressful or dangerous situations and copes with a wide variety of situations with tact, discretion, courtesy and respect for citizen's rights.

Maintains a non-judgmental attitude towards offenders.

Maintains proper confidentiality and discretion.

Inspects courtroom, jury room, and other areas of the building for security and screens persons entering judge's chambers, clerk's offices and courtroom when ordered.

Escorts jurors throughout trial process and serves as liaison for the judge, jurors and counsel; transfers documents to the bench, jurors and counsel.

Assists citizens who declare that they wish to store a personally owned weapon as outlined in the Chehalis Municipal Court Security Plan and Procedures.

Performs a variety of miscellaneous tasks such as making copies and assisting in administrative support as needed.

OTHER DUTIES:

Follows directions and implements or carries out written and/or oral instructions and assigned duties. Effectively communicates orally and in writing using the English language.

May be required to work before or after normal working hours.

Provides customer service including directing inquiries and issues to the appropriate department.

Follows all applicable safety rules and procedures.

And such other related tasks, duties and responsibilities as assigned.

REQUIRED QUALIFICATIONS:

Education and Experience:

Graduation from an accredited high school or GED equivalent, and:

Minimum of 2 years of experience in office operations, criminal justice, law enforcement, corrections, security or probation.

In place of the above requirements, any combination of education and experience that provides the applicant with the required knowledge, skills and abilities to perform the job may be considered as qualifying.

Licenses, Certifications and Other Requirements:

Must possess a valid Washington State Drivers License with good driving record. Out of state applicants must possess valid license for state of residence and must obtain valid Washington State Drivers License within 30 days of appointment. Finalists for this position will be required to provide a Driving Record Abstract for review by the City of Chehalis.

Must successfully satisfy background investigation.

General Knowledge Of:

Court rules and procedures.

Office practices and procedures.

Skilled In:

Operating listed tools and/or equipment.

Ability To:

Deal tactfully and courteously with the general public and maintain composure and take responsible action during stressful or dangerous situations and maintain a non-judgmental attitude towards others.

Cope with a wide variety of situations with tact, discretion, courtesy and respect for citizen's rights.

Communicate with the public in a courteous, tactful, but firm manner.

Establish and maintain effective working relationships with criminal justice officials, the general public and other employees.

Fluently read, write and comprehend the English language, using proper grammar, spelling and punctuation.

Communicate detailed information and recommendations effectively, both orally and in writing.

Perform basic arithmetic computations and data entry functions accurately.

Meet the physical demands of the job and perform essential job functions.

Work with limited supervision and make appropriate work decisions

MACHINES, TOOLS AND EQUIPMENT USED IN PERFORMING ESSENTIAL JOB FUNCTIONS:

The machines, tools and equipment described here are representative of, but not limited to, those that may be used by an employee to successfully perform the essential functions of the job.

Motor vehicles, a variety of standard office equipment including a personal computer, telephone, calculator, portable radio, cellular telephone, fax and copy machines. Additional equipment includes security screening devices.

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.

While performing the duties of this job, the employee is often required to stand, walk, sit, use hands to finger, handle, feel or operate objects or tools, or controls, reach with hands and arms, talk and hear. Work may involve standing for extended periods of time. The employee is occasionally required to reach above shoulders, bend horizontally and bend at the waist.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Work is performed primarily at the Chehalis Municipal Court and may include assistance to the Community Corrections Officer at the Lewis County Jail, including travel and transportation between the facilities. Duties may be performed at other city and county offices as needed. The noise level is generally that expected in a typical office environment. The employee is routinely exposed to household cleaning supplies and/or basic office supplies (eg., copy machine toner), noise, traffic and vehicle hazards. Exposure to body fluids and/or other potential sources of bloodborne diseases is possible.

As duties involve working with and around potentially threatening, aggressive or hostile defendants or other individuals, the possibility of physical confrontation does exist.

The duties and responsibilities listed above are intended to be illustrative only of the type of work performed. The omission of other specific duties does not exclude them from the requirements of the position if they are similar, related or logical assignments to the position.

The position description does not constitute an employment agreement between the City and the employee and is subject to change by the City as its needs and the requirements of the job change.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Justin Phelps, Water & Wastewater Superintendent

MEETING OF: May 22, 2023

SUBJECT: Purchase of Andritz Replacement Parts for Belt Filter Press

ISSUE

The Water Reclamation Facility needs to replace parts on the Belt Filter Press (BFP). Given the importance of the BFP in the water treatment process, it is essential to ensure that it is running efficiently and effectively. The replacement parts supplied by Andritz are crucial in maintaining the BFP's operation and ensuring that it is running as designed. The Council designated Andritz a Sole-Source supplier by approval of Resolution 08-2022 in July of 2022.

DISCUSSION

The BFP is a critical component in the water treatment process at the Water Reclamation Facility. It is responsible for removing solid materials from the wastewater stream. The BFP has been in operation since the plant was built and is in need of replacement parts to continue its operation.

Andritz replacement parts are necessary to ensure that the BFP is running as designed. They are specific to the BFP and cannot be substituted with generic or third-party parts. Andritz is the sole source supplier for these parts, making them the only option for procurement. The procurement of these replacement parts is a necessary expense to maintain the functioning of the BFP. The cost of these parts is reasonable, given their critical importance to the water treatment process. The total cost of the replacement parts is estimated at \$48,326.76, which is within the budget of the Water Reclamation Facility.

FISCAL IMPACT

The replacement parts are \$48,326.76 and would be coming out of the Maintenance-Operating Supplies budget. We currently have \$104,861.94 (2.0% used) in Operating Supplies; after the purchase, there would be \$56,535.18 (52.84% used) left.

RECOMMENDATION/COUNCIL ACTION DESIRED

Given the importance of the BFP and its operation in the Water Reclamation Facility it is recommended that the City Council approve the purchase of the replacement parts from Andritz.

SUGGESTED MOTION

I move the City Council to allow the purchasing of the replacement parts to fix the Belt Filter Press in the amount of \$48,326.76.



QUOTATION

Customer: 126200
Chehalis WWTP
420 Louisiana Avenue
Chehalis WA 98532-1200

Contact:
Fax:
Copy to:
Your inquiry: **VIA EMAIL**

Our quote no: **20950762**

Supplier: **Andritz Separation Inc.**
Contact: **Stormi Abbott**
Phone: **+1 817 375 4444**
Fax: **+18173756430**
E-mail: **stormi.abbott@andritz.com**
Date: **05/12/2023**

Sales Responsible: **BAINES, CHARLES**

Ladies and Gentlemen,

We thank you for your inquiry and are pleased to quote as follows:

1. Scope of supply

For 400193925 Heavy Duty Belt Press
Model: Heavy Duty Belt Press SMX 2,0
Serial number: 0601
Should you choose to place an order, please provide the following information:

1. Shipping Address for Delivery
2. Billing Address for Invoice
3. Shipping Terms: If a specific carrier is preferred, please list as FCA, Origin Collect with preferred carrier. Otherwise, list as FCA, Origin Prepaid & Add.
4. Reference this quote number.

Freight is excluded.

Products will be ready to ship in 16-18 weeks from receipt of approved purchase order.

****ANDRITZ HAS A \$250 USD MINIMUM ORDER AMOUNT****

Please note currency is in US Dollars
Andritz Inc Standard Terms & Conditions apply
Returned goods require pre approval and are subject to restocking and inspection fees.

Item	Product	ID No.	S/W*	Quantity	Unit	Unit Price	Amount
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ANDRITZ Separation Inc.
1010 Commercial Blvd. South
Arlington, TX 76001 USA
Tel : +1 (817) 465-5611
Fax: +1 (817) 468-3961

Remit to:
ANDRITZ Separation Inc.
Dept: 0312
P.O. Box 120312
Dallas, TX 75312-0312
Federal Tax ID Number: 59-3773483

Wire instructions:
Nordea Bank Abp
New York Branch
SWIFT: NDEAUS3N
Account: 8879433001
ABA: 026010786



Our quote no: 20950762

Item	Product	ID No.	S/W*	Quantity	Unit	Unit Price	Amount
10	LIMIT SWITCH LEVER	131396250		1	PC	118.92	118.92
20	LIMIT SWITCH	131396266		1	PC	784.94	784.94
30	WEAR STRIP , EXTRUDED, SOLIDUR, EP625 PROFILE A, 88" LG	131408677		34	PC	87.91	2,988.94
40	BEARING PACKAGE	131454238		1	PC	1,000.22	1,000.22
50	BEARING PACKAGE	131454239		1	PC	1,368.88	1,368.88
60	SPHERICAL ROLLER BEARING	132045870		4	PC	138.82	555.28
70	SEAL	131883435		4	PC	146.55	586.20
80	BEARING PACKAGE	131454242		1	PC	787.05	787.05
90	SPHERICAL ROLLER BEARING	131453919		7	PC	232.52	1,627.64
100	SEAL	131410529		7	PC	180.25	1,261.75
110	BEARING PACKAGE	131454238		1	PC	1,000.22	1,000.22
120	PLOW UHMW WHITE "V" TYPE L 3.5 W 2.625 H 6.75 IN DMM18580 #F#	131405955		12	PC	18.50	222.00
130	CONTROL VALVE	131464443		1	PC	2,101.23	2,101.23
150	SEAL 10" MOLDED SEAL X 84" LG; 2.0M SMX S12/S8-3 10" SEAL PU83A	300019266		1	PC	321.96	321.96
160	SUSPENSION	131411021		6	PC	104.99	629.94
170	CLAMP	131410661		6	PC	48.70	292.20
180	BRUSH	131410779		3	PC	1,031.70	3,095.10
190	ROLL ASSEMBLY TRACKING, 7" 2.0M SMX S8	131406434		1	PC	8,353.32	8,353.32
200	AIR BELLOW	131410473		2	PC	377.71	755.42
210	AIR BELLOW	131410478		2	PC	607.19	1,214.38
220	ROLL/BEARING ASSEMBLY 13-1/4" DRIVE ROLL, FA87 GRBOX 2.0M SMX-S8	131570547		1	PC	19,197.34	19,197.34
230	SEAL KIT	131684784		1	PC	63.83	63.83

Items total		48,326.76
Total Amount	USD	48,326.76

* S = Spare Parts, W = Wear Parts

Technical contact: Armondo Alvarado /**Phone:** +1 817 419 1728 / armondo.alvarado@andritz.com

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ANDRITZ Separation Inc.
1010 Commercial Blvd. South
Arlington, TX 76001 USA

Tel : +1 (817) 465-5611
Fax: +1 (817) 468-3961

Remit to:
ANDRITZ Separation Inc.
Dept: 0312
P.O. Box 120312
Dallas, TX 75312-0312
Federal Tax ID Number: 59-3773483

Wire instructions:
Nordea Bank Abp
New York Branch
SWIFT: NDEAUS3N
Account: 8879433001
ABA: 026010786



Our quote no: 20950762

Terms and Conditions

2. **Delivery Time:**
after receipt of order and any clarifications.
3. **Terms of delivery:**
Our terms of delivery are FCA Origin Prepaid & Add, according to INCOTERMS 2020.
4. **Terms of Payment:**
Within 30 days Due net
(1% default interest per month for delayed payment).
5. **Validity of quotation:**
This quotation is valid to 06/15/2023.

Other Terms:

6. *****
COVID-19 pandemic delays, disrupts, or prevents Andritz's performance, or increases shipping or freight costs, Andritz shall be entitled to change order containing an appropriate adjustment in the contract price and/or delivery schedule. Furthermore, in the event that developments related to the pandemic, whether initiated prior to or after the date of this proposal, quotation, or order, including but not limited to travel advisories, steps taken to protect the health and safety of employees, Government orders, and temporary facility shutdowns, increase the cost or time for delivery, Andritz shall be entitled to adjust the price and delivery dates herein to reflect these impacts. Andritz's delivery date and prices (including freight) are estimates only based on Andritz's standard delivery dates and prices and do not account for the present and future schedule impacts of the COVID-19 pandemic. Nothing in this proposal, quotation, or order, or any contract based hereon, shall be construed as a waiver of these rights.

The crisis in Russia/Ukraine is impacting the complete global supply chain, including but not limited to, raw material shortages, extended delivery times, unavailability/restricted availability of transport as well as unforeseeable price increases. The Parties therefore agree that the price and delivery times in this order confirmation are indicative only. In case the crisis leads to any impacts on the delivery time or to a price increase of more than 5% of the order value after the date of the order confirmation, we reserve our right to adapt the prices and/or the delivery times



Our quote no: 20950762

accordingly. Nothing in this order confirmation can be construed as a waiver of such right. Of course, we will stay in close contact with you, being stipulated that we are doing our best effort to overcome this significant cost pressure and hurdles in the supply chain.

TERMS APPLICABLE

This quotation or acknowledgement and Seller's sale of Products and /or provision of Services described in Buyer's purchase order issued in whole or in part in response to this quotation or in response to which this acknowledgement is issued are expressly limited to and expressly made conditional on, Buyer's acceptance of the Terms and Conditions of Sale and/or Service listed below, which are the exclusive terms and conditions upon which Andritz Separation Inc. or the applicable Andritz entity supplying the same ("Seller") will accept a purchase order for the sale of new, used and refurbished products, equipment, parts and/or the provision of services ("Products" and "Services"). These Terms and Conditions of Sale and/or Service control, supersede and replace any and all other additional and/or different terms and conditions of Buyer, and Seller hereby objects to and rejects all such terms and conditions of Buyer without further notification, except to the extent Seller expressly agrees to such conditions in writing. Seller's commencement of work under the Purchase Order or Buyer's acceptance of delivery of or payment for any Products or Services covered by this Agreement, in whole or in part, shall be deemed Buyer's agreement to the foregoing. The term "this Agreement" as used herein means this quotation or acknowledgment or Buyer's purchase order, together with any attachment thereto, any documents expressly incorporated by reference (but excluding any Buyer terms and conditions attached thereto or incorporated therein by reference), and these Terms and Conditions of Sale and/or Service.

7. DELIVERY OR PERFORMANCE

Delivery or performance dates are good faith estimates and do not mean that "time is of the essence." Buyer's failure to promptly make advance or interim payments, supply technical information, drawings and approvals will result in a commensurate delay in delivery or performance. Installation of any Product shall not be Seller's responsibility unless specifically provided for in this Agreement. Upon and after delivery, risk of loss or damage to the Products shall be Buyer's. Delivery of the Products hereunder will be made on the terms agreed to by the parties as set forth in this Agreement, according to INCOTERMS 2010.

8. WARRANTY

(a) Products Warranty.

(i) New Equipment Warranty. In the case of the purchase of new equipment the Seller warrants to Buyer that the new equipment manufactured by it will be delivered free from defects in material and workmanship. This warranty shall commence upon delivery of the new equipment to Buyer and shall expire on the earlier to occur of 12 months from initial operation of the new equipment and 18 months from delivery thereof (the "Warranty Period").

(ii) Parts and Used or Reconditioned Machinery or Equipment Warranty. In the case of parts or used or reconditioned machinery or equipment, and unless otherwise indicated, Seller warrants to Buyer that the parts or the used or reconditioned machinery or equipment manufactured by it will be delivered free from defects in material and workmanship. This warranty shall commence upon delivery of the parts or the used or reconditioned machinery or equipment to the buyer and shall expire 6 months from delivery thereof (the "Warranty Period").

(iii) If during the Warranty Period Buyer discovers a defect in material or workmanship of a Product and gives Seller written notice thereof within 10 days of such discovery, Seller will, at its option, either deliver to Buyer, on the same terms as the original delivery was made, according to INCOTERMS 2010, a replacement part or repair the defect in place. Any repair or replacement part furnished pursuant to this warranty are warranted against defects in material and workmanship for one period of 12 months from completion of such repair or replacement, with no further extension. Seller will have no warranty obligations for the Products under this Paragraph 3(a): (i) if the Products have not been stored, installed, operated and maintained in accordance with generally approved industry practice and with Seller's specific written instructions; (ii) if the Products are used in connection with any mixture or substance or operating condition other than that for which they were designed; (iii) if Buyer fails to give Seller such written 10 day notice; (iv) if the Products are repaired by someone other than Seller or have been intentionally or accidentally damaged; (v) for corrosion, erosion, ordinary wear and tear or in respect of any parts which by their nature are exposed to severe wear and tear or are considered expendable; or (vi) for expenses incurred for work in connection with the removal of the defective articles and reinstallation following repair or replacement.

(b) Services Warranty. Seller warrants to Buyer that the Services performed will be free from defects in workmanship and will conform to any mutually agreed upon specifications. If any failure to meet this warranty appears within 12 months from the date of completion of the Services, on the condition that Seller be promptly notified in writing thereof, Seller as its sole obligation for breach of this warranty will correct the failure by re-performing any defective portion of the Services furnished. Seller does not warrant the accuracy of, or performance results of, any conclusions or recommendations provided, nor that any desired objective will result from the Service provided and Seller shall not be liable for any loss of use or any production losses whatsoever.

(c) Seller further warrants to Buyer that at delivery, the Products manufactured by it will be free of any liens or encumbrances. If there are any such liens or encumbrances, Seller will cause them to be discharged promptly after notification from Buyer of their existence.

(d) THE EXPRESS WARRANTIES SELLER MAKES IN THIS PARAGRAPH 3 ARE THE ONLY WARRANTIES IT WILL MAKE. THERE ARE NO OTHER WARRANTIES, WHETHER STATUTORY, ORAL, EXPRESS OR IMPLIED. IN PARTICULAR, THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(e) The remedies provided in Paragraphs 3(a), 3(b) and 3(c) are Buyer's exclusive remedy for breach of warranty.

(f) With respect to any Product or part thereof not manufactured by Seller, Seller shall pass on to Buyer only those warranties made to Seller by the manufacturer of such Product or part which are capable of being so passed on.

9. LIMITATION OF LIABILITY

Notwithstanding any other provision in this Agreement, the following limitations of liability shall apply:

(a) In no event, whether based on contract, tort (including negligence), strict liability or otherwise, shall Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies be liable for loss of profits, revenue or business opportunity, loss by reason of shutdown of facilities or inability to operate any facility at full capacity, or cost of obtaining other means for performing the functions performed by the Products, loss of future contracts, claims of customers, cost of money or loss of use of capital, in each case whether or not foreseeable, or for any indirect, special, incidental or consequential damages of any nature resulting from, arising out of or connected with the Products, Services, or this Agreement or from the performance or breach hereof.

(b) The aggregate liability of Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies, for all claims of any kind for any loss, damage, or expense resulting from, arising out of or connected with the Products, Services or this Agreement or from the performance or breach hereof, together with the cost of performing make good obligations to pass performance tests, if applicable, shall in no event exceed the contract price.

(c) The limitations and exclusions of liability set forth in this Paragraph 4 shall take precedence over any other provision of this Agreement and shall apply whether the claim of liability is based on contract, warranty, tort (including negligence), strict liability, indemnity, or otherwise. The remedies provided in this Agreement are Buyer's exclusive remedies.

(d) All liability of Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies, resulting from, arising out of or connected with the Products, Services or this Agreement or from the performance or breach hereof shall terminate on the third anniversary of the date of this Agreement.

(e) In no event shall Seller be liable for any loss or damage whatsoever arising from its failure to discover or repair latent defects or defects inherent in the design of goods serviced (unless such discovery or repair is normally discoverable by tests expressly specified in the scope of work under this Agreement) or caused by the use of goods by the Buyer against the advice of Seller. If Seller furnishes Buyer with advice or assistance concerning any products or systems that is not required pursuant to this Agreement, the furnishing of such advice or assistance will not subject Seller to any liability whether in contract, indemnity, warranty, tort (including negligence), strict liability or otherwise.

10. CHANGES, DELETIONS AND EXTRA WORK

Seller will not make changes in the Products unless Buyer and Seller have executed a written Change Order for such change. Buyer, without invalidating this Agreement, may make changes by altering, adding to or deducting from the general scope of the Services by written Change Order. Any such Change Order will include an appropriate adjustment to the contract price and delivery schedule. If the change impairs Seller's ability to satisfy any of its obligations to Buyer, the Change Order will include appropriate modifications to this Agreement. Seller shall be entitled to a Change Order adjusting the contract price, delivery schedule and/or any affected obligations of Seller if after the date of this Agreement a change in applicable law should require a change in the Products or Services or in the event and to the extent that an act or omission of Buyer, or any error or change in Buyer-provided information, affects the Seller's performance hereunder.

11. TAXES

Seller's prices do not include any sales, use, excise or other taxes. In addition to the price specified herein, the amount of any present or future sales, use, excise or other tax applicable to the sale or use of the Products or Services shall be billed to and paid by Buyer unless Buyer provides to Seller a tax-exemption certificate acceptable to the relevant taxing authorities.

12. SECURITY INTEREST

Seller shall retain a purchase money security interest and Buyer hereby grants Seller a lien upon and security interest in the Products until all payments hereunder have been made in full. Buyer acknowledges that Seller may file a financing statement or comparable document as required by applicable law and may take all other action it deems reasonably necessary to perfect and maintain such security interest in Seller and to protect Seller's interest in the Products.

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Wire instructions:
Nordea Bank Abp
New York Branch
SWIFT: NDEAUS3N
Account: 8879433001
ABA: 026010786

Our quote no: 20950762

13 . SET OFF

Neither Buyer nor any of its affiliates shall have any right to set off claims against Seller or any of its affiliates for amounts owed under this Agreement or otherwise.

14 . PATENTS

Unless the Products or any part thereof are designed to Buyer's specifications and provided the Product or any part thereof is not used in any manner other than as specified or approved by Seller in writing, (i) Seller shall defend against claims made in a suit or proceeding brought against Buyer by an unaffiliated third party that any Product infringes a device claim of a United States or Canadian patent issued as of the effective date of this Agreement and limited to the field of the specific Products provided under this Agreement; provided Seller is notified promptly in writing and given the necessary authority, information and assistance for the defense of such claims; (ii) Seller shall satisfy any judgment (after all appeals) for damages entered against Buyer on such claims so long as such damages are not attributable to willful conduct or sanctioned litigation conduct; and (iii) if such judgment enjoins Buyer from using any Product or a part thereof, then Seller will, at its option: (a) obtain for Buyer the right to continue using such Product or part; (b) eliminate the infringement by replacing or modifying all or part of the Products; or (c) take back such Product or part and refund to Buyer all payments on the purchase price that Seller has received for such Product or part. The foregoing states Seller's entire liability for patent infringement by any Product or part thereof.

15 . SOFTWARE LICENSE, WARRANTY, FEES

The following Software Terms and Conditions apply to any embedded or separately packaged software produced by Seller and furnished by Seller hereunder:

- (a) Seller hereby grants to Buyer a non-exclusive, non-transferable, non-sub-licensable license to the Software, and any modifications made by Seller thereto only in connection with configuration of the Products and operating system for which the Software is ordered hereunder, and for the end-use purpose stated in the related Seller operating documentation. Buyer agrees that neither it nor any third party shall modify, reverse engineer, decompile or reproduce the Software, except Buyer may create a single copy for backup or archival purposes in accordance with the related Seller operating documentation (the "Copy"). Buyer's license to use the Software and the Copy of such Software shall terminate upon any breach of this Agreement by Buyer. All copies of the Software, including the Copy, are the property of Seller, and all copies for which the license is terminated shall be returned to Seller with written confirmation after termination.
- (b) Seller warrants that, on the date of shipment of the Software or the Products containing the Software to Buyer: (1) the Software media contain a true and correct copy of the Software and are free from material defects; (2) Seller has the right to grant the license hereunder; and (3) the Software will function substantially in accordance with the related Seller operating documentation.
- (c) If within 12 months from the date of delivery of the Software or Products containing the Software, Buyer discovers that the Software is not as warranted above and notifies Seller in writing prior to the end of such 12 month period, and if Seller determines that it cannot or will not correct the nonconformity, Buyer's and Buyer's Seller-authorized transferee's exclusive remedies, at Seller's option, are: (1) replacement of the nonconforming Software; or (2) termination of this license and a refund of a pro rata share of the contract price or license fee paid.
- (d) If any infringement claims are made against Buyer arising out of Buyer's use of the Software in a manner specified by Seller, Seller shall: (i) defend against any claim in a suit or proceeding brought by an unaffiliated third party against Buyer that the Software violates a registered copyright or a confidentiality agreement to which Seller was a party, provided that Seller is notified promptly in writing and given the necessary authority, information and assistance for the defense and settlement of such claims (including the sole authority to select counsel and remove the Software or stop accused infringing usage); (ii) Seller shall satisfy a final judgment (after all appeals) for damages entered against Buyer for such claims, so long as such damages are not attributable to willful conduct or sanctioned litigation conduct; and (iii) if such judgment enjoins Buyer from using the Software, Seller may at its option: (a) obtain for Buyer the right to continue using such Software; (b) eliminate the infringement by replacing or modifying the Software, or (c) take back such Software and refund to Buyer all payments on the purchase price that Seller has received. However, Seller's obligations under this Paragraph shall not apply to the extent that the claim or adverse final judgment relates to: (1) Buyer's running of the Software after being notified to discontinue; (2) non-Seller software, products, data or processes; (3) Buyer's alteration of the Software; (4) Buyer's distribution of the Software to, or its use for the benefit of, any third party; or (5) Buyer's acquisition of confidential information (a) through improper means; (b) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (c) from a third party who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the confidential information. Buyer will reimburse Seller for any costs or damages that result from actions 1 to 5. In Seller's discretion and at Seller's own expense, with regard to any actual or perceived infringement claim related to the Software, Seller may: (i) procure the right to use the Software, (ii) replace the Software with a functional equivalent, and/or (iii) modify the Software. Under (ii) and (iii) above, Buyer shall immediately stop use of the allegedly infringing Software.
- (e) This warranty set forth in subparagraph (c) above shall only apply when: (1) the Software is not modified by anyone other than Seller or its agents authorized in writing; (2) there is no modification in the Products in which the Software is installed by anyone other than Seller or its agents authorized in writing; (3) the Products are in good operating order and installed in a suitable operating environment; (4) the nonconformity is not caused by Buyer or a third party; (5) Buyer promptly notifies Seller in writing, within the period of time set forth in subparagraph (c) above, of the nonconformity; and (6) all fees for the Software due to Seller have been timely paid. SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE SOFTWARE, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.
- (f) Buyer and its successors are limited to the remedies specified in this Paragraph.
- (g) Any subsequent modifications or enhancements to the Software made by Seller are, at Seller's option, subject to a fee.

16 . SITE RISKS

- (a) Concealed Conditions. The parties acknowledge and agree that increased costs or schedule extensions due to any concealed conditions at the job site shall be to Buyer's account. Buyer shall hold Seller harmless for increased costs and grant any necessary schedule extensions if any concealed or hazardous conditions are found.
- (b) Environmental Remediation. Buyer acknowledges that Seller is not an expert in environmental remediation and shall not be directed by change order or otherwise to perform any environmental remediation as part of the Services, including but not limited to asbestos and lead paint removal. If any environmental remediation becomes necessary, Buyer will contract directly with a qualified third party to perform such work.

17 . TERMINATION

- (a) Buyer may terminate this Agreement upon breach by Seller of a material obligation hereunder and Seller's failure to cure, or to commence a cure of, such breach within a reasonable period of time (but not less than 30 days) following written receipt of notice of the same from Buyer.
- (b) Buyer may only terminate this Agreement for Buyer's convenience upon written notice to Seller and upon payment to Seller of Seller's termination charges, which shall be specified to Buyer and shall take into account among other things expenses (direct and indirect) incurred and commitments already made by Seller and an appropriate profit; provided, that in no event shall Seller's termination charges be less than 25% of the contract price.
- (c) Seller shall have the right to suspend and/or terminate its obligations under this Agreement if payment is not received within 30 days of due date. In the event of the bankruptcy or insolvency of Buyer or in the event of any bankruptcy or insolvency proceeding brought by or against Buyer, Seller shall be entitled to terminate any order outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its cancellation charges.

18 . CONFIDENTIALITY

Buyer acknowledges that the information that Seller submits to Buyer in connection with this Agreement and the performance hereof includes Seller's confidential and proprietary information, both of a technical and commercial nature. Buyer agrees not to disclose such information to third parties without Seller's prior written consent. Seller grants to Buyer a non-exclusive, royalty-free, perpetual, non-transferable license to use Seller's confidential and proprietary information for the purpose of the installation, operation, maintenance and repair of the Products that are the subject hereof only. Buyer further agrees not to, and not to permit any third party to, analyze, measure the properties of, or otherwise reverse engineer the Products, fabricate the Products or any parts thereof from Seller's drawings or to use the drawings other than in connection with this Agreement. Buyer will defend and indemnify Seller from any claim, suit or liability based on personal injury (including death) or property damage related to any Product or part thereof which is fabricated by a third party without Seller's prior written consent and from and against related costs, charges and expenses (including attorneys' fees). All copies of Seller's confidential and proprietary information shall remain Seller's property and may be reclaimed by Seller at any time in the event Buyer is in breach of its obligations under this Paragraph.

19 . END USER

If Buyer is not the end user of the Products sold hereunder (the "End User"), then Buyer will use its best efforts to obtain the End User's written consent to be bound to Seller by the provisions hereof. If Buyer does not obtain such End User's consent, Buyer shall defend and indemnify Seller and Seller's agents, employees, subcontractors and suppliers from any action, liability, cost, loss, or expense for which Seller would not have been liable or from which Seller would have been indemnified if Buyer had obtained such End User's consent.

20 . FORCE MAJEURE

- (a) Force Majeure Defined. For the purpose of this Agreement "Force Majeure" will mean all events, whether or not foreseeable, beyond the reasonable control of either party which affect the performance of this Agreement, including, without limitation, acts of God, acts or advisories of governmental or quasi-governmental authorities, laws or regulations, strikes, lockouts or other industrial disturbances, acts of public enemy, wars, insurrections, riots, epidemics, pandemics, outbreaks of infectious disease or other threats to public health, lightning, earthquakes, fires, storms, severe weather, floods, sabotage, delays in transportation, rejection of main forgings and castings, lack of available shipping by land, sea or air, lack of dock lightering or loading or unloading facilities, inability to obtain labor or materials from usual sources, serious accidents involving the work of suppliers or sub-suppliers, thefts and explosions.
- (b) Suspension of Obligations. If either Buyer or Seller is unable to carry out its obligations under this Agreement due to Force Majeure, other than the obligation to make payments due hereunder, and the party affected promptly notifies the other of such delay, then all obligations that are affected by Force Majeure will be suspended or reduced for the period of Force Majeure and for such additional time as is required to resume the performance of its obligations, and the delivery schedule will be adjusted to account for the delay.
- (c) Option to Terminate. If the period of suspension or reduction of operations will extend for more than four (4) consecutive months or periods of suspension or reduction total more than 6 months in any 12 month period, then either Buyer or Seller may terminate this Agreement.



Our quote no: 20950762

(d) Strikes On-Site. Notwithstanding anything herein to the contrary, in the event a strike, lockout, labor, union or other industrial disturbance at Buyer's site affects, delays, disrupts or prevents Seller's performance of this Agreement, Seller shall be entitled to a Change Order containing an appropriate adjustment in the contract price and delivery schedule.

21 . INDEMNIFICATION AND INSURANCE

(a) Indemnification. Seller agrees to defend and indemnify Buyer from and against any third-party claim for bodily injury or damage to tangible property ("Loss") arising in connection with the Products or the Services provided by Seller hereunder, but only to the extent such Loss has been caused by the negligence, willful misconduct or other legal fault ("Fault") of Seller. Buyer shall promptly tender the defense of any such third-party claim to Seller. Seller shall be entitled to control the defense and resolution of such claim, provided that Buyer shall be entitled to be represented in the matter by counsel of its choosing at Buyer's sole expense. Where such Loss results from the Fault of both Seller and Buyer or a third party, then Seller's defense and indemnity obligation shall be limited to the proportion of the Loss that Seller's Fault bears to the total Fault.

(b) Insurance. Seller shall maintain commercial general liability insurance with limits of \$2,000,000 per occurrence and in the aggregate covering claims for bodily injury (including death) and physical property damage arising out of the Products or Services. Seller shall also provide workers' compensation insurance or the like as required by the laws of the jurisdiction where the Services will be performed, and owned and non-owned auto liability insurance with limits of \$1,000,000 combined single limit. Seller will provide a Certificate of Insurance certifying the existence of such coverages upon request.

22 . GENERAL

(a) Seller represents that any Products or parts thereof manufactured by Seller will be produced in compliance with all applicable federal, state, and local laws applicable to their manufacture and in accordance with Seller's engineering standards. Seller shall not be liable for failure of the Products to comply with any other specifications, standards, laws or regulations.

(b) This Agreement shall inure only to the benefit of Buyer and Seller and their respective successors and assigns. Any assignment of this Agreement or any of the rights or obligations hereunder, by either party without the written consent of the other party shall be void.

(c) This Agreement contains the entire and only agreement between the parties with respect to the subject matter hereof and supersedes all prior oral and written understandings between Buyer and Seller concerning the Products, Services and any prior course of dealings or usage of the trade not expressly incorporated herein.

(d) This Agreement may be modified, supplemented, or amended only by a writing signed by an authorized representative of Seller. Seller's waiver of any breach by Buyer of any terms of this Agreement must also be in writing and any waiver by Seller or failure by Seller to enforce any of the terms and conditions of this Agreement at any time, shall not affect, limit, or waive Seller's right thereafter to enforce and compel strict compliance with every term and condition hereof.

(e) All terms of this Agreement which by their nature should apply after the cancellation, completion or termination of this Agreement shall survive and remain fully enforceable after any cancellation, completion, or termination hereof.

(f) (i) If Seller's office is located in the United States, this Agreement and the performance hereof will be governed by and construed according to the laws of the State of Georgia. (ii) If Seller's office is located in Canada, this Agreement and the performance hereof will be governed by and construed according to the laws of the Province of New Brunswick.

(g) (i) In the circumstances of f(i) above, any controversy or claim arising out of or relating to this Agreement, or the breach hereof, or to the Products or the Services provided pursuant hereto, shall be definitively settled by arbitration, to the exclusion of courts of law, administered by the American Arbitration Association ("AAA") in accordance with its Construction Industry Arbitration Rules in force at the time this Agreement is signed and to which the parties declare they will adhere (the "AAA Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over the party against whom enforcement is sought or having jurisdiction over any of such party's assets. The arbitration shall be conducted in Atlanta, Georgia by a panel of three members, one of whom will be appointed by each of Buyer and Seller and the third of whom will be the chairman of the panel and will be appointed by mutual agreement of the two party appointed arbitrators. All arbitrators must be persons who are not employees, agents, or former employees or agents of either party. In the event of failure of the two party appointed arbitrators to agree within 45 days after submission of the dispute to arbitration upon the appointment of the third arbitrator, the third arbitrator will be appointed by the AAA in accordance with the AAA Rules. (ii) In the circumstances of f(ii) above, any controversy or claim arising out of or relating to this Agreement, or the breach hereof, or to the Products or the Services provided pursuant hereto, shall be definitively settled under the auspices of the Canadian Commercial Arbitration Centre ("CCAC"), by means of arbitration and to the exclusion of courts of law, in accordance with its General Commercial Arbitration Rules in force at the time the Agreement is signed and to which the parties declare they will adhere (the "CCAC Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over the party against whom enforcement is sought or having jurisdiction over any of such party's assets. The arbitration shall be conducted in Saint John, New Brunswick by a panel of three arbitrators, one of whom will be appointed by each of Buyer and Seller and the third of whom will be the chairman of the arbitral tribunal and will be appointed by mutual agreement of the two party-appointed arbitrators. All arbitrators must be persons who are not employees, agents, or former employees or agents of either party. In the event of failure of the two party-appointed arbitrators to agree within 45 days after submission of the dispute to arbitration upon the appointment of the third arbitrator, the third arbitrator will be appointed by the CCAC in accordance with the CCAC Rules. In the event that either of Buyer or Seller fails to appoint an arbitrator within 30 days after submission of the dispute to arbitration, such arbitrator, as well as the third arbitrator, will be appointed by the CCAC in accordance with the CCAC Rules.

(h) In the event this Agreement pertains to the sale of any goods outside the United States or Canada, the parties agree that the United Nations Convention for the International Sale of Goods shall not apply to this Agreement.

(i) The parties hereto have required that this Agreement be drawn up in English. Les parties aux présentes ont exigé que la présente convention soit rédigée en anglais.

Please do not hesitate to contact us if you require further information.

Yours sincerely

Andritz Separation Inc.

This document is issued electronically and valid without signature.

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**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Lance Bunker, Public Works Director

MEETING OF: May 22, 2023

SUBJECT: Set June 12, 2023, at 5:00 pm to Conduct a Public Hearing on the City's 2024-2029 Six-Year Transportation Improvement Program

ISSUE

A public hearing for the June 12, 2023, City Council meeting is planned to provide the opportunity for comment and input on the City's proposed 2024-2029 Transportation Improvement Program (TIP). This hearing is required as part of the Six-Year Transportation Improvement Program (STIP) preparation process.

DISCUSSION

State law requires that a municipality conduct a public hearing to provide citizens the opportunity to comment on a proposed STIP prior to its adoption. It is proposed that the required public hearing be held on Monday, June 12th as part of the regularly scheduled City Council meeting. The public hearing will provide an opportunity for the public and the City Council to provide comment on the proposed plan. If no comments are received, this item is scheduled for action at the June 12, City Council meeting. If there are proposed comments that the Council would like to incorporate in the plan, action on this item will be postponed until June 26.

FISCAL IMPACT

N/A

RECOMMENDATION

It is recommended that the City Council set June 12, 2023, at 5:00 pm as the date and time to conduct the public hearing concerning the City's 2024-2029 Six-Year Transportation Improvement Program.

SUGGESTED MOTION

I move that the City Council set June 12, 2023, at 5:00 pm as the date and time to conduct the public hearing concerning the City's 2024-2029 Six-Year Transportation Improvement Program.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

MEETING DATE: May 22, 2023

SUBJECT: Ordinance No. 1068-B, Second and Final Reading – Amending the 2023 Budget

ISSUE

Ordinance No. 1068-B amending the 2023 Budget, is hereby submitted to reflect the changes in estimates and actual activities of the City since the adoption of the 2023 Budget. The first reading of this Ordinance was conducted on May 8, 2023. There have been no changes since the first reading.

Throughout the year, adjustments to the budget become necessary as a result of City Council actions, changes in estimates, activity levels that were not anticipated during budget development, and grant awards or other receipts of outside funding. Historically, the budget has been amended two or three times per year prior to the conclusion of the fiscal year on December 31st.

CITY-WIDE OVERVIEW (ALL FUNDS COMBINED)

This proposed amendment to the 2023 Budget includes the following key items:

- 1) Updates the estimated 2023 beginning fund balances for all funds to reflect the actual ending fund balances at the close of fiscal year 2022. This action has no impact on the 2023 revenues and expenditures budget but changes the estimated 2023 ending fund balances for all city funds.
- 2) Requests to carry over the remaining 2022 budget to 2023 for certain capital projects that were approved in 2022 but are to be completed in 2023.
- 3) Requests for additional revenues and appropriations that were not included in the 2023 Adopted Budget. Most of the items were presented to the City Council for consideration prior to this budget amendment.

2023 Budget Summary for the proposed amendment, including updated beginning fund balances, revenues, transfers-in, expenditures, transfers-out, and estimated ending fund balances and a detailed list of proposed budget amendment items are attached to the proposed Ordinance No. 1068-B as Exhibit “A” and Exhibit “A-1”.

The proposed budget amendment increases the total revenues for city-wide combined total by \$3,339,170, which includes the following:

- \$2,047,170 increase in intergovernmental grants
- \$190,000 increase for investment interest projections
- \$1,140,000 for interfund loans/advances and receipt of repayments
- \$58,000 decrease in real estate excise tax (REET) revenue projection
- \$20,000 increase in wastewater discharge fees.

The proposed budget amendment also increases the total transfers (in and out) for city-wide combined total by \$670,630.

The proposed budget amendment increases appropriations for city-wide combined total by \$6,030,953, which includes the following:

CITY-WIDE COMBINED TOTALS	
Category	Amount
Payroll Wages and Benefits	\$332,400
WCIA Insurance Premium	\$190,205
Capital Outlays	\$4,225,902
Interfund Advances/Loans and Repayments	\$1,140,000
Supplies and Contracted Services	\$142,446
Total Increase in Appropriations	\$6,030,953

\$332,400 increase for wages and benefits due to additional cost of living adjustment (COLA) increases approved by the City Council since the adoption of the 2023 Budget. The 2023 Adopted Budget included an average 4% COLA increase for all employee groups, including all four collective bargaining units, non-represented employees, and seasonal and hourly employees. Since the adoption of the budget, the collective bargaining agreements (CBAs) were finalized, and the City Council approved the final COLA increases for year 2023 ranging from 7.0% to 9.0% in 2023. The increase in payroll budget is combination of the additional COLA increases, impacts from staffing turnovers, increase in overtime activities, and budget savings from temporary vacancies and budgeted but unfilled positions as of April 2023.

\$190,205 increase for 2023 WCIA annual insurance premium exceeding the budget.

\$4,225,902 increase for capital outlays, which includes the following:

- \$17,500 for Stan Hedwall Park street light replacement
- \$2,867 for police body camera purchase cost over the budget
- \$1,649,500 for a ladder truck
- \$24,940 for carpet replacement for Recreation/Finance building (2022 budget carryover)
- \$80,000 for police evidence garage (2022 budget carryover)
- \$99,500 for temporary fire station project (2022 budget carryover)
- \$355,500 for Stan Hedwall Park damage repair project (95% FEMA funded)
- \$65,800 for a fire brush truck (2022 budget carryover)
- \$2,980 for release retainage for Recreation Park fence & drainage project (2022 project)
- \$580,000 for Recreation Park Additional Parking Project (HUD Grant funded)
- \$115,000 for Westside Park Improvement Project

- \$45,000 for a top dresser for sports complex (2022 budget carryover)
- \$1,094,815 for Bishop Road Water Main project (.09 Distressed Counties Grant)
- \$10,000 for design engineering for Greenwood Waterline replacement project
- \$7,500 for purchase of a striper at the Airport

\$1,140,000 increase for temporary interfund loans/advances and repayments to and from the REET and Park Improvement funds to provide funds for the Recreation Park additional parking project until expenditures are reimbursed by the HUD grant. Upon receipt of the grant funds, the borrowed funds shall be repaid to the REET funds.

\$142,446 for various supplies, purchased services, and \$25,000 additional contribution to the Main Street Tax Credit program for Experience Chehalis.

The proposed budget amendments by fund are summarized as follows:

GENERAL FUND

The proposed budget amendment increases the General Fund’s revenues by \$49,500, decreases transfers-in by \$297,133, increases appropriations by \$501,190, and increases transfers-out by \$800,000, resulting in a net decrease in fund balance by \$1,548,823.

Total revenue budget increase of \$49,500 includes \$4,500 in state grant and \$45,000 in investment interest.

Total transfers-in is decreased by \$297,133. Original budget included \$420,000 transfers-in from the Federal Advance Grant Fund (ARPA funds): \$300,000 for ongoing payroll expenditures for one police officer and two firefighters and \$120,00 purchase of police body cameras. The City Council has directed to revert \$300,000 transfers-in to the Federal Advance Grant Fund and made it available for purchase of a ladder truck. The difference is for additional transfer-in of \$2,867 for body camera purchase cost that exceeded the original budget.

Total proposed appropriation increase of \$501,190 includes the following:

- \$186,800 for payroll wages and benefits due to the additional COLA increase approved after the budget adoption, impacts from employee turn overs and staffing changes, coupled with budget savings from temporary vacancies and unfilled budgeted positions as of April 2023.
- \$107,333 for WCIA insurance premium exceeding the adopted budget.
- \$25,000 for additional contribution to the Main Street B&O Tax Credit Program for Experience Chehalis. (The city receives 75% of the contribution in B&O Tax credits for 2024 tax payments).
- \$18,000 for increase in City Attorney retainer contract
- \$11,520 for purchase of NeoGov software (Human Resources recruitment tool)
- \$29,750 for engineering services for evidence building water intrusion evaluation report.
- \$2,867 for police body camera purchase cost over the budget
- \$5,505 for purchase of AEDs
- \$19,050 for replacement of modems for 8 patrol cars
- \$7,500 for purchase of tracks for a utility vehicle to respond on the hill in snow.
- \$87,865 for various supplies and purchased services. Most of the requests are from the Facilities and Parks department which includes the following items:
 - \$15,000 for replacement of Christmas decorations.
 - \$13,000 for three-phase power to the new fire station.

- \$20,000 for fence install at the new permanent fire station site to improve security.
- \$10,000 for downtown Parking Lot C repairs.
- \$13,365 for debris removal and flood clean up at Stan Hedwall Park.
- \$17,500 for Stan Hedwall Park street light replacement.

Total transfers-out of \$800,000 reflects the 2022 year-end Fund Balance Commitment Ordinance No. 1065-B. At the 3/27/2023 Council meeting, the City Council approved a portion of the 2022 ending fund balance as Committed for the following specific purpose and use. These were not in the 2023 original adopted budget:

- \$350,000 for general facilities improvement reserves
- \$450,000 for automotive/equipment replacement

A summary of changes from the 2023 Adopted Budget to the 2023 Proposed Amended Budget for the General Fund is provided below:

General Fund	2023 Adopted Original Budget	2023 Amended Budget #1	Change Increase (Decrease)	Change %
Revenues	\$ 11,917,218	\$ 11,966,718	\$ 49,500	0.2%
Transfers-In	480,000	182,867	(297,133)	-2.1%
Expenditures	11,346,737	11,847,927	501,190	1.7%
Transfers-out	1,080,226	1,880,226	800,000	5.6%
Net Revenues Over (Under) Expenditures	(29,745)	(1,578,568)	(1,548,823)	-777.7%
Beginning Fund Balance	1,650,858	3,586,011	1,935,153	7.2%
Estimated Ending Fund Balance	\$ 1,621,113	\$ 2,007,443	\$ 386,330	1.4%

17%

Street Fund

The proposed budget amendment increases the Street Fund’s revenues by \$16,025 and increase appropriations by \$58,723, resulting in a net decrease in fund balance by \$42,698.

The revenue budget increase reflects \$11,025 grants received and \$5,000 increase in investment interest projection.

The appropriation increase includes \$43,600 in payroll budget increase, \$7,000 for garbage removal near the back of the new permanent fire station site, and \$8,123 for insurance and employee training costs.

Transportation Benefit District (TBD) Fund

The proposed budget amendment increases the TBD Fund’s revenues by \$41,920, which includes \$7,920 TIB grant received and \$34,000 increase in investment interest projections, resulting in a net increase in fund balance by \$41,920.

Tourism Fund

The proposed budget amendment increases the Tourism Fund’s revenues by \$2,000 for increase in investment interest projections, resulting in a net increase in fund balance by \$2,000.

Compensated Absences Reserve Fund

The proposed budget amendment decreases the Compensated Absences Reserve Fund's appropriations by \$24,900 to reflect more to actual.

Community Development Block Grant (CDBG) Fund

The proposed budget amendment increases the CDBG Fund's transfers-out by \$25,000.

The CDBG Fund accounts for repayment of housing rehabilitation loan program. If repayment received is less than \$35,000/year, this income is considered miscellaneous revenues, and the revenue may be used for any community development activity. Recommended use includes a project benefiting low-and-moderate-income persons. The City staff determined the Westside Park Improvement Project would meet the CDBG and HUD grant revenue use purposes.

Total budget for the Westside Park Improvement project is \$115,000. At the January 9, 2023, Council meeting, the City Council approved the project using \$20,000 from the dedicated Park Improvement Fund previously reserved for Westside Park and \$95,000 from the Second Quarter Real Estate Excise Tax (REET) fund.

Staff proposes using the available funds from CDBG (\$25,000) and HUD Grant Funds (\$90,000) for the Westside Park Improvement Project.

Housing & Urban Development (HUD) Grant Fund

The proposed budget amendment decreases the HUD Grant Fund's appropriations by \$1,000 and increase transfers-out by \$90,000, resulting in a net decrease in fund balance by \$89,000.

The HUD Grant fund accounts for repayment of HUD loan program. HUD loan program revenue may be used for a project benefiting low-and-moderate-income persons. The City staff determined the Westside Park Improvement Project would meet the HUD grant revenue use purposes.

Total budget for the Westside Park Improvement project is \$115,000. At the January 9, 2023, Council meeting, the City Council approved the project using \$20,000 from the dedicated Park Improvement Fund previously reserved for Westside Park and \$95,000 from the Second Quarter Real Estate Excise Tax (REET) fund.

Staff proposes using the available funds from CDBG (\$25,000) and HUD Grant Funds (\$90,000) for the Westside Park Improvement Project.

Federal Advance Grant Control Fund (aka APRA)

The proposed budget amendment increases the Federal Advance Grant Control Fund's revenues by \$18,000, increase appropriations by \$1,649,500, and decrease transfers-out by \$297,133, resulting in a net decrease in fund balance by \$1,334,367.

Increase in revenue budget is for investment interest. The increased appropriation is for purchase of a ladder truck which was approved by the City Council at the April 24, 2023, Council meeting.

Total net decrease in transfers-out included reversing (decreasing) the original transfer-out budget of \$300,000 to the General Fund for payroll expenditures of one police officer and two firefighters and

increasing transfers-out for purchase of police body cameras which exceeded the original budget by \$2,867.

Public Facilities Reserve Fund

The proposed budget amendment increases the Public Facilities Reserve Fund's revenues by \$341,725, increase transfers-in by \$350,000, increases the appropriations by \$559,940, and increase transfers-out by \$52,763, resulting in a net increase in fund balance by \$79,022.

The \$341,725 revenue budget increase is for the following:

- \$319,950 for Federal Emergency Management Agency (FEMA) assistance for January 2022 Winter Storm damage repairs for Stan Hedwall and Lintott/Alexander Parks. This is 90% of the eligible project costs.
- \$17,775 for State Public Disaster Assistance Grant for the above-mentioned repair project. This is 5% of the total eligible project expenditures.
- \$4,000 increase for investment interest projection.

The \$350,000 transfers-in was a part of the 2022 year-end committed fund balance approved by the City Council to be reserved and used for future improvements to the general facilities.

The \$559,940 additional appropriation requested including the following items:

- \$24,940 for 2022 budget carryover to replace carpet at the Park and Recreation building.
- \$80,000 for 2022 budget carryover for police evidence garage
- \$99,500 for 2022 budget carryover for temporary fire station project remaining bills.
- \$355,500 for repairs to Stan Hedwall and Lintott/Alexander Park from 2022 January winter storm damage. This project is 95% funded by FEMA and State Military Department Public Assistance program.

The \$52,763 transfers-out is the remaining donation funds from Recreation Park Improvement project. This is transferred to the dedicated Park Improvement Fund for future Recreation Park improvement projects.

Automotive/Equipment Reserve Fund

The proposed budget amendment increases the Automotive/Equipment Reserve Fund's revenues by \$5,000 which is for the investment interest, increases transfers-in by \$450,000, and increases appropriations by \$65,800, resulting in a net increase in fund balance by \$389,200.

The transferred-in is from the General Fund and reflects the 2022 year-end fund balance commitment Ordinance No. 1065-B.

The \$65,800 increase in appropriation is to carryover 2022 budget for a fire brush truck that was in the General Fund Fire Department's 2022 budget.

Park Improvement Fund

The proposed budget amendment increases the Park Improvement Fund's revenues by \$1,176,000, increases transfers-in by \$167,763, increases appropriations by \$1,312,980, resulting in a net increase in fund balance by \$30,783.

There are two large projects (Construction for Recreation Park Additional Parking and Westside Park Improvement) planned in 2023. The Park Improvement fund does not have sufficient cash in the fund.

Staff proposes that the Westside Park Improvement project be funded by the CDBG Fund and HUD Block Grant Funds by transfers-in. For the Recreation Park additional parking construction project, it is recommended to borrow funds from the two REET funds until the City receives the grant reimbursement payments. The borrowing will be a short-term, temporary, without interest, until the City receives reimbursement from the HUD grant. It is anticipated that the time between the date of expenditures (payments to the contractor) until the date the grant reimbursement is received by the City is within 30-days from the date of reimbursement request is submitted.

The \$1,176,000 proposed revenue budget increase includes the following items:

- \$570,000 for federal HUD grant for Recreation Park Additional Parking construction project.
- \$25,000 for RCO grant final payment received in 2023 for the Recreation Park Improvement (ball fields and Penny playground) project.
- \$1,000 for increase in investment earnings projection.
- \$10,000 for private donations for Recreation Park Additional Parking project.
- \$220,000 for temporary loan (advance) from the First Quarter REET fund for the additional parking project.
- \$350,000 for temporary loan (advance) from the Second Quarter REET fund for the additional parking project.

The \$167,763 proposed transfers-in includes the following items:

- \$25,000 transfer-in from CDBG Fund for Westside Park Improvement Project
- \$90,000 transfer-in from HUD Grant Fund for Westside Park Improvement Project.
- \$52,763 transfer-in from Public Facilities Reserve Fund for the remaining donations received for the Recreation Park Improvement (ball fields and Penny playground) project and to be dedicated for future Recreation Park improvement projects.

The \$1,312,980 proposed additional appropriation includes the following items:

- \$580,000 for construction of additional parking at the Recreation Park
- \$115,000 for Westside Park improvement project
- \$45,000 for 2022 budget carryover for purchase of a top dresser for the Sports Complex maintenance.
- \$2,980 for final release of retainage for Recreation Park fence & drainage project (2022 project)
- \$220,000 for repayment of interfund loan to the First Quarter REET fund
- \$350,000 for repayment of interfund loan to the Second Quarter REET fund.

First Quarter REET Fund

The proposed budget amendment increases the First Quarter REET Fund's revenues by \$194,000 and increases appropriations by \$220,000, resulting in a net decrease in fund balance by \$26,000.

The \$194,000 proposed revenue increase includes the following:

- \$29,000 decrease for real estate excise tax revenue projection to reflect more to actual based on the actual revenues received during the 1st quarter.
- \$3,000 increase for investment interest projection.
- \$220,000 for receipt of interfund loan/advance repayment from the Park Improvement Fund

The \$220,000 proposed appropriation is for a short-term temporary loan to the Park Improvement Fund for the Recreation Park Additional Parking project until the grant reimbursement is received.

Second Quarter REET Fund

The proposed budget amendment increases the Second Quarter REET Fund's revenues by \$323,000 and increases appropriations by \$350,000, resulting in a net decrease in fund balance by \$27,000.

The \$323,000 proposed revenue increase includes the following:

- \$29,000 decrease for real estate excise tax revenue projection to reflect more to actual based on the actual revenues received during the 1st quarter.
- \$2,000 increase for investment interest projection.
- \$350,000 for receipt of interfund loan/advance repayment from the Park Improvement Fund

The \$350,000 proposed appropriation is for a short-term temporary loan to the Park Improvement Fund for the Recreation Park Additional Parking project until the grant reimbursement is received.

Wastewater Fund

The proposed budget amendment increases the Wastewater Fund's revenues by \$45,000 and increases appropriations by \$119,683, resulting in a net decrease of fund balance by \$74,683.

The \$45,000 increase in revenues includes \$20,000 increase in discharge fees received and \$25,000 increase in investment interest projection.

The \$119,683 proposed increase in appropriation includes \$78,700 for payroll due to the COLA increase and staffing changes since the budget adoption and WCIA insurance increase of \$40,523.

Water Fund

The proposed budget amendment increases the Water Fund's revenues by \$20,000 (for investment interest projection) and increases appropriations by \$63,912, resulting in a net decrease of fund balance by \$43,912.

The \$63,912 proposed increase in appropriation includes \$5,700 for payroll due to the COLA increase and staffing changes since the budget adoption, WCIA insurance increase of \$25,371, and \$25,546 latecomer fees refunded that was not in the original budget.

Storm & Surface Water Fund

The proposed budget amendment increases the Storm & Surface Water Fund's revenues by \$3,000 (for investment interest projection) and increases appropriations by \$25,233, resulting in a net decrease of fund balance by \$22,233.

The \$25,233 proposed increase in appropriation includes \$14,600 for payroll due to the COLA increase and staffing changes since the budget adoption, WCIA insurance increase of \$5,173, and \$5,000 increase in training budget for staff CDL course tuition assistance.

Airport Fund

The proposed budget amendment increases the Airport Fund's appropriations by \$9,000 (for investment interest projection) and increases appropriations by \$17,577, resulting in a net decrease in fund balance by \$8,577.

The \$17,577 proposed increase in appropriation includes \$14,100 for payroll due to the COLA increase and staffing changes since the budget adoption, \$13,800 budget request for hiring seasonal workers, WCIA insurance increase of \$9,142, and reducing contracted services budget by \$21,300.

Wastewater Capital Fund

The proposed budget amendment increases the Wastewater Capital Fund's revenues by \$8,000 for investment interest projection.

Water Capital Fund

The proposed budget amendment increases the Wastewater Capital Fund's appropriations by \$1,079,000 and increases appropriations by \$1,104,815, resulting in a net decrease in fund balance by \$25,815.

The \$1,079,000 revenue budget increase includes \$1,091,000 of 0.09 Distressed Counties Grant from the Lewis County for the Bishop Road Water Main Replacement Project and a decrease in investment earnings by \$12,000.

The \$1,104,815 increase in appropriations includes \$1,094,815 for Bishop Road Water Main Replacement project including design engineering, construction, and construction engineering and \$10,000 additional budget for Greenwood Waterline engineering. Both of these projects have been approved by the City Council at the April 10, 2023, and April 24, 2023, Council meetings.

Storm & Surface Water Capital Fund

The proposed budget amendment increases the Storm & Surface Water Capital Fund's appropriations by \$8,000 for investment interest projection.

Airport Capital Fund

The proposed budget amendment increases the Airport Capital Fund's appropriations by \$7,500 for purchase of a striper for the airfield maintenance.

City-Wide Summary

The proposed budget amendment revises the 2023 budget by a combined net total decrease in fund balance by \$2,691,783 and a total estimated ending fund balance to \$27,443,872 as provided below:

City-wide (All Funds)	2023 Adopted Original Budget	2023 Amended Budget #1	Change Increase (Decrease)	Change %
Revenues	\$ 26,371,482	\$ 29,710,652	\$ 3,339,170	29.5%
Transfers-In	3,668,622	4,339,252	670,630	146.6%
Expenditures	28,583,810	34,614,763	6,030,953	54.1%
Transfers- out	3,668,622	4,339,252	670,630	34.4%
Net Revenues Over (Under) Expenditures	(2,212,328)	\$ (4,904,111)	(2,691,783)	204.7%
Beginning Fund Balance	27,324,863	32,347,983	5,023,120	184.7%
Estimated Ending Fund Balance	\$ 25,112,535	\$ 27,443,872	\$ 2,331,337	166.0%

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 1068-B on first reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance No. 1068-B on first reading.

ORDINANCE NO. 1068-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, AMENDING THE 2023 FISCAL YEAR BUDGET ADOPTED BY ORDINANCE NO. 1060-B BY REVISING THE BUDGETED AMOUNTS BY A COMBINED TOTAL OF TWO MILLION SIX HUNDRED NINETY-ONE THOUSAND SEVEN HUNDRED EIGHTY-THREE (\$2,691,783) FOR THE GENERAL FUND, STREET FUND, TRANSPORTATION BENEFIT DISTRICT FUND, TOURISM FUND, COMPENSATED ABSENCES RESERVE FUND, COMMUNITY BLOCK GRANT FUND, HUD BLOCK GRANT FUND, FEDERAL ADVANCE GRANT CONTROL FUND, PUBLIC FACILITIES RESERVE FUND, AUTOMOTIVE/EQUIPMENT RESERVE FUND, PARK IMPROVEMENT FUND, FIRST QUARTER PERCENT REET FUND, SECOND QUARTER PERCENT REET FUND, WASTEWATER FUND, WATER FUND, STORM & SURFACE WATER FUND, AIRPORT FUND, WASTEWATER CAPITAL FUND, WATER CAPITAL FUND, STORM & SURFACE WATER CAPITAL FUND, AND AIRPORT CAPITAL FUND, AND DIRECTING THE FINANCE DIRECTOR TO EFFECT THE BUDGET AMENDMENTS HEREIN PROVIDED.

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

Section 1. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the General Fund's revenues by \$49,500, decrease transfers-in by \$297,133, increase appropriations by \$501,190, and increase transfers-out by \$800,000.

Section 2. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Street Fund's revenues by \$16,025 and increase appropriations by \$58,723.

Section 3. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Transportation Benefit District Fund's revenues by \$41,920.

Section 4. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Tourism Fund's revenues by \$2,000.

Section 5. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to decrease the Compensated Absences Reserve Fund's appropriations by \$24,900.

Section 6. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Community Block Grant Fund's transfers-out by \$25,000.

Section 7. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to decrease the HUD Block Grant Fund's appropriations by \$1,000 and increase transfers-out by \$90,000.

Section 8. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Federal Advance Grant Control Fund's revenues by \$18,000, increase appropriations by \$1,649,500, and decrease transfers-out by \$297,133.

Section 9. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Public Facilities Reserve Fund's revenues by \$341,725, increase transfers-in by \$350,000, increase appropriations by \$559,940, and increase transfers-out by \$52,763.

Section 10. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Automotive/Equipment Reserve Fund's revenues by \$5,000, increase transfers-in by \$450,000, and increase appropriations by \$65,800.

Section 11. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Park Improvement Fund's revenues by \$1,176,000, increase transfers-in by \$167,763, and increase appropriations by \$1,312,980.

Section 12. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the First Quarter REET Fund's revenues by \$194,000 and increase appropriations by \$220,000.

Section 12. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Second Quarter REET Fund's revenues by \$323,000 and increase appropriations by \$350,000.

Section 13. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Wastewater Fund's revenues by \$45,000 and increase appropriations by \$119,683.

Section 14. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Water Fund's revenues by \$20,000 and increase appropriations by \$63,912.

Section 15. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Storm & Surface Water Fund's revenues by \$3,000 and increase appropriations by \$25,233.

Section 16. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Airport Fund's revenues by \$9,000 and increase appropriations by \$17,577.

Section 17. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Wastewater Capital Fund's revenues by \$8,000.

Section 18. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Water Capital Fund's revenues by \$1,079,000 and increases appropriations by \$1,104,815.

Section 19. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Storm & Surface Water Capital Fund's revenues by \$8,000.

Section 20. The annual budget of the city for the calendar year 2023 shall be, and the same hereby is, amended so as to increase the Airport Capital Fund's appropriations by \$7,500.

Section 9. Attached hereto and identified as Exhibit A, in summary form, is the total of estimated revenues, transfers-in, expenditures, and transfers-out for each separate fund and the aggregate totals for all such funds combined for the city for the amended 2023 budget which shows a total estimated ending fund balance of \$27,443,872.

PASSED by the City Council of the City of Chehalis, Washington, and **APPROVED** on its first reading at a regularly scheduled open public meeting thereof this ____ day of _____, 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

Ordinance No. 1068-B, Exhibit A - Summary

**CITY OF CHEHALIS "FIRST " AMENDED 2023 BUDGET
2023 BUDGET SUMMARY REVISED WITH ORDINANCE NO. 1068-B
Original Adopted Budget: Ordinance No. 1060-B**

Fund No.	Fund Name	Estimated Beginning Fund Balance 01/01/2023	Revenues	Transfers In	Expenditures	Transfers Out	Estimated Ending Fund Balance 12/31/2023	Change in Fund Balance Increase (Decrease)	% Change
001	General Fund	\$ 3,586,011	\$ 11,966,718	\$ 182,867	\$ 11,847,927	\$ 1,880,226	\$ 2,007,443	\$ (1,578,568)	-44.0%
003	Street Fund	472,118	178,639	1,023,495	1,454,135	-	220,117	(252,001)	-53.4%
004	Building Abatement Fund	52,399	50	-	-	-	52,449	50	0.1%
102	Arterial Street Fund	6,027	-	-	-	6,027	-	(6,027)	-100.0%
103	Transportation Benefit District Fund	3,634,765	1,490,820	-	906,410	-	4,219,175	584,410	16.1%
107	Tourism Fund	214,610	293,400	-	189,700	142,694	175,616	(38,994)	-18.2%
110	Compensated Absences Reserve Fund	212,092	4,000	-	86,800	-	129,292	(82,800)	-39.0%
115	LEOFF 1 OPEB Reserve Fund	150,554	2,000	236,098	157,000	-	231,652	81,098	53.9%
195	Community Development Block Grant Fund	25,798	400	-	1,000	25,000	198	(25,600)	-99.2%
197	HUD Block Grant Fund	89,769	1,700	-	1,000	90,000	469	(89,300)	-99.5%
199	Federal Grant Control Fund	1,920,670	38,000	-	1,649,500	296,207	12,963	(1,907,707)	-99.3%
200	General Obligation Bond Fund	63	-	301,529	301,529	-	63	-	0.0%
301	Public Facilities Reserve Fund	601,928	348,725	350,000	559,940	52,763	687,950	86,022	14.3%
302	Automotive/Equipment Reserve Fund	742,969	14,600	450,000	431,100	-	776,469	33,500	4.5%
303	Parks Improvement Fund	131,718	1,178,000	224,363	1,312,980	-	221,101	89,383	67.9%
305	First Quarter REET Fund	333,846	361,000	-	220,000	130,760	344,086	10,240	3.1%
306	Second Quarter REET Fund	471,420	494,800	-	350,000	144,675	471,545	125	0.0%
402	Garbage Fund	8,270	6,240	-	6,240	-	8,270	-	0.0%
404	Wastewater Fund	4,113,238	5,595,500	-	5,613,022	454,500	3,641,216	(472,022)	-11.5%
405	Water Fund	2,091,950	3,292,010	-	3,045,785	868,300	1,469,875	(622,075)	-29.7%
406	Storm and Surface Water Fund	361,034	732,270	-	625,422	164,300	303,582	(57,452)	-15.9%
407	Airport Fund	340,200	2,403,280	-	1,708,608	83,800	951,072	610,872	179.6%
414	Wastewater Capital Fund	2,127,688	28,000	454,500	1,190,790	-	1,419,398	(708,290)	-33.3%
415	Water Capital Fund	6,223,241	1,179,000	868,300	2,532,845	-	5,737,696	(485,545)	-7.8%
416	Storm and Surface Water Capital Fund	1,403,758	28,000	164,300	321,030	-	1,275,028	(128,730)	-9.2%
417	Airport Capital Fund	1,974,125	40,000	83,800	95,000	-	2,002,925	28,800	1.5%
611	Firemen's Pension	1,057,722	33,500	-	7,000	-	1,084,222	26,500	2.5%
TOTALS		\$ 32,347,983	\$ 29,710,652	\$ 4,339,252	\$ 34,614,763	\$ 4,339,252	\$ 27,443,872	\$ (4,904,111)	-15.2%

ORIGINAL ADOPTED BUDGET
Increase (decrease) BA #1

\$ 27,324,863 **\$ 26,371,482** **\$ 3,668,622** **\$ 28,583,810** **\$ 3,668,622** **\$ 25,112,535** **\$ (2,212,328)**
\$ 5,023,120 *\$ 3,339,170* *\$ 670,630* *\$ 6,030,953* *\$ 670,630* *\$ 2,331,337* *\$ (2,691,783)*

Fund No. and Name	Account Name	Reason for Amendment	2023 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Fund 001 - General Fund									
Revenues:									
001.334.001.20	Other Judicial Agencies	Public Defense Grant Adjust to actual receipt	10,000	4,500				4,500	14,500
003.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	20,000	45,000				45,000	65,000
001.397.000.19	Transfers in - Fund 199	Revert Transfer in from fund 199 (ARPA) for 3 public safety positions	420,000		(300,000)			(300,000)	120,000
001.397.000.19	Transfers in - Fund 199	Additional Transfer from APRA fund - body camera purchase cost over budget	-		2,867			2,867	2,867
Total General Fund Revenues & Transfers In			12,397,218	49,500	(297,133)	-	-	(247,633)	12,149,585
Expenditures:									
001.B1.511.060.46.00	Insurance	WCIA insurance premium exceed the budget	1,100			120		120	1,220
subtotal for City Council (B1)			103,550	-	-	120	-	120	103,670
001.C1.523.020.11.05	Wages - PT	Increase hourly wage for CCO & hire a Bailiff	4,500			4,200		4,200	8,700
001.C1.523.020.11.05	Wages - PT	Increase hourly wage for CCO & hire a Bailiff	400			800		800	1,200
001.C1.521.050.35.00	Small Tools & Minor Equipment	AED purchase	3,700			1,835		1,835	5,535
001.C1.512.050.41.00	Prof Services	Replace hired court security service with a Bailiff position	8,500			(3,400)		(3,400)	5,100
001.C1.512.050.46.00	Insurance	WCIA insurance premium exceed the budget	10,000			4,056		4,056	14,056
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	304,308			(12,800)		(12,800)	291,508
subtotal for Municipal Court (C1)			358,408	-	-	(5,309)	-	7,491	365,899
001.D1.513.010.46.00	Insurance	WCIA insurance premium exceed the budget	6,000			1,954		1,954	7,954
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	305,025			(5,800)		(5,800)	299,225
subtotal for City Manager (D1)			230,875	-	-	(3,846)	-	(3,846)	227,029
001.E1.514.023.46.00	Insurance	WCIA insurance premium exceed the budget	12,800			661		661	13,461
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	482,141			10,200		10,200	492,341
subtotal for Finance (E1)			376,901	-	-	10,861	-	10,861	387,762
001.E4.514.020.46.00	Insurance	WCIA insurance premium exceed the budget	2,640			1,337		1,337	3,977
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	116,938			10,500		10,500	127,438
subtotal for City Clerk (E4)			105,308	-	-	11,837	-	11,837	117,145
001.F1.515.041.41.00	Prof. Svcs - City Attorney	City Attorney Retainer increase	102,500			18,000		18,000	120,500
subtotal for Legal Services (F1)			86,700	-	-	18,000	-	18,000	104,700
001.F2.518.030.31.00	Operating Supplies	Purchase new Christmas decorations (replace old)	69,000			15,000		15,000	84,000
001.F2.518.030.46.00	Insurance	WCIA insurance premium exceed the budget	40,700			14,758		14,758	55,458
001.F2.518.030.48.00	R & M - Facility	Downtown parking Lot C repairs	88,000			10,000		10,000	98,000
001.F2.518.030.48.00	R & M - Facility	Replace 9x20 concrete floor of rental shelter damaged by 2022 Jan flooding	-			6,440		6,440	6,440
001.F2.518.030.48.00	R & M - Facility	Flood clean up & debris removal at Stan Hedwall Park	-			6,925		6,925	6,925
001.F2.518.030.48.00	R & M - Facility	Three-phase power to the new fire station	-			13,000		13,000	13,000
001.F2.518.030.48.00	R & M - Facility	Fence install around old fire station	-			20,000		20,000	20,000
001.F2.518.031.46.00	Insurance	WCIA insurance premium exceed the budget	5,280			565		565	5,845
001.F2.572.050.46.00	Insurance	WCIA insurance premium exceed the budget	8,750			2,086		2,086	10,836
001.F2.576.020.46.00	Insurance	WCIA insurance premium exceed the budget	5,720			1,973		1,973	7,693
001.F2.576.020.48.00	R & M - Facility	Pool gutter grating replacement - budget transfer to capital outlay 63.00	74,500			(75,000)		(75,000)	(500)
001.F2.576.080.46.00	Insurance	WCIA insurance premium exceed the budget	4,300			3,228		3,228	7,528
001.F2.594.076.63.00	Capital Outlay	Pool gutter grating replacement - budget line transfer from 48.00	20,000			75,000		75,000	95,000
001.F2.594.076.63.00	Capital Outlay	Stan Hedwall Park street light replacement	-			17,500		17,500	17,500
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	767,015			42,300		42,300	809,315
subtotal for Parks & Facilities (F2)			1,563,080	-	-	153,775	-	153,775	1,716,855
001.G1.518.090.46.00	Insurance	WCIA insurance premium exceed the budget	6,200			2,373		2,373	8,573
001.G1.558.070.41.00	Prof Svc - Main Street Prog	Increase 2023 contribution for Experience Chehalis	50,000			25,000		25,000	75,000
001.G1.597.000.05.31	Transfer out - Fund 301	Transfer to Fund 301 - YE2022 Committed FB Ord 1065-B	-			-	350,000	350,000	350,000
001.G1.597.000.05.32	Transfer out - Fund 302	Transfer to Fund 302 - YE2022 Committed FB Ord 1065-B	-			-	450,000	450,000	450,000
subtotal for Non-Departmental (G1)			1,395,816	-	-	27,373	800,000	827,373	883,573
001.G2.018.010.35.00	Small Tools & Minor Equipment	AED purchase	2,000			1,835		1,835	3,835
001.G2.018.010.35.00	Small Tools & Minor Equipment	NeoGov Software - License cost	-			7,520		7,520	7,520
001.G2.518.010.46.00	Insurance	WCIA insurance premium exceed the budget	2,500			865		865	3,365
001.G2.018.010.48.02	R & M - IT Software Maint	NeoGov Software - Support Services	500			4,000		4,000	4,500
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	143,751			3,700		3,700	147,451
subtotal for Human Resources (G2)			166,561	-	-	17,920	-	17,920	184,481
001.H1.521.010.35.00	Small Tools & Minor Equipment	AED purchase	5,000			1,835		1,835	6,835
001.H1.521.010.35.00	Small Tools & Minor Equipment	Replace modems for 8 patrol cars	-			19,050		19,050	19,050

Fund No. and Name	Account Name	Reason for Amendment	2023	Revenue	Transfers	Expenditures	Transfers	Ending Fund	Proposed
			Adopted	Increase	In	Increase	Out	Balance	Amended
			Budget	(Decrease)		(Decrease)		(Decrease)	Budget
001.H1.521.010.35.00	Small Tools & Minor Equipment	Purchase tracks for a utility vehicle to respond on the hills in snow				7,500		7,500	7,500
001.H1.521.010.41.00	Prof Services	Engineering for evidence building water intrusion evaluation report	2,500			29,750		29,750	32,250
001.H1.521.010.46.00	Insurance	WCIA insurance premium exceed the budget	68,000			35,156		35,156	103,156
001.H1.594.021.64.00	Machinery & Equipment	Purchase of Body Cameras, cost over budget	120,000			2,867		2,867	122,867
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	3,077,852			94,200		94,200	3,172,052
subtotal for Police (H1)			3,956,511	-	-	190,358	-	190,358	291,658
001.I1.522.020.46.00	Insurance	WCIA insurance premium exceed the budget	66,000			25,952		25,952	91,952
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	1,961,311			52,700		52,700	2,014,011
subtotal for Fire (I1)			2,440,405	-	-	78,652	-	78,652	2,519,057
001.P2.524.011.46.00	Insurance	WCIA insurance premium exceed the budget	6,062			3,168		3,168	9,230
001.P2.559.030.46.00	Insurance	WCIA insurance premium exceed the budget	5,500			4,091		4,091	9,591
001.P2.558.060.48.02	R&M - IT Software/Hardware	New email account license for planning & historical commission	5,000			2,400		2,400	7,400
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	523,843			(5,200)		(5,200)	518,643
subtotal for Planning & Building (P2)			1,156,455	-	-	4,459	-	4,459	1,160,914
001.R1.571.011.46.00	Insurance	WCIA insurance premium exceed the budget	4,700			1,694		1,694	6,394
001.R1.571.022.46.00	Insurance	WCIA insurance premium exceed the budget	6,800			3,296		3,296	10,096
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	337,433			(8,000)		(8,000)	329,433
subtotal for Recreation (R1)			487,393	-	-	(3,010)	-	(3,010)	484,383
Total General Fund Expenditures & Transfers Out			12,426,963	-	-	501,190	800,000	1,301,190	13,728,153
Total for General Fund				49,500	(297,133)	501,190	800,000	(1,548,823)	

Fund 003 - Street Fund

Revenues:									
003.334.003.10	State Grant - Ecology	Reimbursed for Flood Emergency Preparedness Supplies purchased in 2022	-	11,025				11,025	11,025
003.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	5,600	5,000				5,000	10,600
Total Street Fund Revenues & Transfers In			1,186,109	16,025	-	-	-	16,025	1,202,134
Expenditures:									
003.01.543.010.35.00	Small Tools & Minor Equipment	AED purchase (split cost)	4,000			460		460	4,460
003.01.543.010.46.00	Insurance	WCIA insurance premium exceed the budget	23,500			4,659		4,659	28,159
003.02.544.020.46.00	Insurance	WCIA insurance premium exceed the budget	260			144		144	404
003.03.542.030.41.00	Prof Services	Garbage removal service around old fire station	1,000			7,000		7,000	8,000
003.03.542.030.46.00	Insurance	WCIA insurance premium exceed the budget	2,140			(2,140)		(2,140)	-
003.03.542.030.49.01	Registration	CDL school tuition assistance x 2 employees	-			5,000		5,000	5,000
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	436,915			43,600		43,600	480,515
Total Street Fund Expenditures & Transfers Out			1,395,412	-	-	58,723	-	58,723	1,454,135
Total for Street Fund				16,025	-	58,723	-	(42,698)	

Fund 103 - Transportation Benefit District Fund

Revenues:									
103.334.003.82	State Grant - TIB	National Avenue Overlay project TIB grant reimb	-	7,920				7,920	7,920
103.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	14,000	34,000				34,000	48,000
Total Transportation Benefit District Fund Revenues & Transfers In			1,448,900	41,920	-	-	-	41,920	1,490,820
Total for Transportation Benefit District Fund				41,920	-	-	-	41,920	

Fund 107- Tourism Fund

Revenues:									
107.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	1,400	2,000				2,000	3,400
Total Tourism Fund Revenues & Transfers In			291,400	2,000	-	-	-	2,000	293,400
Expenditures:									
107.05.597.000.05.01	Transfer Out - Fund 001	Budget line transfer for amount allocated for Park Improvement Fund 303	71,600				(56,600)	(56,600)	15,000
107.05.597.000.05.33	Transfer Out - Fund 303	Budget line transfer for amount allocated for Park Improvement Fund 303	-				56,600	56,600	56,600
Total Tourism Fund Expenditures & Transfers Out			332,394	-	-	-	-	-	332,394

Fund No. and Name	Account Name	Reason for Amendment	2023 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Total for Tourism Fund				2,000	-	-	-	2,000	
Fund 110 - Compensated Absences Reserve Fund									
Revenues:									
110.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	4,000	-	-	-	-	-	4,000
Total Tourism Fund Revenues & Transfers In			4,000	-	-	-	-	-	4,000
Expenditures:									
various	Wages & Benefits	Position budget update, new estimates	111,700	-	-	(24,900)	-	(24,900)	86,800
Total Compensated Absences Reserve Fund Expenditures & Transfers Out			111,700	-	-	(24,900)	-	(24,900)	86,800
Total for Compensated Absences Reserve Fund				-	-	(24,900)	-	24,900	
Fund 195 - Community Block Grant Fund									
Expenditures:									
195.05.597.000.05.33	Transfers Out - Fund 303	Transfer to Fund 303 for Westside Park Improvement Project	-	-	-	-	25,000	25,000	25,000
Total Community Block Grant Fund Expenditures & Transfer Out			1,000	-	-	-	25,000	25,000	26,000
Total for Community Block Grant Fund				-	-	-	25,000	(25,000)	
Fund 197 - HUD Block Grant Fund									
Expenditures:									
197.07.576.080.41.00	Professional Services	New estimates	2,000	-	-	(1,000)	-	(1,000)	1,000
197.05.597.000.05.33	Transfers Out - Fund 303	Transfer to Fund 303 for Westside Park Improvement Project	-	-	-	-	90,000	90,000	90,000
Total HUD Block Grant Fund Expenditures & Transfer Out			2,000	-	-	(1,000)	90,000	89,000	91,000
Total for HUD Block Grant Fund				-	-	(1,000)	90,000	(89,000)	
Fund 199 - Federal Advance Grant Control Fund									
Revenues:									
199.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	20,000	18,000	-	-	-	18,000	38,000
Total Federal Advance Grant Control Fund Revenues & Transfers In			20,000	18,000	-	-	-	18,000	38,000
Expenditures:									
199.11.594.022.64.00	Machinery & Equipment - Fire	Purchase of a fire ladder truck	-	-	-	1,649,500	-	1,649,500	1,649,500
199.48.597.000.05.01	Transfer out - Fund 001	Purchase policy body cameras cost over the budget	-	-	-	-	2,867	2,867	2,867
199.48.597.000.05.01	Transfer out - Fund 001	Revert transfer out to Fund 001 for payroll expense	300,000	-	-	-	(300,000)	(300,000)	-
Total Federal Advance Grant Control Fund Expenditures & Transfers Out			593,340	-	-	1,649,500	(297,133)	1,352,367	1,945,707
Total for Federal Advance Grant Control Fund				18,000	-	1,649,500	(297,133)	(1,334,367)	
Fund 301 - Public Facilities Reserve Fund									
Revenues:									
301.333.097.03	FEMA Disaster Grant	FEMA reimb for FEMA repair projects (90%)	-	319,950	-	-	-	319,950	319,950
301.334.001.80	State Military Department PA	WA State reimb for FEMA repair projects (5%)	-	17,775	-	-	-	17,775	17,775
301.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	7,000	4,000	-	-	-	4,000	11,000
301.397.000.01	Transfer in - Fund 001	Transfer from Fund 001 - YE2022 Committed FB Ord 1065-B	-	-	350,000	-	-	350,000	350,000
Total Public Facilities Reserve Fund Revenues & Transfers In			7,000	341,725	350,000	-	-	691,725	698,725
Expenditures:									
301.44.594.018.62.00	Bldg./Structure - Fire Station	Carryover 2022 Budget - Rec/Finance Office Remodel - carpet replacement	-	-	-	24,940	-	24,940	24,940
301.44.594.021.62.00	Bldg./Structure	Carryover 2022 Budget - Police Evidence Garage	-	-	-	80,000	-	80,000	80,000
301.44.594.022.62.00	Other Improvement - Fire Station	Carryover 2022 Budget - Temp Fire Station- remaining bills to pay in 2023	-	-	-	99,500	-	99,500	99,500
301.44.594.076.63.03	Other Improvement - Lintott/Alex	FEMA repair project Stan Hedwall and Lintott Alexander	-	-	-	355,500	-	355,500	355,500
301.44.597.055.00.33	Transfer out - Fund 303	Transfer Remaining Rec Park Donation Funds to Park Improvement Fund (restricted)	-	-	-	-	52,763	52,763	52,763
Total Public Facilities Reserve Fund Expenditures & Transfers Out			-	-	-	559,940	52,763	612,703	612,703
Total for Public Facilities Reserve Fund				341,725	350,000	559,940	52,763	79,022	

Fund No. and Name	Account Name	Reason for Amendment	2023 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Fund 302 - Automotive / Equipment Reserve Fund									
Revenues:									
302.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	9,600	5,000				5,000	14,600
302.397.000.01	Transfer in - Fund 001	Transfer from Fund 001 - YE2022 Committed FB Ord 1065-B	-		450,000			450,000	450,000
Total Automotive / Equipment Reserve Fund Revenues & Transfers In			9,600	5,000	450,000	-	-	455,000	464,600
Expenditures:									
302.45.594.022.64.00	Machinery & Equipment	Carryover 2022 budget for a Fire Brush Truck (2022 budget in Fund 001)	-			65,800		65,800	65,800
Total Automotive / Equipment Reserve Fund Expenditures & Transfers Out			365,300	-	-	65,800	-	65,800	431,100
Total for Automotive /Equipment Reserve Fund				5,000	450,000	65,800	-	389,200	
Fund 303 - Park Improvement Fund									
Revenues:									
303.331.014.25	Federal Grant - HUD (EDICPF)	Grant reimbursement for Rec Park Parking Lot Project	-	570,000	-			570,000	570,000
303.334.002.70	State Grant - RCO	Final reimbursement for Rec Park Improvement project	-	25,000				25,000	25,000
303.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	2,000	1,000				1,000	3,000
303.367.011.71	Donations - Rec Park	Private Contributions for Additional Parking at Rec Park	-	10,000				10,000	10,000
303.381.020.35	Interfund Loan Received - Fund 305	Short-Term Borrowing from Q1 REET - Rec Park Add'l Parking Construction	-	220,000				220,000	220,000
303.381.020.36	Interfund Loan Received - Fund 306	Short-Term Borrowing from Q2 REET - Rec Park Add'l Parking Construction	-	350,000				350,000	350,000
303.397.000.95	Transfer in - Fund 195	Transfer from CDBG Fund for Westside Park Improvement Project	-		25,000			25,000	25,000
303.397.000.97	Transfer in - Fund 197	Transfer from HUD Grant Fund for Westside Park Improvement Project	-		90,000			90,000	90,000
303.397.071.31	Transfer in - Fund 301	Transfer from Fund 301 - Rec Park Donations Funds (restricted)	-		52,763			52,763	52,763
Total Park Improvement Fund Revenues & Transfers In			58,600	1,176,000	167,763	-	-	1,343,763	828,000
Expenditures:									
303.70.581.020.00.35	Interfund Loan Payment - Fund 305	Repayment to Q1 REET Fund (305) - Rec Park Add'l Parking Grant Reimb	-			220,000		220,000	220,000
303.70.581.020.00.36	Interfund Loan Payment - Fund 306	Repayment to Q2 REET Fund (306) - Rec Park Add'l Parking Grant Reimb	-			350,000		350,000	350,000
303.70.594.076.63.01	Other Improvement - Rec Park	Retainage release for Rec Park fence & drainage project	-			2,980		2,980	2,980
303.70.594.076.63.01	Other Improvement - Rec Park	Ph3 Recreation Park Parking Addition Project (HUD Grant \$570K)	-			580,000		580,000	580,000
303.70.594.076.63.02	Other Improvement - Westside Park	Westside Park Improvement project Phase 1	-			115,000		115,000	115,000
303.70.594.076.64.01	Machinery & Equipment	Purchase of Top Dresser for Sport Complex maintenance - 2022 carryover	-			45,000		45,000	45,000
Total Park Improvement Fund Expenditures & Transfers Out			-	-	-	1,312,980	-	1,312,980	1,312,980
Total for Park Improvement Fund				1,176,000	167,763	1,312,980	-	30,783	
Fund 305 - First Quarter Percent REET Fund									
Revenues:									
305.318.034.00	REET 1 - 1Q Percent	Change estimates to reflect 1st quarter actual	163,800	(29,000)				(29,000)	134,800
305.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	3,200	3,000				3,000	6,200
305.381.020.33	Interfund Loan Received - Fund 303	Repayment from Fund 303 - Rec Park Additional Parking Grant Reimb	-	220,000				220,000	220,000
Total First Quarter Percent REET Fund Revenues & Transfers In			167,000	194,000	-	-	-	194,000	361,000
Expenditures:									
305.44.581.020.00.33	Interfund Loan Payment - Fund 303	Shot-Term lending to Fund 303 for Rec Park Additional Parking Project	-			220,000		220,000	220,000
Total First Quarter Percent REET Fund Expenditures & Transfers Out			130,760	-	-	220,000	-	220,000	350,760
Total First Quarter Percent REET Fund				194,000	-	220,000	-	(26,000)	
Fund 306 - Second Quarter Percent REET Fund									
Revenues:									
306.318.034.00	REET 2 - 2Q Percent	Change estimates to reflect 1st quarter actual	163,800	(29,000)				(29,000)	134,800
306.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	3,200	2,000				2,000	5,200
306.381.020.33	Interfund Loan Received - Fund 303	Repayment from Fund 303 - Rec Park Additional Parking Grant Reimb	-	350,000				350,000	350,000
Total Second Quarter Percent REET Fund Revenues & Transfers In			171,800	323,000	-	-	-	323,000	494,800
Expenditures:									
306.44.581.020.00.33	Interfund Loan Payment - Fund 303	Shot-Term lending to Fund 303 for Rec Park Additional Parking Project	-			350,000		350,000	350,000
Total Second Quarter Percent REET Fund Expenditures & Transfers Out			144,675	-	-	350,000	-	350,000	494,675
Total Second Quarter Percent REET Fund				323,000	-	350,000	-	(27,000)	

Fund No. and Name	Account Name	Reason for Amendment	2023 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
Fund 404 - Wastewater Fund									
Revenues:									
404.343.050.50	Discharge Fee	Adjust to actual	175,000	20,000				20,000	195,000
404.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	28,500	25,000				25,000	53,500
Total Wastewater Revenues & Transfers In			5,550,500	45,000	-	-	-	45,000	5,595,500
Expenditures:									
404.11.535.010.35.00	Small Tools & Minor Equipment	AED purchase (split cost)	2,500			460		460	2,960
404.11.535.010.46.00	Insurance	WCIA insurance premium exceed the budget	208,750			39,761		39,761	248,511
404.11.535.020.46.00	Insurance	WCIA insurance premium exceed the budget	2,200			762		762	2,962
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	1,354,203			78,700		78,700	1,432,903
Total Wastewater Fund Expenditures & Transfers Out			5,947,839	-	-	119,683	-	119,683	1,687,336
Total Wastewater Fund				45,000	-	119,683	-	(74,683)	

Fund 405 - Water Fund									
Revenues:									
405.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	20,000	20,000				20,000	40,000
Total Water Fund Revenues & Transfers In			3,272,000	20,000	-	-	-	20,000	3,292,000
Expenditures:									
405.10.534.010.35.00	Small Tools & Minor Equipment	AED purchase (split cost)	2,000			460		460	2,460
405.10.534.010.46.00	Insurance	WCIA insurance premium exceed the budget	104,600			22,578		22,578	127,178
405.10.534.021.46.00	Insurance	WCIA insurance premium exceed the budget	2,200			762		762	2,962
405.10.534.070.46.00	Insurance	WCIA insurance premium exceed the budget	4,700			2,031		2,031	6,731
405.10.534.070.49.01	Registration	CDL school tuition assistance	1,400			5,000		5,000	6,400
405.10.582.010.06.00	Latecomer Refunds	2023 refunds not in budget	-			25,546		25,546	25,546
405.14.534.080.35.00	Small Tools & Minor Equipment	AED purchase	-			1,835		1,835	1,835
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	1,417,298			5,700		5,700	1,422,998
Total Water Fund Expenditures & Transfers Out			2,528,273	-	-	63,912	-	63,912	1,596,110
Total for Water Fund				20,000	-	63,912	-	(43,912)	

Fund 406 - Storm & Surface Water Fund									
Revenues:									
406.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	5,000	3,000				3,000	8,000
Total Storm Water Fund Revenues & Transfers In			729,270	3,000	-	-	-	3,000	732,270
Expenditures:									
406.06.531.020.35.00	Small Tools & Minor Equipment	AED purchase (split cost)	3,370			460		460	3,830
406.06.531.020.46.00	Insurance	WCIA insurance premium exceed the budget	300			104		104	404
406.06.531.031.46.00	Insurance	WCIA insurance premium exceed the budget	9,450			5,069		5,069	14,519
406.06.531.035.49.01	Registration	CDL school tuition assistance x 2 employees	100			5,000		5,000	5,100
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	317,623			14,600		14,600	332,223
Total Stormwater Fund Expenditures			764,489	-	-	25,233	-	25,233	356,076
Total Stormwater Fund				3,000	-	25,233	-	(22,233)	

Fund 407 - Airport Fund									
Revenues:									
407.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	400	9,000				9,000	9,400
Total Airport Fund Revenues & Transfers In			2,394,280	9,000	-	-	-	9,000	2,403,280
Expenditures:									
407.09.546.010.11.05	Wages - PT	One Seasonal Worker (40 hr/wk x 165 weeks)	-			12,300		12,300	12,300
407.09.546.010.21.05	Benefits - PT	One Seasonal Worker (40 hr/wk x 165 weeks)	-			1,500		1,500	1,500
407.09.546.010.35.00	Small Tools & Minor Equipment	AED purchase	4,000			1,835		1,835	5,835

Fund No. and Name	Account Name	Reason for Amendment	2023 Adopted Budget	Revenue Increase (Decrease)	Transfers In	Expenditures Increase (Decrease)	Transfers Out	Ending Fund Balance Increase (Decrease)	Proposed Amended Budget
407.09.546.010.41.00	Prof. Services	Reduce budget to cover seasonal worker & striper cost	480,000			(21,300)		(21,300)	458,700
407.09.546.010.46.00	Insurance	WCIA insurance premium exceed the budget	28,550			9,142		9,142	37,692
various	Wages & Benefits	Update for COLA increase, staff changes & temp vacancies	317,623			14,100		14,100	331,723
Total Airport Fund Expenditures			1,774,831	-	-	17,577	-	17,577	1,792,408
Total for Airport Fund				9,000	-	17,577	-	(8,577)	

Fund 414 - Wastewater Capital Fund

Revenues:									
407.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	20,000	8,000				8,000	28,000
Total Wastewater Capital Fund Revenues & Transfers In			474,500	8,000	-	-	-	8,000	482,500
Total for Wastewater Capital Fund				8,000	-	-	-	8,000	

Fund 415 - Water Capital Fund

Revenues:									
415.337.009.45	Distressed Counties Gnt -Bishop Rd	.09 Distressed Counties Grant from L.C. for Bishop Rd Water Loop Project	-	1,091,000				1,091,000	1,091,000
415.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	100,000	(12,000)				(12,000)	88,000
Total Water Capital Fund Revenues & Transfers In			968,300	1,079,000	-	-	-	1,079,000	2,047,300
Expenditures:									
415.10.594.034.65.00	Construction	Construction for Bishop Road Water Loop Project not in 2023 budget	-			839,000		839,000	839,000
415.10.594.034.65.40	Design Engineering (A&E)	Design Engineering for Greenwood Waterline exceed the budget	292,000			10,000		10,000	302,000
415.10.594.034.65.40	Design Engineering (A&E)	Design Engineering (A&E) for Bishop Road Water Loop Project not in 2023 budget				50,815		50,815	50,815
415.10.594.034.65.41	Construction Engineering	Construction Eng./Mgmt. for Bishop Road Water Loop not in 2023 budget	-			205,000		205,000	205,000
Total Water Capital Fund Expenditures			1,428,030	-	-	1,104,815	-	1,104,815	1,396,815
Total for Water Capital Fund				1,079,000	-	1,104,815	-	(25,815)	

Fund 416 - Storm & Surfacewater Capital Fund

Revenues:									
416.361.011.00	Investment Earnings	Interest rate increase - reflect more to actual	20,000	8,000				8,000	28,000
Total Storm & Surface water Capital Revenues & Transfers In			184,300	8,000	-	-	-	8,000	192,300
Total for Storm & Surface water Capital Fund				8,000	-	-	-	8,000	

Fund 417 - Airport Capital Fund

Expenditures:									
417.09.594.045.64.00	Machinery & Equipment	Purchase a Striper	87,500			7,500		7,500	95,000
Total Airport Capital Fund Expenditures			87,500	-	-	7,500	-	7,500	95,000
Total for Airport Capital Fund				-	-	7,500	-	(7,500)	
Total Amendment for City-wide All Funds				3,339,170	670,630	6,030,953	670,630	(2,691,783)	

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Lance Bunker, Public Works Director

MEETING OF: May 22, 2023

SUBJECT: Supplemental Agreement for Engineering Services with Gibbs and Olson for the Main Street Phase II Resurfacing Project

ISSUE

The Main Street Phase II Resurfacing Project bid is completed, and the project has been awarded to Rognlins Construction. A Supplemental Agreement for construction management services with Gibbs and Olson for the Main Street Resurfacing Project is being presented for the Council's review and consideration.

DISCUSSION

The City Council approved Gibbs and Olson to provide the engineering (design and bid call) services for the Main Street Project at the February 28, 2022, City Council meeting. A Consultant Supplemental Agreement is being presented which will provide for the construction management services required to meet funding requirements, and all tasks necessary to complete the project.

At the Council meeting of May 8th, 2023, the City Council approved the total, not to exceed, project cost of \$776,721.00. The proposed Supplemental Agreement of \$83,170.00 was included in the total project cost approved at the May 8th Council meeting.

Construction Management is included in the Engineers Scope of Work and is modified to include the additional scope of work as shown in the attached TIB Consultant Supplemental Agreement. Project tasks included in the construction management agreement are consulting, staking, site visits, compliance with contract documents, inspections, and completion of documents.

FISCAL IMPACT

The proposed cost for the Consultant Supplemental Agreement is \$83,170.00 and will not be exceeded without permission from the City. The City received Transportation Improvement Board (TIB) funds for this project, and the construction engineering costs are a qualifying expense.

Based on the match for this grant, the total cost to the City will be \$15,535.00 with the remaining \$67,635.00 reimbursable from the TIB grant.

It is proposed that TBD funds be used for the local match.

RECOMMENDATION

It is recommended that the City Council approve the Consultant Supplemental Agreement with Gibbs and Olson for an amount not to exceed \$83,170.00 for construction management services of the Main Street Phase II Resurfacing Project.

SUGGESTED MOTION

I move that the City Council approves Consultant Supplemental Agreement for construction management with Gibbs and Olson for an amount not to exceed \$83,170.00 for construction engineering services of the Main Street Phase II Resurfacing Project.



Transportation Improvement Board
Consultant Supplemental Agreement

Agency City of Chehalis

Project Number 3-W-193(004)-1

Project Name Main Street Improvements, Phase 2

Consulting Firm Gibbs & Olson, Inc.

Supplement Phase Supplement for Construction Phase Services

The Local Agency of City of Chehalis desires to supplement the agreement entered into with Gibbs & Olson, Inc. and executed on March 1st, 2022.

All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

Section II, **SCOPE OF WORK**, is hereby amended to include the additional scope of work presented in Attachment No. 1 – Construction Phase Scope of Work.

Section IV, **TIME FOR BEGINNING AND COMPLETION**, is amended to change the Completion Date

SUPPLEMENTAL COMPLETION DATE December 31, 2023

Section V, **PAYMENT**, shall be amended as follows as set forth in Exhibit A

MAXIMUM AMOUNT PAYABLE \$158,320.00

EXHIBIT A			
	Original Agreement	Supplement	Total
Direct Salary Cost	\$36,303	\$27,844	\$54,147
Overhead (including Salary Additives)	\$38,318	\$40,564	\$78,882
Fixed Fee	\$7,891	\$8,354	\$16,245
Reimbursables	\$2,638	\$6,408	\$9,046
Subconsultant Cost	\$0	\$0	\$0
Total	\$75,150	\$83,170	\$158,320

If you concur with this supplement and agree to the changes as stated above, please sign and date in the appropriate spaces below.

Agency Signature	Date
Consultant Signature <i>Richard A. ...</i>	May 9, 2023

**SUPPLEMENTAL AGREEMENT NO. 1
ATTACHMENT NO. 1
CONSTRUCTION PHASE SCOPE OF WORK
MAIN STREET IMPROVEMENTS – PHASE 2
CITY OF CHEHALIS, WASHINGTON**

SCOPE OF WORK

Consultant shall provide construction phase services for the Main Street Improvements project as described below.

Construction Phase Engineering Services

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

- 1) Consult with and advise the Agency and provide clarification of the intent of the design plans and specifications as requested.
- 2) Consultant will provide construction staking control for use by Contractor. A maximum of eight (8) trips and 72 hours have been budgeted for construction survey. Additional survey trips and/or time will be considered out of scope work and will be billed at Consultant's standard rates on a time and materials basis.
- 3) Visits to Site and Observation of Construction. In connection with observations of the work of the Contractor(s) while it is in progress:
 - a) The Consultant shall visit the site periodically to observe the prosecution of the work and determine if such work is proceeding in accordance with the Contract Documents within the limits of the construction phase budget. Consultant shall issue necessary interpretations and clarifications of the Contract Documents and in connection therewith prepare work directive changes and change orders as required.
 - b) Provide the services of a Resident Project Representative (RPR) and any assistants to be the Consultant's agent or employee under the Consultant's supervision. RPR's onsite observation and documentation is anticipated to be approximately 75% of full-time during construction. It is anticipated the RPR will typically be onsite 3-4 days per week.
 - c) The purpose of Consultant's visits to and representation by the RPR (and assistants, if any) at the site will be to enable Consultant to better carry out the duties and responsibilities assigned to and undertaken by Consultant during the Construction Phase, and, in addition, by exercise of Consultant's efforts as an experienced and qualified design professional, to provide for the Agency a greater degree of confidence that the completed work of Contractor(s) will conform generally to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by Contractor(s). On the other hand, Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of the Contractor(s) or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractor(s) furnishing and performing their

work. Accordingly, Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' failure to furnish and perform their work in accordance with the Contract Documents.

- b) Shop Drawings. Consultant shall review and take appropriate action in respect of Shop Drawings, samples and other data, which Contractor(s) are required to submit for compliance with the Contract Documents. Such reviews and approvals or other action shall not extend to means, methods, techniques, sequences or procedures of construction or to safety precautions and programs incident thereto.
 - c) Substitutes. Consultant shall evaluate and determine the acceptability of substitute materials and equipment proposed by Contractor(s).
 - d) Inspections and Tests. Consultant shall receive and review all certificates of inspections, testing and approvals required by laws, regulations, ordinances, codes, orders or the Contract Documents but only to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract documents.
 - e) Applications for Payment. Based on Consultant's on-site observations as an experienced and qualified design professional, on information provided by the Resident Project Representative and on review of applications for payment and the accompanying data and schedules, Consultant shall review Contractor pay requests and make recommendations to Agency regarding payment.
 - f) Contractor(s)' Completion Documents. Consultant shall receive and review maintenance and operation instructions, schedules, guarantees, bonds and certificates of inspection, tests and approvals which are to be assembled by Contractor(s) in accordance with the Contract Documents (but such review will only be to determine that their content complies with the requirements of, and in the case of certificates, tests and approvals the results certified indicate compliance with, the Contract Documents); and shall transmit them to Agency with written comments.
 - g) Limitations of Responsibility. Consultant shall not be responsible for the acts or omissions of any Contractor, or of any subcontractor or supplier, or any of the Contractor(s)' or subcontractor's or supplier's agents or employees or any other persons (except Consultant's own employees and agents) at the site or otherwise furnishing or performing any of the Contractor(s)' work; however, nothing contained above, shall be construed to release Consultant from liability for failure to properly perform duties and responsibilities assumed by Consultant in the Contract Documents.
- 4) Prepare a set of reproducible Record Drawings showing those significant changes made during the construction process, based on the marked-up prints, drawings, testing data and other data furnished by the Contractor and Agency to Consultant.