

CHEHALIS CITY COUNCIL AGENDA

CITY HALL

350 N MARKET BLVD | CHEHALIS, WA 98532

Anthony E. Ketchum, Sr., District 3
Mayor

Vacant, 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, November 13, 2023

5:00 p.m.

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. **Employee Introductions**

CONSENT CALENDAR

ADMINISTRATION
RECOMMENDATION

PAGE

- | | ADMINISTRATION
RECOMMENDATION | PAGE |
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| 5. <u>Minutes of the Regular Meeting October 23, 2023</u> (City Clerk) | APPROVE | 1 |
| 6. <u>Minutes of the Special Meeting October 26, 2023</u> (City Clerk) | APPROVE | 5 |
| 7. <u>Vouchers and Transfers- Accounts Payable in the Amount of \$826,704.00</u> (Finance Director) | APPROVE | 7 |
| 8. <u>Vouchers and Transfers-Payroll in the Amount of \$892,457.71</u> (Finance Director) | APPROVE | 9 |
| 9. <u>Acceptance of the Stan Hedwall RV Park Electrical Pedestal Replacement Project as Complete</u> (Parks and Facilities Manager) | APPROVE | 11 |
| 10. <u>Request to Initiate an Out of Cycle Amendment to the Comprehensive Plan Map</u> (City Planner) | APPROVE | 13 |
| 11. <u>Resolution No. 21-2023, Declaring Surplus Property</u> (City Clerk) | APPROVE | 41 |
| 12. <u>Contract Award- Play Creation, Inc. Playground Equipment Purchase</u> | APPROVE | 69 |

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13. <u>2024 Preliminary City Revenue Sources- Property Tax and Levies</u> (City Manager, Finance Director)	CONDUCT PUBLIC HEARING	71
14. <u>2024 Preliminary Budget</u> (City Manager, Finance Director)		77
<p><i>Citizens may participate in person or submit comments for the public hearings by:</i></p> <ol style="list-style-type: none"> Submitting through the City website – https://www.ci.chehalis.wa.us/contact. Contacting City Clerk Kassi Mackie at 360-345-1042 or kmackie@ci.chehalis.wa.us to provide verbal comments or to sign up to log-in via Zoom to comment directly to the City Council. 		

CITIZENS BUSINESS (PUBLIC COMMENT)
<p>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 per person.</p>

UNFINISHED BUSINESS	ADMINISTRATION RECOMMENDATION	PAGE
15. <u>Second Reading of Ordinance No. 1071-B, Establishing Guidelines for Cost Recovery of Fire Department Services</u> (Fire Chief)	APPROVE	85
16. <u>Second Reading of Ordinance No. 1076-B, Right of Way Dedication for NW Arkansas Way</u> (City Manager/City Attorney)	APPROVE	113
17. <u>Second Reading of Ordinance No. 1078-B, Authorizing Establishment of a Fund Named LEOFF-1 OPEB Trust (or Reserve) Fund</u> (Finance Director)	APPROVE	121

NEW BUSINESS	ADMINISTRATION RECOMMENDATION	PAGE
18. <u>First Reading of Ordinance No. 1080-B, Fiscal Year 2024 Budget</u> (Finance Director)	APPROVE	127
19. <u>First Reading of Ordinance No. 1081-B, Setting the 2024 Levy Amount and First Reading of Ordinance No. 1082-B, Stating Levy Amount Changes from 2023 Levy</u> (Finance Director)	APPROVE	131
20. <u>First Reading of Ordinance No. 1079-B, Amending CMC 17.79.010 to Include Mixed Residential Commercial (MRC) and Open Space Government (OSG)</u> (Contract City Planner)	APPROVE	137
21. <u>First Reading of Ordinance No. 1083-B, Amending Chapter 2.08.050 of the Chehalis Municipal Code Regarding Candidate Qualifications</u> (City Clerk)	APPROVE	145

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

EXECUTIVE SESSION
<p>Pursuant to RCW</p> <ul style="list-style-type: none"> • 42.30.110(1)(c) -Sale/Lease of Real Estate

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

NEXT REGULAR CITY COUNCIL MEETINGS

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

MONDAY, DECEMBER 11, 2023- 5:00 P.M.

NEXT SPECIAL CITY COUNCIL MEETINGS

THURSDAY, JANUARY 18, 2024- 5:00 P.M.

Chehalis City Council
Regular Meeting Minutes
October 23, 2023
5:00 p.m.

Council Present: Mayor Ketchum, Mayor Pro-Tem Spahr, Councilor Lund, Councilor McDougall, Councilor Carns, Councilor Pope, and Councilor Lord

Council Absent:

Staff Present: Jill Anderson, City Manager; Kassi Mackie, City Clerk; Kevin Nelson, City Attorney; Lance Bunker, Public Works Director; Riley Bunnell, Water Superintendent; Brandon Rakes, Airport Director; Fritz Bierle, Streets Superintendent; Celest Wilder, Engineering Tech III; Chun Saul, Financial Director; Justin Phelps, Wastewater Superintendent; Adam Fulbright, Fire Chief; Randy Kaut, Police Chief; Gina Copas, Fire Administrative Assistant; Sally Saxton, Financial Analyst

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 Lord led the flag salute.
3. **Approval of Agenda**
The agenda was amended to remove the executive session.

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

PRESENTATIONS

4. **Recognition of Councilor Lord**
Councilor Lord was presented with a plaque for his term on Council.
5. **Swearing in of Fire Captains** (Fire Chief)
Fire
6. **Proclamation: First Responder's Day** (Mayor Ketchum)
Mayor Ketchum presented the proclamation for First Responder's Day to Fire Chief Adam Fulbright and Police Chief Randy Kaut.

CONSENT CALENDAR

7. **Minutes of the Regular City Council Meeting of September 25, 2023** (City Clerk)
8. **Minutes of the Regular City Council Meeting of October 09, 2023** (City Clerk)

9. **Vouchers and Transfers- Accounts Payable in the Amount of \$786,682.45** (Finance Director)
10. **Budgeted Purchase of Fuel for Resale** (Airport Director)
11. **Drinking Water State Revolving Fund (DWSRF) Preconstruction Loan Application for the Market Street Water Main Replacement Project (11th to 21st Street)** (Water Superintendent)

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

PUBLIC HEARINGS

There were no public hearings to conduct.

CITIZENS BUSINESS

Spencer Boudreau of Longview expressed appreciation for the swift resolution regarding water at 1441 Bishop Road.

UNFINISHED BUSINESS

NEW BUSINESS

12. **Council Member Vacancy Process** (City Clerk)
Councilor Carns requested that staff prepare an ordinance amending the resident requirements for candidates. The Council was in favor of the proposed timeline for filling the District 1 seat.
13. **First Reading of Ordinance No. 1071-B, Establishing Guidelines for Cost Recovery of Fire Department Services** (Fire Chief)

A motion was made by Mayor Pro Tem Spahr, seconded by Councilor McDougall to approve Ordinance No. 1071-B on first reading. The motion carried unanimously.

14. **First Reading of Ordinance No. 1076-B, Right of Way Dedication for NW Arkansas Way** (City Manager/City Attorney)

A motion was made by Mayor Pro Tem Spahr, seconded by Councilor Lord to approve Ordinance No. 1076-B, on first reading. The motion carried unanimously.

15. **First Reading of Ordinance No. 1078-B, Authorizing Establishment of a Fund Named LEOFF-1 OPEB Trust (or Reserve) Fund** (Finance Director)

A motion was made by Mayor Pro Tem Spahr, seconded by Councilor Lord to approve Ordinance No. 1078-B on first reading. The motion carried unanimously.

ADMINISTRATION AND CITY COUNCIL REPORTS

City Manager Update

Streets Superintendent Fritz Bierle provided a verbal update on street light repairs in Chehalis.

City Manager Anderson thanked Councilor Lord for his service and reminded the Council of the special meeting on Thursday, October 26.

Councilor Reports/Committee Updates

None.

ADJOURNMENT

Mayor Ketchum adjourned the meeting at 6:24 p.m.

Anthony Ketchum, Sr., Mayor

Attest: Kassi Mackie, City Clerk

Chehalis City Council
Special Meeting Minutes
October 26, 2023
4:00 p.m.

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

Council Absent:

Staff Present: Jill Anderson, City Manager; Kassi Mackie, City Clerk; Kevin Nelson, City Attorney; Lance Bunker, Public Works Director; Riley Bunnell, Water Superintendent; Brandon Rakes, Airport Director; Fritz Bierle, Streets Superintendent; Celest Wilder, Engineering Tech III; Chun Saul, Financial Director; Justin Phelps, Wastewater Superintendent; Adam Fulbright, Fire Chief; Randy Kaut, Police Chief; Gina Copas, Fire Administrative Assistant; Sally Saxton, Financial Analyst

Press Present: Owen Sexton, The Chronicle

1. **Call to Order:**

Mayor Ketchum called the meeting to order at 4:00 p.m.

2. **Review of the FY2024 Budget Including Revenue Options**

Finance Director Chun Saul and City Manager Jill Anderson provided the Council with an overview of the FY2024 Budget and proposed revenue options.

No final action was taken.

ADJOURNMENT

Mayor Ketchum adjourned the meeting at 6:24 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 III

MEETING OF: November 13, 2023

SUBJECT: 2023 Vouchers and Transfers – Accounts Payable in the Amount of \$826,704.00.

ISSUE

City Council approval is requested for 2023 Vouchers and Transfers dated October 31, 2023.

DISCUSSION

The October 31, 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. 3210 - 3248, 126 - 129 and Voucher Checks No. 137650 - 137744 in the amount of \$828,140.07 dated October 31, 2023, and Voided Checks No. 126973 - 134520 for the net total of \$826,704.00 as follows:

- \$ 364,727.36 from the General Fund
- \$ 49,400.86 from the Street Fund
- \$ 1,840.15 from the Transportation Benefit District Fund
- \$ 54,635.22 from the Tourism Fund
- \$ 2,229.90 from the LEOFF 1 OPEB Reserve Fund
- \$ 33,325.60 from the Park Improvement Fund
- \$ 81,733.18 from the Wastewater Fund
- \$ 35,717.02 from the Water Fund
- \$ 2,487.25 from the Storm & Surface Water Utility Fund
- \$ 91,673.49 from the Airport Fund
- \$ 7,568.28 from the Wastewater Capital Fund
- \$ 6,250.00 from the Water Capital Fund

- \$ 9,190.00 from the Stormwater Capital Fund
- \$ 78,859.41 from the Airport Capital Fund
- \$ 228.92 from the Firemen's Pension Fund
- \$ 8,273.43 from the Custodial Other Agency Fund
- \$ 828,140.07 Total Vouchers for October 31, 2023 ✓
- \$ <1,436.07 > Voided Checks for October 24, 2023 ✓
- \$ 826,704.00 Net Total Transfers ✓

RECOMMENDATION

It is recommended that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No. 3210 - 3248, 126 - 129 and Voucher Checks No. 137650 - 137744 in the amount of \$828,140.07 dated October 31, 2023, and Voided Checks No. 126973 - 134520 for the net total of \$826,704.00.

SUGGESTED MOTION

I move that the City Council approve the Claim Vouchers including Electronic Funds Transfer Checks No. 3210 - 3248, 126 - 129 and Voucher Checks No. 137650 - 137744 in the amount of \$828,140.07 dated October 31, 2023, and Voided Checks No. 126973 - 134520 for the net total of \$826,704.00.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director
Deri-Lyn Stack, Payroll Accounting

MEETING OF: November 13, 2023

SUBJECT: Vouchers and Transfers – Payroll in the Amount of \$892,457.71

ISSUE

City Council approval is requested for Payroll Vouchers and Transfers dated October 31, 2023.

DISCUSSION

The administration requests City Council approval for Payroll Vouchers No. 42344-42360, Direct Deposit Payroll Vouchers No. 17067-17186, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 540-547 dated October 31, 2023, in the amount of \$892,457.71, which include the transfer of:

- \$577,401.21 from the General Fund
- \$38,510.61 from the Street Fund
- \$4,455.00 from the LEOFF1 OPEB Reserve Fund
- \$114,589.27 from the Wastewater Fund
- \$107,116.67 from the Water Fund
- \$18,413.19 from the Storm & Surface Water Utility Fund
- \$31,971.76 from the Airport Fund

RECOMMENDATION

It is recommended that the City Council approve the October 31, 2023, Payroll Vouchers No. 42344-42360, Direct Deposit Payroll Vouchers No. 17067-17186, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 540-547 in the amount of \$892,457.71.

SUGGESTED MOTION

I move that the City Council approve the October 31, 2023, Payroll Vouchers No. 42344-42360, Direct Deposit Payroll Vouchers No. 17067-17186, Electronic Federal Tax and DRS Pension/Deferred Comp Payments No. 540-547 in the amount of \$892,457.71.

I, THE UNDERSIGNED, OF THE CITY OF CHEHALIS WASHINGTON DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE PAYROLL-RELATED SERVICES HAVE BEEN RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE CLAIM IS A JUST, DUE AND UNPAID OBLIGATION AGAINST THE CITY OF CHEHALIS, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIM.

Devin Stock

PAYROLL OFFICER

Chun Saul

FINANCE DIRECTOR

CHECK NOS. 42344 THROUGH 42360, DIRECT DEPOSIT CHECK NOS. 17067 THROUGH 17186, ELECTRONIC FEDERAL TAX AND DRS PENSION/DEFERRED COMP PAYMENTS NOS. 540-547 ARE HEREBY APPROVED FOR PAYMENT IN THE TOTAL AMOUNT OF \$892,457.71 THIS _____ DAY OF _____, 2023.

MAYOR

001	GENERAL FUND	\$577,401.21
003	STREET FUND	38,510.61
115	LEOFF1 OPEB	4,455.00
404	WASTEWATER FUND	114,589.27
405	WATER FUND	107,116.67
406	STORM & SURFACE UTIL FUND	18,413.19
407	AIRPORT FUND	<u>31,971.76</u>
	TOTAL	\$892,457.71

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Andrew Hunziker, Parks and Facilities Manager

MEETING OF: November 13, 2023

SUBJECT: Acceptance the Stan Hedwall RV Park Electrical Pedestal Replacement project as complete and release the retainage to Cole Electric Contracting LLC after all statutory requirements are met

ISSUE:

The Stan Hedwall RV Park Electrical Pedestal Replacement project is complete. It is Recommended that the city council accept the project as complete, and release retainage to Cole Electric Contracting LLC after all the requirements have been met.

DISCUSSION:

On October 9th, 2023, Cole Electric Contracting LLC was awarded the Stan Hedwall RV Park Electrical Pedestal Replacement project in the amount of \$61,117.21. This project consisted of the installation of 29 individual RV electrical panels. The old panels were 2 feet above the ground. The new panels have been installed on a new pressure treated wood post and raised to 6 feet above the ground. This will help keep the new electrical out of the flood waters. Upon review of the final invoice with retainage, a discrepancy in the tax calculation was found in original amount and the updated final cost total is \$61,343.99.

FISCAL IMPACT:

The Stan Hedwall RV Park Electrical Pedestal Replacement project was funded with \$49,519.01 in Federal FEMA money for 90% of the estimated cost of \$55,021.12, which is held in reserves. This amount was based upon estimated costs of replacement, per bid provided in April of 2023, which is no longer accurate due to inflation.

A secondary request can be made to FEMA with the potential for funding to be received for the increased cost. However, if not awarded by FEMA, the remaining balance will be paid from City's Public Reserve Fund, where the estimated FEMA disaster related project cost is budgeted.

RECOMMENDATION

It is recommended that the City Council accept the Stan Hedwall RV Park Electrical Pedestal Replacement project as complete and authorize release of retainage to Cole Electric Contracting LLC in the amount \$2,834.75 of after all statutory requirements have been met.

SUGGESTED MOTION

I move that the City Council accept the Stan Hedwall RV Park Electrical Pedestal Replacement project as complete and authorize release of retainage to Cole Electric Contracting LLC in the amount \$2,834.75 of after all statutory requirements have been met.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Todd Johnson, Planner

MEETING OF: November 13, 2023

SUBJECT: Request to Initiate an Out of Cycle Amendment to the Comprehensive Plan Map

INTRODUCTION

In November of 2022 the Lewis County Commissioners adopted Ordinance 1337 which amended the City of Chehalis Urban Growth Boundary (UGB) subject to certain conditions of approval. This was done at the City of Chehalis City Council's request. To maintain consistency between the adopted UGB by Lewis County and the City's comprehensive plan the City must amend their Comprehensive Plan to include the added UGB. Additionally, one other property owner is requesting to rezone property from a commercial designation to a light industrial designation. This change also requires an amendment to the comprehensive plan mapping.

DISCUSSION

The conditions of approval in Ordinance 1337 required a conservation easement over the fullest extent of the 100-year floodplain plus the 2007 mapped flood area prior to allowing development. Property owners have recently submitted that covenant to the city.

Shovel Ready LLC has also submitted a request to rezone parcels of property from a commercial zone to a light industrial zone. This rezone request could not be approved currently because it is inconsistent with the comprehensive plan designation for those properties. A change to the comprehensive plan mapping could also be considered at the same time as the boundary expansion and designation of the properties added to the UGA by Lewis County.

CMC 17.09.210(C).(2.) allows property owners to request that City Council initiate consideration of a comprehensive plan amendment at any time. Otherwise, property owners may apply for an amendment to the comprehensive plan between January-March of each year which are decided on by the year end. State planning regulations for comprehensive plan amendments require that cities initiate amendments no more frequently than once per year. The City of Chehalis did not process any requests for Comprehensive Plan Amendments this year in 2023. Rather than requiring these property owners to wait for the process to initiate next year, allowing the initiation of this out of cycle amendment will allow for faster decision making on these requests and would support economic development in the city.

Because this will be a 2023 Comprehensive Plan Amendment process that will conclude in 2024, the City can consider additional changes in 2024 through the normal application process with applications being received in January-March and scheduled for review and approval through next year's cycle.

Allowing these requests to be processed out of cycle does not approve the mapping amendments. It only allows city staff to review and consider these amendments through a public process immediately rather than waiting for the annual process next year. This out of cycle review would still be subject to the same review requirements and public process as a normal amendment processed through the annual process.

Letters requesting the out of cycle processed from two applicants are attached to this agenda report.

FISCAL IMPACT

There is no fiscal impact from this request.

RECOMMENDATION

It is recommended that the City Council direct staff to process an out of cycle amendment to the comprehensive plan mapping to fully consider the changes to the UGB and property designations requested for rezone also requiring a map amendment.

SUGGESTED MOTION

Move to direct staff to initiate an out of cycle 2023 comprehensive plan amendment to fully consider the changes requested.

September 12, 2023

Mr. Todd Johnson
City of Chehalis
Community Development
1321 S Market Blvd
Chehalis, WA 98532

Re: Newaukum Ventures –
Comprehensive Plan & Zoning Map Amendment Request

Dear Mr. Johnson,

In November of 2022, the Lewis County Board of County Commissioners adopted Ordinance 1337, in which the City of Chehalis Urban Growth Area was amended to include the “Chehalis Westlund-Enbody” properties (tax parcels: 017873003000, 017880001003, 107880001001, 107880001002, 17846003006, 17846001006, 017846003002, 17846001005, & 17874001000). A copy of Lewis County Ordinance 1337 is provided as **Exhibit A**.

Ordinance 1337 also stated that “the City of Chehalis is required to place a conservation easement over the fullest extent of the 100-year floodplain plus the 2007 mapped flood area on all parcels added to the city’s urban growth area associated with [sic] Westlund-Enbody property.” Pursuant to this requirement, a complying deed restriction was recorded in August 2023 and is provided as **Exhibit B**.

In accordance with CMC 17.09.210(C)(2) Newaukum Ventures (AKA Westlund-Enbody properties) requests that the City of Chehalis amend its Comprehensive Plan and Zoning Map to conform with Lewis County Ordinance 1337. We further request the subject properties have a designated zoning of MRC-Mixed Residential/Commercial.

Respectfully,

Brandon Johnson, PE
Principal
JSA Civil, LLC

n:\2 - projects\135 newaukum ventures\135.001 oncall engineering\correspondence\to\2023-0912 comprehensive plan amendment request\2023-0912 comp plan amendment request - nv.docx

EXHIBIT A - ORDINANCE 1337

BEFORE THE BOARD OF COUNTY COMMISSIONERS LEWIS COUNTY, WASHINGTON

IN THE MATTER OF:

ORDINANCE NO. 1337

ADOPT ORDINANCE 1337 TO AMEND THE LEWIS
COUNTY COMPREHENSIVE PLAN AND
ASSOCIATED ZONING MAP DESIGNATIONS

NOW THEREFORE BE IT ORDAINED

DONE IN OPEN SESSION this 22nd day of November, 2022.

APPROVED AS TO FORM:
Jonathan Meyer, Prosecuting Attorney

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON

Barbara Russell
By: Barbara Russell,
Deputy Prosecuting Attorney

Lindsey R. Pollock, DVM
Lindsey R. Pollock, DVM, Chair

ATTEST:



Sean D. Swope
Sean D. Swope, Vice Chair

Rieva Lester
Rieva Lester,
Clerk of the Lewis County Board of
County Commissioners

F. Lee Grose
F. Lee Grose, Commissioner

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF LEWIS COUNTY, WASHINGTON**

ADOPT ORDINANCE 1337 TO AMEND)	
THE LEWIS COUNTY COMPREHENSIVE PLAN)	
AND ASSOCIATED ZONING MAP DESIGNATIONS)	ORDINANCE 1337
)	

WHEREAS, RCW 36.70A.040 requires Lewis County to plan under and in accordance with the Growth Management Act; and

WHEREAS, RCW 36.70A.130 requires that comprehensive plans be subject to continuing review and evaluation by each county at a frequency no more than once every year; and

WHEREAS, RCW 36.70A.130 requires comprehensive plan changes to be considered by the governing body concurrently so the cumulative effect of the various proposals can be ascertained; and

WHEREAS, RCW 36.70A.040 requires adoption of development regulations consistent with comprehensive plans; and

WHEREAS, in the year 2022, the Lewis County Planning Commission reviewed the proposed amendments to the Lewis County Comprehensive Plan map and associated zoning map designations as shown in Exhibit A; and

WHEREAS, staff provided notice for public hearings before the Lewis County Planning Commission on the proposed amendments in the manner prescribed in Chapters 17.05 and 17.12 LCC on June 9, 2022, July 7, 2022, August 4, 2022, and August 11, 2022; and

WHEREAS, the Lewis County Planning Commission held public hearings on the proposed amendments shown in Exhibit A on June 28, 2022, July 17, 2022, July 26, 2022, and August 23, 2022; and

WHEREAS, following the public hearings, the Planning Commission deliberated and determined that all but one of the proposed the amendments met the intent and requirements of the Growth Management Act, were consistent with the Lewis County Comprehensive Plan and Countywide Planning Policies, and were in accordance with the public interest. The Planning Commission determined that the proposal to amend the City of Chehalis urban growth area for Assessor's tax parcel number 017904002002, known as the Breen property, was not in the public interest; and

WHEREAS, on September 14, 2022, the Planning Commission signed a Letter of Transmittal recommending approval of six of the proposed amendments and recommending rejection of one of the proposed amendments, as shown in Exhibit A; and

WHEREAS, on October 18, 2022, the Lewis County Board of County Commissioners (BOCC) passed Resolution 22-328 to hold a public hearing on Ordinance 1337 and directed the Clerk of the Board to provide notice of the hearing; and

WHEREAS, the BOCC held duly noticed public hearing on the proposed amendments to the Lewis County Comprehensive Plan and associated zoning map designations beginning on November 1, 2022, recessing and continuing to November 8, 2022; and

WHEREAS, the BOCC found that the proposed the amendments met the intent and requirements of the Growth Management Act, were consistent with the Lewis County Comprehensive Plan and Countywide Planning Policies, and all proposals, except the City of Chehalis – Breen proposal (Exhibit A, Attachment 1) and the YMCA Rezone (Exhibit A, Attachment 4), to be in the best interest of the public.

NOW THEREFORE BE IT RESOLVED the BOCC finds the proposed amendment to the City of Chehalis urban growth area for the parcel listed in Exhibit A, Attachment 1, known as the Breen property, is not in the public interest and hereby denies the amendment to the Lewis County Comprehensive Plan and associated zoning designation; and

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for the parcels listed in Exhibit A, Attachment 4, known as the Mineral Lake YMCA rezone, is not in the public interest and hereby denies the amendment to the Lewis County Comprehensive Plan and associated zoning designation; and

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment to the City of Chehalis urban growth area for parcels listed below, known as the Westlund-Enbody property, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the amendment to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 2; and

Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Chehalis Westlund- Enbody	017873003000	Urban Growth Area	City – Urban Growth Area
	017880001003		
	017880001001		
	017880001002		
	017846003006		
	017846001006		
	017846003002		
	017846001005		
	017874001000		

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC requires that prior to development (as defined Lewis County Code Chapter 17), the City of Chehalis is required to place a conservation easement over the fullest extent of the 100-year floodplain plus the 2007 mapped flood area on all parcels added to the city's urban growth area associated with Westlund-Enbody property, as shown in Exhibit A, Attachment 2; and

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment to the City of Centralia urban growth area for parcels listed below meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 3; and

Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Centralia	021586003005 021586003001 010592007000 010592006001 010592008003 021586004000 021586003006 010592005000 010592004000 010592003000 010592002000 010592001000 021587001000 021589005000 021589004002 021589004001	Urban Growth Area	City – Urban Growth Area

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for parcels listed below, known as the Good-Avapollo Mining Opt-in rezone, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 5; and

Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Good-Avapollo Mining Opt-in	028043004001 028043004002 028061000000 028025001000 028024001000	Mineral Resource Land	Mineral Resource Land (MRL)

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for the parcel listed below, known as the De Goede rezone, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 6; and

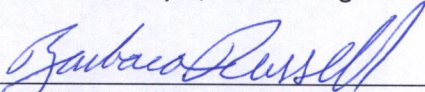
Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
De Goede	028519065005	Other Rural Land	Rural Development District 5 (RDD-5)

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for the parcel listed below, known as the Adna Grocery Store rezone, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 7; and

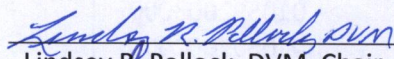
Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Adna Grocery Store	018752001000	Small Community	Small Town Mixed Use (STMU)

NOW THEREFORE BE IT FURTHER RESOLVED that the BOCC directs staff to produce an Official Lewis County zoning map or maps, as required by Chapter 17.200 of the Lewis County Code, which reflects the decisions made in this ordinance.

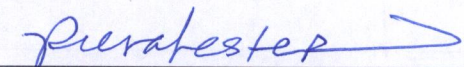
APPROVED AS TO FORM:
Jonathan Meyer, Prosecuting Attorney

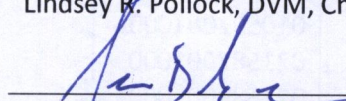

By: Civil Deputy Prosecuting Attorney

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON


Lindsey R. Pollock, DVM, Chair

ATTEST:


Rieva Lester, Clerk of the Board


Sean D. Swope, Vice Chair


F. Lee Grose, Commissioner



EXHIBIT B - DEED RESTRICTION

3596861

MISC

2:25:40 PM Total Pages: 18 Fees: 220.50
CPA, Lewis County Auditor, Chehalis, Washington



AFTER RECORDING, RETURN TO:
Dickson Frohlich Phillips Burgess PLLC
111 21st Avenue SW
Olympia, Washington 98501

DECLARATION OF RESTRICTIONS

Grantor:	Newaukum Ventures, LLC, a Washington limited liability company
Grantee:	City of Chehalis, a Washington municipal corporation
Legal Description: (abbreviated)	S14 T13N R2W LTS A, B, and C 935319 S13 T13N R2W PT W1/2 SW 1/4 S13 T13N R2W PT NW1/4 SW 1/4 W HWY
Assessor's Tax Parcel ID Nos:	017880-001-001 017880-001-002 017880-001-003 017846-001-005 017846-001-006 017846-003-006
Reference Nos. of Documents	

THIS DECLARATION OF RESTRICTIONS ("Declaration") is made and entered into the 10 day of August, 2023, by and between Newaukum Ventures, LLC, a Washington limited liability company ("Grantor") and the City of Chehalis, a Washington municipal corporation ("Grantee"), for the benefit of the public.

RECITALS

A. WHEREAS, Grantor is the owner of approximately 247 acres of real property located in the vicinity of Newaukum Golf Drive, Chehalis, Lewis County, Washington, (hereafter, the "Newaukum Property" or "Property"); and

B. WHEREAS, the Newaukum Golf Course encompasses a portion of the Property, and the southern portion of the Property is also partially encumbered by wetlands and the floodplain of the Chehalis River; and

C. **WHEREAS**, in 2020, Grantor submitted an application to the City of Chehalis to expand the City's Urban Growth Area ("UGA") to include the Newaukum Property in order to allow for future development; and

D. **WHEREAS**, on November 22, 2022, following review and public hearings required pursuant to the Lewis County Planned Growth process, City and County codes, and the Growth Management Act (RCW 36.70A), the Lewis County Board of County Commissioners approved Ordinance No. 1337, a copy of which is attached as **Exhibit A**, which amended the Lewis County Comprehensive Plan and Associated Zoning Regulations; and

E. **WHEREAS**, as adopted, Ordinance No. 1337 expanded the Chehalis UGA to include the Newaukum Property (described therein as the "Westlund-Enbody" property) and rezoned the Property from Rural Development District (RDD-5) to "City - Urban Growth Area," and;

F. **WHEREAS**, Washington State Growth Management Act regulations (specifically, WAC 365-196-310(1)(b)(iii)(C)) allow for urban growth area expansions into the one-hundred-year flood plain of any river, provided that the following conditions are met:

(C) The land is owned by a jurisdiction planning under this chapter or the rights to the development of the land have been permanently extinguished, and the following criteria are met:

- (I) The permissible use of the land is limited to one of the following: Outdoor recreation; environmentally beneficial projects including, but not limited to, habitat enhancement or environmental restoration; stormwater facilities; flood control facilities; or underground conveyances; and
- (II) The development and use of such facilities or projects will not decrease flood storage, increase stormwater runoff, discharge pollutants to fresh or salt waters during normal operations or floods, or increase hazards to people and property.

and;

G. **WHEREAS**, in order to comply with WAC 365-196-310(1)(b)(iii) (C), Ordinance No. 1337 imposed a condition of approval which provides in pertinent part as follows:

...prior to development (as defined Lewis County Code Chapter 17), the City of Chehalis is required to place a conservation easement over the fullest extent of the 100-year floodplain plus the 2007 mapped flood area on all parcels added to the city's urban

growth area associated with [sic] Westlund-Enbody property, as shown in Exhibit A, Attachment 2 ...

and;

H. WHEREAS, Grantor desires through the recording of this Declaration to impose permanent development restrictions on those portions of the Property containing the floodplain and the 2007 mapped flood area, which are legally described on **Exhibit B** and depicted in **Exhibit C**, in compliance with the requirements of Ordinance No. 1337 (collectively, the "Floodplain"); and

I. WHEREAS, the City of Chehalis has reviewed the Declaration and concurs that it satisfies the requirements of Ordinance No. 1337.

COVENANTS

NOW, THEREFORE, in consideration of the above and the covenants, terms, conditions, and restrictions herein, Grantor does hereby establish real property covenants on the Floodplain as follows:

1. Declaration of Real Property Covenant. Grantor voluntarily establishes this Declaration in perpetuity over the Floodplain on the terms and conditions set forth herein exclusively for the purpose of permanently extinguishing development rights within the Floodplain.

2. Purpose. It is the purpose of this Declaration to prevent any development within the Floodplain except as expressly provided for herein.

3. Prohibited Uses. Except for the purpose of maintaining the state and condition of any portion of the existing Newaukum Valley Golf Course, any development within the Floodplain is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

a. Construction and Improvements. The placement or construction of any buildings, structures, or other improvements of any kind, including without limitation, utilities, septic systems, communication lines, communication towers, storage tanks and pipelines.

b. Development. Any residential, commercial, or industrial use or activity.

4. Covenant Running with the Land. Any and all requirements of the laws of the State of Washington to be satisfied in order for the provisions of this Declaration to constitute deed restrictions and covenants running with the land shall be deemed to be satisfied in full, and any requirements or privileges of estates are intended to be satisfied, or in the alternate, an equitable servitude has been created to insure that these restrictions run with the land. Each and every contract, deed, or other instrument hereafter executed conveying the

Property or portion thereof (excluding instruments granting security interests) shall expressly provide that such conveyance is subject to this Declaration; provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Property or portion thereof provides that such conveyance is subject to this Declaration.

- 5. Scope and Effect.** The terms and conditions of this Declaration:
- a. shall go into effect immediately upon recording;
 - b. shall be deemed covenants running with the land and shall continue as servitude running in perpetuity with the Property;
 - c. shall inure to the benefit of Grantee and the public;
 - d. shall inure to the benefit of and bind Grantor;
 - e. shall inure to the benefit of and bind future owners of any title interest in the Property to the same extent they apply to and bind Grantor as if each had been an original signatory to this Declaration;
 - f. shall survive any subsequent transfer of any title interest in the Property;
 - g. are unconditional and shall not be limited in any manner; and
 - h. shall not preclude repair and maintenance of existing improvements, required to maintain and/or sustain operation of the Newaukum Valley Golf Course.

6. Terms Binding. No transfer, mortgage, lease, license, easement, or other conveyance of any interest in or right to occupancy in all or any part of the Property by any person shall affect the terms and conditions of this Declaration.

7. Perpetual Duration. This Declaration shall be binding servitude running with the Property in perpetuity.

8. Specific Performance. Grantor confirms that damages at law may be an inadequate remedy for a breach of any provision hereof. The rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy, but nothing herein contained is intended to or shall limit or affect any rights at law or by statute or otherwise of Grantee for a breach or threatened breach of any provisions hereof. The rights and obligations of Grantor and Grantee hereunder shall be enforceable in equity as well as at law or otherwise.

9. General Provisions

a. **No Waiver.** The failure of Grantee to promptly enforce any right or remedy under this Declaration shall not constitute a waiver thereof and shall not affect or impair the liability of Grantor.

b. **Entire Agreement.** This Declaration sets forth all covenants, promises, agreements, conditions and understandings between Grantor and Grantee concerning the matters addressed in this Declaration, and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between the parties other than as set forth in this Declaration. No subsequent alteration, amendment, change, or addition to this Declaration shall be binding upon the parties unless reduced to writing and signed by Grantee (or its successor) and all owners of a title interest in the Property.

c. **Construction; Severability.** If any provision of this Declaration is invalid, illegal, or unenforceable, such provision shall be considered severed from the rest of this Declaration and the remaining provisions shall continue in full force and effect as if the invalid provision had not been included. In no event shall this Declaration be rendered unenforceable if any applicable laws, regulations, guidance, or policies change as to form or content after the Closing Date.

d. **Governing Law; Venue.** This Declaration shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any lawsuit arising out of this Declaration shall be in a court of competent jurisdiction in Lewis County, Washington.

e. **Attorneys' Fees.** In any action to interpret or enforce any of the terms or conditions of this Declaration, the prevailing party shall be entitled to recover its reasonable attorneys' fees and litigation expenses, including those incurred at trial or on appeal.

f. **Authority.** The undersigned represents that Grantor is the current fee owner of the Property and is the authorized representative of Grantor to execute and record this Declaration.

IN WITNESS WHEREOF, the Grantor has set its hand on the date first written above.

GRANTOR:
NEWAUKUM VENTURES, LLC, a
Washington limited liability company

By: Joseph O. Enbody
Joseph O. Enbody
Its: Governor

By: Trevor L. Westlund
Trevor L. Westlund
Its: Governor

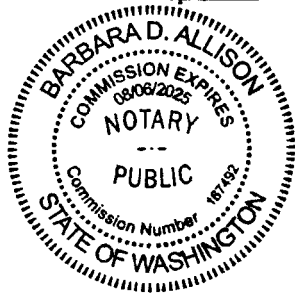
APPROVED AS TO FORM:
CITY OF CHEHALIS

By: Kevin T. Nelson
Kevin T. Nelson
Its: City Attorney

STATE OF WASHINGTON)
) ss:
County of Lewis)

I certify that I know or have satisfactory evidence that Joseph O. Enbody is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Governor of Newaukum Ventures, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: this 10th day of August, 2023.

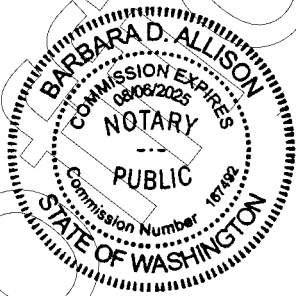


Barbara D. Allison
Barbara D. Allison
[Print Name]
NOTARY PUBLIC for the State of Washington
Residing at Chehalis WA
My Commission Expires: 8/6/2025

STATE OF WASHINGTON)
) ss:
County of Lewis)

I certify that I know or have satisfactory evidence that Trevor L. Westlund is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Governor of Newaukum Ventures, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: this 10th day of August, 2023.



Barbara D. Allison
Barbara D. Allison
[Print Name]
NOTARY PUBLIC for the State of Washington
Residing at Chehalis WA
My Commission Expires: 8/6/2025

Exhibit A
Ordinance No. 1337

Unofficial Record

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON**

IN THE MATTER OF:

ORDINANCE NO. 1337

**ADOPT ORDINANCE 1337 TO AMEND THE LEWIS
COUNTY COMPREHENSIVE PLAN AND
ASSOCIATED ZONING MAP DESIGNATIONS**

NOW THEREFORE BE IT ORDAINED

DONE IN OPEN SESSION this 22nd day of November, 2022.

**APPROVED AS TO FORM: BOARD OF COUNTY COMMISSIONERS
Jonathan Meyer, Prosecuting Attorney LEWIS COUNTY, WASHINGTON**

Barbara Russell
By: Barbara Russell,
Deputy Prosecuting Attorney

Lindsey R. Pollock, DVM
Lindsey R. Pollock, DVM, Chair

ATTEST:

Sean D. Swope
Sean D. Swope, Vice Chair

Rieva Lester
Rieva Lester,
Clerk of the Lewis County Board of
County Commissioners

F. Lee Grose
F. Lee Grose, Commissioner



**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF LEWIS COUNTY, WASHINGTON**

**ADOPT ORDINANCE 1337 TO AMEND)
THE LEWIS COUNTY COMPREHENSIVE PLAN)
AND ASSOCIATED ZONING MAP DESIGNATIONS) **ORDINANCE 1337**
)**

WHEREAS, RCW 36.70A.040 requires Lewis County to plan under and in accordance with the Growth Management Act; and

WHEREAS, RCW 36.70A.130 requires that comprehensive plans be subject to continuing review and evaluation by each county at a frequency no more than once every year; and

WHEREAS, RCW 36.70A.130 requires comprehensive plan changes to be considered by the governing body concurrently so the cumulative effect of the various proposals can be ascertained; and

WHEREAS, RCW 36.70A.040 requires adoption of development regulations consistent with comprehensive plans; and

WHEREAS, in the year 2022, the Lewis County Planning Commission reviewed the proposed amendments to the Lewis County Comprehensive Plan map and associated zoning map designations as shown in Exhibit A; and

WHEREAS, staff provided notice for public hearings before the Lewis County Planning Commission on the proposed amendments in the manner prescribed in Chapters 17.05 and 17.12 LCC on June 9, 2022, July 7, 2022, August 4, 2022, and August 11, 2022; and

WHEREAS, the Lewis County Planning Commission held public hearings on the proposed amendments shown in Exhibit A on June 28, 2022, July 17, 2022, July 26, 2022, and August 23, 2022; and

WHEREAS, following the public hearings, the Planning Commission deliberated and determined that all but one of the proposed the amendments met the intent and requirements of the Growth Management Act, were consistent with the Lewis County Comprehensive Plan and Countywide Planning Policies, and were in accordance with the public interest. The Planning Commission determined that the proposal to amend the City of Chehalis urban growth area for Assessor's tax parcel number 017904002002, known as the Breen property, was not in the public interest; and

WHEREAS, on September 14, 2022, the Planning Commission signed a Letter of Transmittal recommending approval of six of the proposed amendments and recommending rejection of one of the proposed amendments, as shown in Exhibit A; and

WHEREAS, on October 18, 2022, the Lewis County Board of County Commissioners (BOCC) passed Resolution 22-328 to hold a public hearing on Ordinance 1337 and directed the Clerk of the Board to provide notice of the hearing; and

WHEREAS, the BOCC held duly noticed public hearing on the proposed amendments to the Lewis County Comprehensive Plan and associated zoning map designations beginning on November 1, 2022, recessing and continuing to November 8, 2022; and

WHEREAS, the BOCC found that the proposed the amendments met the intent and requirements of the Growth Management Act, were consistent with the Lewis County Comprehensive Plan and Countywide Planning Policies, and all proposals, except the City of Chehalis – Breen proposal (Exhibit A, Attachment 1) and the YMCA Rezone (Exhibit A, Attachment 4), to be in the best interest of the public.

NOW THEREFORE BE IT RESOLVED the BOCC finds the proposed amendment to the City of Chehalis urban growth area for the parcel listed in Exhibit A, Attachment 1, known as the Breen property, is not in the public interest and hereby denies the amendment to the Lewis County Comprehensive Plan and associated zoning designation; and

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for the parcels listed in Exhibit A, Attachment 4, known as the Mineral Lake YMCA rezone, is not in the public interest and hereby denies the amendment to the Lewis County Comprehensive Plan and associated zoning designation; and

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment to the City of Chehalis urban growth area for parcels listed below, known as the Westlund-Enbody property, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the amendment to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 2; and

Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Chehalis Westlund-Enbody	017873003000	Urban Growth Area	City – Urban Growth Area
	017880001003		
	017880001001		
	017880001002		
	017846003006		
	017846001006		
	017846003002		
	017846001005		
	017874001000		

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC requires that prior to development (as defined Lewis County Code Chapter 17), the City of Chehalis is required to place a conservation easement over the fullest extent of the 100-year floodplain plus the 2007 mapped flood area on all parcels added to the city's urban growth area associated with Westlund-Enbody property, as shown in Exhibit A, Attachment 2; and

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment to the City of Centralia urban growth area for parcels listed below meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 3; and

Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Centralia	021586003005 021586003001 010592007000 010592006001 010592008003 021586004000 021586003006 010592005000 010592004000 010592003000 010592002000 010592001000 021587001000 021589005000 021589004002 021589004001	Urban Growth Area	City – Urban Growth Area

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for parcels listed below, known as the Good-Avapollo Mining Opt-in rezone, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 5; and

Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Good-Avapollo Mining Opt-in	028043004001 028043004002 028061000000 028025001000 028024001000	Mineral Resource Land	Mineral Resource Land (MRL)

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for the parcel listed below, known as the De Goede rezone, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 6; and

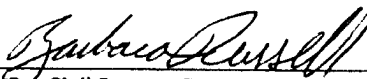
Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
De Goede	028519065005	Other Rural Land	Rural Development District 5 (RDD-5)

NOW THEREFORE BE IT FURTHER RESOLVED the BOCC finds the proposed amendment for the parcel listed below, known as the Adna Grocery Store rezone, meets the approval criteria within Lewis County Code 17.12.100 and hereby adopts the following amendments to the Lewis County Comprehensive Plan and associated zoning designations, as shown in Exhibit A, Attachment 7; and

Name	Assessor's Tax Parcels No.	Comprehensive Plan Map Designation	Lewis County Zoning Map Designation
Adna Grocery Store	018752001000	Small Community	Small Town Mixed Use (STMU)

NOW THEREFORE BE IT FURTHER RESOLVED that the BOCC directs staff to produce an Official Lewis County zoning map or maps, as required by Chapter 17.200 of the Lewis County Code, which reflects the decisions made in this ordinance.


APPROVED AS TO FORM:
Jonathan Meyer, Prosecuting Attorney


By: Civil Deputy Prosecuting Attorney

BOARD OF COUNTY COMMISSIONERS
LEWIS COUNTY, WASHINGTON


Lindsey R. Pollock, DVM, Chair

ATTEST:


Rieva Lester, Clerk of the Board


Sean D. Swope, Vice Chair


F. Lee Grose, Commissioner



Unofficial

Exhibit B
Legal Description
Flood Area

Unofficial Record

Newaukum Valley Golf Course 2007 flood plain deed restriction description

That portion of the West Half of the Southwest Quarter of Section 13 and the South Half of the Southeast Quarter of Section 14, in Township 13 North, Range 2 West, W.M., in Lewis County, Washington described as follows:

COMMENCING at the northwest corner of said West Half; thence $S01^{\circ}52'18''W$ along the west line of said subdivision a distance of 2621.75 feet to the southwest corner of said subdivision and the POINT OF BEGINNING; thence $S88^{\circ}21'15''E$ along the south line of said subdivision a distance of 1316.14 feet to the southeast corner thereof; thence $N01^{\circ}54'48''E$ along the east line of said subdivision a distance of 1721.68 feet; thence $N88^{\circ}05'12''W$ a distance of 10.00 feet; thence $S09^{\circ}17'44''W$ a distance of 150.00 feet; thence $S45^{\circ}16'42''W$ a distance of 60.00 feet; thence $S28^{\circ}18'12''W$ a distance of 55.00 feet; thence $S15^{\circ}21'06''W$ a distance of 30.00 feet; thence $S75^{\circ}28'27''W$ a distance of 15.00 feet; thence $N19^{\circ}30'55''W$ a distance of 23.00 feet; thence $N46^{\circ}42'31''W$ a distance of 37.00 feet; thence $S77^{\circ}21'41''W$ a distance of 15.00 feet; thence $S21^{\circ}23'58''W$ a distance of 40.00 feet; thence $S09^{\circ}21'36''W$ a distance of 40.00 feet; thence $S33^{\circ}46'35''W$ a distance of 20.00 feet; thence $N89^{\circ}02'35''W$ a distance of 15.00 feet; thence $N29^{\circ}29'41''W$ a distance of 45.00 feet; thence $S54^{\circ}31'35''W$ a distance of 45.00 feet; thence $S82^{\circ}36'10''W$ a distance of 28.00 feet; thence $S17^{\circ}42'43''W$ a distance of 15.00 feet; thence $S76^{\circ}33'00''W$ a distance of 35.00 feet; thence $N04^{\circ}26'23''E$ a distance of 20.00 feet; thence $N11^{\circ}53'22''W$ a distance of 28.00 feet; thence $N50^{\circ}49'37''W$ a distance of 35.00 feet; thence $N23^{\circ}58'49''W$ a distance of 50.00 feet; thence $N29^{\circ}44'49''W$ a distance of 42.00 feet; thence $N23^{\circ}10'59''E$ a distance of 60.00 feet; thence $N45^{\circ}25'30''E$ a distance of 40.00 feet; thence $N32^{\circ}01'57''E$ a distance of 25.00 feet; thence $S81^{\circ}45'11''E$ a distance of 50.00 feet; thence $N63^{\circ}26'50''E$ a distance of 20.00 feet; thence $S57^{\circ}47'26''E$ a distance of 50.00 feet; thence $N30^{\circ}50'00''E$ a distance of 30.00 feet; thence $N88^{\circ}01'03''E$ a distance of 46.00 feet; thence $N21^{\circ}15'58''E$ a distance of 18.00 feet; thence $N44^{\circ}13'52''W$ a distance of 62.00 feet; thence $S43^{\circ}02'38''W$ a distance of 38.00 feet; thence $N65^{\circ}01'57''W$ a distance of 50.00 feet; thence $N28^{\circ}55'16''W$ a distance of 17.00 feet; thence $N50^{\circ}55'52''W$ a distance of 87.00 feet; thence $N00^{\circ}43'21''W$ a distance of 23.00 feet; thence $N28^{\circ}23'59''E$ a distance of 27.00 feet; thence $N23^{\circ}34'13''W$ a distance of 25.00 feet; thence $S53^{\circ}00'48''W$ a distance of 50.00 feet; thence $S34^{\circ}51'20''W$ a distance of 15.00 feet; thence $S79^{\circ}06'40''W$ a distance of 25.00 feet; thence $N83^{\circ}14'08''W$ a distance of 48.00 feet; thence $S62^{\circ}47'47''W$ a distance of 36.00 feet; thence $S49^{\circ}38'50''W$ a distance of 66.00 feet; thence $S17^{\circ}06'33''E$ a distance of 37.00 feet; thence $S72^{\circ}17'49''E$ a distance of 37.00 feet; thence $S22^{\circ}49'45''E$ a distance of 31.00 feet; thence $S73^{\circ}45'36''E$ a distance of 30.00 feet; thence $S41^{\circ}29'25''E$ a distance of 45.00 feet; thence $S01^{\circ}00'06''W$ a distance of 20.00 feet; thence $S47^{\circ}49'10''W$ a distance of 20.00 feet; thence $S44^{\circ}48'59''W$ a distance of 48.00 feet; thence $S76^{\circ}09'41''W$ a distance of 45.00 feet; thence $N35^{\circ}03'48''W$ a distance of 40.00 feet; thence $N44^{\circ}31'58''W$ a distance of 85.00 feet; thence $S83^{\circ}44'28''W$ a distance of 65.00 feet; thence $S53^{\circ}12'43''W$ a distance of 110.00 feet; thence $S33^{\circ}37'27''E$ a distance of 30.00 feet; thence $N71^{\circ}16'45''E$ a distance of 65.00 feet; thence $S23^{\circ}27'24''E$ a distance of 48.00 feet; thence $S35^{\circ}43'05''W$ a distance of 38.00 feet; thence $N66^{\circ}42'42''W$ a distance of 30.00 feet; thence $N53^{\circ}54'12''W$ a distance of 40.00 feet; thence $S57^{\circ}44'36''W$ a distance of 50.00 feet; thence $S37^{\circ}24'23''W$ a distance of 40.00 feet; thence $S72^{\circ}17'14''W$ a distance of 30.00 feet; thence $S75^{\circ}53'20''W$ a distance of 95.00 feet; thence $N60^{\circ}19'04''W$ a distance of 75.00 feet; thence $S86^{\circ}18'54''W$ a distance of 40.00 feet; thence

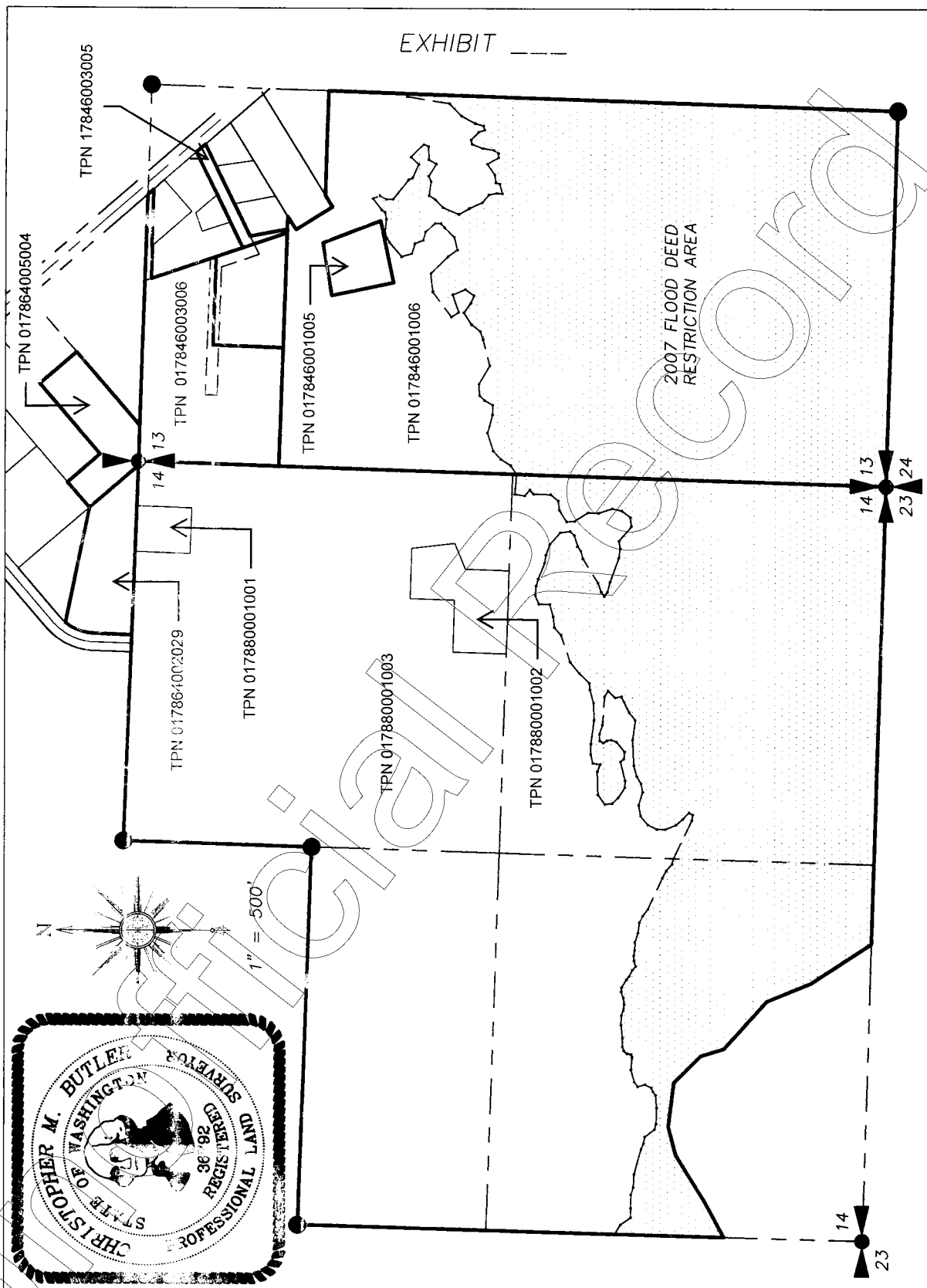
S44°27'01"W a distance of 25.00 feet; thence S28°30'34"W a distance of 32.00 feet; thence
 N88°43'05"W a distance of 34.00 feet; thence N74°26'17"W a distance of 66.00 feet; thence
 S71°57'36"W a distance of 66.00 feet; thence S47°01'51"W a distance of 40.00 feet; thence
 S31°42'56"W a distance of 40.00 feet; thence S56°11'04"W a distance of 38.00 feet to a point on
 the west line of said West Half which bears S01°52'18"W a distance of 1325.00 feet from the
 northwest corner of said subdivision; thence N84°24'13"W a distance of 70.00 feet; thence
 S08°04'55"W a distance of 35.00 feet; thence S48°31'34"E a distance of 28.00 feet; thence
 S48°45'49"W a distance of 20.00 feet; thence S01°34'46"W a distance of 60.00 feet; thence
 S39°54'54"W a distance of 35.00 feet; thence S83°00'12"W a distance of 33.00 feet; thence
 S58°01'43"W a distance of 48.00 feet; thence S04°09'02"E a distance of 28.00 feet; thence
 S32°48'07"E a distance of 55.00 feet; thence S01°49'07"W a distance of 38.00 feet; thence
 S18°07'45"E a distance of 50.00 feet; thence S12°49'04"W a distance of 35.00 feet; thence
 S37°21'08"W a distance of 38.00 feet; thence S84°21'15"W a distance of 32.00 feet; thence
 N50°03'28"W a distance of 67.00 feet; thence S80°17'24"W a distance of 26.00 feet; thence
 N81°39'06"W a distance of 35.00 feet; thence N69°28'34"W a distance of 88.00 feet; thence
 N75°53'18"W a distance of 36.00 feet; thence N51°41'59"W a distance of 18.00 feet; thence
 N53°24'10"E a distance of 18.00 feet; thence N70°00'33"E a distance of 33.00 feet; thence
 N57°40'31"E a distance of 100.00 feet; thence N76°08'13"E a distance of 28.00 feet; thence
 N54°28'38"E a distance of 20.00 feet; thence N72°57'34"E a distance of 40.00 feet; thence
 N44°32'23"E a distance of 21.00 feet; thence N07°33'34"W a distance of 35.00 feet; thence
 N47°54'21"W a distance of 55.00 feet; thence N70°42'46"W a distance of 40.00 feet; thence
 N80°15'25"W a distance of 28.00 feet; thence N67°43'58"W a distance of 60.00 feet; thence
 N74°00'16"W a distance of 25.00 feet; thence N85°34'18"W a distance of 33.00 feet; thence
 S67°47'56"W a distance of 33.00 feet; thence S00°20'00"W a distance of 38.00 feet; thence
 S74°20'15"W a distance of 45.00 feet; thence S83°45'38"W a distance of 38.00 feet; thence
 S47°05'46"W a distance of 35.00 feet; thence S70°53'38"W a distance of 100.00 feet; thence
 S50°46'38"W a distance of 50.00 feet; thence S44°19'53"W a distance of 50.00 feet; thence
 S84°59'30"W a distance of 23.00 feet; thence S74°10'22"W a distance of 48.00 feet; thence
 S88°08'39"W a distance of 60.00 feet; thence N82°22'40"W a distance of 85.00 feet; thence
 N89°16'50"W a distance of 38.00 feet; thence S75°24'45"W a distance of 32.00 feet; thence
 S08°02'52"W a distance of 26.00 feet; thence N67°29'30"W a distance of 28.00 feet; thence
 S88°43'19"W a distance of 82.00 feet; thence S53°06'38"W a distance of 42.00 feet; thence
 S05°38'18"E a distance of 25.00 feet; thence S43°08'04"E a distance of 30.00 feet; thence
 S57°35'15"E a distance of 43.00 feet; thence S87°03'09"E a distance of 25.00 feet; thence
 N76°15'48"E a distance of 69.00 feet; thence S38°45'25"E a distance of 15.00 feet; thence
 S82°57'09"E a distance of 25.00 feet; thence N49°55'18"E a distance of 45.00 feet; thence
 N21°53'13"E a distance of 20.00 feet; thence N09°37'46"W a distance of 15.00 feet; thence
 N30°35'56"W a distance of 15.00 feet; thence N27°55'13"E a distance of 15.00 feet; thence
 N88°16'25"E a distance of 25.00 feet; thence S71°36'30"E a distance of 33.00 feet; thence
 S85°49'05"E a distance of 100.00 feet; thence S58°51'22"E a distance of 24.00 feet; thence
 S43°58'06"W a distance of 35.00 feet; thence S10°00'52"E a distance of 22.00 feet; thence
 S63°46'51"W a distance of 62.21 feet; thence S53°02'32"W a distance of 35.00 feet; thence
 N82°46'50"W a distance of 70.00 feet; thence S87°10'20"W a distance of 90.00 feet; thence
 S74°29'22"W a distance of 40.00 feet; thence S59°45'04"W a distance of 30.27 feet; thence
 S79°11'34"W a distance of 30.00 feet; thence N72°20'36"W a distance of 48.00 feet; thence
 S79°27'35"W a distance of 39.00 feet; thence S50°54'39"W a distance of 40.32 feet; thence

S26°00'31"W a distance of 35.00 feet; thence S00°38'40"W a distance of 30.00 feet; thence S22°30'54"E a distance of 40.00 feet; thence S40°08'48"E a distance of 30.00 feet; thence S45°15'38"E a distance of 33.00 feet; thence S30°08'16"W a distance of 15.00 feet; thence N81°15'48"W a distance of 20.00 feet; thence N64°02'35"W a distance of 148.00 feet; thence N77°01'15"W a distance of 20.00 feet; thence N48°22'35"W a distance of 30.00 feet; thence N61°32'55"W a distance of 30.00 feet; thence N65°19'29"W a distance of 120.00 feet; thence N52°04'52"W a distance of 30.00 feet; thence N62°10'00"W a distance of 25.00 feet; thence N82°14'00"W a distance of 37.00 feet; thence N71°09'56"W a distance of 34.00 feet; thence N88°50'26"W a distance of 27.00 feet; thence N79°57'08"W a distance of 20.00 feet; thence S86°20'35"W a distance of 17.00 feet; thence S71°22'04"W a distance of 21.00 feet; thence N44°34'12"W a distance of 17.00 feet; thence N63°41'11"W a distance of 26.00 feet; thence N49°19'43"W a distance of 15.00 feet; thence N57°26'52"W a distance of 32.00 feet; thence N86°09'42"W a distance of 15.00 feet; thence S69°44'03"W a distance of 23.00 feet; thence S81°24'36"W a distance of 23.00 feet; thence N79°11'59"W a distance of 22.00 feet; thence N69°05'20"W a distance of 18.00 feet; thence N87°45'03"W a distance of 34.00 feet; thence S83°11'09"W a distance of 46.00 feet; thence S89°48'03"W a distance of 30.00 feet; thence S71°53'48"W a distance of 15.00 feet; thence S42°33'50"W a distance of 15.00 feet; thence S10°21'56"W a distance of 15.00 feet; thence S71°26'15"W a distance of 10.00 feet; thence N85°21'08"W a distance of 45.00 feet; thence S75°03'45"W a distance of 45.00 feet; thence S55°29'41"W a distance of 21.00 feet; thence S16°39'45"E a distance of 26.00 feet; thence S27°10'37"W a distance of 26.00 feet; thence S66°39'55"W a distance of 15.00 feet; thence S55°30'30"W a distance of 15.00 feet; thence S85°27'59"W a distance of 45.00 feet; thence N88°25'00"W a distance of 57.00 feet; thence N74°59'25"W a distance of 20.00 feet; thence N37°11'23"W a distance of 43.00 feet; thence N79°42'08"W a distance of 24.00 feet; thence N66°37'01"W a distance of 22.00 feet; thence N74°03'42"W a distance of 92.00 feet; thence N87°07'41"W a distance of 47.00 feet; thence N73°14'09"W a distance of 27.00 feet; thence N88°48'35"W a distance of 47.00 feet; thence N88°51'48"W a distance of 35.00 feet; thence N35°27'53"W a distance of 44.00 feet; thence N57°11'17"W a distance of 39.00 feet to the west line of said South Half of the Southeast Quarter of Section 14; thence S01°44'03"W along said west line a distance of 384 feet, more or less, to the centerline of the Newaukum River; thence Northeasterly and Southeasterly along said centerline a distance of 1460 feet, more or less, to the south line of said subdivision; thence S88°15'45"E along the south line of said subdivision a distance of 1603 feet, more or less, to the POINT OF BEGINNING.

Encompassing 88.40 acres, more or less

Exhibit C
2007 Mapped Flood Area

Unofficial Record





DESIGN → PERMIT → MANAGE

October 24, 2023

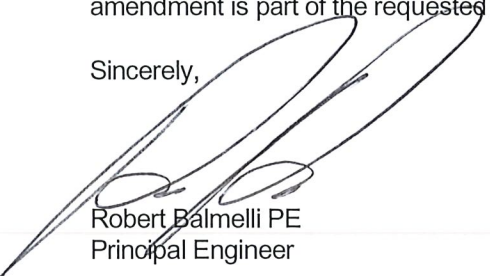
Todd Johnson
City of Chehalis Community Development
1321 S Market Blvd
Chehalis, WA 98532
tjohnson@ci.chehalis.wa.us

Re: Shovel Ready, LLC – Parcels 017769033001 and 017767002000 – Rezone Request
RBE NO. 21081

Dear Todd:

Please accept this letter as our request to have the comprehensive plan amendment of the above mentioned parcels be part of this years special process as discussed in previous conversations. This comprehensive plan amendment is part of the requested zone change from commercial to light industrial.

Sincerely,



Robert Balmelli PE
Principal Engineer

cc: Project file
Client

**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: November 13, 2023

SUBJECT: Resolution No. 21-2023, Declaring Surplus Property

ISSUE

The Chehalis Fire Department has property that is no longer being used. State law requires that municipal property must first be declared surplus by the City Council before being sold, transferred, or disposed of.

DISCUSSION

The Chehalis Fire Department has requested the Council consider the surplus of multiple items housed within the old Fire Station 48 Building that are no longer needed. These items are listed below:

1. Misc. Fire Hose Sections (See Attached)
2. Portable Dishwasher
3. Misc Kitchen Appliances (See Attached)
4. Misc Items (See Attached)
5. Commercial Gas Dryer for Fire Suppression Uniforms
6. Misc Scott SCBA Masks/Packs/Regulators
7. Stryker Gurney
8. Misc Tables and Chairs
9. Wascomat Junior PPE Extractor Washer

With the purchase of a new ladder truck the 1996 Spartan/Darley-Nova Ladder Truck has been added to the list of surplus property. With Council authorization to declare this item surplus, this truck will be advertised for sale and has a value of approximately \$45,000.

The Defender 3E Long Bed Wildland Skid and 200-gallon tank with attached pump originally purchased for wildland fire suppression is no longer necessary with the purchase of the brush engine in early October after the department had received Council approval. With Council authorization to declare this item surplus, it will be advertised for sale and has a fair market value of \$8,000.

The Chehalis Fire Department is also requesting authorization to declare a 2003 Swiftwater Rescue Boat, Yamaha outboard motor, boat trailer and accessories as surplus and donate these items to Lewis County Fire District 6. The approximate value of these items combined is \$2,000.

FISCAL IMPACT

None.

RECOMMENDATION

It is recommended that the City Council approve Resolution No. 21-2023 and declare these items as surplus to be disposed of in the manner requested by staff.

SUGGESTED MOTION

I move that the City Council approve Resolution No. 21-2023.

RESOLUTION NO. 21-2023

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

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

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

Chehalis Fire Department	Identifying Information
<ol style="list-style-type: none"> 1. 1996 Spartan/Darley-Nova Aerial Articulating Platform Ladder Truck 2. 2003 Swiftwater rescue boat. 3. Yamaha Outboard Boat Motor 4. Boat Trailer 5. Boat Accessories (Paddles, Fuel Tank, Launch Wheels, Battery, Propeller) 6. Defender 3E Long Bed Wildland Skid/200 Gallon Tank with Attached Pump 7. Misc. Fire Hose Sections (See Attached) 8. Portable Dishwasher 9. Misc Kitchen Appliances (See Attached) 10. Misc Items (See Attached) 11. Commercial Gas Dryer for Fire Suppression Uniforms 12. Misc Scott SCBA Masks/Packs/Regulators 13. Stryker Gurney 14. Misc Tables and Chairs 15. Wascomat Junior PPE Extractor Washer 	<ol style="list-style-type: none"> 1. Vin: 4S7AT9D04SC017328 2. AVON ERB-380 3. F40LEHA 4. EZ Loader 68BT Plate #37858D 5. None 6. Tank 150658 Pump 17229242619 Pump 5213HE/NPT 7. None 8. Serial #SO-9263SS City Tag #30337 9. None 10. None 11. Serial #65500/0021376 12. None 13. Serial #030639356 City Tag# 30180 14. None 15. City Tag #03120

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

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this _____ day of _____, 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

1996 Spartan/Darley-Nova Aerial Articulating Platform Ladder Truck

Identifying Information:

City Tag #	N/A
Serial #	
Model #	
VIN #	4S7AT9D04SC017328
Other	

Date Purchased (if known)

Purchase Price (if known)

2019	\$ Unknown
------	------------

Current Fair Market Value (if item is to be sold) \$ 45,000.00

What was the property used for and why is it being disposed of? (Stress condition of property)

Ladder truck provided the city with an Aerial master stream and elevated rescue and roof access.

Known issues:

- 27 year old truck.
- Wire Corrosion throughout the wiring harness from the turn table to the bucket
- Multiple issues, beyond troubleshooting due to wiring corrosion issues
- Lack of replacement parts from manufacturer, manufacturer out of business and no longer offer support
- Lack of parts availability from any manufacturer (OEM) or others

How will the property be disposed of?

- | | |
|--|---|
| <input checked="" type="checkbox"/> Sell | <input type="checkbox"/> Donate |
| <input type="checkbox"/> Trade-in | <input type="checkbox"/> Dispose of |
| <input type="checkbox"/> Auction | <input type="checkbox"/> Other (please explain) |



CHEHALIS

LADDER
48



Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

- 2003 Avon ERB-380 swiftwater rescue boat.
- Yamaha F40LEHA Outboard Boat Motor
- EZ Loader 68BT 14'-17' Boat Trailer
- Boat Accessories (Paddles, Fuel Tank, Launch Wheels, Battery, Propeller),

Identifying Information:

City Tag #	
Serial #	1301829
Model #	Avon ERB-380
	Yamaha F40LEHA
	EZ Loader 68BT
VIN #	GB AVB44272B303
	Trailer plate 37858D
Other	

Date Purchased (if known)

Purchase Price (if known)

2003	\$10,000.00
------	-------------

Current Fair Market Value (if item is to be sold) \$_2000.00_____

What was the property used for and why is it being disposed of? (Stress condition of property)

This boat served the department and community for several years as our primary water rescue boat. This boat sustained damage during a rescue and was replaced by another and is no longer needed.

How will the property be disposed of?

Sell

Trade-in

Auction

Donate to LCFD6

Dispose of

Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

Defender 3E Long Bed Wild Land Skid
200-gallon tank with attached pump.

Identifying Information:

City Tag #	N/A
Serial #	Tank 150658 Pump 17229242619
Model #	Pump 5213HE/NPT
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

2019	\$ Unknown
------	------------

Current Fair Market Value (if item is to be sold) \$ 8,000.00

What was the property used for and why is it being disposed of? (Stress condition of property)

This item was purchased to place in an 8' pick-up bed for wildland fire suppression.

How will the property be disposed of?

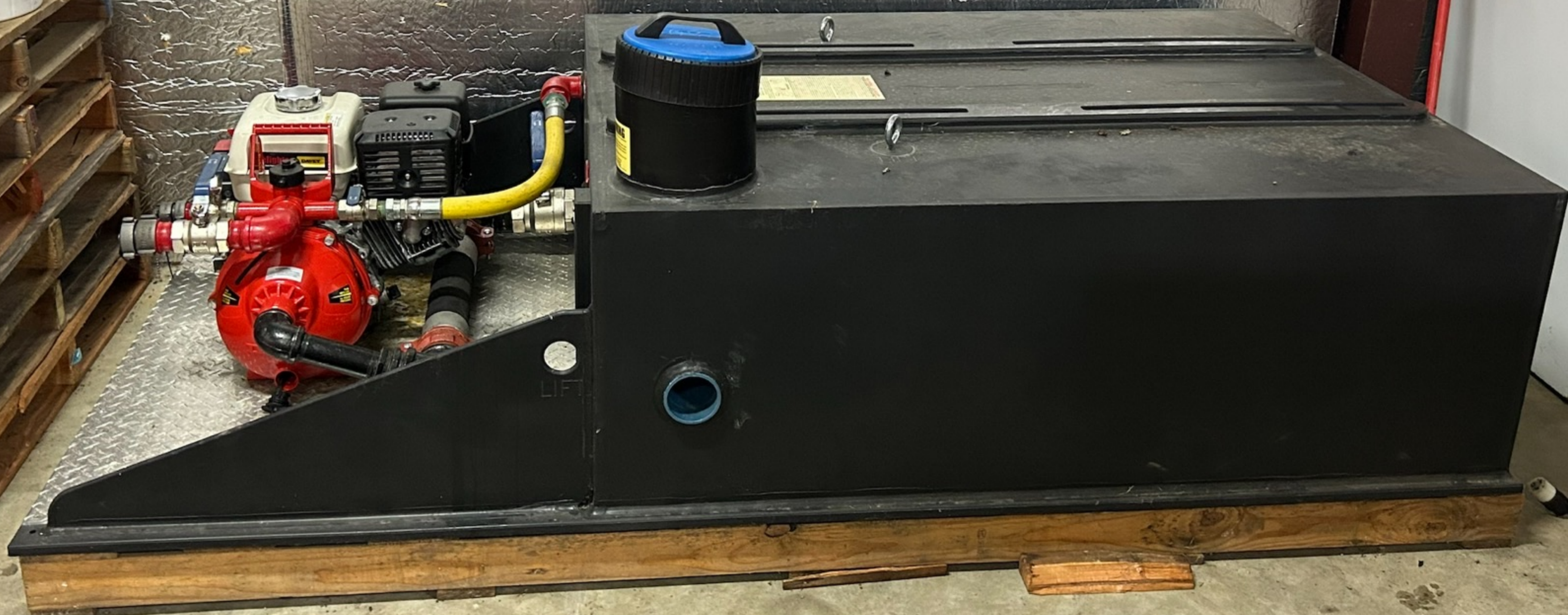
- | | |
|--|---|
| <input checked="" type="checkbox"/> Sell | <input type="checkbox"/> Donate |
| <input type="checkbox"/> Trade-in | <input type="checkbox"/> Dispose of |
| <input type="checkbox"/> Auction | <input type="checkbox"/> Other (please explain) |

3%
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nsulte
1-LV

3%
AR-AFF
Ansu
PRODUCT ID:
A334-LV

FRB
39 05

103



Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

13- sections of 5" LDH Hose
3- Sections of 3" Fire hose
2-sections 2.5" Fire hose
2-Sections 1.75" Fire hose
1-Section 1.5" Wild land hose

Identifying Information:

City Tag #	
Serial #	
Model #	
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	
---------	--

Current Fair Market Value (if item is to be sold) \$ 0.00

What was the property used for and why is it being disposed of? (Stress condition of property)

Water supply and Suppression hose.

How will the property be disposed of?

- Sell
- Trade-in
- Auction
- Donate
- Dispose of
- Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

- Portable Dishwasher

Identifying Information:

City Tag #	30337
Serial #	SO-9263SS
Model #	SPT
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	
---------	--

Current Fair Market Value (if item is to be sold) \$_50.00

What was the property used for and why is it being disposed of? (Stress condition of property)

Cleaning dishes at old station 48.

How will the property be disposed of?

Sell

Trade-in

Auction

Donate

Dispose of

Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

- Range/Oven
- Range Hood
- Dishwasher
- Fridge

Identifying Information:

City Tag #	N/A
Serial #	N/A
Model #	N/A
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown

Current Fair Market Value (if item is to be sold) \$_500.00

What was the property used for and why is it being disposed of? (Stress condition of property)

Kitchen appliances from old station 48

How will the property be disposed of?

Sell

Trade-in

Auction

Donate

Dispose of

Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item: Miscellaneous

- 37 - stackable Chairs
- 8 - folding chairs
- 7 - tables
- 6 - four drawer file cabinets
- 4 - two drawer file cabinets
- 1 - folding table
- 3 bookshelves
- 5 - desks
- 5 - desk chairs
- 1 - TV
- 3 - couches

Identifying Information:

City Tag #	N/A
Serial #	N/A
Model #	N/A
VIN #	N/A
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	
---------	--

Current Fair Market Value (if item is to be sold) \$ _____

What was the property used for and why is it being disposed of? (Stress condition of property)

Miscellaneous furniture item from old station 48.

How will the property be disposed of?

Sell

Trade-in

Auction

Donate

Dispose of

Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

1- Commercial Gas Dryer for fire suppression gear.
--

Identifying Information:

City Tag #	
Serial #	65500/0021376
Model #	N2550G217
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	
---------	--

Current Fair Market Value (if item is to be sold) \$ 2,000.00

What was the property used for and why is it being disposed of? (Stress condition of property)

For cleaning Fire Suppression garments.

How will the property be disposed of?

Sell

Trade-in

Auction

Donate

Dispose of

Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

3 Scott SCBA Mask 2 Scott SCBA Packs 2 Scott Regulators

Identifying Information:

City Tag #	
Serial #	
Model #	
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	\$4500.00
---------	-----------

Current Fair Market Value (if item is to be sold) \$ 0.00

What was the property used for and why is it being disposed of? (Stress condition of property)

Respirator Protection for Firefighters
--

How will the property be disposed of?

- Sell
- Trade-in
- Auction
- Donate
- Dispose of
- Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

1- Stryker Gurney

Identifying Information:

City Tag #	30180
Serial #	030639356
Model #	6082 MX-PRO
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	\$8,000.00
---------	------------

Current Fair Market Value (if item is to be sold) \$ 1,500.00

What was the property used for and why is it being disposed of? (Stress condition of property)

Move and Transport patient.

How will the property be disposed of?

Sell

Trade-in

Auction

Donate

Dispose of

Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

- Chairs
- Tables

Identifying Information:

City Tag #	
Serial #	
Model #	
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	
---------	--

Current Fair Market Value (if item is to be sold) \$ _____

What was the property used for and why is it being disposed of? (Stress condition of property)

Chairs and tables for the training space at old station 48.

How will the property be disposed of?

Sell

Trade-in

Auction

Donate

Dispose of

Other (please explain)

7/23/2018

Surplus Property Form

Please complete this form and submit to the City Clerk. Property will be surplussed on a quarterly basis during the second City Council meetings of March, June, and September, and the first meeting of December.

Item:

Wascomat Junior PPE Extractor washer.

Identifying Information:

City Tag #	03120
Serial #	
Model #	W75
VIN #	
Other	

Date Purchased (if known)

Purchase Price (if known)

Unknown	
---------	--

Current Fair Market Value (if item is to be sold) \$ 250.00

What was the property used for and why is it being disposed of? (Stress condition of property)

Gear washer for Firefighter protective clothing

How will the property be disposed of?

- Sell
- Trade-in
- Auction
- Donate
- Dispose of
- Other (please explain)

7/23/2018

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Andrew Hunziker, Parks and Facilities Manager

MEETING OF: November 13, 2023

SUBJECT: Westside Park Improvement Project - Authorize Payment to Play Creation, Inc. for Playground Equipment

ISSUE

On January 9, 2023, the City Council authorized the purchase of playground equipment for Westside Park, as well as the expenditure of funds for other components of the project including fencing and construction of parking spaces. The equipment, which is produced by Landscape Structures, was purchased from Play Creation, Inc. and recently installed based on that approval. The Finance Department has asked that the City Council specifically approve the purchase of the equipment from Play Creation, Inc. prior to payment.

DISCUSSION

Play Creation, Inc. was selected to provide playground equipment for the improvement project at Westside Park. The equipment was purchased through a government contract using a NASBO Value Point Purchasing Agreement. Utilizing a purchasing agreement provides volume discounts with pre-negotiated price reductions while ensuring the required procurement procedures are followed.

This contract included the purchase of the Landscape Structures play equipment, the installation of the equipment using certified staff, and the purchase of engineered wood fiber playground safety surfacing. This is the same purchasing process and vendor used for the Penny Playground project. The quality of the playground equipment and the service provided by the vendor and manufacturer has been more than satisfactory at Penny Playground and is expected to continue with the equipment installed at Westside Park.

FISCAL IMPACT

The fiscal impact for this component of the project is \$55,782.59. The project will be funded using previously dedicated Park Improvement Funds and 2nd Quarter REET Funds that have been reserved for the Westside Park Project.

RECOMMENDATION

It is recommended that the City Council confirm the award of the Westside Park playground equipment purchase contract to Play Creations, Inc. using a NASBO Value Point Purchasing Agreement and authorize payment in the amount of \$55,782.59.

SUGGESTED MOTION

I move that the City Council confirm the award of the Westside Park playground equipment purchase contract to Play Creations, Inc. using a NASBO Value Point Purchasing Agreement and authorize payment in the amount of \$55,782.59.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

MEETING OF: November 13, 2023

SUBJECT: Public Hearing on the 2024 Preliminary City Revenue Sources -Setting Property Tax Levies

ISSUE

Per RCW 84.55.120, the City is required to hold a public hearing on revenue sources for the City’s following year’s current expense budget that is primarily funded by taxes and charges and reflects the provision of ongoing services.

The hearing must include consideration of possible increase in property tax revenues and must be held for the time the taxing district levies the taxes or makes the request to have the taxes levied. A single public hearing may be held on this matter.

DISCUSSION

The 2024 Preliminary Budget, which includes a summary of anticipated revenues and expenditures, is available for public review at City Hall, the Finance Department, and on the City’s website at www.ci.chehalis.wa.us.

2024 GENERAL FUND BUDGET OVERVIEW

The General Fund is the primary operating fund used for basic municipal services. It accounts for all financial resources except those required or designated to be accounted for in another fund. The funding sources for the General Fund come from property tax, sales tax, utility tax, leasehold excise tax, fees for services, intergovernmental revenues and grants, and other miscellaneous revenues.

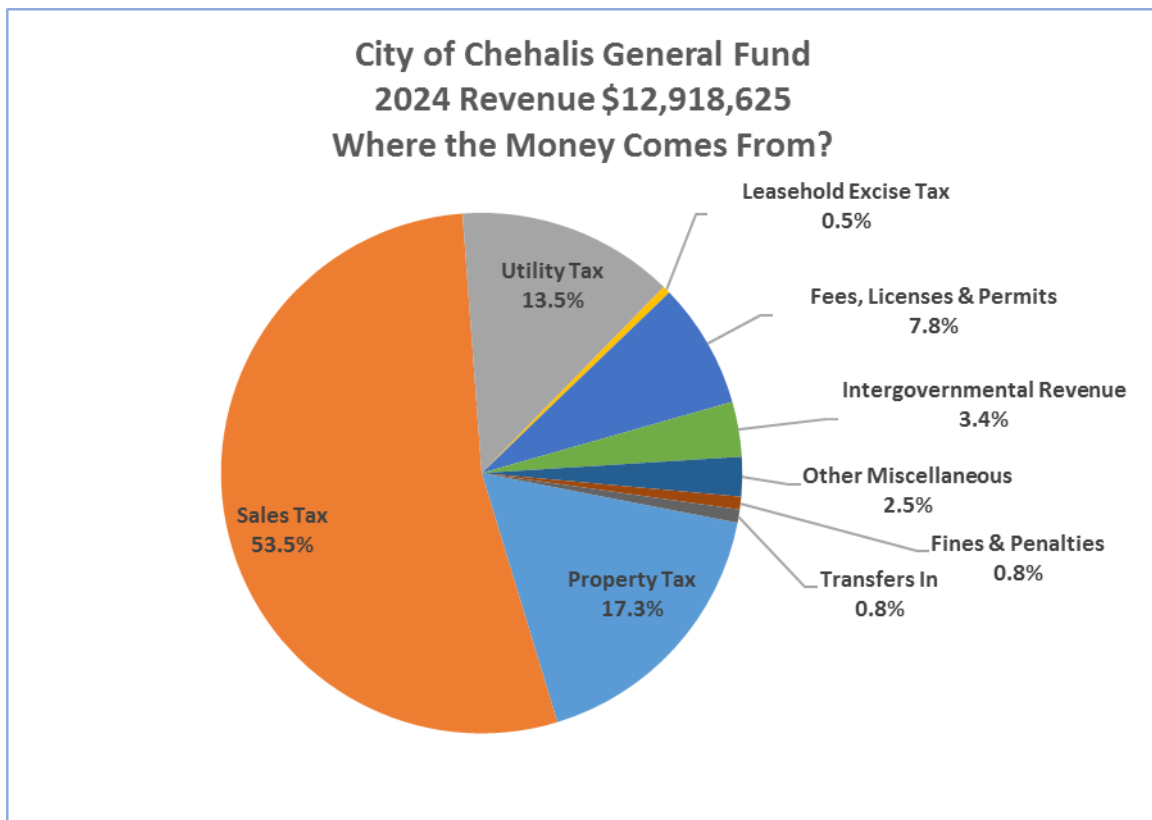
The 2024 Preliminary budget for the General Fund is balanced with use of \$996,439 of General Fund reserves (beginning fund balance). The 2024 projected General Fund revenue totals \$12,918,625 which includes \$104,970 transfers in from other city funds. The estimated fund balance at the end of 2024 is \$1,044,544, which is about 8.1% of the 2024 preliminary revenue budget.

General Fund Budget Summary	2024 Preliminary Budget
Estimated Beginning Cash*	\$ 2,040,983
Revenues & Transfers In	\$ 12,918,625
Expenditures & Transfers Out	\$ 13,915,064
Net Revenues Over (under) Expenditures	\$ (996,439)
Estimated Ending Cash Balance	\$ 1,044,544
<i>Ending Fund Balance % of Revenue Budget</i>	<i>8.1%</i>

Total revenues by major revenues sources are summarized in the table below:

General Fund Revenue Summary	2021 Actual	2022 Actual	2023	2024	Change 2024-2023	% Change	2024 Prct of Total
			Amended Budget	Proposed Budget			
Property Tax	\$ 1,987,256	\$ 2,160,880	\$ 2,182,487	\$ 2,229,100	\$ 46,613	2.1%	17.3%
Sales Tax	\$ 6,039,307	\$ 6,528,513	\$ 6,332,100	\$ 6,913,100	\$ 581,000	9.2%	53.5%
Utility Tax	\$ 1,685,146	\$ 1,745,079	\$ 1,697,800	\$ 1,742,400	\$ 44,600	2.6%	13.5%
Leasehold Excise Tax	\$ 51,379	\$ 53,163	\$ 56,600	\$ 62,000	\$ 5,400	9.5%	0.5%
<i>Total Taxes</i>	<i>\$ 9,763,088</i>	<i>\$ 10,487,635</i>	<i>\$ 10,268,987</i>	<i>\$ 10,946,600</i>	<i>\$ 677,613</i>	<i>6.6%</i>	<i>84.7%</i>
Fees, Licenses & Permits	\$ 872,326	\$ 1,076,407	\$ 961,900	\$ 1,006,471	\$ 44,571	4.6%	7.8%
Intergovernmental Revenue	\$ 394,552	\$ 443,780	\$ 474,311	\$ 440,784	\$ (33,527)	-7.1%	3.4%
Other Miscellaneous	\$ 164,293	\$ 410,385	\$ 360,300	\$ 317,200	\$ (43,100)	-12.0%	2.5%
Fines & Penalties	\$ 103,480	\$ 87,854	\$ 115,900	\$ 102,600	\$ (13,300)	-11.5%	0.8%
Transfers In	\$ -	\$ 270,287	\$ 182,867	\$ 104,970	\$ (77,897)	-42.6%	0.8%
Total	\$ 11,297,739	\$ 12,776,348	\$ 12,364,265	\$ 12,918,625	\$ 554,360	4.5%	100.0%

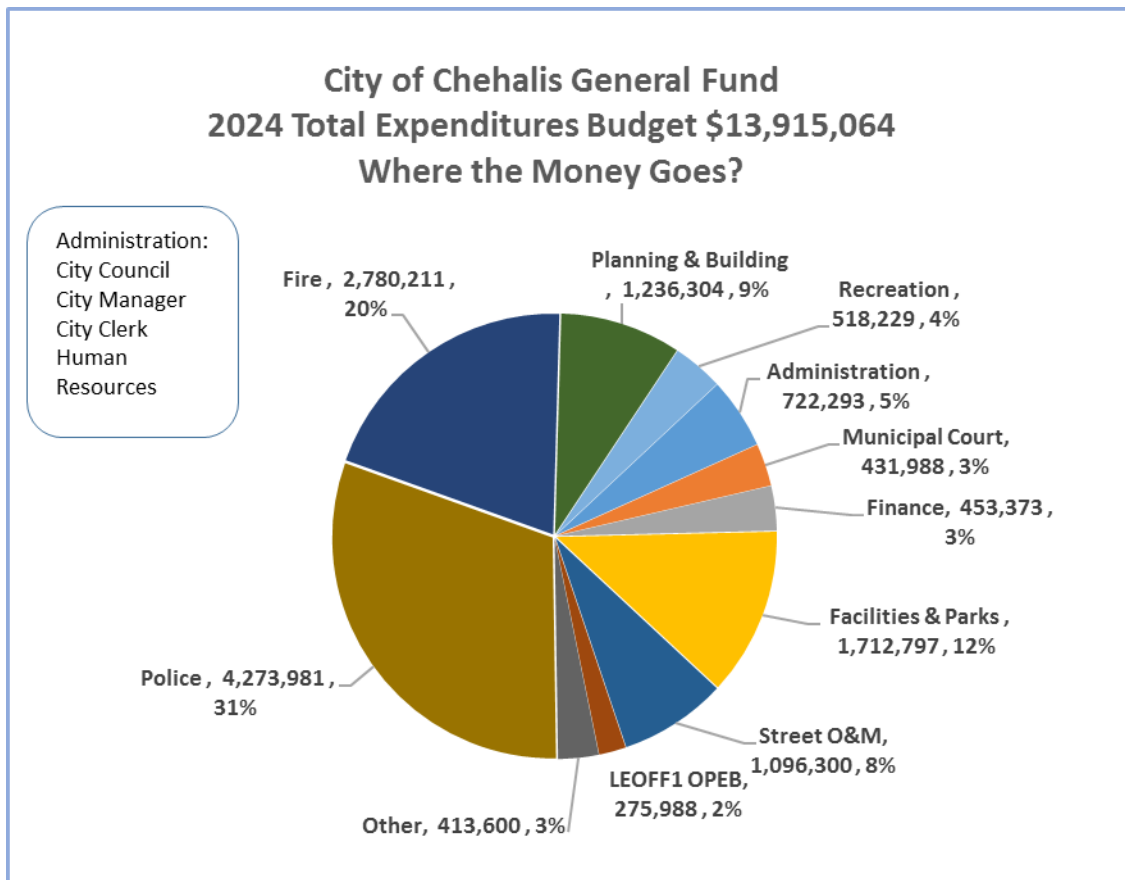
Total tax revenue projection is \$10,946,600 and makes up 84.7% of the General Fund revenues which support the governmental services provided by the General Fund. The total tax revenue projected in the 2024 Preliminary Budget is 6.6% or \$677,613 increase from the 2023 amended budget.



Property tax is the second largest revenue source for the City's General Fund and makes up about 17.3% of the 2024 General Fund revenues. Property tax levies are typically used for local governments for operating and maintenance costs. They are not commonly used for capital improvements.

The 2024 preliminary expenditures budget for the General Fund is \$13,915,064 which includes routine transfers out to the Street Fund \$1,113,700, the LEOFF I OPEB Trust Fund \$275,988, and the Parks Improvement Fund \$44,400 for a total of \$1,434,088. The 2024 preliminary expenditure budget is an approximate 0.04% or \$5,771 increase from the 2023 amended budget. Non-routine transfers out to the general fund reserve funds decreased by \$800,000 while all other expenditure and routine operating transfers out budget increase by \$805,777 or about 6.1% from the 2023 amended budget. Salaries and benefits budget increased by \$646,659 or 7.8% from the 2023 amended budget. Salaries and benefits makes up about 64% of the total General Fund 2024 Preliminary Budget.

The combined budgets for the Police and Fire Departments is \$7,054,192 which is about 51.0% of the 2024 General Fund expenditures, which reflects the high priority of keeping residents and visitors in Chehalis safe. The Facilities and Parks maintenance receives the next single highest level of funding at about 12% of the 2024 General Fund expenditures. About 8.0% of the 2024 General Fund budget is allocated for city street maintenance which is included in the non-departmental budget as transfers out to the Street Fund.



PROPERTY TAX – ANNUAL LEVY ACTION – PROPOSED AMOUNT

The City Council must set the levy every year to support the cost of general government, and the property tax levy for upcoming year must be certified to the County Assessor no later than November 30.

Property taxes are the second largest source of revenue in the General Fund for the City. All real and personal property (except where exempt by law) is assessed by the Lewis County Assessor at 100 percent of the property's true and fair market value. Every parcel in the county must be physically inspected and reappraised at least once every six years. Assessed values are adjusted each year based on market value changes. The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities, including Chehalis. Collections are distributed after the end of each month. Property tax revenues are recognized when cash is received by the City of Chehalis. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

Cities and counties with a population under 10,000 may not increase their total levy amount more than 1% annually, known as the “levy lid” (excluding levies for new construction or increases in state-assessed utility valuations) over the previous year’s lawful levy amount. However, local governments can exceed the 1% levy lid if they have banked capacity available under RCW 84.55.092. If a jurisdiction did not take the maximum 1% increase in the past, it will have banked capacity available. The City of Chehalis had a banked capacity of approximately \$247,000 going into 2024 tax levy year.

The cost of providing services to Chehalis residents and businesses continues to increase, and it has become necessary to consider the 1% statutorily allowed increase in the property tax levy so that the current level of municipal services, including police and fire, can be maintained.

Total property tax revenue projected in the 2024 Preliminary Budget includes the maximum 1% increase over the 2023 highest lawful levy limit (HLL) and an estimated increase from new construction. The 2024 preliminary valuation report and the new construction tax amount were provided by the County Assessor on November 3, 2023, and the following proposed property tax levy amounts reflect the updated new construction increase which can be updated for the Final budget.

The proposed total amount of property tax levies to be collected in 2024 are as follows:

- **Total General Levy at \$1,768,428.64**
- **Total EMS Levy at \$487,030.15**

The total proposed property tax levies includes the maximum 1% increase and increase for new construction and administrative refunds.

Ordinance No. 1081-B
2024 Property Tax Levy Amount - City of Chehalis

Description	2024 General Levy	2024 EMS Levy	Total 2024 Levy
2023 Highest Lawful Levy (HLL)	\$ 1,955,489.15	\$ 481,731.32	\$ 2,437,220.47
2023 Tax Year Actual Levy Amount	\$ 1,712,769.38	\$ 472,263.81	\$ 2,185,033.19
1% Increase over 2023 HLL	\$ 19,554.89	\$ 4,817.31	\$ 24,372.20
2024 Levy Limit Before Add-Ons	\$ 1,732,324.27	\$ 477,081.12	\$ 2,209,405.39
Plus Add-Ons:			
Increase from new construction	\$ 31,841.41	\$ 8,779.67	\$ 40,621.08
Administrative Refunds	\$ 4,262.96	\$ 1,169.36	\$ 5,432.32
Total Add-Ons	\$ 36,104.37	\$ 9,949.03	\$ 46,053.40
2024 Preliminary Levy Amount Authorized	\$ 1,768,428.64	\$ 487,030.15	\$ 2,255,458.79

The following table illustrates the dollar amounts and percentage changes in proposed property tax levies for 2024 over 2023:

Ordinance No. 1082-B

Dollar Amounts and Percentage of Changes in Property Tax Levies for 2024 over 2023

Tax Levy	2023 Highest Lawful Levy (HLL)	2023 Actual Levy	1% Increase over 2023 Highest Lawful Levy (HLL)	Use of Banked Capacity	Total Amount Increase in 2024 from 2023 Levy*	Percent Increase over 2023
General Levy	\$ 1,955,489.15	\$ 1,712,769.38	\$ 19,554.89	\$ -	\$ 19,554.89	1.141712%
EMS Levy	\$ 481,731.32	\$ 472,263.81	\$ 4,817.31	\$ -	\$ 4,817.31	1.020047%

*This increase is exclusive of additional revenue resulting from new construction, property improvements, any increase in the value of state assessed property, any annexations that have occurred, or property tax administrative refunds.

The table below illustrates the changes for the 2024 preliminary proposed levies (including new construction and administrative refunds) compared with the 2023 actual levies:

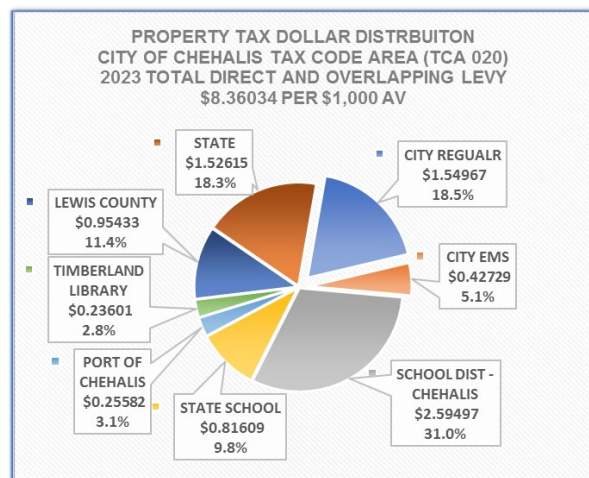
City of Chehalis Property Tax Levies: 2023 Actual vs. 2024 Preliminary

	2023 Tax Year	2024 Tax Year ⁽¹⁾	Change 2024-2023	% Change
Assessed Value ⁽¹⁾	\$ 1,105,246,154.00	\$ 1,322,496,849.00	\$ 217,250,695.00	19.7%
Regular Levy Amount	\$ 1,712,769.38	\$ 1,768,428.64	\$ 55,659.26	3.2%
Regular Levy Rate per \$1000 AV	\$ 1.549672327564	\$ 1.33718930434	\$ (0.21248302323)	-13.7%
EMS Levy Amount	\$ 472,263.81	\$ 487,030.15	\$ 14,766.34	3.1%
EMS Levy Rate per \$1000 AV	\$ 0.427292877963	\$ 0.36826564356	\$ (0.05902723441)	-13.8%
Total Regular & EMS Levy Amount	\$ 2,185,033.19	\$ 2,255,458.79	\$ 70,425.60	3.2%
Total Levy Rate per \$1000 AV	\$ 1.976965205527	\$ 1.70545494789	\$ (0.27151025763)	-13.7%

⁽¹⁾ 2024 figures are based on the Preliminary Assessed Value report provided by Lewis County Assessor 11/3/2023. Includes increase for new construction \$20,547,190 but not state assessed utility values as the information is not yet available.

The new construction levy does not increase the overall tax rate paid by property owners. While new growth and development will increase the City's property tax revenues, providing services to these areas will also increase operating and maintenance costs.

Although property taxes represent a major source of funding for the City services, the portion of each property owners' total tax bill allocated to the City is relatively small. In 2023, total levy rate for a typical Chehalis resident was \$8.36034 per \$1,000 Assessed Value. The City's portion of the total tax rate, including the EMS levy, was only 23.6% (or \$1.967696/\$1,000 AV) of the total.



The annual tax impact on a property owner is usually different than the percent increase of the levy, since it depends on several factors such as changes in the assessed valuation of the property, growth in the City’s overall assessed valuation, and levy increase by other taxing districts.

Since the general fund levy is subject to the 1% annual “levy lid”:, if the city’s assessed value is increasing more than 1% per year, excluding new construction and state-assessed utilities, the levy rate will begin to decrease as a result.

The below table illustrates the changes in tax amount and percent changes for two different scenarios. Both property A and B had \$400,000 assessed value (AV) in 2022. Property A’s AV increase by 17.0% to \$468,000 in 2023, whereas Property B’s AV increased by 20.0% to \$480,000. Tax increase in 2024 for property A is \$7.37 (0.9%) and property B is \$27.83 (3.5%).

Estimated Tax Calculation

<u>Property A</u>	2023 Tax Year	2024 Tax Year	Amt. Change	% Change
AV	\$ 400,000.00	\$ 468,000.00	\$ 68,000.00	17.0%
City Levy Rate*	\$ 1.9770	\$ 1.7055	\$ (0.2715)	-13.7%
City Tax	\$ 790.79	\$ 798.15	\$ 7.37	0.9%

**Total including general and EMS levy*

<u>Property B</u>	2023 Tax Year	2024 Tax Year	Amt. Change	% Change
AV	\$ 400,000.00	\$ 480,000.00	\$ 80,000.00	20.0%
City Levy Rate*	\$ 1.9770	\$ 1.7055	\$ (0.2715)	-13.7%
City Tax	\$ 790.79	\$ 818.62	\$ 27.83	3.5%

**Total including general and EMS levy*

RECOMMENDATION

It is recommended that the City Council open the public hearing, accept public comments, close the public hearing, and consider this information when taking action on these items, which are scheduled on this meeting agenda under “New Business” with agenda reports that provide additional information on the Budget and the related ordinances.

SUGGESTED MOTION

There is no motion needed after the public hearing.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

DATE: November 13, 2023

SUBJECT: Public Hearing on the 2024 Preliminary Budget

ISSUE

Per RCW 35A.33.055, the City is required to hold public hearings on the preliminary budget “or parts thereof” followed by a hearing on the final budget. This public hearing is to provide the public an opportunity to present comments and questions about the 2024 preliminary budget. This is one of the two required public hearings.

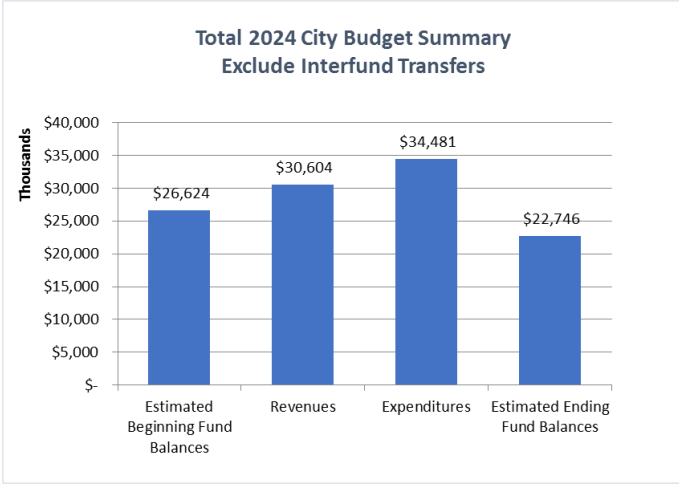
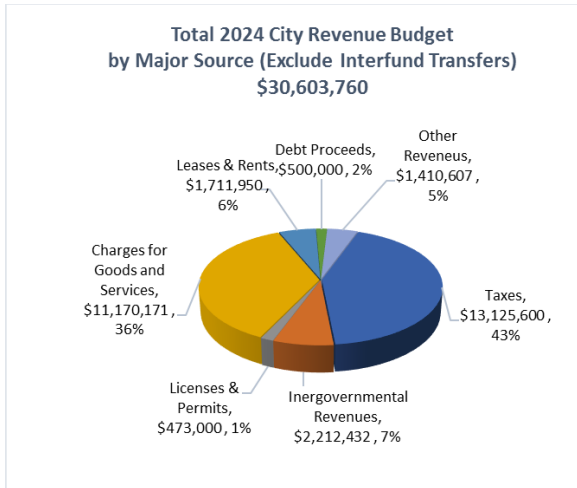
SUMMARY OF PROPOSED BUDGET – ALL FUNDS COMBINED

The many funds that comprise the city-wide budget are used to separate the primary functions and activities. Funds can be grouped by type: **Governmental** which includes the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Project Funds; **Proprietary** which includes Enterprise Funds (utilities and Airport), and **Fiduciary**. Each fund has specific functions to perform and in each, the revenues and expenditures must be self-balancing. Overall, the City’s 2024 Budget has twenty-six funds in which it records its revenues and expenditures associated with providing services to its citizens.

The City’s 2024 Preliminary Budget for all funds, as presented in Ordinance 1080-B is summarized as follows:

Budget Summary - All Funds Combined	2024 Preliminary Budget
Estimated Beginning Fund Balances	\$ 26,623,552
Revenues	\$ 30,603,760
Transfers in	\$ 4,130,868
Expenditures	\$ 34,481,201
Transfers Out	\$ 4,130,868
Estimated Ending Fund Balances	\$ 22,746,111

The 2024 preliminary revenue budget of \$30,603,760 (exclude interfund transfers) is comprised of charges for goods and services 36%, taxes 43%, intergovernmental revenues 7%, rents and leases 6%, anticipated debt proceeds 2%, licenses and permits 1%, and all other revenues 5%.

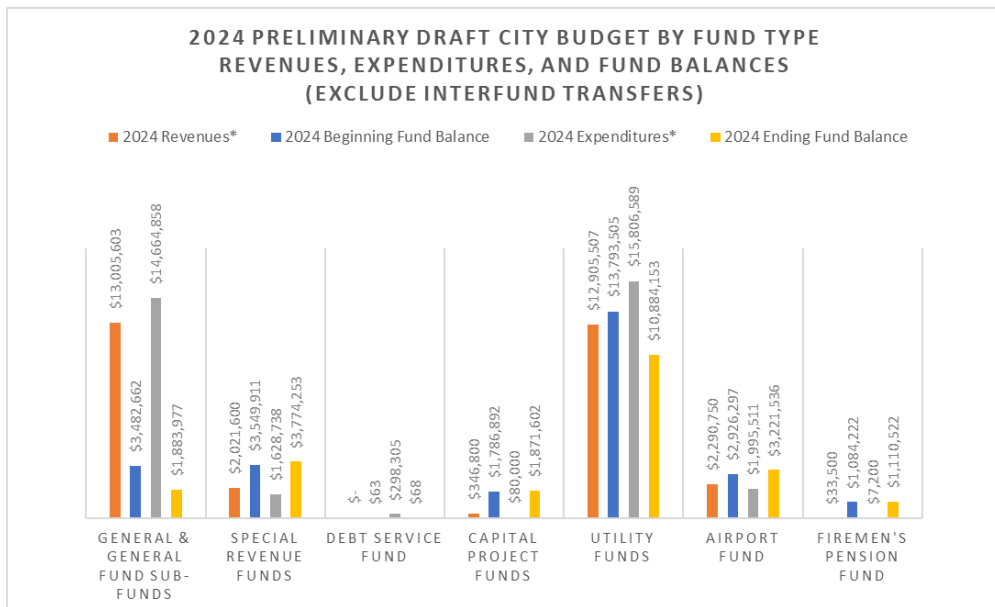


The proposed expenditure budget exceeds the revenues budget by \$3,877,441. This is due to the proposed capital outlays budget which are primarily funded by each prospective fund's reserves (beginning fund balance). The total expenditure budget (excluding interfund transfers), as presented in the 2024 Preliminary Budget is \$34,481,201 and is comprised of the major purposes as follows:

Expenditure Budget Summary - All Funds Combined (Excludes Interfund Transfers)

	2024 Preliminary Budget*	% of Total
Operating Purposes	\$ 24,226,607	70.3%
Debt Service Purposes	\$ 2,443,364	7.1%
Capital Purposes	\$ 7,811,230	22.7%
Total	\$ 34,481,201	100.0%

The General Fund, Utility funds, and Airport funds make up about 94% of the city's 2024 Preliminary Budget. 2024 Budget summaries for each separate funds are provided in the Exhibit A of the Ordinance No. 1080-B.



GENERAL FUND

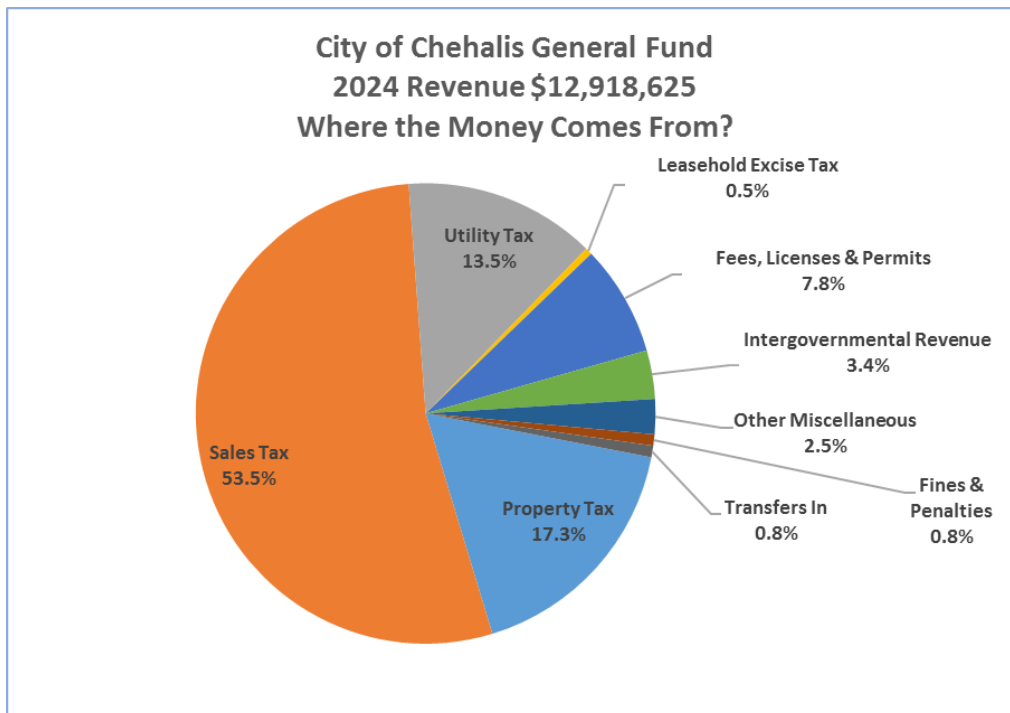
The General Fund is the primary operating fund used for basic municipal services. It accounts for all financial resources except those required or designated to be accounted for in another fund. The funding sources for the General Fund come from property tax, sales tax, utility tax, leasehold excise tax, fees for services, intergovernmental revenues and grant, and other miscellaneous revenues.

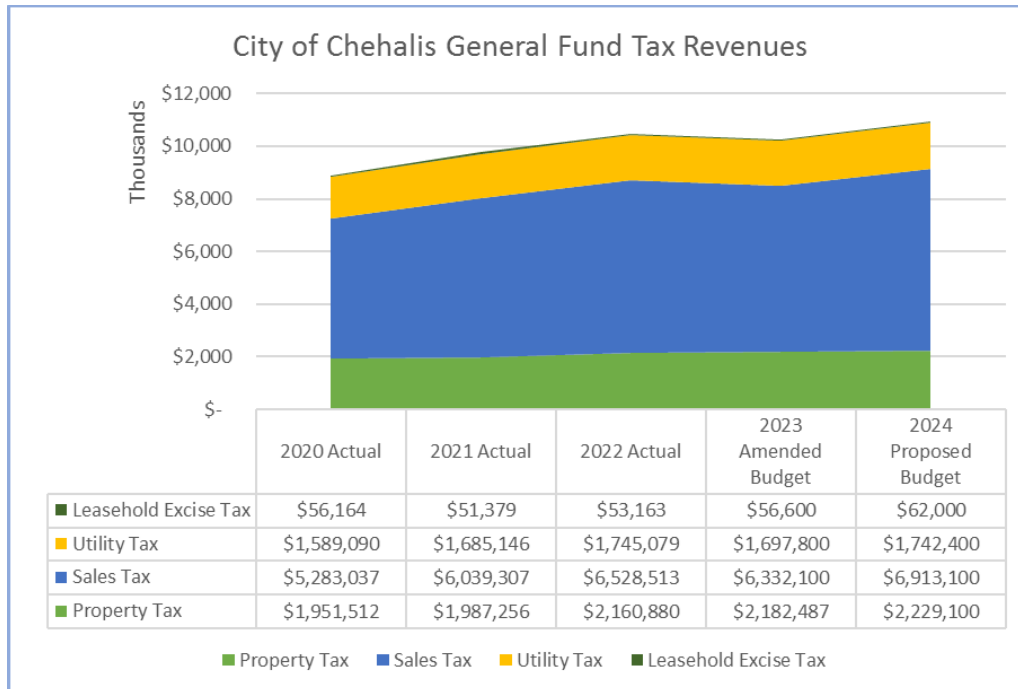
2024 General Fund Revenue Budget

The 2024 Preliminary Budget for the General Fund is balanced with use of \$996,439 of the General Fund reserves (beginning fund balance). The 2024 projected revenue totals \$12,918,625 which includes \$104,970 transfers in from other city funds.

General Fund Budget Summary	2024 Preliminary Budget
Estimated Beginning Cash*	\$ 2,040,983
Revenues & Transfers In	\$ 12,918,625
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Net Revenues Over (under) Expenditures	\$ (996,439)
Estimated Ending Cash Balance	\$ 1,044,544
<i>Ending Fund Balance % of Revenue Budget</i>	<i>8.1%</i>

Total revenues projected is \$12,918,625, which is a \$554,360 or 4.5% increase from the 2023 amended budget. Total tax revenue makes up about 84.7% or \$10,946,600 of the General Fund revenues which support the governmental services.





The sales tax is the largest revenue source for the City and makes up about 53.5% of the 2024 General Fund revenue budget. Sales tax has continued in an upward trend over the last few years. The average growth rate for the city’s sales tax from September to September from 2021 to 2023 is about 7.7%, which was boosted by significant increase from construction sector sales tax over the last 24 months period. The 2024 Preliminary Budget sales revenue is projected at \$6,913,100 which is 9.2% increase over the 2023 amended budget. The projection assumes retail activity growth in 2024 will remain at the 2023 level anticipating decrease in construction sales tax but added new sales tax from local retail businesses that opened in 2023. Typically, sales tax revenues from construction activities are considered one-time in nature and are recommended to be excluded from future revenue projections unless other economic or financial data can support the continued growth. However, the 2024 Preliminary Budget sales tax projections includes the typical construction sales tax at about 6% of the total sales and use tax. Overall, a 6.0% increase over the 2022 total actual sales tax revenue is projected in 2024.

Property tax is the second largest revenue source for the City and makes up about 17.3% of the 2024 General Fund revenues. Property tax revenue is projected at \$2,229,100 in the 2024 preliminary budget, up by \$46,613 or 2.1% from the 2023 amended budget. The 2024 tax revenue budget as submitted represents the total 2023 actual regular levy and actual EMS levy amounts of \$2,185,033 plus 1% statutory maximum allowed increase without a vote of \$24,332 plus an estimated tax increase from new construction for \$19,700. The new construction tax was provided by the Lewis County Assessor’s Office on November 3, 2023, one day after the 2024 Preliminary Budget was submitted. The actual increase for new construction sales tax provided by the County Assessor is \$40,621.08, and the tax revenue may be updated for the 2024 Final budget.

Utility tax is the third largest revenue source for the City and makes up about 13.5% of the 2024 General Fund revenues.

2024 General Fund Expenditure Budget

The 2024 Preliminary Expenditures for the General Fund as submitted is \$13,915,064 which includes transfers out of \$1,434,088 to other funds. The 2024 Preliminary Budget is less than 0.1% or \$5,771 increase from the 2023 amended budget of \$13,909,293. Non-routine transfers out to the general fund reserve funds decreased by \$800,000 while all other expenditure and routine operating transfers out budget increase by \$805,777 or about 6.1% from the 2023 amended budget.

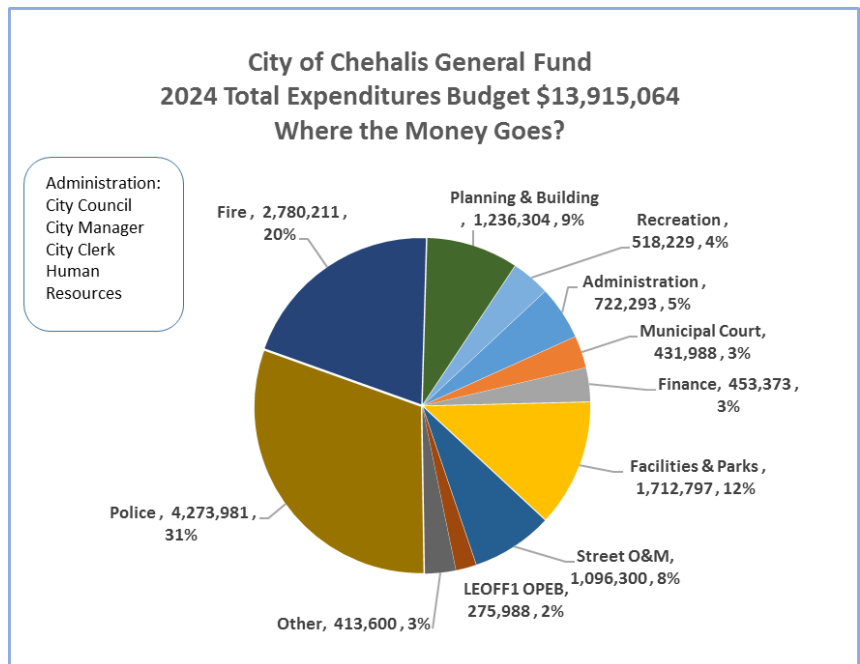
Municipal services are delivered primarily through people, which is the largest ongoing cost to the General Fund. Salaries and benefits make up almost 64% of the total General Fund expenditures. The 2024 preliminary budget for salaries and benefits increased by \$646,659 or 7.8% from the 2023 amended budget. Additional salaries and benefits of \$563,275 (or 4.0% of the total General Fund expenditures) is budgeted in the Street Fund which is primarily funded through general fund revenues.

The current collective bargaining agreements (CBAs) are for years 2023 through 2025. The cost-of-living adjustments (COLA) for 2024 per the CBAs range from 4.5% to 5.0% increase. The 2024 Preliminary Budget as submitted includes employer-paid health insurance premiums and welfare increases and the contractual COLA increases and anticipated step increases for all employees, including represented and non-represented employees.

The 2024 Preliminary Budget includes filling five General Fund positions that are currently vacant and two additional firefighter/paramedic positions, anticipating the hire will occur in the beginning of 2024.

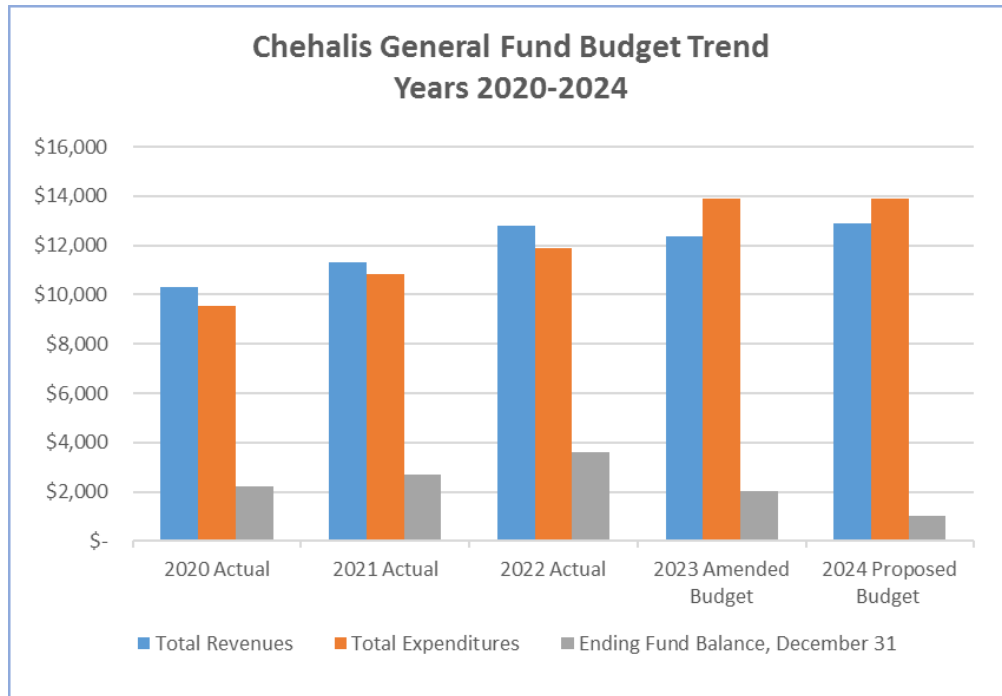
The combined budgets of the Police and Fire Departments is \$7,054,192 which is about 51.0% of the 2024 General Fund expenditures, which reflects the high priority of keeping residents and visitors in Chehalis safe. The facilities and parks maintenance receives the next single highest level of funding which is about 12% of the General Fund budget. About 8.0% of

General Fund budget is allocated for city street maintenance which is included in the non-departmental budget as transfers out to the Street Fund.



Estimated Ending Fund Balance

The estimated ending fund balance, also referred to as operating reserve, at the end of 2024 as submitted is \$1,044,544, which is about 8.1% of the 2024 General Fund projected revenues. However, unanticipated revenues as well as savings from vacant positions in 2023 and 2024 will likely change the outcome.



Maintaining operating reserves at 10% of the revenue budget is the policy goal of the City Council, and the projected ending fund balance at the end of 2024 does not meet the suggested reserve goals. In addition to the General Fund, the City maintains the following sub-funds of the General fund for specific purposes: Street Fund, Building Abatement Fund, Compensated Absences Reserve Fund, LEOFF 1 OPEB Trust Fund, and Automotive/Equipment Reserve Fund. The combined total ending fund balance at the end of 2024 is estimated at \$1,883,977, which is about 14.5% of the 2024 revenue (excluding transfers in) budget. However, the fund balances in these funds are less than adequate when considering the ongoing need.

Background on development of the 2024 Preliminary budget

The process of preparing the budget documents begins in late July. At that time, each department prepared their respective draft budgets for 2024 to maintain the level of service provided in 2023 and propose additions to meet the ongoing requirements and expectations for service in the community.

After the compilation of the requests, the Finance Director, Chun Saul, and I met with each department to review their 2024 proposed budget. Modifications to the initial draft budget requests were made and information was updated as more details became available. Reductions in discretionary expenses were made when possible; however, the cost of insurance; supplies; fuel; and services are increasing significantly as the nation continues to deal with inflation. The 2024 Preliminary Budget includes a Cost-of-Living (COLA) increase for the City’s employee groups consistent with collective bargaining contracts, as well as non-represented employees.

The Preliminary Draft Budget was then prepared and distributed to the City Council Budget Committee on October 2, 2023. The initial Preliminary Draft Budget for 2024 included expenditures that were \$1.5 million more than expected revenues. After careful review of the budgets with each department, reductions in proposed expenditures, including the removal of a new position in Streets, use of

automotive/equipment reserve funds for vehicle replacement budget requests were made to bring the revenue and expenditure gap to \$996,439. While the budget can be balanced in 2024 with a use of reserve funds, using one-time money to fund ongoing expenditures always needs to be fully acknowledged as a temporary solution. The Budget Committee also considered revenue forecasts and expressed concern regarding the City's ability to sustain the current level of service past 2024 in consideration of the projected revenues and continuing increases in the cost of doing business.

Considering the significance of the situation, the City Council Budget Committee recommended that the entire City Council be provided with an overview of the 2024 Preliminary Draft Budget at a Special City Council Meeting, which occurred on October 26, 2023. At the special City Council meeting on October 26th, the City Council was provided an overview of the 2024 Draft Preliminary Budget with a focus on the General Fund. The current service levels were reviewed and summary of what was in the budget and what had been removed. The City Council had an opportunity to review the revenue forecasts that demonstrate the difficulty of sustaining the proposed level of service past 2024. At the City Council meeting, members of the City Council Budget Committee communicated that they were reluctant to make any more cuts to the budget because the impact on service levels and recommended that the City Council look at increasing fees for services provided to direct users to help offset the cost of inflation and consider an increase to the municipal utility tax, which is a tax on the gross income of utility business, not the individual customer. Based on the consensus of the City Council at the special meeting on October 26th, a proposal to increase the municipal utility tax will be presented to the City Council in late 2023. Revenue associated with potential increases in utility taxes or fees are **not** included in the 2024 Preliminary Budget as presented.

Proposed adoption of budget

The 2024 Preliminary Budget document can be found on the City's website at www.ci.chehalis.wa.us. For the convenience of the reader, the Budget Message that accompanies the 2024 Preliminary Budget, dated November 2, 2023, is attached to this agenda report. The Budget Message provides introductory comments regarding the City's current fiscal condition and a brief summary of each fund. Staff will also be available at the City Council meeting to address any questions from the Council and the public hearing regarding the 2024 Preliminary Budget. Additional changes may be made to the ordinance prior to its second reading to reflect new information and/or direction from the City Council.

RECOMMENDATION

It is recommended that the City Council open the public hearing, accept public comment, close the public hearing, and consider this information when taking an action on these items, which are scheduled on this meeting agenda under "New Business" with agenda reports that provide additional information on the Budget and the related ordinances.

SUGGESTED MOTION

There is no motion needed after the close of the public hearing.

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Adam Fulbright, Fire Chief

MEETING OF: November 13, 2023

SUBJECT: Second and Final Reading of Ordinance No. 1071-B, Establishing Guidelines for Cost Recovery of Fire Department Services.

INTRODUCTION

The first reading of Ordinance No. 1071-B was discussed at the October 23, 2023, City Council meeting. It is being presented for second and final reading at this time. Since the first reading, several items have been added to the fee schedule to more completely account for the range of care provided by the City's Fire Department.

ISSUE

State legislation provides the City Council with the authority to establish a program that would enable Chehalis Fire Department to recover costs associated with emergency response by billing responsible third parties, primarily insurance companies.

EMERGENCY SERVICE COST RECOVERY

For decades the Fire Department has responded to many incidents that have been caused by third parties that are residents and non-residents of the City of Chehalis. The City has provided these services at zero cost to the third parties that caused the incident without seeking recovery for these costs. These services include the provisions of suppression, motor vehicle accidents, hazardous material, and technical rescue services.

For years the City has absorbed these costs because legislation did not provide a means to recover the cost and third-party caused incidents were relatively low. As third-party incidents have increased substantially, staff is recommending adoption of a cost recovery program within the Chehalis Municipal Code. The proposed ordinance is presented for first reading to establish a method for recovering costs and expenses for certain services provided by the City's Fire Department.

THIRD PARTIES

The definition of a third party is:

“Any individual, firm, corporation, association, partnership, commercial entity, consortium, joint venture, government entity, or other legal entity that (1) receives Emergency Services or whose employee or agent receives Emergency Services;(2) is contractually required to indemnify a person or legal entity for charges related to Emergency Services, such as an insurance company; (3) any owner, tenant occupant or party in control of real and personal property from which, onto which, or related to which there is an Emergency Incident and their heirs, estates, successors and assigns and (4) any owner, tenant occupant or party in control of real and personal property that benefits from Emergency Services and their heirs, estates, successors and assigns.”

COST RECOVERY CHARGES

If the proposed ordinance is approved, the City may be able to recover all assessable costs in connection with emergency services rendered by the City from any or all responsible parties jointly or severally. Emergency Services include, the following responses or conditions, but not limited to:

- Any Department response to a fire, whether ignited accidentally or intentionally, and includes but is not necessarily limited to the following:
 - A. Department containment and/or suppression of the fire in part or whole
Stabilization of the incident by Department resources
 - B. Activities resulting in damage or destruction of Department equipment beyond normal wear and tear.
 - C. Any Department response to an incident caused by a criminal act including but not limited to, DUI, intentional false alarm, or arson.
 - D. Any Department response requiring containment, abatements, or any safety measure in connection with any hazardous or toxic material release. Charges in such case shall be made to the person responsible for the release, whether the release occurs on the property of the responsible party. The responsibility for the release includes releases caused by the person as well as any release from any vehicle, building, or other instrumentality, owned, occupied, or utilized by the person, regardless of fault.
 - E. Any Department response to a vehicle accident or traffic incident, including but not limited to the control of fires, spills, debris clean up, assistance to injured persons or ambulance crews, or the extrication of vehicle occupants using specialized tools or techniques.
 - F. Any Department response for a Hazardous Materials Incident or other hazardous condition requiring Department oversight and deployment of personnel and/or equipment to maintain public health and safety.

- G. Any Department response to a false alarm due to system malfunction or maintenance issue in excess of three (3) alarms in any consecutive twelve (12) month period.
- H. The provision of Department equipment or personnel for the purpose of providing standby fire, rescue, or emergency medical services necessary to support a non-emergency event/situation hosted by a for-profit organization. The Fire Chief and/or City Manager may reduce or waive any charges for such services.
- I. The provision of medical care and/or transport by the Department to a medical care facility.
- J. Any Department response for a specialized rescue, disentanglement, or body recovery requiring Department oversight and/or deployment of Department personnel or equipment and the use of specialized tools, apparatus, or techniques for handling the specific incident. This includes high and low angle environments, confined spaces, below grade or trench incidents, heavy equipment or machinery, outside searches lasting longer than one (1) hour, ice or water rescue or recovery, and structural collapse.

A schedule of charges, to be known as the Cost Recovery Schedule, is included in the proposed Ordinance.

EXEMPTIONS

The following properties and services are exempt from charges authorized by the ordinance.

- False alarms due to system malfunctions or maintenance issues not exceeding three (3) alarms in any consecutive twelve (12) month period.
- Fire involving City buildings, grounds and/or property when the fire is not caused by the act or omission of an employee or agent of the City.
- Fire or other emergency service performed outside the jurisdiction of the City for which a signed Mutual or Automatic Aid Agreement is in place, unless the municipality in which assistance is rendered has adopted an ordinance to impose or authorize the collection of fees for fire and emergency services as authorized by law.

PROPOSED COST RECOVERY RATE SCHEDULE

Preparedness fee **\$250.00**

- 20-minute response minimum (round up to one hour for cleaning and restocking)
- Hourly rates represent full-time employee cost of compensation / additional consideration given to call back of personnel to back fill on overtime rates.

Full Time personnel: Hourly rate charge in 30-minute blocks

Fire Chief	\$68.00
Captain	\$44.00
Firefighter/Paramedic	\$40.00
Firefighter/Engineer/EMT	\$37.00

Call personnel:

Company Officer	\$67.00
Firefighter/Paramedic	\$60.00
Firefighter/ Driver / EMT	\$55.00
Reserve Firefighter	\$10.00

Apparatus:

Command Vehicles:

Chief	\$50.00
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EMS Units:

A-48 BLS	\$233.00
A-48 ALS	\$308.00

Platform Aerial:

Ladder 48	\$485.00
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Structural Engine:

Engine 48-1, 48-2, 48-3, or comparable unit	\$310.00
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Brush Engine:

Brush 48	\$189.00
Jaws of Life	\$50.00

Consumables

K-12 Cutting Disk	\$10.00
Plug-N-Dike	\$10.00
Gloves	\$3.00
Amerizorb T&G	\$18.00

Road Flares	\$4.00
Firefighting Foam	\$92.00
FM 186-2	\$15.00
Lewis County Dispatch Charge	\$50.00
Absorbent pads/tubes	\$15.00
Other Items (per unit)	\$actual cost +10%

BILLING AND COLLECTION OF ASSESSABLE COST

If the City Council adopts the proposed ordinance, it is recommended the City Council authorize the City Manager to enter into an agreement with EF Recovery to administer the process needed to bill insurance companies and document services related to emergency response.

EF Recovery will prepare and mail an itemized invoice to an appropriate insurance company or authorized agent acting on behalf of a responsible party or an insurer of a responsible party.

As indicated on Page 9 of the agreement Billing options will be set as follows.

1. Residents of Chehalis: Bill insurance company, if not paid, close claim.
2. Non-Resident: Bill insurance company, if not paid, close claim.

APPEAL PROCEDURE

Non-resident responsible parties who receive an invoice for assessable cost shall have an opportunity to meet with the City Fire Chief or designee to request a modification of the assessable cost.

FISCAL IMPACT

Cost recovery agreement discuss fees on page 10 Exhibit B. However, the actual fiscal impact on the city will be none for the following reasons:

1. **Processing Cost:** Ef recovery has the authority to submit on their own behalf the processing fees at \$50.00 or 22% of the total claim to the Insurance company. Therefore, they will not need to bill the City of Chehalis for processing fees.
2. **Uncollected Claim Cost:** Ef Recovery agreed to waive this fee.
3. **Training Fee:** One time Charge of \$295.00 is taken out of the first claim submitted by Chehalis Fire.

RECOMMENDATION

It is recommended that the City Council approve Ordinance No. 1071-B on second and final reading, establishing a cost recovery program and setting a fee schedule.

SUGGESTED MOTION

I move that the City Council: approve Ordinance No. 1071-B on second and final reading, establishing a cost recovery program and setting a fee schedule.

ORDINANCE 1071-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON ESTABLISHING A NEW SECTION OF THE CHEHALIS MUNICIPAL CODE, 2.30.055, IMPLEMENTING A PROGRAM TO CHARGE MITIGATION RATES FOR THE DEPLOYMENT OF EMERGENCY AND NON-EMERGENCY SERVICES BY THE FIRE DEPARTMENT

WHEREAS, the emergency and non-emergency services response activity to incidents continues to increase each year in the form of Environmental Protection requirements involving equipment and training, and Homeland Security regulations involving equipment and training, all which create additional demands on all operational aspects of the fire department services; and

WHEREAS, the fire department has investigated different methods to maintain a high level of quality of emergency and non-emergency service capability throughout times of constantly increasing service demands, where maintaining an effective response by the fire department decreases the costs of incidents to insurance carriers, businesses, and individuals through timely and effective management of emergency situations, saving lives and reducing property and environmental damages; and

WHEREAS, raising real property tax to meet the increase in service demands would not be fair when the costs are more properly bourn by the uses and their insurers; and

WHEREAS, the City Council of Chehalis desires to implement a fair and equitable procedure by which to collect said mitigation rates and shall establish a billing system in accordance with applicable laws, regulations and guidelines;

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

Section 1: A new section of the Chehalis Municipal Code (“CMC”), Section 2.30.055 is hereby created.

Section 2: CMC 2.30.055 shall be captioned “Mitigation Rates Charged to End Users”.

Section 3: CMC 2.30.055 shall read as follows:

- A. End-users may be charged mitigation rates for the delivery of emergency and non-emergency services by the Chehalis Fire Department. “Services” for the purposes of this section shall include the actual rendering of service and any request whether or not services are actually required.
- B. The mitigation rates shall be based on actual costs of the services and that which is usual, customary, and reasonable (URC), which may include any services, personnel, supplies, equipment, and baselines costs established from time to time and as ratified by the City Council by resolution. In the event that at least one calendar year passes without any update to rates, the rates will be automatically increased by three percent (3%) over the prior year’s rate, effective January 1.
- C. The most current mitigation rates shall be available for inspection during regular business hours at the main office of the Chehalis Fire Department. The rates shall be deemed available if they are available either in-person or if posted on the website for the City of Chehalis.
- D. Where reasonable, the Chehalis Fire Department will work with the end-user to bill an appropriate insurance carrier or third-party payor.
- E. Billing under this section may be by the Chehalis Fire Department, another City department, or by a third-party, as selected by the Chief of the Chehalis Fire Department or designee.

F. Any end-user may request an appeal of any billing under this section to the Chief of the Chehalis Fire Department or designee.

G. The Chief of the Chehalis Fire Department or designee shall have broad discretion to waive billing under this section in the interest of fairness after reasonable consideration of the individual's ability to pay and/or other factors deemed relevant after assessing the totality of the circumstances.

Section 4: Exhibit A hereto shall constitute the initial rates contemplated by this Ordinance, and shall be made available at the Chehalis Fire Department and/or on the City's website.

Section 5: This Ordinance shall take effect five (5) days from the date of adoption and publication, or as permitted otherwise by law.

PASSED this ___ day of October 2023

Tony Ketchum, Mayor

ATTEST:

Kassie Mackie, City Clerk

APPROVED AS TO FORM AND CONTENT:

Kevin T. Nelson, City Attorney

EXHIBIT A
MITIGATION RATES
BASED ON PER HOUR

The mitigation rates below are average “cost recovery/billing levels”, and are typical for the incident responses listed, however, when claim is submitted, it will be itemized and based on the actual services provided.

COST RECOVERY RATE SCHEDULE

Preparedness fee

\$250.00, 20-minute response minimum (round up to one hour for cleaning and restocking)

Hourly rates represent full-time employee cost of compensation / additional consideration given to call back of personnel to back fill on overtime rates.

Full Time personnel: Hourly rate charge in 30-minute blocks

Fire Chief	\$68.00
Captain	\$44.00
Firefighter/Paramedic	\$40.00
Firefighter/Engineer/EMT	\$37.00

Call personnel:

Company Officer	\$67.00
Firefighter/ Paramedic	\$60.00
Firefighter/Engineer/EMT	\$55.00
Reserve Firefighter	\$10.00

Apparatus:

Command Vehicles:

Chief	\$50.00
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EMS Units:

A-48 BLS \$233.00

A-48 ALS \$308.00

Aerial Ladder:

Ladder 48 or comparable unit \$485.00

Structural Engine:

Engine 48-1, 48-2, 48-3, or comparable unit \$310.00

Brush Engine:

Brush-48 \$189.00

Jaws of Life \$50.00

Consumables:

K-12 Cutting Disk \$10.00

Plug-N-Dike \$10.00

Gloves \$3.00

Amerizorb T&G \$18.00

Road Flares \$4.00

Firefighting Foam \$92.00

FM 186-2 \$15.00

Lewis County Dispatch Charge \$50.00

Absorbent pads/tubes \$15.00

Other items (per unit) Actual Cost + 10%

EF RECOVERY

Welcome Aboard!

We are very excited to have you as a new Cost Recovery customer and look forward to recovering your incident response and mitigation costs.

Here's all you need to do to complete your contract.

Page 7	Please complete the signature block
Page 9	Exhibit A, Section 7: Please choose a billing option and collection agency information, if applicable Please be sure to complete Sections 6 and 7. This is very important information to help us complete the setup of your account in our system.
Authorization To Bill Letter	Please sign your name at the bottom
Business Associate Agreement	Please complete the signature block

Thank you again for becoming an EF Recovery customer!

‘ENHANCED PROGRAM’ COST RECOVERY AGREEMENT

This Cost Recovery Agreement (“Agreement”) is made as of the date shown below and between the following parties:

EF Recovery LLC
P.O. Box 590
Gig Harbor, WA 98335
 (“EFR”)

City of Chehalis Fire Department
500 NW Sitka St
Chehalis, WA, 98532
 (“Customer”)

Effective Date: April 21, 2023

and is subject to EFR’s Privacy Policy that can be found by visiting <https://www.efrecovery.com/privacy>.

In consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. **DEFINITIONS.** As used herein, the following terms shall have the following meanings. In additions, other terms are defined elsewhere in the Agreement, in the context in which they arise.
 - 1.1 **“Liabe Party” or “Liabe Parties”** means negligent parties or their insurer(s).
 - 1.2 **“Services”** means, collectively, the services listed in Exhibit A attached hereto and incorporated herein by this reference
 - 1.3 **“Total Claim Amount”** means the total of all Customer charges for equipment, labor, consumables, administrative costs, processing costs and other costs outlined, defined, and/or authorized by Customer’s jurisdictional law, code, resolution or ordinance, as set forth on Customer reimbursement cost schedule.
 - 1.4 **“Mobile Application”** means a program developed by EFR to collect on-scene incident information for use in billing a claim.
 - 1.5 **“Device”** means a compatible mobile telephone, tablet computer or on-board computers that Customer uses to operate the Mobile Application.
 - 1.6 **“Executable Code”** means the fully compiled version of a software program that can be executed by a computer, mobile telephone or tablet computer and used by an end user without further compilation.
 - 1.7 **“Software”** means the Mobile Application, plus any modified, updated or enhanced versions of programs that EFR may provide to customer hereunder in Executable Code in its sole discretion from time to time.
 - 1.8 **“Documentation”** means the user manuals provided to Customer along with the Software.
 - 1.9 **“Intellectual Property Rights”** means all existing and future worldwide copyrights, trademarks, service marks, trade secrets, patents, patent applications, moral rights, contract rights and other proprietary rights.
2. **SERVICES.** Customer retains EFR as its billing contractor to perform the billing for services from any cost recovery order as directed by Customer and as allowed by law, code, resolution or ordinance to a Liabe Party or Liabe Parties). Customer also retains EFR to perform the Services in accordance with the terms of this Agreement. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the EFR and Customer with respect to the subject matter hereof, and any such prior agreements are hereby terminated.
3. **COMPENSATION TO EFR.** For each claim that EFR provides any Services, Customer shall pay EFR the Processing Cost or the Uncollected Claim Cost as defined in Exhibit B, plus any additional costs as defined in this Agreement.
4. **COLLECTED FUNDS / TERMS OF PAYMENT.** EFR will deposit all collected funds into a bank account administered solely by EFR. All recovered funds, less the Processing Costs, Uncollected Claim Costs, and/or Training Fees, as defined in Exhibit B, will be submitted to Customer along with a detailed accounting of funded claims within forty-five (45) days after the funds have been received by EFR. EFR shall not be responsible for the payment of any billings that a responsible party/entity denies or refuses to pay. Customer’s obligations hereunder are absolute and

unconditional and not subject to set-off, delay, counterclaim, or termination of performance. Customer shall notify EFR of any disputed billings within fourteen (14) days of receipt, but such dispute shall not serve as a basis for withholding of any sums due under this Agreement.

5. **TERM OF AGREEMENT.** The term of this Agreement shall commence on the date set forth above and shall continue until the first anniversary of such date (the "Initial Term"). Thereafter, the Term shall be automatically renewed for succeeding terms of one year each (the "Renewal Term"), unless it is sooner terminated for cause pursuant to Section 6 of this Agreement. Either party may elect to not renew this Agreement by informing the other, in writing, of its intent not to renew; PROVIDED, HOWEVER, that such notice shall be delivered in accordance with this Agreement no later than sixty (60) days prior to the anniversary date of the Agreement. While this Agreement is in effect, Customer shall not retain any individual or entity other than EFR to perform the Services.
6. **TERMINATION FOR BREACH.** Except as otherwise set forth in this Agreement, either party may terminate this Agreement if the other party materially breaches this Agreement and does not cure such material breach within thirty (30) days after receiving written notice thereof from the non-breaching party; PROVIDED, HOWEVER, that such notice shall describe the claimed breach in reasonable detail and afford the breaching party an opportunity to cure the default prior to the expiration of such 30 day period. EFR may suspend the Services (or any portion thereof) upon notice to Customer in the case of any breach or threatened breach by Customer. In addition to such termination right, the non-breaching party shall have all rights and remedies available for such breach under applicable law/equity.
7. **OBLIGATIONS UPON TERMINATION.** Upon termination or expiration of this Agreement for any reason, the following provisions shall apply.
 - 7.1 **Termination of Services and Obligations.** Neither party shall be under any further obligation or liability under this Agreement to the other from and after the date of termination, except as specifically set forth in this Section. Furthermore, EFR will terminate all Services.
 - 7.2 **Obligation to Satisfy Payment of Fees.** Customer understands and expressly acknowledges that termination of this Agreement prior to the expiration of the Initial Term or the Renewal Term for any reason neither suspends, discontinues, diminishes, or in any way alters its continuing obligation to timely satisfy all invoices nor suspends, discontinues, diminishes, or in any way disallows EFR from collecting any Processing Cost, Uncollected Claim Cost, or Training Fee monies due to EFR through the final date of the Initial Term or Renewal Term and that such fees will be immediately due and payable.
 - 7.3 **Obligation to Satisfy Payment of Claims.** Upon termination of this Agreement, EFR agrees to pay Customer any claim recovery monies collected but not released to Customer, less any applicable Processing Cost, Uncollected Claim Cost and/or Training Fee monies owed EFR.
 - 7.4 **Copies of Data.** Upon payment of all such Fees, and upon the request of Customer, EFR will provide Customer with a single copy of all Customer's content on EFR's system as of the effective date of expiration or termination in PDF format. Copies of data in non-PDF format will be made available upon the request by Customer at EFR's then-current rates.
 - 7.5 **Return of Confidential Information.** Customer agrees to deliver or return to EFR, at EFR's request at any time or upon termination of this Agreement or as soon thereafter as possible, all documents, computer tapes and disks, records, lists, data, drawings, prints, notes and written information (and all copies thereof) furnished by EFR or prepared by EFR in the course of this Agreement and all other Confidential Information in Customer's possession. If, for any reason, such document, material, database, equipment, or software cannot be returned, Customer will destroy all the Confidential Information belonging to EFR and delete such Confidential Information from any memory devices, then confirm to EFR, in writing, that said Confidential Information has been destroyed. Customer will not be permitted to continue using the Confidential Information in any way after the Termination Date.
 - 7.6 **Return of Equipment.** All Hardware, if any, provided by EFR is and shall remain the property of EFR and will be returned in like new condition except for normal wear and tear upon termination of this agreement.
 - 7.7 **Survival Provisions.** The provisions of Section 1 Definitions, Section 12 Confidential Information, Section 14 Force Majeure, Section 15 Warranty Disclaimer, Section 16 Limitation of Liability, Section 17 Indemnification,

Section 18 Noninterference and Section 19 General Provisions shall survive the expiration or termination of this Agreement.

8. COLLECTION PROCESS. EFR agrees that it shall use only lawful means to effect collections and will comply with all provisions of the Fair Debt Collection Practices Act (“FDCPA”) and applicable state statutes in connection with these collections. EFR bills the responsible party and/or their insurance company once a month up to three (3) months or ninety (90) days. If the account has not been paid and depending on the selected billing options from Exhibit A by day one hundred eighty (180) after submission of the claim, at Customer’s discretion, EFR will either (a) cease collection activity or (b) turn over the account to a collections agency to be specified by Customer, and such account will be deemed uncollectible (the “Uncollectable Account”). EFR will make a “best effort” to collect funds from the Liable Party. EFR shall not be responsible for the payment of any billings that are deemed an Uncollected Claim Cost.

9. LICENSE GRANT.

9.1 License Grant. Subject to the terms and conditions of this Agreement, EFR hereby grants to Customer, only for the Term (as defined in Section 5), a non-exclusive, nontransferable license to (a) install the Software only for purposes of its internal use, and not to market and/or distribute the Software to any third party purposes of resale; (b) make one copy of the Software solely for backup or archival purposes; and (c) copy and reproduce any Documentation provided to Customer solely for the purposes of training Customer’s staff.

9.2 License Restrictions; Reservation of Rights. Except as expressly permitted by this Agreement or except with EFR’s prior written consent, Customer will not, and will not permit any third party, to: (a) reproduce, modify, adapt, alter, translate, or create derivative works from the Software or the Documentation; (b) merge the Software with other software; (c) sublicense, distribute, sell, use for service bureau use, lease, rent, loan, or otherwise transfer the Software or the Documentation to any third party; (d) reverse engineer, decompile, disassemble, or otherwise attempt to derive the Source Code for the Software, except and only to the extent that such activity is expressly permitted by applicable law notwithstanding this limitation; (e) remove, alter, cover or obfuscate any copyright notices or other proprietary rights notices included in the Software; or (f) otherwise use or copy the Software. The Software and Documentation and all worldwide Intellectual Property Rights therein, are the exclusive property of EFR and its suppliers. All rights not expressly granted to Customer in this Agreement are reserved by EFR.

9.3 No Restriction or Exclusivity. During the Term hereof, EFR may distribute, market, sell, or act as an agent or representative of any developer, publisher, or manufacturer, of online services or products that are functionally comparable or intended, by applicable marketing and promotional programs directed to such services or products, to compete directly with the Software.

10. DATA & REPORTING. Customer will make available to EFR, for use in performance of services under this Agreement, all available reports, studies or any other materials in its possession that Customer deems of use to EFR. All materials furnished by Customer will not be disclosed to any party, other than as required under the scope of the Agreement, without Customer’s prior written approval. EFR shall provide Customer with status reports as set forth in Exhibit “A” and other reports as mutually agreed.

11. INDEPENDENT CONTRACTOR.

11.1 Status. EFR is and shall at all times remain an independent contractor of Customer.

11.2 Employees. EFR shall retain full control over the employment, direction, compensation and discharge of all persons employed by or assisting in the performance of service by EFR. EFR shall be fully responsible for all matters relating to payment of employees, including compliance with Social Security, withholding tax and all other laws and regulations governing such matters. EFR shall be responsible for its own acts and those of its agents and employees during the term of this Agreement.

11.3 Binding of Customer. EFR shall not incur or have the power to incur any debt, obligation or liability for or on behalf of Customer, or bind Customer in any manner, except as to matters specifically delegated in writing by Customer.

- 11.4 Claims.** Customer shall have no claim to the software, computer programs, other technology and/or work product developed/used by EFR in its performance of this Agreement. It is understood and agreed that Customer may use EFR proprietary software programs in providing the services set forth in this Agreement. Customer agrees that it shall not acquire any proprietary rights to such programs by virtue of this Agreement.
- 11.5 Benefits.** Unless otherwise expressly authorized by Customer, EFR will not participate in or receive any of the benefits which Customer extends to its employees, including, without limitation, vacation pay, sick leave and medical insurance. EFR agrees to waive all claims to such benefits.
- 11.6 Taxes, Etc.** EFR will be solely responsible for payment of all income taxes, self-employment taxes and other items due with respect to EFR's income hereunder. Except as provided otherwise in Exhibit A, EFR will be responsible for payment of any sums due to any persons hired by EFR to assist in the performance of the Services.

12. CONFIDENTIAL INFORMATION

- 12.1 Disclosure of Confidential Information.** Each party (the "Disclosing Party") may from time to time disclose to the other party (the "Recipient") certain information regarding the business of the Disclosing Party and its suppliers, including technical, marketing, financial, employee, planning, and other confidential or proprietary information that is marked or identified as confidential, or disclosed under circumstances that would lead a reasonable person to believe such information is confidential ("Confidential Information"). The Recipient will not use any Confidential Information of the Disclosing Party for any purpose not expressly permitted by this Agreement, and will disclose the Confidential Information of the Disclosing Party only to the employees or contractors of the Recipient who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than the Recipient's duty hereunder. The Recipient will protect the Disclosing Party's Confidential Information from unauthorized use, access, or disclosure in the same manner as the Recipient protects its own confidential or proprietary information of a similar nature and with no less than reasonable care. The Recipient will comply with any applicable state law, including the Public Records Act.
- 12.2 EFR Confidential Information.** The business practices including, but not limited to, financial information, staffing patterns, HIPAA protected information, business relationships, the Services and System, including without limitation any routines, subroutines, directories, tools, programs, or any other technology included therein, and all other business practices shall be considered EFR's Confidential Information.
- 12.3 Customer Confidential Information.** The business practices such as financial information, staffing patterns, client numbers, call center operations, HIPAA protected information, transport volumes, business relationships and all other business practices shall be considered Customer's Confidential Information.
- 12.4 Exceptions.** The Recipient's obligations under this Section with respect to any Confidential Information of the Disclosing Party will terminate if such information: (a) was already known to the Recipient at the time of disclosure by the Disclosing Party; (b) was disclosed to the Recipient by a third party who had the right to make such disclosure without any confidentiality restrictions; (c) is, or through no fault of the Recipient has become, generally available to the public; or (d) was independently developed by the Recipient without access to, or use of, the Disclosing Party's Confidential Information. In addition, the Recipient will be allowed to disclose Confidential Information of the Disclosing Party to the extent that such disclosure is: (i) approved in writing by the Disclosing Party; (ii) necessary for the Recipient to enforce its rights under this Agreement in connection with a legal proceeding; or (iii) required by law or by the order of a court of similar judicial or administrative body; provided that the Recipient notifies the Disclosing Party of such required disclosure promptly and in writing and cooperates with the Disclosing Party, at the Disclosing Party's request and expense, in any lawful action to contest or limit the scope of such required disclosure.
- 12.5 Authority to Disclose Confidential Information.** In making any disclosure to EFR of private patient information, you will comply with all applicable state and federal law regarding protected health care information. In making any disclosure to you of private patient information, EFR will comply with all applicable state and federal law regarding protected health care information as agreed to by way of a separately executed Business Associates Agreement (BAA).

13. NOTICES. Either party may notice the other by means of (a) electronic mail to the e-mail address on record, or (b) by written communication sent by nationally recognized overnight delivery service or first class mail to the address shown below, or (c) by letter sent by confirmed facsimile to EFR at the fax number shown below. Such notice shall be deemed to have been given upon the expiration of forty-eight (48) hours after mailing or posting (if sent by first class mail or pre-paid post) or twelve (12) hours after sending (if sent by email or fax). Notices will not be effective unless sent in accordance with the above requirements.

Notices to EFR:

EF Recovery LLC
P.O. Box 590
Gig Harbor, WA 98335
Fax: (253) 853-1340

Notices to Customer:

City of Chehalis Fire Department
500 NW Sitka St
Chehalis, WA, 98532

14. FORCE MAJEURE. Except for the obligation to pay for the Services, neither party shall be liable for delays in its performance, or failures to perform, hereunder due to strikes, riots, war, fire, acts of God, labor disputes, delays caused by the other party, weather, inability to secure labor or materials, revocation, suspension, denial or modifications of any necessary permit, license or approval or other matters beyond the reasonable control of the affected party as long as such party is taking steps to resume performance.

15. WARRANTY DISCLAIMER. EXCEPT AS MAY BE PROVIDED IN ANY SEPARATE WRITTEN AGREEMENTS SIGNED BY THE PARTIES, THE SERVICES ARE PROVIDED “AS-IS”, AND NEITHER WE NOR ANY OF OUR RESPECTIVE LICENSORS MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE SERVICES. EFR AND THEIR RESPECTIVE LICENSORS SPECIFICALLY DISCLAIM, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, RELATING TO THE SERVICES, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, COMPLETENESS, TIMELINESS, CORRECTNESS, NON-INFRINGEMENT, OR FITNESS FOR ANY PARTICULAR PURPOSE. EFR AND THEIR LICENSORS DO NOT REPRESENT OR WARRANT THAT THE SERVICES: (A) WILL BE SECURE, TIMELY, UNINTERRUPTED OR ERROR-FREE OR OPERATE IN COMBINATION WITH ANY OTHER HARDWARE, SOFTWARE, SYSTEM OR DATA, (B) WILL MEET YOUR REQUIREMENTS OR EXPECTATIONS, OR (C) WILL BE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. THESE DISCLAIMERS CONSTITUTE AN ESSENTIAL PART OF THIS AGREEMENT. IF IMPLIED WARRANTIES MAY NOT BE DISCLAIMED UNDER APPLICABLE LAW, THEN ANY IMPLIED WARRANTIES ARE LIMITED IN DURATION TO THE PERIOD REQUIRED BY APPLICABLE LAW. SOME STATES OR JURISDICTIONS DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY MAY LAST, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO CUSTOMER.

16. LIMITATION OF LIABILITY. IN NO EVENT SHALL EFR AND/OR THEIR LICENSORS BE LIABLE TO ANYONE FOR ANY INDIRECT, PUNITIVE, SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES OF ANY TYPE OR KIND (INCLUDING LOSS OF DATA, COSTS, DAMAGES, AND CLAIMS ARISING OUT OF OR RELATED TO DATA SECURITY INCIDENT(S), LOSS OF REVENUE, PROFITS, USE OR OTHER ECONOMIC ADVANTAGE) ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICES, INCLUDING WITHOUT LIMITATION THE USE OR INABILITY TO USE THE SERVICES, OR FOR ANY CONTENT OBTAINED FROM OR THROUGH THE SERVICES, ANY INTERRUPTION, INACCURACY, ERROR OR OMISSION, REGARDLESS OF CAUSE, EVEN IF EFR OR THEIR LICENSORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL EFR’S AGGREGATE LIABILITY RELATED TO THIS AGREEMENT EXCEED THE AMOUNTS ACTUALLY PAID TO EFR BY CUSTOMER IN THE 12 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE THE CLAIM AROSE.

17. INDEMNIFICATION.

17.1 BY EFR TO CUSTOMER. EFR agrees to defend and hold Customer, its officers, directors, shareholders, employees and agents harmless from any and all losses, costs, expenses (including reasonable attorney fees), causes of action, causes of suit, claims, demands, damages, awards and other liabilities which any such indemnitee may incur or which may be asserted against it as a result of EFR’s collections activity under this agreement; provided, however, that Customer warrants and guarantees that the information furnished to EFR is accurate and complies with all state and federal laws.

17.2 BY CUSTOMER TO EFR. Customer agrees defend and hold EFR, its officers, directors, shareholders, employees and agents harmless from any and all losses, costs, expenses (including reasonable attorney fees), causes of action, causes of suit, claims, demands, damages, awards and other liabilities which any such indemnitee may incur or which may be asserted against it related to all claims submitted to EFR, the accuracy of the information furnished to EFR and the use of the Software; provided, however, that EFR warrants and guarantees that the billing services provided on behalf of Customer comply with industry-standard best practices and comply with all state and federal laws.

18. NONINTERFERENCE. During this Agreement and for two (2) years thereafter, neither party will, without the express consent of the other party: (a) hire or use the services of any person who was an employee or independent contractor of either party while this Agreement is in effect, or encourage or counsel any such person to leave either party's employ; (b) provide any competing services to or solicit any competing business from any person or entity who was a customer of either party, or to whom either party has submitted any business proposal, while this Agreement is in effect; or (c) be an officer, director, employee or agent of, or own any interest in, or provide any advice or assistance to any person or entity that engages in any of the foregoing. The foregoing will not apply to any person or client once s/he or it has ceased to provide or receive services to or from either party for a period of one (1) year or longer, nor will it be deemed to prohibit either party from accepting employment with any customer of either party, provided such employment does not relate to any product or service provided by either party to such customer (or to the subject matter of such product or service).

19. GENERAL PROVISIONS.

19.1 Governing Law and Jurisdiction. This Agreement shall be construed under the laws of the State of Washington, without regard to its principles of conflicts of law. In the event any litigation arises out of this Agreement, the parties agree that such case shall be heard exclusively in the federal and state courts in Pierce County, Washington. Customer waives an objection on the basis of inconvenient forum or otherwise.

19.2 Relationship. This Agreement does not make either party the employee, franchisee, agent or legal representative of the other for any purpose whatsoever. Neither party is granted any right or authority to assume or to create any obligation or responsibility, express or implied, on behalf of or in the name of the other party. In fulfilling its obligations pursuant to this Agreement each party shall be acting as an independent contractor.

19.3 Entire Agreement. This Agreement, along with the Exhibits attached and incorporated in this Agreement, constitutes the final, complete, and exclusive understanding between the parties, and replaces and supersedes all previous oral or written agreements, understandings, or arrangements between the parties with respect to the subject matter of this Agreement. This Agreement may not be modified or amended except in a writing signed by an authorized representative of each party to this Agreement.

19.4 Amendment. This Agreement shall not be deemed or construed to be modified, amended, rescinded, cancelled or waived, in whole or in part, except by written amendment signed by an authorized representative of each party to this agreement party hereto.

19.5 Assignment of Agreement. Customer shall not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of EFR. Any prohibited assignment shall be null and void. EFR may transfer its rights and obligations hereunder to any company or other legal entity that is controlled by, controls or is under common control with EFR. EFR may retain subcontractors to perform the Services.


19.6 Severability. In the event that any of the terms of this Agreement are in conflict with any applicable rule of law or statutory provision or otherwise unenforceable under applicable laws or regulations of any government or subdivision thereof, such terms shall be deemed stricken from this Agreement, but such invalidity or unenforceability shall not invalidate any of the other terms of this Agreement and this Agreement shall continue in force, unless the invalidity or unenforceability of any such provisions hereof does substantial violence to, or where the invalid or unenforceable provisions comprise an integral part of, or are otherwise inseparable from, the remainder of this Agreement.

- 19.7 Counterparts.** This Agreement shall be executed in two or more counterparts, and each such counterpart shall be deemed an original hereof. Any translation of this Agreement into any other language shall be for convenience purposes only and shall not be binding on any party.
- 19.8 Delay or Omission Not Waiver.** No delay or failure by either party to take any action or assert any right hereunder shall be deemed to be a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.
- 19.9 United Nations Convention of Contracts.** The application the United Nations Convention of Contracts for the International Sale of Goods is expressly excluded
- 19.10 Controlling Language.** This Agreement is written in English (US), and English (US) is its controlling language
- 19.11 Capitalized Terms.** Capitalized terms used in this Agreement will have the meanings given to them in this Agreement. Any capitalized terms not defined in this Agreement will have their plain English (US) meanings.
- 19.12 Waiver of Breach.** The waiver of a breach of any provision of this Agreement will not operate or be interpreted as a waiver of any other or subsequent breach
- 19.13 No Third Party Beneficiaries.** No entities not a party to this Agreement shall be deemed third party beneficiaries hereunder.
- 19.14 Binding Effect.** The signatories to this Agreement each represent that each has the Authority to bind such party to the terms and conditions set forth herein. This Agreement shall inure to the benefit of and shall be binding on the successors and permitted assigns of the parties.
- 19.15 Construction.** This Agreement shall not be construed for or against any Party, regardless of its drafter.
- 19.16 Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe the provisions.

THIS AGREEMENT is executed as of the day and year first above written.

EF RECOVERY LLC

CUSTOMER

Signature  _____
 Name Sam Wright
 Title General Manager
 Date April 21, 2023

Signature _____
 Name _____
 Title _____
 Date _____

EXHIBIT A
DESCRIPTION OF EF RECOVERY'S SERVICES, BILLING OPTIONS AND COSTS
"ENHANCED SERVICE PLAN"

1. **SERVICES.** The following represents the complete scope of services to be provided by Customer and EFR in connection with this Agreement.
 - Customer will give EFR access to its fire reporting system, if any.
 - Customer will install and use the CM Mobile Application or the EFR Billing Module of My Fire Rules or provide all required incident response information electronically or in writing to EFR.
 - EFR, utilizing information provided by customer will create a claim in its entirety, using a reimbursement cost schedule provided to EFR by Customer. EFR shall calculate an initial Total Claim Amount.
 - Customer will review each claim, make any corrections (including a change to the Total Claim Amount, if applicable) and approve claim using Internet-based software created by EFR.
 - If EFR determines that there is insufficient incident data such that reimbursement of a claim is unlikely, EFR will refer the incomplete claim back to the Customer with a request for additional information. If Customer does not provide the additional information within ninety (90) days after the claim is referred back, the claim will expire and will be removed from the claims management software.
 - Customer agrees to respond to EFR requests about incomplete claim information or action requests at a minimum of once per week.
 - If EFR determines that there is sufficient incident data that reimbursement is likely, EFR will submit the claim to the Liable Party and seek reimbursement per the contact method(s) specified in this Exhibit A.
 - EFR will make best efforts to seek reimbursement on each claim submitted to a Liable Party using methods and experience consistent with a billing agency. Customer expressly acknowledges and agrees that EFR is not a legal representative of Customer, is not trained to dispute claims on a legal basis and is not a collections agency. As such, EFR's actions with respect to denied claims specifically precludes legal arguments, aggressive follow-up or excessive number of collection attempts.
 - If a settlement offer is made by the Liable Party to pay less than the Total Claim Amount, Customer will determine, at its sole discretion, whether to accept the settlement offer.
 - EFR will submit funds to Customer pursuant to the terms of this Agreement.

2. **CLAIM INFORMATION REQUIRED FROM CUSTOMER.** Customer acknowledges and agrees to provide the following minimum information about each incident for which it seeks reimbursement.
 - The name, address and identification (driver license number, property owner, etc.) of individual(s) involved in the incident. The minimum information required is all information on one involved party.
 - Insurance information of individual(s) involved in the incident or the insurance information of the at fault party as determined by on-scene law enforcement. If insurance information is not provided, EFR will bill the individual(s) involved in the incident. Customer expressly acknowledges that collection rates for billing individual directly is significantly lower than collection rates for billing insurance carriers. The minimum information required is insurance information on one involved party. EFR will follow the Billing Options Customer selects in Section 7 of this Exhibit.
 - Identification of property involved in the incident (License plate number and state of all involved vehicles, address of property, etc.).
 - Date, time and incident location.
 - Provide EFR with fire reporting system incident number, if utilized.
 - A complete and descriptive narrative describing the details of the incident. EFR will provide guidance to Customer as to what constitutes a complete and descriptive narrative.

3. **PROCESSING COST.** Customer hereby agrees to pay EFR the Processing Cost, as defined in Exhibit B. The Processing Cost will be subtracted from the claim payment(s) received by EFR on behalf of Customer. Customer acknowledges that if it accepts a settlement offer on a claim, EFR remains entitled to collect the full Processing Cost, or a portion thereof, at its sole option.

4. **UNCOLLECTED CLAIM COST.** Customer hereby agrees to pay EFR the Uncollected Claim Cost, as defined in Exhibit B. The Uncollected Claim Cost will be subtracted from the claim payment(s) received by EFR on behalf of Customer. Reasons for considering a claim as uncollectible include, but are not limited to:
- Legitimate denial from an insurance company
 - A decision by Customer not to bill the Liable party or to write off the claim to charity
 - An exhaustion of all collection options
 - No liable party or a liability dispute
 - A non-responsive Liable Party who cannot be contacted via telephone pursuant to Customer’s policy
 - No known Liable Party address
5. **TRAINING FEE.** Customer hereby agrees to pay EFR the Training Fee, as defined in Exhibit B. The Training Fee will be subtracted from the claim payment(s) received by EFR on behalf of Customer.
6. **CONDITIONS.** The following conditions apply to all claims processed by EFR on behalf of Customer:
- A jurisdictional law, code, resolution or ordinance in Customer’s area of service authorizing cost recovery billing must be in place.
 - Customer will designate two (2) points of contact: a primary contact who will respond to EFR inquiries in a timely manner, and a secondary contact that will remain knowledgeable about the program.
7. **BILLING OPTIONS.** EFR will recover funds based on the collection option selected below. These options and their associated fees may be amended from time to time by written notice pursuant to the terms of this Agreement.
(Note: Select only one billing choice per column)

Residents		Non-Residents (Out of Area Residents)	
<input type="checkbox"/>	Do Not Bill	<input type="checkbox"/>	Do Not Bill
<input checked="" type="checkbox"/>	Bill insurance company If not paid, close claim	<input checked="" type="checkbox"/>	Bill insurance company If not paid, close claim
<input type="checkbox"/>	Bill insurance company If no insurance, bill liable party If not paid, close claim	<input type="checkbox"/>	Bill insurance company If no insurance, bill liable party If not paid, close claim
<input type="checkbox"/>	Bill insurance company If denied or no insurance, bill liable party If unpaid, take to next step- collections (see below)	<input type="checkbox"/>	Bill insurance company If denied or no insurance, bill liable party If unpaid, take to next step- collections (see below)
Collection Agency Processing			
<input type="checkbox"/>	Mark this box if you wish unpaid claims to be directly sent to a Collection. By choosing this option, you authorize EFR staff members to release information related to uncollected claims as requested by the Collection Agency Collection Agency Name: _____ Address: _____ _____ _____ Contact at Agency: _____ Email address: _____ Phone # _____		
<i>If we are billing residents and non-residents in your program, we recommend sending both to collections. Please mark both boxes. If you only want non-residents sent to collections, please mark just that box.</i>			

EXHIBIT B
DEFINITIONS AND COSTS

1. **“Processing Cost”** means fifty dollars (\$50.00) or twenty-two percent (22%) of the Total Claim Amount or the settlement offer accepted by Customer on a claim, whichever is greater, plus one hundred twenty-five dollars (\$125.00).
2. ~~“Uncollected Claim Cost” means as twenty-five dollars (\$25.00) for a claim deemed by EFR, at its sole discretion, as uncollectable from a Liab le Party or the Liab le Party’s insurance carrier.~~ *AF*
3. **“Training Fee”** means a one-time charge of two-hundred and ninety-five dollars (\$295.00) for training Customer on all procedures, software, mobile applications and other aspects of the program.

City of Chehalis Fire Department
500 NW Sitka St
Chehalis, WA, 98532

To Whom It May Concern:

Effective April 21, 2023, City of Chehalis Fire Department signed an agreement with EF Recovery LLC authorizing them to recover expenses incurred from emergency response activities, such as motor vehicle accident and hazardous materials response and mitigation and other emergency response incidents by this department.

This letter serves as acknowledgement of such authorization to all responsible parties, their insurance companies and all government and law enforcement agencies and directs them to provide information and reports and payments as requested by EF Recovery on our behalf.

Respectfully,

Adam Fulbright
Fire Chief
City of Chehalis Fire Department

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“Agreement”) is made as of the date shown below and between the following parties:

EF Recovery LLC
P.O. Box 590
Gig Harbor, WA 98335
 (“EFR”)

City of Chehalis Fire Department
500 NW Sitka St
Chehalis, WA, 98532
(the “Customer”)

Agreement Date: April 21, 2023 (“Effective Date”)

This Business Associate Agreement (“Agreement”) between EFR and Customer is executed to ensure that EFR will appropriately safeguard protected health information (“PHI”) that is created, received, maintained, or transmitted on behalf of Customer in compliance with the applicable provisions of Public Law 104-191 of August 21, 1996, known as the Health Insurance Portability and Accountability Act of 1996, Subtitle F - Administrative Simplification, Sections 261, et seq., as amended (“HIPAA”), and with Public Law 111-5 of February 17, 2009, known as the American Recovery and Reinvestment Act of 2009, Title XII, Subtitle D - Privacy, Sections 13400, et seq., the Health Information Technology and Clinical Health Act, as amended (the “HITECH Act”).

A. GENERAL PROVISIONS

1. Meaning of Terms. The terms used in this Agreement shall have the same meaning as those terms defined in HIPAA.
2. Regulatory References. Any reference in this Agreement to a regulatory section means the section currently in effect or as amended.
3. Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with HIPAA.

B. OBLIGATIONS OF THE BUSINESS ASSOCIATE. EFR agrees that it will:

1. Not use or further disclose PHI other than as permitted or required by this Agreement or as required by law.
2. Use appropriate safeguards and comply, where applicable, with the HIPAA Security Rule with respect to electronic protected health information (“e-PHI”) and implement appropriate physical, technical and administrative safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement.
3. Report to Customer any use or disclosure of PHI not provided for by this Agreement of which it becomes aware, including any security incident (as defined in the HIPAA Security Rule) and any breaches of unsecured PHI as required by 45 CFR §164.410. Breaches of unsecured PHI shall be reported to Customer without unreasonable delay but in no case later than 60 days after discovery of the breach.
4. In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of EFR agree to the same restrictions, conditions, and requirements that apply to EFR with respect to such information.
5. Make PHI in a designated record set available to Customer and to an individual who has a right of access in a manner that satisfies Customer's obligations to provide access to PHI in accordance with 45 CFR §164.524 within 30 days of a request.
6. Make any amendment(s) to PHI in a designated record set as directed by Customer, or take other measures necessary to satisfy Customer's obligations under 45 CFR §164.526.
7. Maintain and make available information required to provide an accounting of disclosures to Customer or an individual who has a right to an accounting within 60 days and as necessary to satisfy Customer's obligations under 45 CFR §164.528.

8. To the extent that EFR is to carry out any of Customer's obligations under the HIPAA Privacy Rule, EFR shall comply with the requirements of the Privacy Rule that apply to Customer when it carries out that obligation.
9. Make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by EFR on behalf of Customer, available to the Secretary of the Department of Health and Human Services for purposes of determining EFR and Customer's compliance with HIPAA and the HITECH Act.
10. Restrict the use or disclosure of PHI if Customer notifies EFR of any restriction on the use or disclosure of PHI that Customer has agreed to or is required to abide by under 45 CFR §164.522.
11. If Customer is subject to the Red Flags Rule (found at 16 CFR §681.1 et seq.), EFR agrees to assist Customer in complying with its Red Flags Rule obligations by: (a) implementing policies and procedures to detect relevant Red Flags (as defined under 16 C.F.R. §681.2); (b) taking all steps necessary to comply with the policies and procedures of Customer's Identity Theft Prevention Program; (c) ensuring that any agent or third party who performs services on its behalf in connection with covered accounts of Customer agrees to implement reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft; and (d) alerting Customer of any Red Flag incident (as defined by the Red Flag Rules) of which it becomes aware, the steps it has taken to mitigate any potential harm that may have occurred, and provide a report to Customer of any threat of identity theft as a result of the incident.

C. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE. The specific uses and disclosures of PHI that may be made by EFR on behalf of Customer include:

1. The preparation of invoices to patients, carriers, insurers and others responsible for payment or reimbursement of the services provided by Customer to its patients.
2. Preparation of reminder notices and documents pertaining to collections of overdue accounts.
3. The submission of supporting documentation to carriers, insurers and other payers to substantiate the healthcare services provided by Customer to its patients or to appeal denials of payment for the same.
4. Other uses or disclosures of PHI as permitted by HIPAA necessary to perform the services that EFR has been engaged to perform on behalf of Customer.

D. TERM AND TERMINATION


1. The Term of this Agreement shall be effective as of the Effective Date and shall terminate on the date covered entity terminates for cause as authorized in paragraph 2 of this Section.
2. Customer may terminate this Agreement if Customer determines that EFR has violated a material term of the Agreement and EFR has been apprised of the violation in writing and has not cured the violation within thirty (30) days of said written notice.
3. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of the other party's obligations under this Agreement, it shall notify the other party and that party shall take reasonable steps to cure the breach or end the violation, as applicable, and, if such steps are unsuccessful, terminate the Agreement if feasible.
4. Upon termination of this Agreement, EFR shall return to Customer or destroy all PHI received from Customer, or created, maintained, or received by EFR on behalf of Customer that EFR still maintains in any

form. EFR shall retain no copies of the PHI. If return or destruction is infeasible, the protections of this Agreement will extend to such PHI.

THIS AGREEMENT is executed as of the day and year first above written.

EF RECOVERY LLC

CUSTOMER

Signature  _____
Name Sam Wright
Title General Manager
Date April 21, 2023

Signature _____
Name _____
Title _____
Date _____

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Lance Bunker, Public Works Director/ Celest Wilder Engineering Technician III

MEETING OF: November 13, 2023

SUBJECT: Second and Final Reading of Ordinance No. 1076-B, Right-of-way Dedication for NW Arkansas Way, West of the Northern Arkansas/Louisiana Round-a-bout.

INTRODUCTION

The first reading of Ordinance No. 1076-B, Right-of-way Dedication for NW Arkansas Way, was approved on first reading at the October 23, 2023, City Council meeting. It is scheduled for the second and final reading at this time.

ISSUE

A portion of Arkansas Way is currently undeveloped. For master-planned development to continue in the Airport Commercial development area, completing the Arkansas Way loop to connect the southern and northern legs of NW Arkansas Way is paramount.

A portion of the northern leg of NW Arkansas Way, west of the round-a-bout at NW Louisiana (Across from I-5 Toyota and Interstate Honda) is undersized for the purpose of creating a code compliant, commercial access roadway.

DISCUSSION

The City of Chehalis owns the 56.05-acre site to the north of the undersized right-of-way. A survey of the area necessary to create adequate right-of-way for development was conducted and certified by a licensed surveyor September 27, 2023.

Dedicating this 24,205 square foot area of land currently a part of parcel number 021612001002, as NW Arkansas Way right-of-way, will provide for the opportunity to complete development of the NW Arkansas Way loop.

FISCAL IMPACT

A decrease in 0.56 acres of undeveloped real estate will have an indirect fiscal impact due to decreased land-owner acreage for the city.

Direct fiscal impact will come in the form of filing and recording fees of approximately \$500.00

RECOMMENDATION

It is recommended that the City Council adopt Ordinance No. 1076-B on second reading.

SUGGESTED MOTION

I move that the City Council adopt Ordinance No. 1076-B on second reading.

ORDINANCE NO. 1076-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
PROVIDING FOR THE DEDICATION OF A PORTION OF
PARCEL NUMBER 021612001002.**

Whereas, the City of Chehalis is the owner of real property located at 3110 Airport Road, Chehalis, Washington. A 56.05-acre parcel of undeveloped land, recorded under tax parcel number 021612001002.

Whereas, the southern property line, running east to west at a bearing of N89°42'02"W for a distance of 694.48 linear feet lies adjacent to undeveloped right-of-way slated for future improvement as the NW Arkansas Way, loop.

Whereas, the undeveloped NW Arkansas Way right-of-way is currently under-sized at 42.6 feet wide for a distance of 694.48 linear feet.

Whereas, a 24,205 square foot portion of tax parcel number 021612001002, owned by the City of Chehalis, has been surveyed for dedication as right-of-way for the purpose of creating a 78 foot wide right-of-way intended future road development.

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

Section 1:

The legal descriptions of parcel number 02162001002 from which the land is dedicated found in Exhibit A and for the portion of right of way being dedicated is described in Exhibit B with certified drawings as Exhibit C and summarizes as follows:

- A portion of land, formerly part of parcel number 021612001002, west of Louisiana Avenue containing an area of 24,205 square feet or 0.65 acres shall be, and the same hereby is, dedicated.

Section 2.

This ordinance shall become effective only upon the date that Exhibit A, Exhibit B, and Exhibit C have been recorded with the Lewis County Auditor.

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

Mayor

Attest:

City Clerk
Approved as to Form and Content:

City Attorney

EXHIBIT A
PARCEL LEGAL DESCRIPTION

CITY OF CHEHALIS
PIN: 021612001002

GRANTOR'S ENTIRE PARCEL:

THAT PORTION OF GOVERNMENT LOT 5 OF SECTION 19, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M.; LEWIS COUNTY, WASHINGTON, LYING SOUTH AND EAST OF AIRPORT (FORMERLY L. LAWRENCE) COUNTY ROAD, AS DISCLOSED BY DEEDS RECORDED MARCH 19, 1940 UNDER AUDITOR'S FILE NO. 336922 AND RECORDED MAY 31, 1940 UNDER AUDITOR'S FILE NO. 339662.

EXCEPT THE WESTERLY 300 FEET THEREOF.

ALSO EXCEPT THAT PORTION OF SAID PREMISES INCLUDED IN THE BOUNDARIES OF THE SLOUGH OR LAKE KNOWN AS EMRICH LAKE AS DISCLOSED BY WARRANTY DEED RECORDED FEBRUARY 11, 1942 UNDER AUDITOR'S FILE NO. 364572.

ALSO

THAT PORTION OF THE NORTHWEST QUARTER OF THE EAST QUARTER OF SECTION 19, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M., LEWIS COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 138.6 FEET EAST OF THE NORTHWEST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE EAST 788.04 FEET ALONG THE NORTH LINE OF SAID SUBDIVISION; THENCE SOUTH 34' WEST 198 FEET; THENCE SOUTH 56°15' WEST 198 FEET; THENCE SOUTH 89° WEST 99 FEET; THENCE NORTH 66° WEST 264 FEET; THENCE NORTH 46° WEST 237.6 FEET TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION OF SAID PROPERTY LYING WITHIN THE WESTERLY 300 FEET OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER.

ALSO EXCEPT THAT PORTION OF SAID PROPERTY LYING WITHIN THE BOUNDARIES OF THE SLOUGH OR LAKE KNOWN AT EMRICH LAKE, AS DISCLOSED BY WARRANTY DEED RECORDED FEBRUARY 11, 1942 UNDER AUDITOR'S FILE NO. 364572.

ALSO

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 19, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M., LEWIS COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH 660 FEET ALONG THE EAST LINE OF SAID SUBDIVISION; THENCE NORTH 72°58' WEST 619.4 FEET; THENCE NORTH 71°52' EAST 70 FEET; THENCE NORTH 57°26' EAST 150 FEET; THENCE NORTH 50°54' EAST 120 FEET; THENCE NORTH 28°30' EAST 341.8 FEET TO THE NORTH LINE OF SAID SUBDIVISION; THENCE EAST 143 FEET TO THE **POINT OF BEGINNING**.

EXHIBIT A
CONTINUED PARCEL LEGAL DESCRIPTION

ALSO

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M., LEWIS COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; THENCE NORTH 1316.04 FEET ALONG THE EAST LINE OF SAID SUBDIVISION; THENCE WEST 243.54 FEET; THENCE SOUTH 37°22' WEST 122.1 FEET; THENCE SOUTH 62°15' WEST 228.36 FEET; THENCE SOUTH 84°52' WEST 737.8 FEET; THENCE SOUTH 1046.1 FEET; THENCE EAST TO THE POINT OF BEGINNING. EXCEPT THAT PORTION OF SAID PROPERTY LYING NORTHERLY OF THE SOUTHERLY LINE OF AIRPORT (FORMERLY LAWRENCE) COUNTY ROAD AS DISCLOSED BY DEEDS RECORDED MARH 19, 1940 UNDER AUDITOR'S FILE NO. 336922 AND RECORDED MAY 31, 1940 UNDER AUDITOR'S FILE NO. 339662.

ALSO

THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 19, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M., LEWIS COUNTY, WASHINGTON. EXCEPT THE SOUTH 575 FEET THEREOF. ALSO EXCEPT THE CITY OF TACOMA (FORMERLY C.M.S.T.P. & P.) RAILROAD WIGHT OF WAY. ALSO EXCEPT INTERSTATE HIGHWAY NO. 5 (FORMERLY PRIMARY STATE HIGHWAY NO. 1) AS DISCLOSED BY WARRANTY DEED RECORDED SEPTEMBER 7, 1950 UNDER AUDITOR'S FILE NO. 479529.

EXHIBIT B

CITY OF CHEHALIS
PIN: 021612001002

RIGHT-OF-WAY DEDICATION AREA:

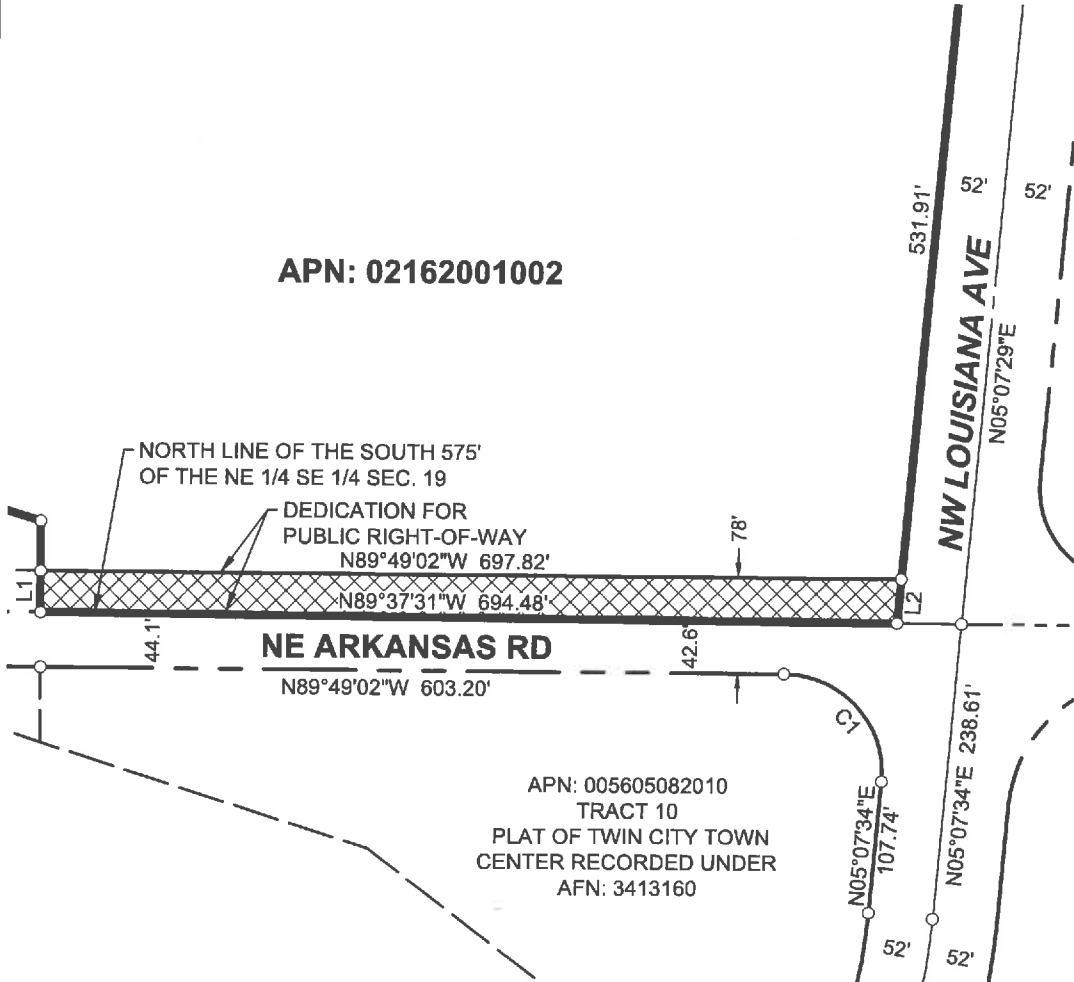
A PORTION OF THE GRANTORS PARCEL AS DEFINED IN EXHIBIT A, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE EAST LINE OF SECTION 19, TOWNSHIP 14 NORTH, RANGE 2 WEST, W.M. WHERE IT INTERSECTS WITH THE NORTH LINE OF THE SOUTH 575 FEET OF THE NORTHEAST QUARTER OF;
THENCE WESTERLY ALONG SAID NORTH LINE A DISTANCE OF 622.40 FEET TO THE INTERSECTION OF THE WESTERLY MARGIN OF NW LOUISIANA AVE A DISTANCE OF 52.00 FEET WESTERLY MEASURED AT RIGHT ANGLES FROM THE CENTERLINE THEREOF, BEING THE **POINT OF BEGINNING**;
THENCE CONTINUING WESTERLY ALONG SAID NORTH LINE A DISTANCE OF 694.48 FEET;
THENCE N00°12'56"E A DISTANCE OF 33.60 FEET;
THENCE S89°49'02"E A DISTANCE OF 697.82 FEET TO SAID WESTERLY MARGIN OF NW LOUISIANA AVE;
THENCE S05°07'29"W ALONG SAID WESTERLY MARGIN A DISTANCE OF 36.07 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 24,205 SQUARE FEET, MORE OR LESS.

EXHIBIT C
RIGHT-OF-WAY DEDICATION
 PORTION OF THE NE 1/4 NE 1/4, SEC 19, T 14 N, R 2 W, W.M.
 LEWIS COUNTY, WASHINGTON

APN: 02162001002



APN: 005605082010
 TRACT 10
 PLAT OF TWIN CITY TOWN
 CENTER RECORDED UNDER
 AFN: 3413160



LINE AND CURVE DATA

LINE	BEARING	DISTANCE
L1	N00°12'56\"E	33.60'
L2	N05°07'29\"E	36.07'

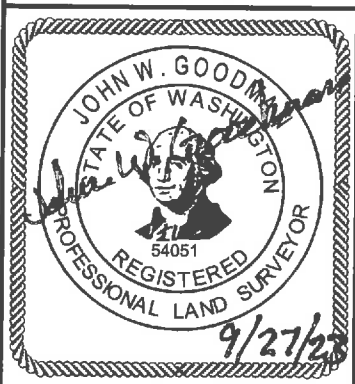
CURVE	DELTA	RADIUS	LENGTH
C1	94°56'36\"	80.00'	132.57'

LEGEND

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



DEDICATION AREA = 24,205 SQFT



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

EXHIBIT C
 JOB NO: 5207.1 DATE: 09/25/2023
 CITY OF CHEHALIS, LEWIS COUNTY, WASHINGTON

**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: November 13, 2023

SUBJECT: Ordinance 1078-B, Authorizing Establishment of a Fund Named LEOFF 1 OPEB Trust Fund – Second and Final Reading

INTRODUCTION

Ordinance 1078-B, was discussed at the October 23, 2023, City Council meeting and was approved on first reading. It is scheduled for second and final reading at this time.

ISSUE

The Firemen’s Pension Fund was set up to take care of pensions for firefighters that were hired before the Law Enforcement Officers’ and Firefighters’ Retirement System Plan 1 (LEOFF 1) was started on March 1, 1970. The obligations of the fund are to pay for the excess pension benefits of eligible retirees and/or survivors. As those obligations are nearing the end, it is proposed that the City Council approve an ordinance that would create a restricted fund for the purpose of paying the retiree medical benefits of eligible LEOFF 1 Firefighters and Police Officers that remain the responsibility of the City. These are not new benefits and only apply to Firefighters and Police Officers that are Pre LEOFF or LEOFF 1 Retirees. Current personnel are under the LEOFF 2 Retiree System.

DISCUSSION

Per the request of the city’s Firemen’s Pension Board, research into what actions the city can take to ensure that the excess funds in the city’s Firemen’s Pension Fund (FPF) and the funds in the LEOFF 1 Other Post Employment Benefits (OPEB) Reserve Fund will only be used to pay for LEOFF 1 retiree medical benefits until there are no beneficiaries remaining to receive the medical benefits under LEOFF 1 system.

Pursuant to RCW 41.26.040, the Firemen’s Pension Fund must pay the excess pension benefits for firefighters who were active on March 1, 1970, and later retired from the LEOFF 1 system. These members are entitled to pension benefits under either the FPF formular or the LEOFF formula, whichever is greater. The City currently has one retired firefighter and one eligible widow that receive this benefit. The city pays about \$4,000 - \$7,000 per year to cover these excess benefits.

As of 12/31/2022, the FMP had \$1,057,722 in the fund. In 2019, the city conducted an actuarial study and determined that the FPF had sufficient funds to pay all future excess pension benefits and can remain sustainable without any additional pension levy.

Additionally, the excess funds can (permitted but not mandatory) be used to pay for medical benefits for firefighters that have retired from or are currently active on the LEOFF 1 system. This is found in RCW 41.26.150. The city currently has six LEOFF 1 firefighter retirees who are eligible to receive these medical benefits. The 2019 actuarial study provided that the city can use the excess funds up to \$78,000 per year over the next ten years to pay for the LEOFF 1 firefighter retiree's medical benefits. The city paid for firefighter retiree medical benefits out from the FMP over the years but starting in 2020 the LEOFF 1 firefighter retiree medical benefits are paid by the LEOFF 1 OPEB Reserve Fund.

In July 2019, SB 5894 was passed authorizing cities and towns to continue imposing the pension levy to fund medical benefits under LEOFF 1 (both law enforcement officers and firefighters) and other municipal purposes until the municipality no longer has any LEOFF 1 retirees receiving medical benefits. The proceeds of the pension levy must first be expended for payment of medical benefits under LEOFF 1 prior to being used for any other municipal purposes.

In 2020, the city created a LEOFF 1 OPEB Reserve Fund and began placing the pension levy into the LEOFF 1 OPEB Reserve Fund to pay for the medical benefits for all LEOFF 1 retirees and to build reserves for LEOFF1 OPEB liability. The city currently has eleven (11) total LEOFF 1 retirees: six (6) firefighters and five (5) police officers. Total estimated OPEB liabilities for those eleven members is about \$5.1 million (\$2.8 million for firefighters and \$2.3 million for police officers). This OPEB liability was calculated using the state actuary's interactive tool which used the healthcare trend rates detailed in the 2020 LEOFF 1 OPEB AVR and medical and long-term care costs projections from 6/30 2020 to 6/30/2022. The \$5.2 million is just a rough estimate for the purpose of this report and it can change significantly for the 2023 reporting year depending on the new actuarial data and assumptions being used by the state actuary.

Currently, the LEOFF 1 OPEB Reserve Fund is reported as a sub-fund of the General Fund and is rolled to the General Fund for financial statement reporting purposes, with the entire fund balance reported as "committed" per the City Council fund balance designation ordinance.

RECOMMENDATIONS:

It is proposed that the City Council approve an Ordinance to establish a restrictive fund by renaming the existing LEOFF 1 OPEB Reserve Fund to LEOFF 1 OPEB Trust Fund and restrict designated funding sources and uses for LEOFF 1 firefighter and police retirees' medical benefits. The proposed funding sources and use restrictions are summarized below.

Funding Source:

- The city pursuant to SB 5894 continues imposing the pension levy of 22.5 cents per \$1,000 assessed valuation and places those funds in the LEOFF 1 OPEB Trust Fund, unless a report

by a qualified actuary establishes that all or any part of the pension levy is unnecessary to meet the estimated demands on the fund for the ensuing budget year.

- Interest on the investments of the funds
- Transfer of the excess funds (if any) from the city's Firemen's Pension Fund at the time there are no LEOFF 1 firefighter retirees and/or eligible survivors who are receiving the excess pension benefits.
- Any other funds designated by the City Council.

Use Restrictions:

- Must be used exclusively to pay benefits to the LEOFF 1 members (both police and fire), pursuant to RCW 41.26 and SB 5894, until such time as there are no retirees eligible to receive benefits from the LEOFF 1 OPEB Trust Fund.
- Costs directly related to actuarial analysis and administrative functions of the LEOFF 1 OPEB Trust Fund can be charged to the LEOFF 1 OPEB Trust Fund.
- Only at the time there are no beneficiaries remaining, the remaining funds can be transferred to the General Fund of the city for other municipal purposes.

The state auditor's office confirmed that by establishing the LEOFF 1 OPEB fund by an ordinance with the funding and use restrictions mentioned above, the funds in the LEOFF 1 OPEB Trust Fund can be reported as a "restricted" fund balance of the General Fund for the financial statement reporting purposes. However, the LEOFF 1 OPEB Fund will still be rolled to the General Fund for financial statement reporting purposes.

An Ordinance to establish a fund named LEOFF 1 OPEB Trust Fund which has been reviewed by the City Attorney, Kevin Nelson.

FISCAL IMPACT

The creation of the fund has no fiscal impact.

RECOMMENDATION

It is recommended that the City Council approve Ordinance No. 1078-B on second and final reading, authorizing the establishment of a LEOFF 1 OPEB Trust .

SUGGESTED MOTION

I move that the City Council approve Ordinance No. 1078-B on second and final reading, authorizing the establishment of a LEOFF 1 OPEB Trust Fund.

ORDINANCE NO. 1078-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, ESTABLISHING A NEW FUND, THE LAW ENFORCEMENT OFFICERS' & FIREFIGHTERS' PLAN 1 (LEOFF 1) OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST FUND

WHEREAS, the City of Chehalis has retirees of the Law Enforcement Officers' and Firefighters' Retirement System Plan 1, and

WHEREAS, the city, pursuant to RCW 41.26, provides necessary medical services and long-term care coverage for LEOFF 1 retirees, as approved by the local LEOFF 1 Board, and

WHEREAS, the city has a Firemen's Pension Fund to pay the pension benefits for those eligible retirees and their spouse pursuant to RCW 41.16.050 and RCW 41.26.040, and

WHEREAS, the city's Firemen's Pension Fund, pursuant to RCW 41.26.150, may be used to pay for medical services and long-term care benefits for retired LEOFF 1 firefighters if the fund's assets exceed all future pension benefits, and

WHEREAS, the 2019 actuarial study on the city's Firemen's Pension reported that the city's Firemen's Pension Fund has sufficient assets to pay all future excess pension benefits without additional pension levy, and that a portion of the excess can be used to pay the medical and long-term care benefits for LEOFF 1 firefighters, and

WHEREAS, the ~~S~~SB 5894 authorizes cities and towns to continue imposing the pension levy to fund medical benefits for LEOFF 1 firefighters and law enforcement officers and other municipal purposes until the municipality no longer has any LEOFF 1 retirees receiving medical benefits, and that the proceeds of the pension levy must first be expended for payment of medical benefits under LEOFF 1, prior to being used for any other municipal purpose, and

WHEREAS, the actuarial liability for LEOFF 1 OPEB exceeds the resources available in the Firemen's Pension Fund for the LEOFF 1 firefighter retirees, and

WHEREAS, in 2020 the city added a LEOFF 1 OPEB Trust Fund to its budget and began to place the pension levy to provide funds for LEOFF 1 OPEB liability, and

WHEREAS, the city would like to establish a fund by renaming the LEOFF 1 OPEB Reserve Fund to LEOFF 1 OPEB Trust Fund and to continue funding for the LEOFF 1 OPEB liability

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CHEHALIS, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. There is established a city fund known as LEOFF 1 OPEB Trust Fund 115. The LEOFF 1 OPEB Trust Fund shall be used for the purpose of accounting for all monies received and expended for current LEOFF 1 retiree's necessary medical services and long-term care coverage.

Section 2. The sources of revenue for the fund shall consist of 1) 22.5 cents per \$1,000 assessed valuation pension levy, pursuant to SSB 5894, unless a report by a qualified actuary establishes that all or any part of the pension levy is unnecessary to meet the estimated demands of the fund for the ensuing budget year; 2) transfer of the excess funds, if any, from the city's Firemen's Pension Fund when the city no longer has any LEOFF 1 firefighters receiving the excess pension and medical and long-term care benefits; 3) interest on the investments of the fund; 4) any other funds as designated by the city council.

Section 3. The LEOFF 1 OPEB Trust Fund shall be used exclusively to pay benefits to the LEOFF 1 members, pursuant to RCW 41.26 and SSB 5894, until such time as there are no retirees legally eligible to receive benefits from the LEOFF 1 OPEB Trust Fund. In addition to the benefit payments, costs directly related to actuarial analysis and administrative functions of the LEOFF 1 OPEB Trust Fund should be charged to the LEOFF 1 OPEB Trust Fund.

Section 4. At the time there are no retirees legally eligible to receive benefits from the LEOFF 1 OPEB Trust Fund, any remaining funds shall be transferred to the General Fund of the city for other municipal purposes.

Section 5. That any previously enacted ordinance, or part thereof in conflict herewith be and the same hereby is repealed to the extent of such conflict.

Section 6. The effective date of this Ordinance shall be five days after its passage of and publications as required by law.

PASSED by the City Council of the City of Chehalis, Washington, **APPROVED** on its first reading on the ____ day of _____, 2023 and the second and final reading on the ____ day of _____, 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Jill Anderson, City Manager
BY: Chun Saul, Finance Director
MEETING OF: November 13, 2023
SUBJECT: Ordinance 1080-B, First Reading – Adopting the 2024 Budget

ISSUE

Adoption of the 2024 Budget requires two public hearings and the adoption of an implementing City Ordinance. Ordinance No. 1080-B has been prepared for consideration by the City Council on first of two required readings.

DISCUSSION

The 2024 Preliminary Budget, which includes a summary of anticipated revenues and expenditures, is available for public review at City Hall, the Finance Department, and on the City’s website at www.ci.chehalis.wa.us.

The City Budget is made up of 26 separate funds that are used to account for the revenues and expenditures associated with the provision of services in the community. The General Fund provides the primary governmental functions. Other than the General Fund, all other funds are restricted for specific purposes by law or policy. The 26 funds do not include agency funds which are used to account for assets that are held for other agencies, including the State of WA. Only the General Fund can be used for general governmental services that include police, fire, parks and recreation, street maintenance, planning and zoning, building code enforcement, municipal court, and general administration services. As a result, it is important to note that while multiple funds make up the complete City budget, there are limitations on how the individual funds can be used.

The 2024 Preliminary Budget for all funds, as presented in Ordinance 1080-B is summarized as follows:

Budget Summary - All Funds Combined	2024 Preliminary Budget	
	\$	
Estimated Beginning Fund Balances	\$	26,623,552
Revenues	\$	30,603,760
Transfers in	\$	4,130,868
Expenditures	\$	34,481,201
Transfers Out	\$	4,130,868
Estimated Ending Fund Balances	\$	22,746,111

A summary for the 2024 Preliminary Budget, including beginning fund balances, revenues, transfers-in, expenditures, transfers-out, and estimated fund balances for all city funds is attached to the Ordinance No. 1080-B as Exhibit A.

As noted above, additional detail on the 2024 Preliminary Budget can be found in the agenda packet for this City Council meeting and online at the City's website: www.ci.chehalis.wa.us.

RECOMMENDATION

It is recommended that the City Council pass Ordinance 1080-B on first reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance 1080-B on first reading.

ORDINANCE NO. 1080-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, ADOPTING THE BUDGET OF THE CITY OF CHEHALIS FOR THE YEAR 2024 AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

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

Section 1. Attached hereto and identified as Exhibit “A,” in summary form, are the total of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined for the budget of the City for 2024, and by this reference said Exhibit “A,” showing a total estimated ending fund balance of **\$22,746,111** is incorporated herein as if set forth in full and the same is hereby adopted in full.

Section 2. This ordinance is a legislative act delegated by statute to the City Council of the City of Chehalis, is not subject to referendum and shall take effect the ____ day of _____, 2023.

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

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CITY OF CHEHALIS
2024 BUDGET SUMMARY- ALL FUNDS
Ordinance No. 1080-B, Exhibit A**

Fund No.	Fund Name	Estimated Beginning Fund Balance 01/01/2024		TOTAL REVENUE SOURCE			TOTAL EXPENDITURE		Estimated Ending Fund Balance 12/31/2023	Change in Fund Balance Increase (Decrease)	% Change
		Revenues	Transfers In	Expenditures	Transfers Out						
001	General Fund	\$ 2,040,983	\$ 12,813,655	\$ 104,970	\$ 12,918,625	\$ 12,480,976	\$ 1,434,088	\$ 13,915,064	\$ 1,044,544	\$ (996,439)	-48.8%
003	Street Fund	229,317	161,848	1,113,700	1,275,548	1,476,607	-	1,476,607	28,258	(201,059)	-87.7%
004	Building Abatement Fund	52,449	1,200	-	1,200	-	-	-	53,649	1,200	2.3%
103	Transportation Benefit District Fund	3,339,275	1,637,800	-	1,637,800	1,421,988	-	1,421,988	3,555,087	215,812	6.5%
107	Tourism Fund	178,616	334,700	-	334,700	206,200	168,520	374,720	138,596	(40,020)	-22.4%
110	Compensated Absences Reserve Fund	132,792	5,300	-	5,300	24,300	-	24,300	113,792	(19,000)	-14.3%
115	LEOFF 1 OPEB Reserve Fund	235,652	3,900	275,988	279,888	142,475	-	142,475	373,065	137,413	58.3%
195	Community Development Block Grant Fund	198	-	-	-	150	-	150	48	(150)	-75.8%
197	HUD Block Grant Fund	469	-	-	-	400	-	400	69	(400)	-85.3%
199	Federal Grant Control Fund	31,353	49,100	-	49,100	-	-	-	80,453	49,100	156.6%
200	General Obligation Bond Fund	63	-	298,310	298,310	298,305	-	298,305	68	5	7.9%
301	Public Facilities Reserve Fund	773,160	16,200	-	16,200	40,000	-	40,000	749,360	(23,800)	-3.1%
302	Automotive/Equipment Reserve Fund	791,469	19,700	-	19,700	540,500	-	540,500	270,669	(520,800)	-65.8%
303	Parks Improvement Fund	224,601	24,500	44,400	68,900	40,000	-	40,000	253,501	28,900	12.9%
305	First Quarter REET Fund	327,586	150,000	-	150,000	-	130,000	130,000	347,586	20,000	6.1%
306	Second Quarter REET Fund	461,545	156,100	-	156,100	-	96,490	96,490	521,155	59,610	12.9%
402	Garbage Fund	8,270	-	-	-	-	8,270	8,270	-	(8,270)	-100.0%
404	Wastewater Fund	3,599,226	6,046,950	-	6,046,950	6,363,158	358,100	6,721,258	2,924,918	(674,308)	-18.7%
405	Water Fund	1,415,815	3,531,000	-	3,531,000	3,463,422	444,900	3,908,322	1,038,493	(377,322)	-26.7%
406	Storm and Surface Water Fund	289,292	742,000	-	742,000	643,449	227,000	870,449	160,843	(128,449)	-44.4%
407	Airport Fund	1,014,272	2,246,150	-	2,246,150	1,553,511	1,263,500	2,817,011	443,411	(570,861)	-56.3%
414	Wastewater Capital Fund	1,429,398	176,977	358,100	535,077	1,042,600	-	1,042,600	921,875	(507,523)	-35.5%
415	Water Capital Fund	5,772,086	2,375,380	444,900	2,820,280	3,420,000	-	3,420,000	5,172,366	(599,720)	-10.4%
416	Storm and Surface Water Capital Fund	1,279,418	33,200	227,000	260,200	873,960	-	873,960	665,658	(613,760)	-48.0%
417	Airport Capital Fund	1,912,025	44,600	1,263,500	1,308,100	442,000	-	442,000	2,778,125	866,100	45.3%
611	Firemen's Pension	1,084,222	33,500	-	33,500	7,200	-	7,200	1,110,522	26,300	2.4%
TOTALS		\$ 26,623,552	\$ 30,603,760	\$ 4,130,868	\$ 34,734,628	\$ 34,481,201	\$ 4,130,868	\$ 38,612,069	\$ 22,746,111	\$ (3,877,441)	-14.6%

**CITY OF CHEHALIS
CITY COUNCIL MEETING AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Chun Saul, Finance Director

DATE: November 13, 2023

SUBJECT: Ordinances 1081-B and 1082-B, First Reading - Adoption of 2024 Property Tax Levies

ISSUE

Per RCW 84.52.020, the City is required to submit a Levy Certification to the county legislative authority, the amounts to be raised by taxation on the assessed valuation of the property in the city, no later than November 30th of the year preceding the year in which the levy amounts are to be collected.

In addition to the Levy Certification, the City is required to submit Ordinance/Resolution stating the dollar amount and percentage increase over the actual levy amount from the previous year to the County Board of Commissioners. Without the Ordinance/Resolution and Levy Certification, the County can only collect what it collected the year before.

Ordinances 1081-B and 1082-B have been prepared in connection with levying property taxes for collection in 2024. The Ordinances are required in order to have Lewis County collect property taxes on behalf of the City.

DISCUSSION

The 2024 Preliminary Budget, which includes a summary of anticipated revenues and expenditures, is available for public review at City Hall, the Finance Department, and on the City's website: www.ci.chehalis.wa.us.

ORDINANCE NO. 1081-B (SETTING THE 2024 LEVY AMOUNT)

Ordinance No. 1081-B establishes the amount of the City's levies of ad valorem taxes (i.e., property taxes) to be collected in 2024 for general operations and Emergency Medical Services (EMS).

As allowed by statute, cities can increase its annual levy by full 1% of its prior year's highest lawful levy amount, excluding new construction and state-assessed utilities. The city can also increase its regular levy above the 1% annual levy lid by using non-voted banked capacity. The City has a total of \$247,537.08 in available banked capacity going into levy year 2024 which includes : \$242,719.77 for regular levy (14.17% of the 2023 Actual Levy) and \$4,817.31 for EMS Levy (2.00% of the 2023 Actual Levy)

However, the proposed 2024 levy amounts do not include use of any banked capacity, but they include the 1% statutorily allowed levy increase and increase for new construction and administrative refunds. The proposed 2024 levy amounts are as follows:

- **Regular Levy \$1,768,428.64**
- **EMS Levy \$487,030.15**
- **Total Levy \$2,255,458.79**

Additional details are provided in the table below:

2024 Property Tax Levy Amount - City of Chehalis

Description	2024 General Levy	2024 EMS Levy	Total 2024 Levy
2023 Highest Lawful Levy (HLL)	\$ 1,955,489.15	\$ 481,731.32	\$ 2,437,220.47
2023 Tax Year Actual Levy Amount	\$ 1,712,769.38	\$ 472,263.81	\$ 2,185,033.19
1% Increase over 2023 HLL	\$ 19,554.89	\$ 4,817.31	\$ 24,372.20
2024 Levy Limit Before Add-Ons	\$ 1,732,324.27	\$ 477,081.12	\$ 2,209,405.39
Plus Add-Ons:			
Increase from new construction	\$ 31,841.41	\$ 8,779.67	\$ 40,621.08
Administrative Refunds	\$ 4,262.96	\$ 1,169.36	\$ 5,432.32
Total Add-Ons	\$ 36,104.37	\$ 9,949.03	\$ 46,053.40
2024 Preliminary Levy Amount Authorized	\$ 1,768,428.64	\$ 487,030.15	\$ 2,255,458.79

ORDINANCE NO. 1082-B (CHANGES FROM 2023 LEVY)

Ordinance No. 1082-B identifies the changes, in both the dollar amounts and percentage of changes, in the City’s regular property tax levy and the EMS levy for next year (2024) compared to this year (2023).

Dollar Amounts and Percentage of Changes in Property Tax Levies for 2024 over 2023

Tax Levy	2023 Highest Lawful Levy (HLL)	2023 Actual Levy	1% Increase over 2023 Highest Lawful Levy (HLL)	Use of Banked Capacity	Total Amount Increase in 2024 from 2023 Levy*	Percent Increase over 2023
Regular Levy	\$ 1,955,489.15	\$ 1,712,769.38	\$ 19,554.89	\$ -	\$ 19,554.89	1.141712%
EMS Levy	\$ 481,731.32	\$ 472,263.81	\$ 4,817.31	\$ -	\$ 4,817.31	1.020047%

**This increase is exclusive of additional revenue resulting from new construction, property improvements, any increase in the value of state assessed property, any annexations that have occurred, or property tax administrative refunds.*

RECOMMENDATION

It is recommended that the City Council pass Ordinance 1081-B and Ordinance 1082-B on first reading.

SUGGESTED MOTION

I move that the City Council pass Ordinance 1081-B and Ordinance 1082-B on first reading.

ORDINANCE NO. 1081-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, DETERMINING AND FIXING THE AMOUNT OF REVENUE TO BE RAISED BY AD VALOREM TAXES DURING THE CALENDAR YEAR 2024 AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

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

Section 1. The amount of revenue to be raised by ad valorem taxes during 2024 for general city operations shall be, and the same hereby is, determined and fixed in the sum of One Million Seven Hundred Sixty-Eight Thousand Four Hundred Twenty-Eight Dollars and Sixty-Four Cents. (\$1,768,428.64).

Section 2. The amount of revenue to be raised by ad valorem taxes during 2024 for emergency medical services (EMS) shall be, and the same hereby is, determined and fixed in the sum of Four Hundred Eighty-Seven Thousand Thirty Dollars and Fifteen Cents (\$487,030.15).

Section 3. The effective date of the ordinance shall be the _____ day of November 2023.

PASSED by the City Council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this _____ day of November 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

ORDINANCE NO. 1082-B

**AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON,
STATING THE AMOUNT AND PERCENTAGE OF CHANGE IN
PROPERTY TAX LEVY IN CALEDAR YEAR 2024.**

WHEREAS, the City of Chehalis, Washington, properly gave notice of a public hearing held on the 13th day of November 2023, to consider the city budget for 2024, including possible property tax increases and other revenues, pursuant to RCW 84.55.120; and,

WHEREAS, the City Council of the City of Chehalis has met and considered its budget for the calendar year 2024; and,

WHEREAS, the City’s actual levy amounts in 2023 for general operations and Emergency Medical Services (EMS) levies were \$1,712,769.38 and \$472,263.81, respectively; and,

WHEREAS, the population of the City is less than 10,000; and now, therefore,

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

Section 1. An increase in the regular property tax levy and the emergency medical services (EMS) tax levy are hereby authorized for the levies to be collected in the 2024 tax year.

Section 2. The dollar amount of the increase for regular property tax levy over the actual levy amount from 2023 tax year shall be \$19,554.89 which is a percentage increase of 1.141712% from 2023 tax year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Section 3. The dollar amount of the increase for emergency medical services (EMS) tax levy over the actual levy amount from 2023 tax year shall be \$4,817.31 which is a percentage increase of 1.020047% from 2023 tax year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

PASSED by the City Council of the City of Chehalis, Washington during a regularly scheduled open public meeting thereof this ____ day of November 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CHEHALIS CITY COUNCIL MEETING
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Jill Anderson, City Manager

BY: Todd Johnson, Planner

MEETING OF: November 13, 2023

SUBJECT: Ordinance No. 1079-B – Amending CMC 17.79.010 -- Action to Modify Zoning for Open Space Government (OSG) and Mixed Residential Commercial (MRC) Zoning code (First and Final Reading)

INTRODUCTION

The Mixed Residential Commercial zone (MRC) and Open Space Government (OSG) zones were designated on the City of Chehalis zoning maps to assist property owners in resolving challenges with existing non-conforming uses. The City Council recently adopted map changes to rezone properties to address the mix of residential and commercial uses that exist and were non-conforming under the previous CG zone. The recently adopted map changes also addressed the changes in use for Open Space Government (OSG) properties. When the zoning was created, the code with implementation standards was not yet developed leaving properties within these zoning designation without corresponding standards to use when reviewing new development applications.

DISCUSSION

To implement the adopted map changes, planning staff began working on the code to implement the adopted mapping designations. Because of staff transitions and the time needed to properly develop and adopt new zoning regulations, the implementing code has not been developed. There is an immediate need to implement standards for the MRC zone and OSG zone. Property owners in both zones have proposed changes that require zoning and land use reviews. In order for these projects to move forward the implementation code for the newly applied zones will need to be developed and implemented. To provide for immediate standards in these new zoning designations, staff is proposing an emergency action to immediately apply existing code standards that are set forth separately for residential, commercial, and essential public facilities for these newly applied zones. These previously approved codes would apply while new standards for OSG and MRC can be developed with input from property owners, businesses, and residents during the process to create new zoning standards.

This action will allow property owners to proceed with permitting until the new code for these zones is developed through a public process and adopted by City Council in the future. The existing standards in the Commercial General (CG) and Residential 3 (R3) zone most closely align with the existing land uses. The Essential Public Facility (EPF) zoning most closely aligns with the uses in the OSG zoning designation. Applying those standards in the interim will allow processing of application according to the CG, R3, and EPF standards. This action will apply those standards to development and redevelopment applications until a future date when code can be developed through a public process for the OSG and MRC zones.

The attached ordinance adopting the code amendments will implement this action. The City will also initiate the development of new code and the public process for review and adoption of the updated standards for the OSG and MRC zoning districts. The process is expected to take 6 to 9 months.

Major changes to the code are proposed as follows:

- Modifications to section 17.79.010 – Zones designated to add the OSG and MRC zones.
- Adopt a new section 17.55 Mixed Residential commercial zone with references to the R3 and CG zoning standards.
- Adopting a new section 17.56 Open Space Government zone with references to chapter 17.54 EPF zoning standards

FISCAL IMPACT

There is no fiscal impact from this code update.

ATTACHMENTS:

Ordinance No. 1079 B is attached to this report. The Ordinance includes the text for the new MRC and OSG zoning standards as attachments.

RECOMMENDATION

It is recommended that the City Council:

- 1) Waive its own rule requiring that an ordinance be adopted with two readings; and
- 2) Approve Ordinance No. 1079-B amending CMC 17.79.010 to add new sections 17.55 Mixed Residential Commercial (MRC) and 17.56 Open Space Government (OSG) on first and final reading.

SUGGESTED MOTION

I move that the City Council:

- 1) Waive its own rule requiring that an ordinance be adopted with two readings; and
- 2) Approve Ordinance No. 1079-B amending CMC 17.79.010 to add new sections 17.55 Mixed Residential Commercial (MRC) and 17.56 Open Space Government (OSG) on first and final reading.

ORDINANCE NO. 1079-B

**AN ORDINANCE OF THE CITY OF CHEHALIS,
WASHINGTON, AMENDING CHAPTER 17.79.010 OF
THE CHEHALIS MUNICIPAL CODE AND ADOPTING
NEW SECTIONS 17.55 and 17.56 OF THE CHEHALIS
MUNICIPAL CODE AND ESTABLISHING AN EFFECTIVE
DATE HEREOF.**

WHEREAS the City of Chehalis has previously adopted mapping changes applying the OSG and MRC zones; and

WHEREAS the City Council desires to provide for development standards in these newly applied zoning districts; and

WHEREAS the current code provisions do not address development standards in these zones; and

WHEREAS the City desires to update its zoning code to provide standards in these zones;

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

Section 1. Section 17.79.010 of the Chehalis Municipal Code shall be, and the same hereby is, amended to add the following two lines to the existing list of zones as follows:

- 14. MRC: mixed residential/commercial
- 15. OSG: open space government

Section 2. A new section CMC 17.55 is adopted as a new section in the Chehalis Municipal Code as attached.

Section 3. A new section CMC 17.56 is adopted as a new section in the Chehalis Municipal Code as attached.

Section 4. The effective date of this ordinance shall be the 27th day of November 2023.

PASSED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its mayor this 13th day of November 2023.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

Chapter 17.55

MRC MIXED RESIDENTIAL/COMMERCIAL

Sections:

- 17.55.010 Intent.
- 17.55.020 Permitted uses.
- 17.55.030 Prohibited uses.
- 17.55.040 Environmental performance standards.
- 17.55.050 Site area.
- 17.55.060 Off-street parking.
- 17.55.080 Design and development guidelines.
- 17.55.090 Site plan review.
- 17.55.100 Densities and infill; bulk regulations.
- 17.55.110 Individual lots required.

17.55.010 Intent.

The intent of the MRC zone is to:

- A. Provide a transition area between more intense commercial areas and residential land uses, and to provide an area for development of limited commercial office use along busier streets.
- B. Permit the development of areas devoted to certain mixed uses of land which are found to be reasonably compatible, such as medium-density residential (five to eight units per acre), office, and limited types of commercial activities.
- C. Provide architectural review through the site plan review process to ensure compatibility with adjoining residential areas; provide development standards to enhance the efficient operation of this district; and to achieve minimum adverse impact on the community as a whole, especially on adjacent properties having different land use characteristics.
- D. Allow residential, retail, and office uses in the same structure.

17.55.020 Permitted uses.

- A. Permitted uses in the MRC zone shall be those uses provided in Chapter 17.78 CMC in the Multifamily Residential (R-3) and General Commercial (C-G) Zones as chosen by the applicant at the time of application. All new development applications must be reviewed through a Site Plan Review process (CMC 17.09.130). For a mixed-use building, standards of either zone may apply as approved through the site plan review process.
- B. For redevelopment of or improvements to an existing use the R-3 standards apply to residential uses and the C-G standards will apply to commercial uses. Uses shall be determined by the community development director and/or the site plan review committee if the primary use is not obvious from the character of the existing use. No site plan review is required for improvements to existing uses in the same character as the existing development.
- C. Other or Related Uses Permitted.
 - 1. Home occupations as provided in Chapter 17.90 CMC.
 - 2. Signs. See Chapter 17.86 CMC.
 - 3. Temporary seasonal produce stands.
- D. Conditional uses as provided in Chapter 17.09 CMC in the R-3 and CG Zones.
- E. Similar or related permitted uses, and criteria for determination of similarity or relatedness, are as follows:

1. Uses similar to, or related to, those listed in subsection (A) of this section are permitted upon a finding of the community development director and/or the site plan review committee that a particular unlisted use does not conflict with the intent of this chapter or the policies of the Chehalis comprehensive plan;
2. The criteria for such finding of similarity shall include, but not be limited to, the following:
 - a. The proposed use is appropriate in this area;
 - b. The development standards for permitted uses can be met by the proposed use;
 - c. The public need is served by the proposed use.

17.55.030 Prohibited uses.

Wireless communication facilities and other uses, other than those identified or described in 17.78 in the RC and GC zones, are prohibited.

17.55.040 Environmental and additional performance standards.

A. It shall be the responsibility of the operator and/or the proprietor of any permitted use to provide such reasonable evidence and technical data as the enforcing officer may require demonstrating that the use or activity is or will be in compliance with the property maintenance standards of Chapter 17.10 CMC (Adoption of International Building Codes and Standard Specifications).

B. Failure of the enforcing officer to require such information shall not be construed as relieving the operator and/or the proprietor from compliance with the environmental performance standards of this title.

17.55.050 Site area.

The design and shape of sites shall be as allowed in the R-3 (Multifamily Medium Density) or the C-G (general Commercial) zoning district.

17.55.060 Off-street parking.

Off-street parking shall be provided in accordance with Chapter 17.84 CMC.

17.55.080 Design and development guidelines.

Developments shall comply with the requirements of CMC Title 12, Streets/Sidewalks/Public Places.

17.55.090 Site plan review.

Architectural and building materials review and screening and buffering between commercial and residential uses will be critical in this district to ensure that new or remodeled structures maintain an appearance which is highly compatible with adjoining residential areas. Site plan review (CMC 17.09.130) is required for all new developments in the MRC zone.

17.55.100 Densities and infill; bulk regulations.

Densities and infill are allowed per the standards in the R-3 and C-G zones. The bulk regulations apply as applicable in each zone.

17.55.110 Individual lots required.

Every detached single-family dwelling, duplex, triplex, or other residential building shall be located on its own lot; provided, however, that apartment buildings designed as a single development may be located on one lot. Creation of a lot or lots shall meet all requirements of the subdivision and short plat code.

Chapter 17.56

OSG Open Space Government

Sections:

- 17.55.010 Intent.
- 17.55.020 Permitted uses.
- 17.55.050 Development standards and regulations

17.55.010 Intent.

It is the intent of this chapter to provide interim development standards for parcels zoned OSG (Open Space Government) to allow for permit processing until such time as a new OSG zoning code can be developed and adopted.

17.55.020 Permitted uses.

- A. Permitted as provided in Chapter 17.54.010(A.) CMC in any of the subzones
- B. Conditional uses as provided in Chapter 17.54.010(B.) CMC
- C. Similar or related permitted uses are allowed per 17.54.010 (D.) CMC

17.55.050 Development standards and regulations.

Development standards for developments in the OSG zone shall be those listed in CMC 17.54.020 through 17.54.120.

**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: November 13, 2023

SUBJECT: First Reading of Ordinance No. 1083-B, Amending Chapter 2.08.050 of the Chehalis Municipal Code Regarding Candidate Qualifications

ISSUE:

At the October 23rd meeting during review of the proposed process for filling the District 1 City Council vacancy, the City Council requested proposed changes to the Chehalis Municipal Code regarding candidate qualifications.

DISCUSSION:

Proposed changes to the Chehalis Municipal Code section 2.08.050 would amend the requirement that eligible persons be a registered voter and resident of the city for a period of at least one year by removing “has been” before registered voter and adding “has been” before “a resident of the city”. This allows more candidates to participate in the process by only requiring that they have lived within the city limits and are, at the time of applying, a registered voter of Chehalis. RCW 35A.12.030 requires candidates in code cities to be registered to vote within the city and to have been a resident for at least one year at the time of filing for candidacy.

2.08.050 Qualifications.

No person shall be eligible to hold a council position unless he or she *is* a registered voter and **has been a** resident of the city for a period of at least one year next preceding his or her election. No person shall be eligible for a district council position unless he or she shall be a registered voter and resident of his or her respective district. Residence and voting within the limits of any territory which has been included, annexed to, or consolidated with such city or district is construed to have been residence within the city or district. A council person shall hold within the city government no other public office or employment except as permitted under the provisions of Chapter [42.23](#) RCW. [Ord. 735B, 2002.]

During the discussion on October 23, Council had proposed waiving the rules requiring two readings for this ordinance, so that is recommended at this time.

FISCAL IMPACT

There is no fiscal impact associated with the proposed change.

RECOMMENDATION

It is recommended that the City Council

- 1) Waive the City Council's own rule requiring two readings of an ordinance; and
- 2) Adopt Ordinance No. 1083-B on first and final reading.

SUGGESTED MOTION

I move that the City Council:

- 1) Waive the City Council's own rule requiring two readings of an Ordinance; and
- 2) Adopt Ordinance No. 1083-B on first and final reading.

ORDINANCE NO. 1083-B

**AN ORDINANCE OF THE CITY OF CHEHALIS,
WASHINGTON, AMENDING CHAPTER 2.08.050 OF
THE CHEHALIS MUNICIPAL CODE REGARDING
CANDIDATE QUALIFICATIONS AND ESTABLISHING
AN EFFECTIVE DATE HEREOF.**

WHEREAS the City of Chehalis has previously enacted Chehalis Municipal Code (“CMC”) 2.08.050, Qualifications; and

WHEREAS the City Council desires to amend the candidate requirement, “he or she has been a registered voter and resident of the city for a period of at least one year”; and

WHEREAS the current code provisions have proven to be difficult for the public to participate in their local government; and

WHEREAS the City desires to update this ordinance accordingly;

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

Section 1. Section 2.08.050 of the Chehalis Municipal Code shall be, and the same hereby is, amended to read as follows:

2.08.050 Qualifications.

No person shall be eligible to hold a council position unless he or she ~~has been~~ is a registered voter and has been a resident of the city for a period of at least one year next preceding his or her election. No person shall be eligible for a district council position unless he or she shall be a registered voter and resident of his or her respective district. Residence and voting within the limits of any territory which has been included, annexed to, or consolidated with such city or district is construed to have been residence within the city or district. A council person shall hold within the city government no other public office or employment except as permitted under the provisions of Chapter 42.23 RCW.

Section 2. The effective date of this ordinance shall be the _____ day of November 2023.

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

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney