

CHEHALIS CITY COUNCIL AGENDA
 CITY HALL
 350 N MARKET BOULEVARD, CHEHALIS, WA 98532

Anthony E. Ketchum Sr., District 3 Mayor	Terry F. Harris, District 1, Mayor Pro Tem Daryl J. Lund, District 2 Dr. Isaac S. Pope, District 4	Dennis Dawes, Position at Large Chad E. Taylor, Position at Large Bob Spahr, Position at Large
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Regular Meeting of February 27, 2012

6:00 p.m.

ITEM	ADMINISTRATION RECOMMENDATION	PAGE
1. <u>Call to Order.</u> (Mayor)		
2. <u>Pledge of Allegiance.</u> (Mayor)		

PUBLIC HEARING		
3. <u>Conduct Public Hearing on Vacation of Right-of-Way.</u> (Community Development Director)	CONDUCT PUBLIC HEARING	1

PRESENTATIONS		
4. <u>Employee Service Award to Rick Sahlin, Street Superintendent – 30 Years.</u> (Mayor)	---	
5. <u>Senior Programs at Twin Cities Senior Center.</u> (Melissa Hill, Assistant Director – Catholic Community Services)	---	

CITIZENS BUSINESS		
This is an opportunity for members of the audience to address the council on matters not listed elsewhere on the agenda. Speaker identification forms are available at the door and may be given to the city clerk prior to the beginning of the meeting.		

CONSENT CALENDAR		
6. <u>Minutes of the Regular Meeting of February 13, 2012.</u> (City Clerk)	APPROVE	7
7. <u>Vouchers and Transfers.</u> (Finance Manager)	APPROVE	16

ADMINISTRATION AND CITY COUNCIL REPORTS		
8. <u>Administration Reports</u>		
a. January financial report. (Finance Manager)	INFORMATION ONLY	17
9. <u>Council Reports.</u>		
a. Councilor reports. (City Council)	INFORMATION ONLY	
b. Council committee reports. (City Council)	INFORMATION ONLY	

NEW BUSINESS		
10. <u>Resolution No. 4-2012 – Approving the Sale of Property and Authorizing the Airport Governing Body Chairman to Sign Quit Claim Deed for Conveyance of Property.</u> (Tim Elsea - Lewis County Public Works Director, Larry Unzelman – Lewis County Real Estate Services Operations Manager)	ADOPT	22
11. <u>Resolution No. 2-2012 – Adopting the Chehalis Water System Plan.</u> (Public Works Director)	ADOPT	41
12. <u>Resolution No. 3-2012 – Adopting the Chehalis Parks, Recreation and Open Space Plan.</u> (Community Development Director)	ADOPT	44
13. <u>Ordinance No. 890-B, First Reading – Extending the Six-Month Moratorium on Medical Marijuana and Dispensaries.</u> (City Attorney)	PASS	47

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

NEXT REGULAR CITY COUNCIL MEETING WILL BE ON MONDAY, MARCH 12, 2012

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council

FROM: Judy Schave, City Clerk
Bob Nacht, Community Development Director
Herta Fairbanks, Public Works Director

DATE: February 22, 2012

SUBJECT: Public Hearing on a Petition to Vacate a Portion of SE Hilltop Drive.

ISSUE

The city has received a completed petition to vacate a portion of the right-of-way of SE Hilltop Drive south of its intersection with SE Park Hill Avenue. A public hearing must be held on this petition.

DISCUSSION

The portion of SE Hilltop Drive that is the subject of the petition is only used by the two petitioners to access their property. It cannot be made a portion of a grid or through-street system.

The petitioners have been advised that the city would retain an easement on the subject property if it were to be vacated. The future use of that property by the two petitioners would not include any building construction or other permanent improvements on the property. Their intent is to use it for access and/or landscaping only.

If any future landscaping plans, driveways or other permitted activity were to occur on that vacated property, the city's easement would need to be accommodated. Typically, there are no significant issues with such proposals.

RECOMMENDATION / COUNCIL ACTION DESIRED

The administration recommends that the council conduct the public hearing, and direct the administration to draft an ordinance to vacate a portion of SE Hilltop Drive as described in the petition.

SUGGESTED MOTION

I move that the council direct the administration to draft an ordinance for the Council's consideration to vacate a portion of SE Hilltop Drive as described in the petition.

Reviewed by  _____ City Manager

Permit Application

Submit this form and any required attachments to:

City of Chehalis
Community Development Department
1321 S. MARKET BLVD.; CHEHALIS WA 98532
(360) 345-2229

APPLICANT FILL OUT AND SIGN UPPER SECTION:

JOB ADDRESS: SE Hilltop Dr. / SE Parkhill Ave.

APPLICANT:

NAME: Ron Leventon

ADDRESS: PO Box 1525

CITY/ST/ZIP: Chehalis WA

PHONE#: 7483643

PROPERTY OWNER (Same as Applicant?) Yes No ROW

NAME: _____

ADDRESS: _____

CITY/ST/ZIP: _____

PHONE#: _____

CONTACT PERSON (Same as Applicant?) Yes No

NAME: _____

ADDRESS#: _____

CITY/ST/ZIP: _____

PHONE #: _____

CONTRACTOR (Same as Property Owner?) Yes No N/A

NAME: _____

ADDRESS: _____

CITY/ST/ZIP: _____

PHONE#: _____

BONDING/INSURANCE COMPANY (N/A):

NAME: _____

ADDRESS#: _____

CITY/ST/ZIP: _____

PHONE #: _____

DETAILED PROJECT DESCRIPTION: ROW Vacation

PROJECT VALUE: \$ _____

Verbal comments made during discovery are not binding. Only the plan submitted will be reviewed for compliance. The applicant or authorized representative must sign below:

Signature: <u>Ron Leventon</u>	Date: <u>12/16/11</u>
Name (print): <u>Ron Leventon</u>	Telephone #: <u>748-3643</u>

OFFICE USE ONLY:

Date Received: 12-16-11 By: HJ Date Reviewed: _____ By: _____

Parcel #: 11 Zoning: RI Flood Zone: X

Permit #: RWV-11-5

CITY OF CHEHALIS

PETITION FOR RIGHT-OF-WAY VACATION

PETITION CONTACT Name: Ron Leventon
 Address: PO Box 1525
Chehalis, WA 98532
 Phone: 360-748-3643

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

Property Address	Property Owner(s)	
	Print	Sign
<u>160 SE Monroe</u>	<u>Ron Leventon</u>	<u>Ron Leventon</u>
<u>591 S.E. Hilltop Dr.</u>	<u>JEFF MECCA</u>	<u>Mecca</u>

Legal description of right-of-way to be vacated, as prepared by licensed land surveyor or other qualified professional:
PLEASE SEE ATTACHED NARRATIVE AND RECORD OF SURVEY

Total area of right-of-way to be vacated: 6836 square feet
 Total properties petitioning for vacation: 2 Total properties abutting right-of-way to be vacated: 2
 Ratio of properties petitioning vs. total properties: 100%
 (Note: A minimum 2/3 ratio of abutting property owners must petition for vacation before it will be considered.)

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

Please submit this completed petition with attachments to:
 (Attach additional sheets if necessary)

Chehalis City Clerk
 P.O. Box 871
 80 NE Cascade Avenue
 Chehalis, WA 98532
 phone 360.748.6664

date received

December 27, 2011

LEVENTON
Portion of SE Hilltop Dr.
To be Vacated

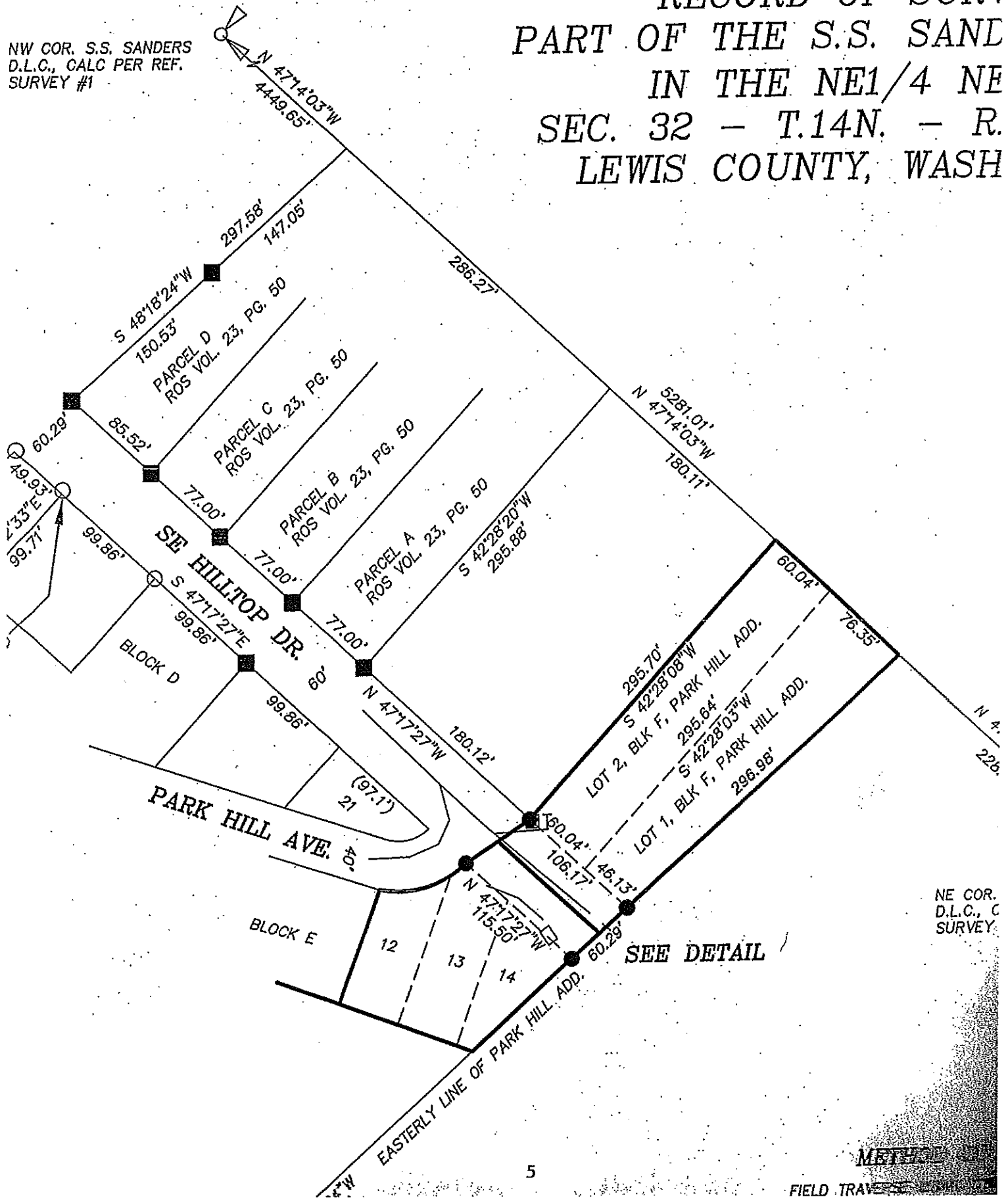
That portion of SE Hilltop Drive, in the S.S. Sanders Donation Land Claim (D.L.C.), described as follows: **Beginning** at the Southeast Corner of Lot 1 of Block F of Park Hill Addition as recorded in Volume 1 of Plats, Page 114, records of Lewis County, Washington; thence N47°17'27"W along the southerly line of Lots 1 and 2 of said Block F a distance of 106.17 feet, to the Southwest Corner of Lot 2 of said Block F; thence S56°55'50"W a distance of 30.95 feet; thence S47°17'27"E a distance of 110.84 feet to the East Line of said Park Hill Addition; thence N48°18'24"E along said East Line a distance of 30.14 feet to the **Point of Beginning**.

MECCA
Portion of SE Hilltop Dr.
To be Vacated

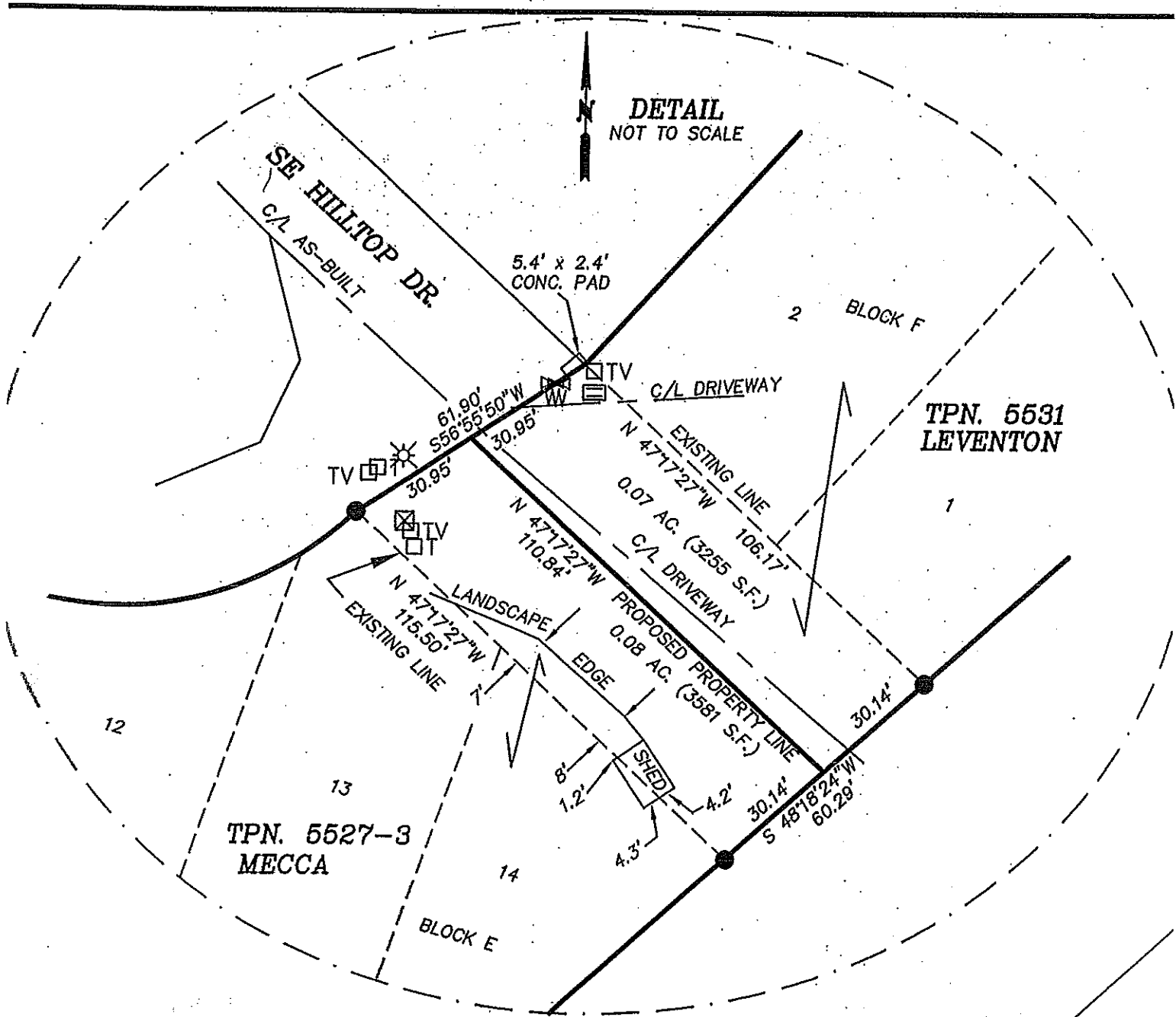
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RECORD OF SURV
 PART OF THE S.S. SAND
 IN THE NE1/4 NE
 SEC. 32 - T.14N. - R.
 LEWIS COUNTY, WASH

NW COR. S.S. SANDERS
 D.L.C., CALC PER REF.
 SURVEY #1



NE COR.
 D.L.C., C
 SURVEY



DETAIL
NOT TO SCALE

SE HILLTOP DR.
C/L AS-BUILT

2 BLOCK F

TPN. 5531
LEVENTON

TPN. 5527-3
MECCA

BLOCK E

ACREAGE

OF PROPOSED AREA OF SE
HILLTOP DR. TO BE VACATED

LEVENTON: 0.07 ACRES (3255 Sq. Ft.)

MECCA: 0.08 ACRES (3581 Sq. Ft.)



February 13, 2012

The Chehalis city council met in regular session on Monday, February 13, 2012, in the Chehalis city hall. Mayor Ketchum called the meeting to order at 5:16 p.m. with the following council members present: Terry Harris, Dr. Isaac Pope, Bob Spahr, Daryl Lund, Chad Taylor, and Dennis Dawes. Staff present included: Merlin MacReynold, City Manager; Judy Schave, City Clerk; Bill Hillier, City Attorney; Brian Kelly, Assistant City Attorney; Glenn Schaffer, Police Chief; Bob Nacht, Community Development Director; Becky Fox, Court Administrator; and Herta Fairbanks, Public Works Director.

1. Work Session.

a. **Discuss Options Regarding Medical Marijuana Collective Gardens and Dispensaries.** City Manager MacReynold reported the administration would be asking the council for some guidance and policy direction after discussing the alternatives regarding the moratorium on medical marijuana collective gardens and dispensaries.

City Attorney Bill Hillier reported on a recent article in *The Olympian* concerning the significant issues they were having in Thurston County, particularly in the City of Lacey. He noted they tried the moratorium route; however, they were not able to get it into place in time.

City Attorney Hillier stated the Legislature has not helped any of the state's municipalities, noting they were still at odds trying to fix the existing law to give better direction.

City Attorney Hillier provided four alternatives for the council to consider. He stated, if the council had any other ideas, the administration would be happy to look at those as well.

Alternative No. 1: Adopt the Lewis County plan.

City Attorney Hillier reported this would be the least effective solution because the plan required the federal government to sign a permit approving the location of medical facilities as well as the use of medical marijuana, before a person can start the process of getting permitted in the county. Currently, this would never happen because Congress would have to go back and revamp all of the laws that state the use or distribution of marijuana, or cultivation of marijuana are all illegal.

City Attorney Hillier felt the county's plan was highly challengeable, and putting the city in that same position would add us as a co-defendant in potential litigation. In his opinion, this was not a viable solution.

Mayor Ketchum noted the county was pretty confident that they would not be litigated against because, in their opinion, if the federal government denied an application, the county would also deny it.

Councilor Harris believed the federal government was using a selective process to determine which laws they are going to enforce. He suggested if the United States Attorney General decides they are not going to spend a lot of time dealing with it, it puts the onus back on the cities and further complicates the problem.

Alternative No. 2: Extend the Moratorium to wait for clearer direction from the State Legislature on how to implement sets of regulations and a permitting process.

City Attorney Hillier felt this would allow the city more time to see what happens in the way of 'direction' from the people who make the laws.

Alternative No. 3: Declare, under ordinance, a citywide prohibition on the location of medical marijuana gardens and distribution facilities.

City Attorney Hillier suggested the city could do a prohibition on the location of growing and distribution facilities. He reported the city had the right to make our laws more stringent than state law, but no less.

City Attorney Hillier indicated the city would not be able to put a prohibition on the use by people who have the ability to get a prescription; however, if cited, they would need to come in with an affirmative defense on a charge of possession of marijuana. Their affirmative defense would be that they have a medical marijuana dispensation card and the judge would

February 13, 2012

have to make a decision whether or not that gets them off the hook for possession, or not.

City Attorney Hillier felt there was a possibility that the city could pass an ordinance stating, "You don't have the right to locate a growing or distribution facility within the city limits of Chehalis."

Councilor Taylor reported he understood that the state had passed legislation; however, marijuana was still an illegal drug. City Attorney Hillier agreed that possession of marijuana was against the law; unless you have an affirmative defense.

Councilor Taylor talked briefly about stories he had heard from doctors who say it can be used for good causes. He wondered if the officers were just wasting their time writing tickets for possession.

Councilor Pope stated, from his point of view, there are prescription drugs that are far more damaging than marijuana. He suggested the people who make the laws do not understand the process.

Councilor Harris believed there were practical uses for it; however, the problem he had was that the vast majority of people who are trying to legalize it were using sick and dying people as a cover for what they want to do with it.

Councilor Dawes felt if the Legislature passed other ambiguous laws there would be many challenges, and wondered why there hadn't been any challenge to this issue. City Attorney Hillier thought it was because right on the heels of the changes made last year to the legislation there was a huge push to legalize marijuana in the State of Washington and they were waiting to see how that played out before they go back and try to fix the mess.

Councilor Dawes asked if there was any other city in Washington that has taken the approach of controlling it by not allowing it, without being challenged. City Attorney Hillier reported, not yet.

Alternative No. 4: Zoning, permitting, regulating, and approval of growing operations in the city.

City Attorney Hillier stated, if the city decides to go down this road, an ordinance would need to be created that would outline locations, regulation provisions on how often they have to be visited, taxes, fees, and such. He noted Municipal Research Center had some model ordinances, but added it would not be an easy road.

Bob Nacht reported the zoning ordinance was constructed to deal with land use issues. He noted 'definition' criteria would need to be established first, as well as establishing where in the city these things might be allowed, and under what conditions. Mr. Nacht reported everything about it was complex and it would all need to be addressed in the zoning ordinance.

Councilor Taylor stated it seemed odd to him that they would even be having a discussion about the fourth alternative, since it was against the law.

Councilor Spahr asked how much time was left on the current moratorium. City Manager MacReynold noted it would be ending next month. Councilor Spahr suggested going with a moratorium for a year, and then consider an all-out ban.

Chief Schaffer reported they really tread lightly with the issue, adding every time they make an arrest there's some other decision or opinion that comes across to throw loopholes into it. He noted they recently went to trial and won a challenge against a medical marijuana supplier. Chief Schaffer stated the zoning and permitting option bothered him because it was still against federal regulations, adding until the two legislative bodies come together with one way of handling things they were not going to have any easy answers. He agreed that they need more time to think about it, and hoped things at the state legislative level would get worked out.

Councilor Harris stated he agreed with the prohibition alternative, but felt extending the moratorium would be the soundest way to go. He had concerns about passing something with prohibition right now; adding being on the cutting edge of something was very costly and usually when you get cut the most.

February 13, 2012

Councilor Dawes stated he didn't believe there was a real groundswell of support from constituents who were interested in having this type of activity come in to the community. He thought that extending the moratorium would give them a little more time to research and/or to find something better. Councilor Dawes suggested finding something to outlaw it would be even better as an end result.

The consensus of the council was to extend the moratorium. City Attorney Hillier reported the administration would bring back a proposed ordinance at the next regular meeting for the council to consider.

b. **Interview Applicants for Chehalis-Centralia Airport Board Appointments.** The council interviewed Jim Buzzard and Rick Smith to fill two vacancies on the Chehalis-Centralia Airport Board.

c. **Chehalis-Centralia Airport – Fourth Quarter Report.** Airport Manager Allyn Roe and City Representative Dr. John McCord gave a brief update on the fourth quarter activities at the airport. Mr. Roe reported they've had a change-over of four board members out of the seven during the last year. He stated they had some great candidates come forward and he looked forward to working with all of them.

Mr. Roe reported the Board had applied on two occasions for landscape improvement grants for the roundabout in front of Home Depot and Wal-Mart, and on both occasions they were denied funding. He indicated the board was now considering funding the project, but would first need to review their capital improvement plan.

Mr. Roe reported they were focusing on getting some of their properties cleaned up and managing their risk of having some declared wetlands. Councilor Dawes inquired about the drainage area in front of the Town Center and asked if there was a way something could be designed to make it more attractive than what's currently out there. Mr. Roe reported the site in front of the Town Center was a designated wetlands versus and on-site storage facility. He noted they were doing everything that they're legally able to do, including farming it to try to improve the area.

Mr. Roe reported they were also working with the city and county on the Louisiana Avenue/Airport Road connection project. He stated National Frozen Foods approached them and the other partners in the project to discuss the sale and purchase of certain property. Mr. Roe noted, in exchange for the sale of 2.5 acres of their property to the project, National Frozen Foods would like to purchase approximately 40 acres from the airport. He stated the airport board was reviewing it, but didn't have a decision on it yet.

Mr. Roe reported as they get into the year they would be working on a large project for approach lighting.

Mayor Ketchum closed the work session at 6:02 p.m. and announced the council would take a short recess and reopen the regular meeting at 6:09 p.m.

2. **Chehalis River Fish Study.** Ms. Balmelli-Powe reported on the fish study sponsored by the Flood Authority, noting she believed people who are not supportive of the dam had a high influence on which consultants were hired. She stated the city was kind enough to honor her request to hire Fish Biologist Shane Scott, who was neutral to the subject, to make sure the results of the report actually gave a true picture of what the impacts were to the fish. Ms. Balmelli-Powe noted Mr. Scott found some serious flaws in the report, as did several other agencies that also reviewed it. She stated they were hoping to have a final draft of the report out by the first part of March.

Councilor Taylor asked if they had presented their findings to the Flood Authority. Ms. Balmelli-Powe indicated Mr. Scott had not talked to the Flood Authority, adding she hoped he would join them when the Authority gives their report on the final draft of their study.

Mr. Scott noted he was a local boy who graduated from Rochester, Washington, and now worked as a technical and policy advisor for all of the public utilities in the Pacific Northwest on the Columbia River dam operations, maintenance, and capital improvements for fish passage.

Mr. Scott reported, with regard to the report, his focus was primarily on the biology. He reported the main three things he found flawed within the report were: the basic lack of information on fish habitat; the water temperatures used; and the fish

February 13, 2012

populations. Mr. Scott reported, if they do the following, it would give them some usable information.

- fix the baseline
- get good temperature information and design the dam to operate like it should to meet water quality
- re-run the temperature analysis and input the better fish populations to include the whole population

Mr. Scott reported, from his experience with dams, salmon and the Chehalis River, the steelhead would be affected. He suggested if they improve the water temperatures in the summer and improve flows, there could be some benefits.

Councilor Taylor inquired as to where they got the numbers for the assumptions used in the study. Mr. Scott reported Anchor QEA, LLC sent a comment letter that referenced a previous report from ES Consultants. He believed Dave Muller from Lewis County Public Utility District (PUD) gave some input on dam operations. Mr. Scott stated his recommendation was to have them look at the Wynoochee Dam, adding it was very similar in size and operation.

Councilor Taylor asked if there was scientific data to show the water temperature in Pe Ell was 68 degrees in the summertime. Mr. Scott reported the PUD was up doing some stream surveys after the catastrophic loss a couple of years ago and they were measuring very high water temperatures. He noted they didn't use the highest numbers when they did the modeling, but they used abnormally high temperatures and ran them later in the year when they should have observed a drop off in temperature. Mr. Scott suggested they might be trying to capture the catastrophic losses from the high temperature spikes.

Councilor Dawes asked what would happen if they did nothing. Mr. Scott noted, as a fish guy, he didn't believe it was going to get any better for the fish from here forward. Councilor Dawes asked if there was any kind of study that could be done on the river that would answer every scenario and everything about every type of fish that has ever swam up and down the river system. Mr. Scott stated for a fee. Councilor Dawes stated it might be worth it, adding it seemed like there was a certain element that just wants to throw a fly in the ointment no matter what's done. Mr. Scott suggested the mindset might be that if they leave things alone, it might get better. Councilor Dawes stated in the past 80 plus years it hasn't gotten any better, and he didn't see where the next 80 were going to produce anything indifferent.

Mr. Scott stated, bottom-line, his recommendation was to fix the report and get the absolute best science that we have, and keep repeating the science and referring back to it. He suggested it would impact some populations, but it may benefit other populations.

Councilor Lund asked if the biologists had ever taken the time to see what it would do if they threw some hay bales into the river periodically throughout the year to help fish. Mr. Scott stated he was 100 percent in favor of doing that.

Councilor Harris asked Mr. Scott if he knew how much gillnets affected the population of fish. Mr. Scott suggested gillnets were a problem, but the tribes were just exercising their rights.

Councilor Spahr asked what was cultural about gillnets. Mr. Scott reported it's just an acceptable harvest method that's been used forever, adding the non-Indian folks use it as well and the tribal folks.

Mayor Ketchum thanked Mr. Scott for his time and report.

3. **Presentation of Certificate of Appreciation.** Mayor Ketchum presented Julie Balmelli-Powe with a certificate of appreciation in recognition of her volunteer efforts and commitment to the community serving as the city's representative on the Chehalis River Basin Flood Authority.

Ms. Balmelli-Powe noted the Flood Authority was putting on a Government to Government training session to teach them how there're supposed to interact with the Tribes in Washington State. She asked if there was any interest by the council to attend the event. Councilor Spahr noted he would check his calendar to see if he was available.

February 13, 2012

4. **Consent Calendar.** Councilor Dawes moved to approve the consent calendar comprised of the following:

a. Minutes of the regular meeting of January 23, 2012;

b. Claim Vouchers No. 102167-102172 and EFT No. 122011 in the amount of \$41,803.42 dated January 20, 2012; Claim Vouchers No. 102173-102262 in the amount of \$89,358.78 dated January 31, 2012; and Payroll Vouchers No. 35363-35430, Direct Deposit Payroll Vouchers No. 2870-2942, and Electronic Federal Tax Payment No. 107 in the amount of \$651,737.40 dated January 31, 2012;

c. Accept SE Evergreen Drive water line project as complete and release retainage in the amount of \$10,031.68; and

d. Appoint Jim Buzzard to a six-year term on the Chehalis-Centralia Airport Board expiring December 31, 2017; and appoint Rick Smith to the two-year (rotating) term on the Chehalis-Centralia Airport Board expiring December 31, 2013.

The motion was seconded by Councilor Taylor and carried unanimously.

5. **Administration Reports.**

a. **Work Session Reminder.** City Manager MacReynold reminded the council about the upcoming work session on Tuesday, February 21, at 5:00 p.m., to discuss city zoning, permits, and code enforcement.

b. **Volunteers Needed for Interview.** City Manager MacReynold reported the State was doing a report on the Flood Authority and the Chehalis River Basin flood effort. He noted he was looking for three councilors to volunteer to meet with them for an interview, to talk about the city's experience around the Flood Authority and flood effort. Councilors Taylor, Spahr and Harris agreed to volunteer.

6. **Council Reports.**

a. **Update From Councilor Pope.** Councilor Pope reported the Chehalis Foundation met with the Chehalis Community Renaissance Team (CCRT) to discuss holiday lighting. He noted a presentation was made by the Foundation with a request that the CCRT take over the effort for looking at holiday lighting for the city. Councilor Pope stated they were also informed there would be \$20,000 available from the Foundation for the project. He noted after some discussion, Councilor Harris volunteered to be the chairperson for that effort.

b. **Update From Councilor Dawes.** Councilor Dawes reported on the North Lewis County Regional Fire Authority Planning Committee meeting, adding they gave a presentation to the Chehalis Rotary Club on the 25th that was very well received. He noted they had very good questions and several comments thanking the groups for cooperating with one another to study the issue. Councilor Dawes indicated they had another presentation scheduled with the Chehalis Industrial Commission on the 21st. He reported at their last meeting the committee took some rather significant steps in the process. One was to identify four battalion areas where different stations would be responded from.

Councilor Dawes reported on the Lewis County Historical Museum, adding he had a chance to attend the viewing of the new coastal Doppler radar station video. He noted a proclamation was presented to Margaret Shields from the city to declare February 8th as "Margaret Shields Day" in Chehalis.

Councilor Dawes was pleased to announce that all of the financials at the museum were caught up, adding the 990 forms were all signed as of the last meeting for the years 2008, 2009, 2010, and 2011. He reported everything was turned around at the museum within a period of two to three months.

Councilor Dawes reported the interview committee was down to about three or four people they are interviewing for the permanent director position. He indicated there were a lot of positive things going on at the museum, noting they had a lot of new volunteers which was nice to see.

February 13, 2012

c. **Update From Councilor Spahr.** Councilor Spahr reported he attended several events and meetings, which included: the Lewis County Economic Development Committee banquet, Councilor Pope's gala for Pope's Kids Place, the regional fire authority meeting, and an I-5 sounding board meeting. He noted the worst case scenario for the I-5 project could be two walls from south of Centralia to North of Chehalis on both sides of the freeway to keep the floodwaters out.

Councilor Spahr reported they got a number of 'thanks' on their Facebook page regarding the new parking ordinance. He noted the folks up on Washington Avenue were happy, adding for the first time in almost a year they were able to walk out their front door without seeing the unsightly pickup truck sitting there.

d. **Update From Councilor Harris.** Councilor Harris stated he wanted to thank the Chehalis Foundation for coming up with some money for the holiday decorations. He reported he had people already volunteering to be on the committee, including David Hartz and Patty Kaija. He noted he would be working closely with city staff as well, noting they were paramount in being involved with the project.

Councilor Harris noted the CCRT was definitely going to miss Larry McGee at the helm, adding he recently took an 18-month job at Centralia Community College to expand their four-year bachelor program. He felt Mr. Roe would probably step right into Mr. McGee's shoes and keep the ball rolling, noting there was a lot of momentum by the organization and the people involved in it.

7. **Presentation of Chehalis Parks, Recreation and Open Space (PROS) Plan.** Mr. Nacht reported the draft PROS plan was distributed for council review. He noted consultant Tom Beckwith started the project in 2009; however, over the last couple of years the economy had not been kind and there have been many challenges faced with moving the project forward.

Mr. Nacht reported the city has an opportunity to support the Foundation in an effort to apply for a grant for the outdoor pool reconstruction and upgrade, but only if the city has a current adopted PROS plan. He noted some of the data in the draft is a couple of years old, adding a lot of it was pulled from documents that were and are adopted, including the Growth Management Act (GMA) projections from the Lewis County Planned Growth Committee, and population projections which are a significant part of the plan. Mr. Nacht reported the numbers were valid, but whether or not they are reasonable or can expect to have happen, are up for speculation.

Mr. Nacht invited council comments and suggestions over the next couple of weeks. He noted he would make proposed changes to the sensitive issues and ask the council to review them at the time the plan comes back for adoption.

Mr. Nacht stated it was his understanding that in order for the plan to be effective for the Foundation's grant application, it would need to be adopted by March 1. He noted the PROS plan would ultimately be a component of the Chehalis Comprehensive Plan and would be available for review and revision annually.

Councilor Spahr inquired about the facility units noted in the executive summary, wondering why it was such a large number. Mr. Nacht stated he would have to review it to see if there was a relationship with facility units and something that might be defined in the plan. He noted it may very well relate to facilities for opportunities by other agencies, such as school districts for either gym or running tracks that might be available.

Councilor Spahr wondered if when the old plan was adopted, there was some kind of an idea of what an average city had and needed. Mr. Nacht noted the population projections were taken from the official OFM and the Lewis County Planned Growth Committee's population distribution of the GMA, so those numbers we may or may not ever reach. He noted they had to be used in the document because they were the adopted numbers. Mr. Nacht reported the level of service that would be required in the next six to 15 years, based on the numbers, was extensive. He noted at the time the plan was being developed the stakeholders were probably more aggressive and more visionary than they would be under today's economy.

Councilor Harris reported he went through the surveys, adding there was a lot of direction noted in them. He suggested it was a fun plan and should be looked at as a parks plan for fun and recreation.

Councilor Dawes stated he only wanted to read the comments from the citizens and students, adding the rest of it was nothing other than professional bureaucratic verbiage made to impress the constituents.

February 13, 2012

Councilor Pope wanted to know how soon the city should get involved in discussing the Stan Hedwall Park lease with the State, noting the lease would be coming up in 2026.

City Manager MacReynold reported a couple of years ago he met with one of our Legislators and at the time thought there was going to be a legislative fix for it; however, he didn't necessarily get a positive response from the state. He felt a legislative fix was probably the best way to deal with it, adding over the next couple of years we would need to establish a relationship with one of our Legislators and get them to move on it.

Councilor Dawes suggested, since the state never gave us the promised sales tax mitigation, it might be a nice trade-off.

Mr. Nacht reported the city addressed some potential for environmental mitigation to enhance some of Dillenbaugh Creek and other things that could be used as a trade-off. He believed they would be discussing Stan Hedwall Park as part of the three-year financial strategy plan.

8. Accept Washington State Transportation Improvement Board (TIB) Grant and the Chehalis Avenue Beautification Grant. Herta Fairbanks reported the issue before the council was just a formalization of council's acceptance of the two grants, which the council received information on in the past.

Councilor Harris moved to accept the TIB grant for the refurbishment of Chehalis Avenue and the STP Transportation Enhancement Program grant, and authorize the City Manager to execute agreements necessary to complete the project within the financial constraints identified.

Councilor Pope seconded the motion.

Councilor Spahr noted they had put new sewer lines down Chehalis Avenue a few years ago, and wondered if they would be looking at installing new water lines. Ms. Fairbanks reported they would not be tearing up the street to that extent, adding the city did not receive the grant submitted that would have included new water lines.

Councilor Spahr wondered if they were throwing good money after bad, if in the future they were going to disturb the surface to replace the water lines. Ms. Fairbanks reported, eventually the water lines would have to be replaced, but for now they were just doing a very nice band-aid for the street.

Councilor Dawes inquired about the storm drain in the area of Center Street or Prindle Street and Chehalis Avenue. Ms. Fairbanks reported the project would include a few storm system upgrades.

The motion carried unanimously.

9. Ordinance No. 889-B, First Reading – Amending the City Parking Ordinance. City Manager MacReynold reported this issue was really just a housekeeping item, noting Court Administrator Becky Fox was informed that the city was in violation of state law with reference to our parking fee penalties.

Ms. Fox reported each year the Court Administrator's Office goes over our local statutes and notifies the court if they're out of compliance. She stated this year she was told the maximum that a legislative body can set for a delinquent penalty on parking citations was \$25. Ms. Fox indicated the city currently had different penalties for different parking infractions, and proposed to change the penalty to the maximum \$25 on all parking violations. She noted it took the same amount of time to process a delinquent parking ticket for \$5 as it does for a \$15 ticket. Ms. Fox provided some statistics on the 2011 parking tickets.

Councilor Dawes moved that the council suspend the rules requiring two readings of an ordinance.

The motion was seconded by Harris and carried unanimously.

Councilor Dawes moved to pass Ordinance No. 889-B on first and final reading.

February 13, 2012

The motion was seconded by Councilor Spahr and carried unanimously.

10. **Audit on Non-Profits.** Councilor Lund stated, at the last meeting, Councilor Pope provided them with some information that he requested from Tom Bradley on how to handle money given out to non-profit groups. He thought it was a good idea, and was hoping it would be on the agenda for discussion.

City Manager MacReynold reported the administration had spent some time looking at the information provided by Mr. Bradley. His impression from the meeting was, the council was clearly supportive of the city proceeding with it and his Administrative Assistant Caryn Foley was working with Mr. Bradley to put a letter together that would be sent out to all of the non-profits that we fund. City Manager MacReynold reported the letter would provide examples of what the non-profits need to provide the city. He noted if the council wanted to take formal action to direct the administration to bring something back to the next meeting, he would certainly do that, but they were proceeding on the clear direction he got from the council at the last meeting.

Councilor Pope felt the council gave direction for the administration to proceed.

Councilor Lund stated he was under the impression that Councilor Harris wanted to read the information first.

Councilor Harris thought they all agreed on the idea behind it, adding he would like to see what the state requires that the lodging tax committee (LTAC) can require for application of funding.

City Manager MacReynold believed they were currently requiring what the state required, but believed the city could require additional information. He stated he would be happy to come back to the council with what could be sent out to the organizations.

Councilor Lund stated the only thing that worried him was that Mr. Bradley felt some groups maybe didn't have the money to do an audit. He felt the city needed a tighter process to make sure the non-profits are not giving the city phony paperwork.

City Manager MacReynold reported the information provided by Mr. Bradley indicated most organizations couldn't afford to do a full official audit, but there were enough other things the city could require. He noted if they provide the city with all of the required information we would have a good historical record of what they are doing organizationally with their funds.

Councilor Pope suggested, after arguing the issue with Mr. Bradley, he gave a very logical explanation as to why it would be prohibitive to some of the organizations. He felt if they were concerned about one of the organizations, the council could give direction for that particular organization to have an audit. Councilor Pope stated he was comfortable with what Mr. Bradley suggested the city do.

City Manager MacReynold stated he would be happy to copy the council on what the city was sending out, so the council could see it ahead of time and give some feedback.

There being no further business to come before the council, the meeting adjourned at 7:15 p.m.

Mayor

Attest:

City Clerk

SUGGESTED MOTION

I move that the council approve the minutes of the regular city council meeting of February 13, 2012.

CITY OF CHEHALIS
AGENDA REPORT

DATE: February 16, 2012
TO: The Honorable Mayor and City Council
FROM: Eva Lindgren, Finance Manager *EL*
PREPARED BY: Michelle White, Accounting Tech II *MW*
SUBJECT: Vouchers and Transfers

ISSUE

Council approval is requested of the following financial transactions:

1. Claim Vouchers No. 102264 through 102396 and EFT No. 12012 in the amount of \$244,764.05 dated February 15, 2012 and the transfer of \$124,696.41 from the General Fund, \$506.25 from the HUD Block Grant Fund, \$84,573.64 from the Wastewater Fund, \$32,340.46 from the Water Fund and \$2,647.29 from the Storm & Surface Water Utility Fund.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the council approve the February 15, 2012 Claim Vouchers No. 102264 through 102396 and EFT No. 12012 in the amount of \$244,764.05.

SUGGESTED MOTION

I move to approve the February 15, 2012 Claim Vouchers No. 102264 through 102396 and EFT No. 12012 in the amount of \$244,764.05.

Reviewed by: , City Manager

To: The Honorable Mayor and Council
 Via: Merlin MacReynold, City Manager
 From: Eva K. Lindgren, Finance Manager
 Date: February 22, 2012
 Subject: Monthly Financial Reports for December

City of Chehalis
 Comparative Financial Reports
 January 2011 and 2012

GENERAL FUND (#001) REVENUES	A January 2011		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	% Rec'd*	% Rec'd*	% Rec'd	% Rec'd	Expected	% Rec'd*	Var'nc Expected	% Variance	% Variance	
General Property Taxes	1,219,000	3,101	1,235,000	5,668	0.3%	0.5%	1,235,000	5,668	8.3%	0.5%	0.5%	8.3%	(97,249)	-7.8%				
EMS Property Taxes	233,000	593	236,000	1,083	0.3%	0.5%	236,000	1,083	8.3%	0.5%	0.5%	8.3%	(18,584)	-7.8%				
Sales & Use Tax	3,000,000	255,550	3,000,000	239,906	8.5%	8.0%	3,000,000	239,906	8.3%	8.0%	8.0%	8.3%	(10,094)	-0.3%				
Electricity Tax	375,000	58,277	400,000	64,188	15.5%	16.0%	400,000	64,188	8.3%	16.0%	16.0%	8.3%	30,855	7.7%				
Gas/Natural Gas Tax	253,000	38,060	250,000	43,875	15.0%	17.6%	250,000	43,875	8.3%	17.6%	17.6%	8.3%	23,042	9.3%				
Criminal Justice Tax	92,000	6,599	88,000	6,514	7.2%	7.4%	88,000	6,514	8.3%	7.4%	7.4%	8.3%	(819)	-0.9%				
Interfund Water/Sewer Tax	350,000	26,408	340,000	27,078	7.5%	8.0%	340,000	27,078	8.3%	8.0%	8.0%	8.3%	(1,255)	-0.3%				
Garbage Tax	65,000	15,058	62,000	14,488	23.2%	23.4%	62,000	14,488	8.3%	23.4%	23.4%	8.3%	9,321	15.1%				
Cable Tax	80,000	22,868	92,000	23,075	28.6%	25.1%	92,000	23,075	8.3%	25.1%	25.1%	8.3%	15,408	16.8%				
Telephone Tax	335,000	18,452	325,000	19,151	5.5%	5.9%	325,000	19,151	8.3%	5.9%	5.9%	8.3%	(7,932)	-2.4%				
Leasehold Excise Tax	35,000	0	35,000	0	0.0%	0.0%	35,000	0	8.3%	0.0%	0.0%	8.3%	(2,917)	-8.3%				
Other Taxes	0	0	30	0	N/A	0.0%	30	0	8.3%	0.0%	0.0%	8.3%	(3)	-8.3%				
Total Tax Revenues	\$6,037,000	\$444,966	\$6,063,030	\$445,026	7.4%	7.3%	\$6,063,030	\$445,026	8.3%	7.3%	7.3%	8.3%	(\$60,227)	-1.0%				
Licenses & Permits	120,200	6,400	63,630	3,488	5.3%	5.5%	63,630	3,488	8.3%	5.5%	5.5%	8.3%	(1,815)	-2.8%				
Intergov't. Grants/Entitlements	256,150	26,798	361,024	28,426	10.5%	7.9%	361,024	28,426	8.3%	7.9%	7.9%	8.3%	(1,659)	-0.4%				
Charges for Goods and Svcs.	780,094	69,309	800,725	65,856	8.9%	8.2%	800,725	65,856	8.3%	8.2%	8.2%	8.3%	(871)	-0.1%				
Fines and Forfeitures	101,824	13,681	167,080	12,512	13.4%	7.5%	167,080	12,512	8.3%	7.5%	7.5%	8.3%	(1,411)	-0.8%				
Interest Earnings	18,800	478	12,546	438	2.5%	3.5%	12,546	438	8.3%	3.5%	3.5%	8.3%	(608)	-4.8%				
Rents & Royalties	64,200	7,591	71,422	4,538	11.8%	6.4%	71,422	4,538	8.3%	6.4%	6.4%	8.3%	(1,414)	-1.9%				
Donations/Contributions	0	0	33,200	4,626	N/A	13.9%	33,200	4,626	8.3%	13.9%	13.9%	8.3%	1,859	5.6%				
Misc. Revenue/Insurance	3,500	358	3,100	770	10.2%	24.8%	3,100	770	8.3%	24.8%	24.8%	8.3%	512	16.5%				
Non-Revenues	5,500	455	4,866	249	8.3%	5.1%	4,866	249	8.3%	5.1%	5.1%	8.3%	(157)	-3.2%				
Total Non-Tax Revenues	1,350,268	125,070	1,517,593	120,903	9.3%	8.0%	1,517,593	120,903	8.3%	8.0%	8.0%	8.3%	(\$5,563)	-0.3%				
Proceeds of Long-Term Debt	1,131,362	0	0	0	0.0%	N/A	0	0	8.3%	N/A	N/A	8.3%	0	N/A				
Total Other Financing Sources	1,131,362	0	0	0	0.0%	N/A	0	0	8.3%	N/A	N/A	8.3%	\$0	N/A				
TOTALS	\$8,518,630	\$570,036	\$7,580,623	\$565,929	6.7%	7.5%	\$7,580,623	\$565,929	8.3%	7.5%	7.5%	8.3%	(\$65,790)	-0.8%				

Key:

* The expected percentage is calculated as follows: since the report is for the 1st month of the year, 1 is divided by 12-the number of months in the year.

^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

H=(D*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis
Comparative Financial Reports
January 2011 and 2012

GENERAL FUND (#001) EXPENDITURES	A January 2011		B		C=B/A		D January 2012		E		F=E/D		G		H ^A		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	Budget	Actual	% Exp'd	% Exp'd	% Exp'd	% Exp'd	Expected	Variance	% Variance	
City Council	97,509	7,488	100,319	8,040	7.7%	100,319	8,040	8.0%	100,319	8,040	8.0%	8.3%	8.3%	320	320	0.3%		
Municipal Court	324,523	23,956	334,309	27,149	7.4%	334,309	27,149	8.1%	334,309	27,149	8.1%	8.3%	8.3%	710	710	0.2%		
City Manager	322,761	25,964	338,840	27,322	8.0%	338,840	27,322	8.1%	338,840	27,322	8.1%	8.3%	8.3%	915	915	0.2%		
Finance	312,765	22,408	316,414	25,838	7.2%	316,414	25,838	8.2%	316,414	25,838	8.2%	8.3%	8.3%	530	530	0.1%		
City Clerk	91,523	6,776	93,216	7,546	7.4%	93,216	7,546	8.1%	93,216	7,546	8.1%	8.3%	8.3%	222	222	0.2%		
Non-Departmental	1,515,052	22,507	1,537,559	22,507	1.5%	1,537,559	22,507	7.8%	1,537,559	22,507	7.8%	8.3%	8.3%	1,989	1,989	0.5%		
Human Resources	130,751	10,333	132,619	14,003	7.9%	132,619	14,003	10.6%	132,619	14,003	10.6%	8.3%	8.3%	(2,951)	(2,951)	-2.3%		
Police	2,314,569	211,890	2,346,053	154,355	9.2%	2,346,053	154,355	6.6%	2,346,053	154,355	6.6%	8.3%	8.3%	41,149	41,149	1.7%		
Fire	1,714,518	127,308	1,727,813	120,033	7.4%	1,727,813	120,033	6.9%	1,727,813	120,033	6.9%	8.3%	8.3%	23,951	23,951	1.4%		
Public Works - Streets	499,379	21,782	607,332	41,062	4.4%	607,332	41,062	6.8%	607,332	41,062	6.8%	8.3%	8.3%	9,549	9,549	1.5%		
Public Works - Engineering	111,538	7,719	111,017	7,793	6.9%	111,017	7,793	7.0%	111,017	7,793	7.0%	8.3%	8.3%	1,458	1,458	1.3%		
Community Development	1,251,480	98,428	1,158,726	87,444	7.9%	1,158,726	87,444	7.5%	1,158,726	87,444	7.5%	8.3%	8.3%	9,117	9,117	0.8%		
TOTALS	\$8,686,368	\$586,559	\$7,620,196	\$548,058	6.8%	\$7,620,196	\$548,058	7.2%	\$7,620,196	\$548,058	7.2%	8.3%	8.3%	\$6,958	\$6,958	1.1%		

Net Budget/Income/Variance: (\$167,738) (\$16,523) \$17,871

\$21,169 0.3%

Key:

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H=(D*G) - E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis
Comparative Financial Reports
January 2011 and 2012

WASTEWATER FUND (#404) REVENUES	A January 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	January 2012 Budget	Actual	% Rec'd	% Rec'd*	% Rec'd	% Exp'd	Expected	Var'nc Expected	firm Expected	% Variance
Wastewater Fees	3,338,552	276,250	0	0	8.3%	0.0%	3,404,344	279,584	279,584	3,030	8.2%	8.3%	8.2%	8.3%	(4,111)	947	(4,111)	-0.1%
Sewer Connection/Misc. Fees	35,000	0	0	0	0.0%	0.0%	25,000	3,030	3,030	0	12.1%	8.3%	12.1%	8.3%	947	947	947	3.8%
Rentals	3,750	0	0	0	0.0%	0.0%	3,750	0	0	0	0.0%	8.3%	0.0%	8.3%	(313)	(313)	(313)	-8.3%
Misc. Revenues/Insurance	2,500	824	824	824	33.0%	33.0%	2,000	404	404	0	20.2%	8.3%	20.2%	8.3%	237	237	237	11.9%
Interfund Principal Repayment	565,681	0	0	0	0.0%	0.0%	0	0	0	0	N/A	8.3%	N/A	8.3%	0	0	0	N/A
Interest Earnings	16,000	1,131	1,131	1,131	7.1%	7.1%	4,655	1,124	1,124	0	24.1%	8.3%	24.1%	8.3%	736	736	736	15.8%
Totals:	\$3,961,483	\$278,205	\$278,205	\$278,205	7.0%	7.0%	\$3,439,749	\$284,142	\$284,142	\$284,142	8.3%	8.3%	8.3%	8.3%	(\$2,504)	(\$2,504)	(\$2,504)	-0.1%

WASTEWATER FUND (#404) EXPENSES	A January 2011		B		C=B/A		D		E		F=E/D		G		H [^]		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	January 2012 Budget	Actual	% Exp'd	% Exp'd*	% Exp'd	% Exp'd	Expected	Var'nc Expected	firm Expected	% Variance
Operating Expenses	2,394,038	178,369	178,369	178,369	7.5%	2.4%	2,532,028	154,214	154,214	0	6.1%	8.3%	6.1%	8.3%	56,788	56,788	56,788	2.2%
Capital Outlay	290,000	6,921	6,921	6,921	2.4%	2.8%	644,000	0	0	0	0.0%	8.3%	0.0%	8.3%	53,667	53,667	53,667	8.3%
Debt Principal	1,685,894	46,513	46,513	46,513	2.8%	17.4%	1,694,944	49,825	49,825	5,417	2.9%	8.3%	2.9%	8.3%	91,420	91,420	91,420	5.4%
Interest Expense	50,166	8,730	8,730	8,730	17.4%	5.4%	46,660	5,417	5,417	0	11.6%	8.3%	11.6%	8.3%	(1,529)	(1,529)	(1,529)	-3.3%
Totals:	\$4,420,098	\$240,533	\$240,533	\$240,533	5.4%	5.4%	\$4,917,632	\$209,456	\$209,456	\$209,456	4.3%	8.3%	4.3%	8.3%	\$200,347	\$200,347	\$200,347	4.0%
Net Budget/Income/Variance:	(\$458,615)	\$37,672	\$37,672	\$37,672			(\$1,477,883)	\$74,686	\$74,686						\$197,843	\$197,843	\$197,843	4.0%

Key:
 * The expected percentage is calculated as follows: since the report is for the 1st month of the year, 1 is divided by 12-the number of months in the year.
 ^ To calculate the dollar variance between expected and actual expenditures, the following formula is used:
 H=(D*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis
Comparative Financial Reports
January 2011 and 2012

WATER FUND (#405) REVENUES	A January 2011		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	Budget	Actual	% Rec'd	% Rec'd	Budget	Actual	January 2012 Budget	Actual	% Rec'd	% Rec'd*	Expected % Rec'd	Expected % Rec'd*	Var'nc Expected	Var'nc Expected	% Variance	% Variance
Water Sales	2,541,852	184,377	0	0	7.3%	0.0%	2,456,633	187,236	20,000	6,142	7.6%	30.7%	8.3%	8.3%	(17,483)	4,475	-0.7%	22.4%
Water Connection/Misc. Fees	26,000	0	0	0	0.0%	0.0%	0	0	0	0	N/A	N/A	8.3%	8.3%	0	0	N/A	N/A
Interfund Principal Repayment	565,681	0	174	0	N/A	N/A	0	150	10,000	1,124	11.2%	11.2%	8.3%	8.3%	291	291	2.9%	2.9%
Misc. Revenues/Insurance	0	0	0	0	0.0%	0.0%	0	0	0	0	0.0%	0.0%	8.3%	8.3%	0	0	0.0%	0.0%
Interest Earnings	16,000	0	0	0	0.0%	0.0%	10,000	1,124	10,000	1,124	11.2%	11.2%	8.3%	8.3%	291	291	2.9%	2.9%
Totals:	\$3,149,533	\$184,551	\$184,551	\$184,551	5.9%	0.0%	\$2,486,633	\$194,652	\$2,486,633	\$194,652	7.8%	7.8%	8.3%	8.3%	(\$12,567)	(\$12,567)	-0.5%	-0.5%

WATER FUND (#405) EXPENSES	A January 2011		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	Budget	Actual	% Exp'd	% Exp'd	Budget	Actual	January 2012 Budget	Actual	% Exp'd	% Exp'd*	Expected % Exp'	Expected % Exp'	Var'nc Expected	Var'nc Expected	% Variance	% Variance
Operating Expenses	1,837,325	144,294	144,294	0	7.9%	0.0%	1,900,894	115,662	1,900,894	115,662	6.1%	6.1%	8.3%	8.3%	42,746	42,746	2.2%	2.2%
Capital Outlay	290,000	0	0	0	0.0%	0.0%	790,000	8,536	790,000	8,536	1.1%	1.1%	8.3%	8.3%	57,297	57,297	7.2%	7.2%
Debt Principal	129,077	8,000	8,000	0	6.2%	0.0%	130,077	8,000	130,077	8,000	6.2%	6.2%	8.3%	8.3%	2,840	2,840	2.1%	2.1%
Interest Expense	26,496	4,575	4,575	0	17.3%	0.0%	24,131	4,175	24,131	4,175	17.3%	17.3%	8.3%	8.3%	(2,164)	(2,164)	-9.0%	-9.0%
Totals:	\$2,282,898	\$156,869	\$156,869	\$156,869	6.9%	0.0%	\$2,845,102	\$136,373	\$2,845,102	\$136,373	4.8%	4.8%	8.3%	8.3%	\$100,719	\$100,719	3.5%	3.5%
Net Budget/Income/Variance:	\$866,635	\$27,682	\$27,682	\$27,682			(\$358,469)	\$58,279	(\$358,469)	\$58,279					\$88,152	\$88,152	3.0%	3.0%

Key:

* The expected percentage is calculated as follows: since the report is for the 1st month of the year, 1 is divided by 12-the number of months in the year.

^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

H=(D*G)-E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

City of Chehalis
Comparative Financial Reports
January 2011 and 2012

STORM FUND (#406) REVENUES	A		B		C=B/A		D		E		F=E/D		G		H^		I=F-G	
	Budget	Actual	January 2011 Budget	Actual	% Rec'd	% Rec'd*	January 2012 Budget	Actual	% Rec'd	% Rec'd*	Expected	Var'nc frm Expected	% Exp'd	% Exp*	Expected	Var'nc frm Expected	% Variance	
Storm & Surface Water Fees	401,500	35,311	407,780	35,290	8.8%	8.3%	407,780	35,290	8.7%	8.3%	1,308	1,308	8.3%	8.3%	4,988	4,988	0.4%	
Storm Connection/Misc. Fees	10,000	0	0	4,988	0.0%	8.3%	0	4,988	N/A	8.3%	4,988	4,988	N/A	8.3%	0	4,988	N/A	
Interest Earnings	500	0	500	0	0.0%	8.3%	500	0	0.0%	8.3%	(42)	(42)	-8.3%	8.3%	(42)	(42)	-8.3%	
Totals:	\$412,000	\$35,311	\$408,280	\$40,278	8.6%	8.3%	\$408,280	\$40,278	9.9%	8.3%	\$6,255	\$6,255	1.6%	8.3%	\$6,255	\$6,255	1.6%	

STORM FUND (#406) EXPENSES	A		B		C=B/A		D		E		F=E/D		G		H^		I=G-F	
	Budget	Actual	January 2011 Budget	Actual	% Exp'd	% Exp'd*	January 2012 Budget	Actual	% Exp'd	% Exp'd*	Expected	Var'nc frm Expected	% Exp'd	% Exp*	Expected	Var'nc frm Expected	% Variance	
Operating Expenses	358,747	27,371	358,897	22,926	7.6%	6.4%	358,897	22,926	6.4%	6.4%	6,982	6,982	1.9%	8.3%	0	0	N/A	
Capital Outlay	0	0	0	0	N/A	N/A	0	0	N/A	N/A	0	0	0	8.3%	0	0	N/A	
Totals:	\$358,747	\$27,371	\$358,897	\$22,926	7.6%	6.4%	\$358,897	\$22,926	6.4%	6.4%	\$6,982	\$6,982	1.9%	8.3%	\$6,982	\$6,982	1.9%	

Net Budget/Income/Variance: \$53,253 \$7,940 \$49,383 \$17,352 \$13,237 3.5%

Key:

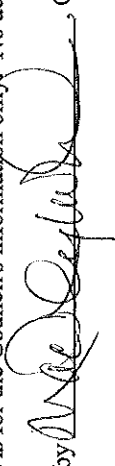
* The expected percentage is calculated as follows: since the report is for the 1st month of the year, 1 is divided by 12-the number of months in the year.

^To calculate the dollar variance between expected and actual expenditures, the following formula is used:

H=(D*G) -E (i.e.(annual budgeted amount x expected % expended) - actual expenditures.)

RECOMMENDATION/COUNCIL ACTION DESIRED


This report is for the Council's information only. No action is necessary.

Received by  City Manager

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: February 17, 2012

TO: The Honorable Mayor and City Council

FROM: Merlin MacReynold, City Manager 

SUBJECT: Resolution No. 04-2012 – Approving the Sale of Airport Surplus Property

ISSUE

A resolution has been requested from the city to approve the sale of airport property and to authorize the Airport Governing Board Chairman to sign a quit claim deed for conveyance of the property.

DISCUSSION

On December 12, 2011, Lewis County Public Works Director Tim Elsea and Real Estate Services Operations Manager Larry Unzelman briefed the council on the Airport Road reconstruction project. Mr. Elsea reported, in order for the project to move forward, they needed to acquire some right-of-way along Airport Road from National Frozen Foods. During the discussion Mr. Elsea indicated National Frozen Foods was asking that they be allowed to purchase approximately 40 acres from the old Blaser property at fair market value. This was contingent on them providing the right-of-way for the Airport Road project.

During the briefing the council was asked to approve a motion to continue negotiations with National Frozen Foods to sell a portion of their land for right-of-way use for the Airport Road reconstruction project, and in turn the city would sell a portion of the airport property to them to use for their operations. A motion was made and approved unanimously by the council.

The city council and the Board of County Commissioners both have to approve any land acquisition or sale of property that happens on the airport property. Attached is a copy of a county resolution that will go before the Board of County Commissioners on Monday, February 27 for their approval.

An executive summary (attached) has been provided by Mr. Unzelman that outlines details pertaining to the sale.

RECOMMENDATION/COUNCIL ACTION DESIRED

The administration recommends that the city council adopt Resolution No. 4-2012 on first and final reading.

SUGGESTED MOTION

I move that the city council adopt Resolution No. 4-2012 on first and final reading.

**CITY OF CHEHALIS
RESOLUTION NO. 4-2012**

**A RESOLUTION APPROVING THE SALE OF SURPLUS AIRPORT
PROPERTY TO NATIONAL FROZEN FOODS CORP.**

WHEREAS, the City has a project to improve Airport Road, and

WHEREAS, said project will require additional road right of way from property owned by National Frozen Foods Corporation, and

WHEREAS, the City made an offer to said Corporation under the threat of eminent domain to acquire the right of way, and

WHEREAS, said Corporation has agreed to convey the required right of way to the City, but contingent on the City selling 41.82 acres of surplus airport acreage to them to mitigate for acreage loss, and

WHEREAS, 41.82 acres of airport property as described in attached Exhibit A are surplus to current and foreseeable airport needs and therefore proposed for sale to said Corporation for not less than fair market value (\$169,664.00).

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

That said property is declared surplus, sale to National Frozen Foods Corporation to settle eminent domain right of way negotiations is approved, and John Spears, the Airport Governing Board Chairman, is hereby authorized to execute a Quit Claim Deed for such conveyance.

ADOPTED by the City Council of the City of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof this 27th day of February, 2012.

Mayor

ATTEST:

City Clerk

Approved as to form and content:

City Attorney

Airport Excess Property southeast of Chehalis River, West of Restrictive Zone

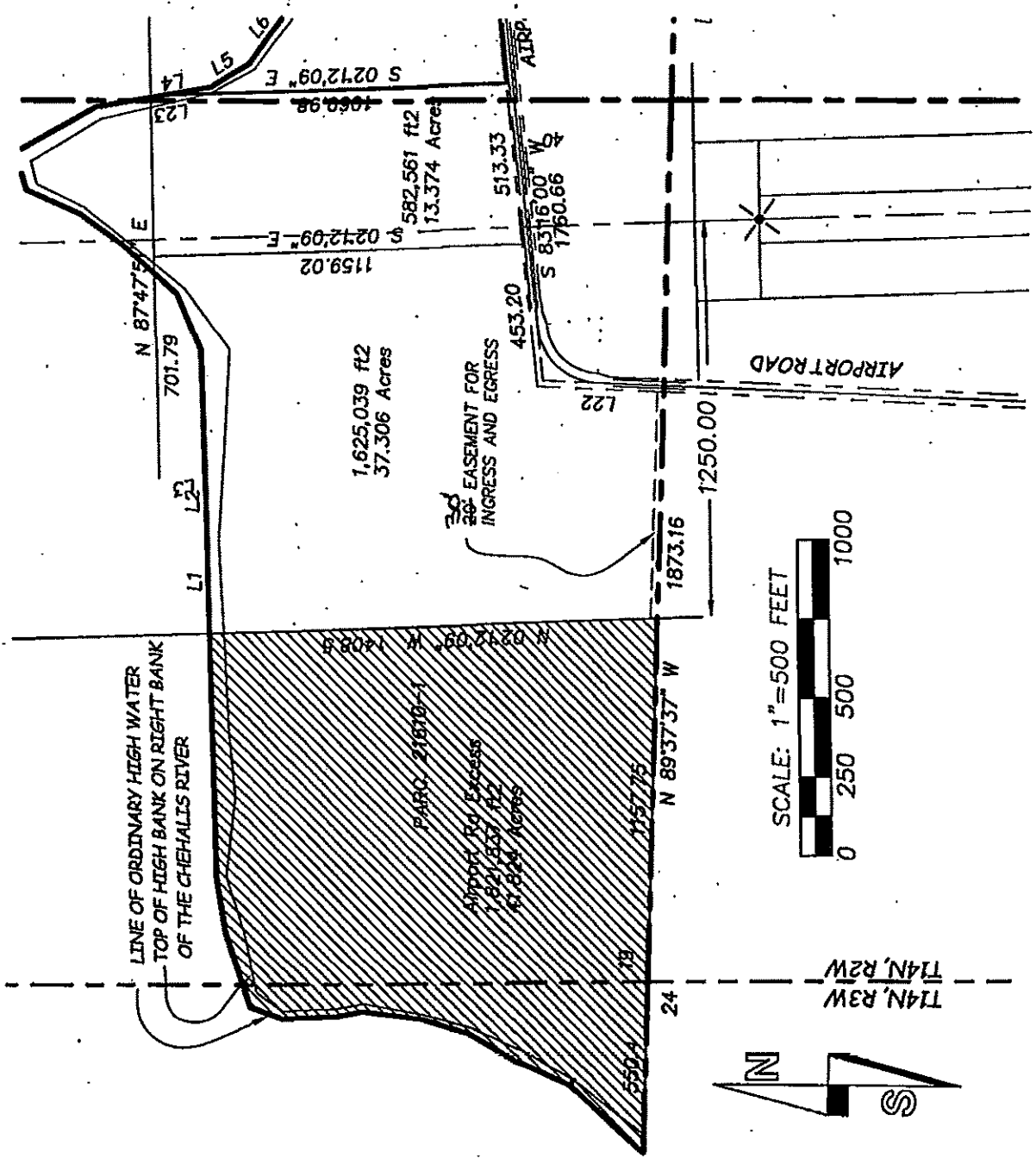
That portion of Government Lot 1 of Section 24, Township 14 North, Range 3 West, and Government Lot 7 of Section 19, Township 14 North, Range 2 West, of the Willamette Meridian, Lewis County, Washington, described as follows:

Beginning at the southwest corner of said Government Lot 7; thence South $89^{\circ}37'37''$ East 1157.75 feet, along the south line thereof, to the west line of the airport restrictive zone, 1250 feet west as measured perpendicular from the centerline of runway 15/30; thence North $2^{\circ}12'09''$ West 1408.50 feet parallel with the centerline of said airport runway, to the right bank (southeasterly bank) of the Chehalis River; thence along said River bank through the following courses; South $87^{\circ}22'57''$ West 776.02 feet; thence South $79^{\circ}53'54''$ West 174.01 feet; thence South $72^{\circ}17'36''$ West 254.29 feet; thence South $19^{\circ}26'41''$ West 111.95 feet; thence South $3^{\circ}09'16''$ East 169.20 feet; thence South $11^{\circ}18'00''$ East 82.81 feet; thence South $6^{\circ}59'33''$ West 187.71 feet; thence South $17^{\circ}20'42''$ West 153.60 feet; thence South $30^{\circ}35'29''$ West 183.55 feet; thence South $24^{\circ}01'24''$ West 185.58 feet; thence South $42^{\circ}08'26''$ West 321.77 feet, to the south line of said Government Lot 1 in Section 24; thence South $89^{\circ}48'13''$ East 550.40 feet along the south line of said Government Lot 1, to the point of beginning.

Containing an area of 1,821,837 ft² or 41.824 Acres.

TOGETEHR WITH an easement over and across a strip of land 30.00 feet in width for ingress and egress, the southern line being congruent with the following described line: Commencing at the southwest corner of said Government Lot 7; thence South $89^{\circ}37'37''$ East 1157.75 feet, along the south line thereof, to the west line of the airport restrictive zone, 1250 feet west as measured perpendicular from the centerline of runway 15/30, to the Point of Beginning; thence continuing South $89^{\circ}37'37''$ East 740.5 feet, to the west right of way line of Airport Road and the terminus of said strip. The sidelines of said strip to be shortened or lengthened to intersect at angle points and property lines.

EXHIBIT A



EXECUTIVE SUMMARY

BOCC: FEBRUARY 17, 2012
DEPARTMENT: PUBLIC WORKS
ITEM: IN THE MATTER OF THE PROPOSED SALE OF SURPLUS
AIRPORT PROPERTY TO NATIONAL FROZEN FOODS CORP
CONTACT: LARRY UNZELMAN

The County's project to improve Airport Road requires additional right of way from several property owners. The County made an offer to one of those owners, National Frozen Foods Corp., dated August 24, 2011, to acquire right of way for this project.

The County received a letter responding to its offer from National Frozen Foods dated September 28, 2011, which raised several issues with the County's offer. One issue raised is that the company relies on the property being taken for road right of way for disposal of their production waste water from their vegetable processing plant through irrigation. Due to this loss of land and to ensure continued operation of their plant into the future, National has entered into a purchase and sale agreement to acquire a portion of the nearby airport property from the County and City.

Approximately 41.82 acres of this airport property, as determined by survey, are surplus to the needs of the airport operations and can be sold to National Frozen Foods to offset the acreage loss. To settle negotiations in this eminent domain right of way acquisition, the Airport Governing Board has resolved to sell said property to National Frozen Foods under the terms specified in the accompanying purchase/sale agreement. National Frozen Foods has signed all right of way documents which are being held in escrow subject to the approval of their purchase of this 41.82 acres.

The airport will retain an aviation easement over the property being sold. Passing this resolution will approve the sale and authorize the Airport Governing Board Chairman to sign a Quit Claim Deed for conveyance of the property.

Prosecuting Attorney

Civil Deputy

RESOLUTION NO. 2012-1

A RESOLUTION OF THE CHEHALIS-CENTRALIA AIRPORT DECLARING PROPERTY OF THE CHEHALIS-CENTRALIA AIRPORT TO BE SURPLUS, AND DIRECTING THE SALE AND DISPOSITION THEREOF:

WHEREAS, Washington State Department of Transportation, Lewis County, and the City of Chehalis are constructing a roadway project to connect Louisiana Avenue and Airport Road known as the Louisiana-Airport Road Connection (LARC); and

WHEREAS, this project benefits the Chehalis-Centralia Airport commercial retail properties by providing an additional roadway inlet; and

WHEREAS, the project requires land owned by National Frozen Foods; and

WHEREAS, National Frozen Foods would like to mitigate the loss of land, and predicted future losses, by purchasing fee interest in land it currently leases which is controlled by the Chehalis-Centralia Airport Governing Board (Board); and

WHEREAS, the Board has determined 41.824 acres northwest of the Chehalis-Centralia Airport to be in surplus of the required land needed for airport operations; and

WHEREAS, such land was purchased in 2003 together with approximately 70 additional acres located within the Runway Protection Zone of runway 16 at the Chehalis-Centralia Airport; and

WHEREAS, in an effort to facilitate the LARC project, it is in the Board's best interest to sell the land to National Frozen Foods in exchange for market value along with an Avigation Easement over land owned by National Frozen Foods;

NOW THEREFORE,

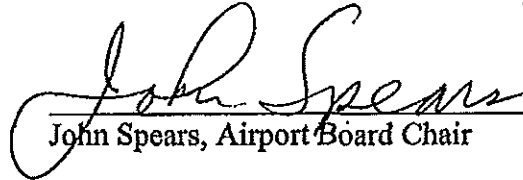
THE CHEHALIS-CENTRALIA AIRPORT BOARD OF THE CHEHALIS-CENTRALIA AIRPORT IN CHEHALIS, WASHINGTON, DO RESOLVE AS FOLLOWS:

Section 1. The Chehalis-Centralia Airport Governing Board hereby declares 41.824 acres northwest of the Airport, as described in Exhibit "1", as surplus property.

Section 2. Authorizes the Board Chairman to execute a Vacant Land Purchase and Sale Agreement as attached in Exhibit "2".

Section 3. Recommends Lewis County and the City of Chehalis, as joint owners of the Chehalis-Centralia Airport, to ratify the sale of such land to National Frozen Foods.

DONE IN OPEN SESSION this 15th day of February 2012



John Spears, Airport Board Chair

Approved as to form and content:

City Attorney

VACANT LAND PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

- 1. Date: JANUARY 26, 2012 MLS No.: N/A
- 2. Buyer: NATIONAL FROZEN FOODS CORPORATION
- 3. Seller: CHEHALIS CENTRALIA AIRPORT GOVERNING BOARD
- 4. Property: Tax Parcel No(s): 22215 000, PT 21610 001 000 (LEWIS County)
Street Address: AIRPORT ROAD, CHEHALIS Washington
Legal Description: Attached as Exhibit A. (LAAELED "NON-RPR ACRES" ON MAP) TOGETHER WITH 30' EASEMENT FOR INTEREST, EGRESS, UTILITIES
- 5. Purchase Price: \$4,051 PER ACRE BASED ON ACREAGE CALCULATION BY PROFESSIONAL LAND SURVEYOR
- 6. Earnest Money: (To be held by Selling Firm; Closing Agent) N/A
Personal Check: \$ _____; Note: \$ _____; Other (_____): \$ _____
- 7. Default: (check only one) Forfeiture of Earnest Money; Seller's Election of Remedies
- 8. Title Insurance Company: TITLE GUARANTY COMPANY
- 9. Closing Agent: a qualified closing agent of Buyer's choice; HOMETOWN ESCROW
- 10. Closing Date: MARCH 15, 2012 WHICH CAN BE EXTENDED BY CONSENT OF BOTH PARTIES
- 11. Possession Date: on Closing; Other _____
- 12. Offer Expiration Date: MARCH 1, 2012
- 13. Services of Closing Agent for Payment of Utilities: Requested (attach NWMLS Form 22K); Waived
- 14. Charges and Assessments Due After Closing: N/A assumed by Buyer; prepaid in full by Seller at Closing
- 15. Subdivision: The Property: must be subdivided before _____; is not required to be subdivided
- 16. Feasibility Contingency Expiration Date: N/A days after mutual acceptance; Other _____
- 17. Agency Disclosure: Selling Broker represents: Buyer; Seller; both parties; neither party
Listing Broker represents: Seller; both parties
- 18. Addenda: NWMLS Form Nos. 34 (Part 1), 34 (Part 2), and 22D, and Exhibit A (legal description).

EE Rosenbach 2/02/2012
Buyer's Signature Date
Buyer's Address: PO Box 9366
Seattle, WA 98109
City, State, Zip
Phone No. (206) 322-8900 Fax No.
Buyer's E-mail Address crosembach@nffc.com

John Sporn 2/15/2012
Seller's Signature* Date
Seller's Address: PO Box 1344
Chehalis, WA 98532
City, State, Zip
Phone No. 360-748-1230 Fax No. 360-740-0954
Seller's E-mail Address AROF@flycds.com

Selling Firm _____ MLS Office No. _____
Selling Firm's Assumed Name (if applicable) _____
Selling Broker (Print) _____ MLS LAG No. _____
Phone No. _____ Firm Fax No. _____
Selling Broker's E-mail Address _____

Listing Firm _____ MLS Office No. _____
Listing Firm's Assumed Name (if applicable) _____
Listing Broker (Print) _____ MLS LAG No. _____
Phone No. _____ Firm Fax No. _____
Listing Broker's E-mail Address _____

* SUBJECT TO APPROVAL BY LEWIS COUNTY AND CITY OF CHEHALIS

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- f. **Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party shall cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys' fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to Closing. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange. 59-65
- g. **Closing Costs and Prorations and Charges and Assessments.** Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay such delinquencies at Closing from money due, or to be paid by, Seller. Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller shall pay all utility charges, including unbilled charges. Unless waived in Specific Term No. 13, Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 60.80 and Seller shall provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent). 66-76

Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are encumbrances at the time of Closing, or that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 14. 77-80

- h. **Sale Information.** Listing Broker and Selling Broker are authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone else related to this sale. Buyer and Seller expressly authorize all Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale. 81-85
- i. **FIRPTA - Tax Withholding at Closing.** The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. Seller shall sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service. 86-89
- j. **Notices.** In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Broker and the Selling Broker as well as the orderly administration of the offer, counteroffer or this agreement, the parties irrevocably agree that unless otherwise specified in this Agreement, any notice required or permitted in, or related to, this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed given only when the notice is received by Seller, by Listing Broker or at the licensed office of Listing Broker. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17 or 17C (whichever is applicable), Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22D, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice. 90-102
- k. **Computation of Time.** Unless otherwise specified in this Agreement, any period of time measured in days and stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. Except for the Possession Date, if the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of 5 days or less shall not include Saturdays, Sundays or legal holidays. If the parties agree that an event will occur on a specific calendar date, the event shall occur on that date, except for the Closing Date, which, if it falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement. 103-114

Initials: BUYER: EJR Date: 2/02/2012 SELLER: [Signature] Date: 2/15/2012
 BUYER: _____ Date: _____ SELLER: _____ Date: _____

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- l. Facsimile or E-mail Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. E-mail transmission of any document or notice shall not be effective unless the parties to this Agreement otherwise agree in writing.
- m. Integration and Electronic Signatures.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature.
- n. Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless the parties indicate that assignment is permitted by the addition of "and/or assigns" on the line identifying the Buyer on the first page of this Agreement.
- o. Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply:
- i. Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure.
- ii. Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.
- p. Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller agree to pay their own fees incurred for such review. However, if Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses.
- q. Offer.** Buyer shall purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.
- r. Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name; shall be considered a counteroffer. If a party makes a counteroffer, then the other party shall have until 9:00 p.m. on the counteroffer expiration date to accept that counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by Seller, by Listing Broker or at the licensed office of Listing Broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer.
- s. Offer and Counteroffer Expiration Date.** If no expiration date is specified for a offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn.
- t. Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) represent the same party that Selling Broker represents. Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same Firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person representing both parties then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any), and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency."
- u. Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby assign to Listing Firm and Selling Firm, as applicable, a portion of their funds in escrow equal to such commission(s) and irrevocably instruct the Closing Agent to disburse the commission(s) directly to the Firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement.
- v. Feasibility Contingency.** It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date identified in Specific Term No. 16 whether or not the Property can be platted, developed and/or built on (now or in the future) and what it will cost to do this. BUYER SHOULD NOT RELY ON ANY ORAL STATEMENTS concerning this made by the Seller, Listing Broker or Selling Broker. Buyer should inquire at the city or county, and water, sewer or other special districts in which the Property is

Initials: BUYER: SR Date: 2/02/2012 SELLER: [Signature] Date: 2/15/2012
BUYER: _____ Date: _____ SELLER: _____ Date: _____

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- located. Buyer's inquiry should include, but not be limited to: building or development moratoriums applicable to or being 171
considered for the Property; any special building requirements, including setbacks, height limits or restrictions on where buildings 172
may be constructed on the Property; whether the Property is affected by a flood zone, wetlands, shorelands or other 173
environmentally sensitive area; road, school, fire and any other growth mitigation or impact fees that must be paid; the procedure 174
and length of time necessary to obtain plat approval and/or a building permit; sufficient water, sewer and utility and any service 175
connection charges; and all other charges that must be paid. Buyer and Buyer's agents, representatives, consultants, 176
architects and engineers shall have the right, from time to time during the feasibility contingency, to enter onto the 177
Property and to conduct any tests or studies that Buyer may need to ascertain the condition and suitability of the 178
Property for Buyer's intended purpose. Buyer shall restore the Property and all improvements on the Property to the 179
same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any 180
inspection of the Property performed on Buyer's behalf. If the Buyer does not give notice to the contrary on or before the 181
Feasibility Contingency Expiration Date identified in Specific Term No. 16, it shall be conclusively deemed that Buyer is 182
satisfied as to development and/or construction feasibility and cost. If Buyer gives notice this Agreement shall terminate 183
and the Earnest Money shall be refunded to Buyer, less any unpaid costs. 184
- w. **Subdivision.** If the Property must be subdivided, Seller represents that there has been preliminary plat approval for the 185
Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the 186
date specified in Specific Term 15. If the final plat is not recorded by such date, this Agreement shall terminate and the 187
Earnest Money shall be refunded to Buyer. 188
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual 189
acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall 190
be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual 191
acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money 192
shall be refunded to Buyer. Buyer and Seller agree, that except as provided in this Agreement, all representations and 193
information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The 194
parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations under 195
this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter related to 196
this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers 197
do not guarantee the value, quality or condition of the Property and some properties may contain building materials, 198
including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or 199
governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising 200
after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify 201
or assess defective products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to 202
Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective materials and evaluate the 203
condition of the Property as there may be defects that may only be revealed by careful inspection. Brokers may assist 204
the parties with locating and selecting third party service providers, such as inspectors or contractors, but Brokers 205
cannot guarantee or be responsible for the services provided by those third parties. The parties agree to exercise their 206
own judgment and due diligence regarding third-party service providers. 207

Initials: BUYER: SR

Date: 2/02/2012

SELLER: [Signature]

Date: 2-15-2012

BUYER: _____

Date: _____

SELLER: _____

Date: _____

OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated JANUARY 26, 2012 1
between NATIONAL FROZEN FOODS CORPORATION ("Buyer") 2
and CHEWALIS CENTRALIA AIRPORT ("Seller") 3
concerning: _____ (the "Property"). 4

CHECK IF INCLUDED: 5.

1. **Square Footage/Lot Size/Encroachments.** The Listing Broker and Selling Broker make no representations 6
concerning: (a) the lot size or the accuracy of any information provided by the Seller; (b) the square footage of 7
any improvements on the Property; (c) whether there are any encroachments (fences, rockeries, buildings) on 8
the Property, or by the Property on adjacent properties. Buyer is advised to verify lot size, square footage and 9
encroachments to Buyer's own satisfaction within the inspection contingency period. 10
2. **Title Insurance.** The Title Insurance clause in the Agreement provides Seller is to provide the then-current ALTA 11
form of Homeowner's Policy of Title Insurance. The parties have the option to provide less coverage by selecting 12
a Standard Owner's Policy or more coverage by selecting an Extended Coverage Policy: 13
 - Standard Owner's Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to 14
apply for the then-current ALTA form of Owner's Policy of Title Insurance, together with homeowner's 15
additional protection and Inflation protection endorsements, if available at no additional cost, rather than 16
the Homeowner's Policy of Title Insurance. 17
 - Extended Policy.** Seller authorizes Buyer's lender or Closing Agent, at Seller's expense to apply for an 18
ALTA or comparable Extended Coverage Policy of Title Insurance, rather than the Homeowner's Policy 19
of Title Insurance. Buyer shall pay the increased costs associated with the Extended Coverage Policy, 20
including the excess premium over that charged for Homeowner's Policy of Title Insurance and the cost 21
of any survey required by the title insurer. 22
3. **Property And Grounds Maintained.** Until possession is transferred to Buyer, Seller agrees to maintain the 23
Property in the same condition as when initially viewed by Buyer. The term "Property" includes the building(s); 24
grounds; plumbing, heat, electrical and other systems; and all Included Items. Should an appliance or system 25
become inoperative or malfunction prior to transfer of possession, Seller agrees to either repair, or replace the 26
same with an appliance or system of at least equal quality. Buyer reserves the right to reinspect the Property 27
within 5 days prior to transfer of possession to verify the foregoing. Buyer and Seller understand and agree 28
that the Listing Broker and Selling Broker shall not, under any circumstances, be liable for the foregoing or 29
Seller's breach of this clause. 30
4. **Items Left by Seller.** Any personal property, fixtures or other items remaining on the Property when 31
possession is transferred to Buyer shall thereupon become the property of the Buyer, and may be retained or 32
disposed of as Buyer determines. However, Seller agrees to clean the interiors of any structures and remove 33
all trash, debris and rubbish on the Property prior to Buyer taking possession. 34
5. **Utilities.** To the best of Seller's knowledge, Seller represents that the Property is connected to a: 35
 - public water main; public sewer main; septic tank; well (specify type) _____; 36
 - irrigation water (specify provider) _____; natural gas; telephone; 37
 - cable; electricity; other _____ 38

Initials: BUYER: FFR Date: 2/02/2012 SELLER: [Signature] Date: 2.15.2012
BUYER: _____ Date: _____ SELLER: _____ Date: _____

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated JANUARY 26, 2012 1
between NATIONAL FROZEN FOODS CORPORATION ("Buyer") 2
and CHEHALIS CENTRALIA AIRPORT ("Seller") 3
concerning _____ (the "Property"), 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

IT IS HEREBY ACKNOWLEDGED THAT THE ABOVE PARTIES ARE 6
ENTERING INTO TWO AGREEMENTS FOR THE CONVEYANCE OF 7
ROAD RIGHT OF WAY BY NATIONAL FROZEN FOODS CORP TO 8
LEWIS COUNTY. ALL DOCUMENTS AND PAYMENTS FOR SAID 9
RIGHT OF WAY TRANSACTIONS SHALL BE DEPOSITED WITH 10
ESCROW AGENT IDENTIFIED IN THIS AGREEMENT. NOT 11
UNTIL ALL DOCUMENTS FOR ALL TRANSACTIONS HAVE BEEN 12
FULLY EXECUTED AND ALL PAYMENTS RECEIVED SHALL ANY 13
TRANSACTION BE CONSIDERED COMPLETE. IN THE EVENT 14
THAT ANY OF SAID TRANSACTIONS ARE NOT COMPLETED, ALL 15
TRANSACTIONS SHALL BE CONSIDERED INVALID. 16
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IT IS UNDERSTOOD THAT CHEHALIS CENTRALIA AIRPORT WILL 22
RETAIN AN AVIATION EASEMENT OVER PROPERTY BEING 23
SOLD TO NATIONAL FROZEN FOODS CORPORATION. 24
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29
30

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 31

Initials: BUYER: SSR Date: 2/21/2012 SELLER: JL Date: 2-15-2012
BUYER: _____ Date: _____ SELLER: _____ Date: _____

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated JANUARY 26, 2012 1
between NATIONAL FROZEN FOODS CORPORATION ("Buyer") 2
and CHEHALIS CENTRALIA AIRPORT ("Seller") 3
concerning _____ (the "Property"). 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

1. The condition of title to the Property shall be free and clear of all leases and rental agreements except the current lease or rental agreement to Buyer. 5
2. If any person signing the Agreement or any other document relating to this transaction is not an authorized official of the City of Centralia, City of Chehalis, or Lewis County, but purports to act on behalf of Seller, such person shall present to Buyer, Closing Agent, and Title Company a resolution or other document reasonably satisfactory to Buyer, evidencing the authority of such person to act on behalf of such government agency. 6

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 7

Initials: BUYER: SCR Date: 2/2/2012 SELLER: JL Date: 2/15/2012
 BUYER: _____ Date: _____ SELLER: _____ Date: _____

AFTER RECORDING RETURN TO:
National Frozen Foods Corporation
P O Box 9366
Seattle, WA 98109

Tax Parcel Number: 022275 000 000 & ptn 021610 001 000

QUIT CLAIM DEED

THE GRANTOR, LEWIS COUNTY, a political subdivision of the State of Washington, and the CITY OF CHEHALIS, a municipal corporation, dba Chehalis Centralia Airport Governing Board, for and in consideration of ten dollars and other valuable consideration, does hereby convey and quit claim to NATIONAL FROZEN FOODS CORPORATION, a Washington Corporation, title and interest, in and to the following described real property, situated in the County of Lewis, State of Washington, together with any and all after acquired title therein:

That portion of Government Lot 1 of Section 24, Township 14 North, Range 3 West, and Government Lot 7 of Section 19, Township 14 North, Range 2 West, of the Willamette Meridian, Lewis County, Washington, described as follows:

Beginning at the southwest corner of said Government Lot 7; thence South 89°37'37" East 1157.75 feet, along the south line thereof, to the west line of the airport restrictive zone, 1250 feet west as measured perpendicular from the centerline of runway 15/30; thence North 2°12'09" West 1408.50 feet parallel with the centerline of said airport runway, to the right bank (southeasterly bank) of the Chehalis River; thence along said River bank through the following courses; South 87°22'57" West 776.02 feet; thence South 79°53'54" West 174.01 feet; thence South 72°17'36" West 254.29 feet; thence South 19°26'41" West 111.95 feet; thence South 3°09'16" East 169.20 feet; thence South 11°18'00" East 82.81 feet; thence South 6°59'33" West 187.71 feet; thence South 17°20'42" West 153.60 feet; thence South 30°35'29" West 183.55 feet; thence South 24°01'24" West 185.58 feet; thence South 42°08'26" West 321.77 feet, to the south line of said Government Lot 1 in Section 24; thence South 89°48'13" East 550.40 feet along the south line of said Government Lot 1, to the point of beginning.

TOGETHER WITH an easement over and across a strip of land 30.00 feet in width for ingress and egress, the southern line being congruent with the following described line: Commencing at the southwest corner of said Government Lot 7; thence South 89°37'37" East 1157.75 feet, along the south line thereof, to the west line of the airport restrictive zone, 1250 feet west as measured perpendicular from the centerline of runway 15/30, to the Point of Beginning; thence continuing South 89°37'37" East 740.5 feet, to the west right of way line of Airport Road and the terminus of said strip. The sidelines of said strip to be shortened or lengthened to intersect at angle points and property lines.

SUBJECT TO avigation easement recorded February 23, 2012 under Auditor's File No. 3374935, records of Lewis County Auditor.

Dated this _____ day of _____, 2012.

John Spears, Chairman,
Chehalis Centralia Airport Governing Board

STATE OF WASHINGTON, }ss
County of _____ }

I, _____, Notary Public in and for the State of Washington, do hereby certify that on this _____ day of _____, A.D. 2012, personally appeared before me, _____, to me known to be the Chairman of the Chehalis Centralia Airport Governing Board, that executed the foregoing instrument, and acknowledge the said instrument to be his free and voluntary act for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument on behalf of said Chehalis Centralia Airport.

Given under my hand and official seal this _____ day of _____, 2012.

Notary Public, in and for the State
of Washington, Residing at _____
My Commission expires _____

CITY OF CHEHALIS
AGENDA REPORT

DATE: February 27, 2012

TO: The Honorable Mayor and City Council

FROM: Herta Fairbanks, Public Works Director
Dave Vasilauskas, Water Superintendent
Russ Cox, Engineering

SUBJECT: Resolution No. 2-2012 - Final 2011 City of Chehalis Water System Plan

ISSUE

The 2011 Water System Plan (WSP) is prepared and ready for submittal to the Washington State Department of Health (WSDOH) for final approval.

DISCUSSION

The final version of our WSP is complete and ready for approval by WSDOH. We began drafting the WSP in the fall of 2009 and worked closely with WSDOH on preparation of the WSP over the course of the last year and a half.

A draft of the WSP was provided to council on March 25th for review and comment. On May 9, 2011, council authorized the administration to submit the final draft to WSDOH for their review and comment. Comments from WSDOH were received in August and the administration worked with HDR Engineering to address the comments. We concluded this work in November, but have been waiting on final coordination with WSDOH which was delayed due to internal WSDOH reorganization.

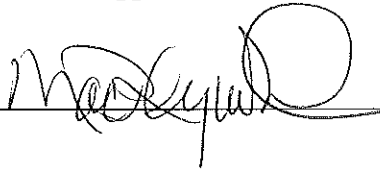
Final coordination on the plan occurred in mid-February and we received WSDOH's go-ahead on submitting the final plan for their approval. However, one of WSDOH's requirements prior to receiving final approval on the plan is to have council adoption of the plan.

RECOMMENDATION/COUNCIL ACTION DESIRED

The Administration recommends that the council adopt Resolution No. 2-2012 on first and final reading, adopting the Final 2011 City of Chehalis Water System Plan.

SUGGESTED MOTIONS

I move that the council adopt Resolution No. 2-2012 on first and final reading adopting the 2011 City of Chehalis Water System Plan, and direct the administration to submit the final plan to WSDOH for approval.

REVIEWED BY:  _____, CITY MANAGER

RESOLUTION NO. 2-2012

**A RESOLUTION OF THE CITY OF CHEHALIS, WASHINGTON,
ADOPTING THE WATER SYSTEM PLAN AS THE OFFICAL
WATER SYSTEM PLAN OF THE CITY OF CHEHALIS.**

WHEREAS, RCW 246-290-100 establishes the requirement for all Group A water systems to prepare a six-year water system plan that provides a recommended list of capital improvements along with a schedule and estimated cost for their completion. In addition, the City's operations program is reviewed and updated to enable the city to address routine and emergency operating conditions.

WHEREAS, the city has developed a plan to comply with this RCW as administered by the Washington State Department of Health; and

WHEREAS, it is a requirement that the Water System Plan be adopted in its entirety by the city; now, therefore,

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

Section 1. The Water System Plan of the city of Chehalis, Washington, a copy of which is attached hereto and incorporated herein by this reference, shall be, and the same hereby, approved and adopted by the city as the official Water System Plan of Chehalis.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APROVED** by its Mayor, at a regularly scheduled open public meeting thereof this 27th day of February, 2012.

Mayor

Attest:

City Clerk

Approved as to form and content:

City Attorney

**CITY OF CHEHALIS
AGENDA REPORT**

TO: The Honorable Mayor and City Council
FROM: Bob Nacht, Community Development Director
DATE: February 22, 2012
SUBJECT: Resolution No. 03-2012; Adoption of the Parks, Recreation and Open Space (PROS) Plan

ISSUE

The Parks, Recreation and Open Space (PROS) Plan is presented for council adoption by Resolution.

BACKGROUND

In 2009 the council authorized the development of a Parks Plan to replace the dated 1981 Master Plan. The administration then distributed requests for proposals, and ultimately contracted with Tom Beckwith and Associates to create an updated Parks and Recreation Master Plan.

During the development of the Plan, Beckwith conducted various workshops and surveys involving the primary users of the Parks and Recreation programs offered by the city as well as the general public. Extensive public interaction was accomplished, and the draft Plan is a compilation of the suggestions and requests of the citizens of Chehalis. This Plan was actually developed by the community working through the consultant. The documentation of the surveys and workshops is contained in the Plan.

The elements in the PROS Plan were suggested by our citizens in 2009. The Plan is a long-range vision of the parks and recreation systems from their perspective at that time, and will likely need to be reviewed in the future in the context of current economic challenges and staffing levels. Many of the concepts contained in the Plan may require different strategies to accomplish.

The PROS Plan is organized so that changes can be made later during implementation discussions. It may be appropriate to consider minor revisions to the Plan in the future when specific programs or projects are submitted for council consideration. Those discussions would include a greater level of detail relating to how the proposal would be funded.

DISCUSSION

This Plan is being presented now for council adoption. It has been distributed under separate cover, and has been posted on the city's website for public review as well.

The administration has not received any comments or suggestions regarding changes to the Plan. Any issues that might be raised at the meeting can be addressed and resolved prior to adoption of the Resolution.

RECOMMENDATION / COUNCIL ACTION DESIRED

The administration recommends that the Council adopt Resolution No. 03-2012 on first and final reading.

SUGGESTED MOTION

I move that the Council adopt Resolution No. 03-2012 on first and final reading.

Reviewed by  _____ City Manager

RESOLUTION NO. 03-2012

**A RESOLUTION OF THE CITY OF CHEHALIS,
WASHINGTON, ADOPTING THE CHEHALIS
PARKS, RECREATION AND OPEN SPACE (PROS)
PLAN AND PROVIDING FOR AN EFFECTIVE DATE
HEREOF.**

WHEREAS, The Executive Summary of the Chehalis Parks, Recreation and Open Space (PROS) Plan has been adopted as a component of the Chehalis Comprehensive Plan; and

WHEREAS, The Executive Summary contained in the Chehalis Comprehensive Plan must be expanded to include all of the elements of the PROS Plan in order to be effective; and

WHEREAS, The complete elements of the PROS Plan have been reviewed and are being adopted in their entirety as provided in Chapter 9 of the Chehalis Comprehensive Plan; and

WHEREAS, The Chehalis Comprehensive Plan provides that amendments and revisions to the PROS Plan are anticipated to be made by the Council in the future to reflect changing conditions; now, therefore,

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

Section 1. The Chehalis Parks, Recreation and Open Space (PROS) Plan dated March, 2010, authored by Tom Beckwith and Associates, shall be, and the same hereby is, adopted by reference as if fully set forth herein.

Section 2. The adopted PROS Plan shall supersede and replace the existing Executive Summary contained in Chapter 9 of the Chehalis Comprehensive Plan. The City Clerk is authorized and directed to revise Chapter 9 of said Comprehensive Plan as provided herein.

Section 3. The effective date of this Resolution shall be immediately upon its adoption.

ADOPTED by the City Council of the city of Chehalis, Washington, and **APPROVED** by its Mayor, at a regularly scheduled open public meeting thereof on this 27th day of February, 2012.

Attest:

Mayor

City Clerk

Approved as to form:

City Attorney

**CITY OF CHEHALIS
AGENDA REPORT**

DATE: February 21, 2012

TO: The Honorable Mayor and City Council

FROM: Bill Hillier, City Attorney

SUBJECT: Ordinance No. 890-B – Extending the Six-Month Moratorium on Medical Marijuana and Dispensaries

ISSUE

The six-month moratorium on medical marijuana collective gardens and medical marijuana dispensaries expires March 12, 2012.

DISCUSSION

On September 12, 2012, the Chehalis City Council passed Ordinance No. 877-B establishing a six-month moratorium on the establishment, location, operation, licensing, permitting, maintenance, or continuation of medical marijuana collective gardens or medical marijuana dispensaries.

This matter was brought before the council after the state started working between sessions to address the confusion brought before all the cities with regards to the distinctions between federal and state law in the application of state law that's currently in place.

The council held a public hearing on January 23, 2012, to take public comment, and on February 13, City Attorney Bill Hillier presented four alternatives for the council to consider as the next step in the process. The alternatives include:

- Adopting the Lewis County plan
- Extending the moratorium to wait for clearer direction from the state legislature on how to implement sets of regulations and a permitting process
- Declare a citywide prohibition
- Create city zoning, permitting, and regulations to approve growing operations in the city

The consensus of the council was to extend the moratorium, which will give the administration more time to research the issue and hopefully get some better direction from the Legislature as they continue to try and work things out at the state and federal level.

RECOMMENDATION/COUNCIL ACTION DESIRED

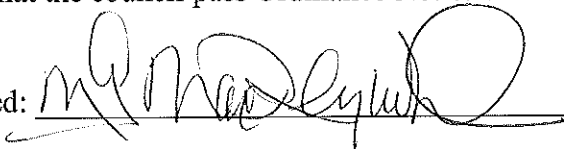
The administration recommends that the council suspend the rules requiring two readings of an ordinance.

The administration recommends that the council pass Ordinance No. 890-B on first and final reading.

SUGGESTED MOTION

I move that the council suspend the rules requiring two readings of an ordinance.

I move that the council pass Ordinance No. 890-B on first and final reading.

Reviewed:  _____, City Manager

ORDINANCE NO. 890-B

AN ORDINANCE OF THE CITY OF CHEHALIS, WASHINGTON, EXTENDING THE SIX-MONTH MORATORIUM AS CREATED UNDER ORDINANCE NO. 877-B, DEALING WITH MEDICAL MARIJUANA COLLECTIVE GARDENS OR MEDICAL MARIJUANA DISPENSARIES.

WHEREAS, the city of Chehalis passed Ordinance No. 877-B on the 12th day of September, 2011, providing for a six-month moratorium on establishment or location of medical marijuana collective gardens or medical marijuana dispensaries within the city limits; and

WHEREAS, the City Council has determined it appropriate that the six-month moratorium initially established under Ordinance No. 877-B be extended for an additional six months; and

WHEREAS, it is in the best interests of the city and its citizens that the moratorium under Ordinance No. 877-B be extended for an additional six months; now, therefore,

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

Section 1. The City Council of the city of Chehalis, Washington, hereby agrees to extend the six-month moratorium from the 12th day of March, 2012, until the 12th day of September, 2012.

Section 2. In all other respects, the provisions of Ordinance No. 877-B passed the 12th day of September, 2011, shall remain in full force and effect, and any public hearings held thereunder shall be properly noted for public information and held in accordance with the mandates of Ordinance No. 877-B.

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 _____, 2012.

Mayor

Attest:

City Clerk

Approved as to form and for content:

City Attorney