Call to Order
Pledge of Allegiance
Council Attendance

1) Approval of Agenda – As Presented
2) Comments by the Public on Non Agenda Items
3) Proclamation
   a. Mental Health Month
   b. Public Works Week
   c. National Peace Officers Memorial Day
4) Presentation
   a. Centralia Police Department Awards – Chief Berg
   b. Lewis County Update – Commissioner Fund
5) Reports
   a. City Council
   b. City Manager
6) Consent Agenda
   a. Voucher Approval for May 14, 2013 #121525,121534-121711 $1,357,828.15
   b. Payroll Approval May 3, 2013 #128856-128927 and direct deposits
      #20791-20938 $1,118,802.30
   c. Notification of a Claim for Damages 1) Hugh Crane-unknown amount
      2) Luis Ambriz $755.92
   d. Consideration of meeting minutes for April 23, 2013
   e. Consideration of Consultant Contract-Wastewater NPDES $44,290
   f. Consideration of Consultant Contract-PBS Engineering $2,940
   g. Consideration of Consultant Contract-PBS Engineering $4,000
7) Consideration of Interlocal Reimbursable Services Agreement with Grays Harbor County
8) Consideration of a resolution declaring certain personal property surplus
9) Consideration on first reading of an ordinance repealing and replacing in its entirety CMC Chapter 16.04 - Environmental Policy
10) Consideration of first reading of an ordinance amending the 2013 Budget

Adjournment

City of Centralia’s Mission Statement
Continuously respond to citizens;
Provide a clean, safe community in which to live, work and play in a historically rich environment; and
Support and promote cultural diversity.
PROCLAMATION

WHEREAS; serious mental illnesses, such as major depression, bipolar disorder, schizophrenia, obsessive-compulsive disorder, severe anxiety disorders, borderline personality disorder, and post-traumatic stress disorders, affect one in every four people annually; and

WHEREAS, serious mental illnesses are more common than cancer, diabetes and heart disease and are the number one reason for hospital admissions nationwide and

WHEREAS, serious mental illnesses have been scientifically proven to be highly treatable illnesses of the brain; and

WHEREAS, scientific research is producing tremendous breakthroughs in the understanding of mental illnesses, resulting in more effective treatments that allow people to reclaim full and productive lives; and

WHEREAS, misunderstandings exist about many mental illnesses and our social culture often wrongly imposes stigma on them

NOW THEREFORE, I, Bonnie Canaday, Mayor of the City of Centralia, do hereby proclaim May 2013 as

Mental Health Month

in the City of Centralia, to increase public awareness of mental illnesses.

SIGNED, SEALED AND DATED this 14th day of May, 2013.

Bonnie Canaday, Mayor
City of Centralia
PROCLAMATION

Whereas, public works infrastructure, facilities and services are of vital importance to the health, safety, and well-being of the people of the City of Centralia; and

Whereas, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems and programs such as water, wastewater, streets, stormwater, fleet services, and customer service; and

Whereas, the quality of effectiveness of these facilities, as well as their planning, design, and construction, is vitally dependent upon the efforts and skills of public works officials; and

Whereas, the qualified and dedicated personnel who staff public works departments perform an important public service;

Now Therefore, I, Bonnie Canaday, Mayor of the City of Centralia, do hereby proclaim the week of May 19-25, 2013 as

Public Works Week

in the City of Centralia, and I call upon all citizens and civic organizations to acquaint themselves with the issues involved in providing our public works and to recognize the contributions which public works officials make every day to our health, safety, comfort, and quality of life.

Signed, Sealed and Dated this 14th day of May, 2013.

Bonnie Canaday, Mayor
City of Centralia
PROCLAMATION

WHEREAS, every week three law enforcement officers in the United States is killed in the line of duty; and

WHEREAS, the Congress and President of the United States have designated May 15th as Peace Officers’ Memorial Day, and the week in which May 15th falls as National Police Week; and

WHEREAS, it is important that all citizens know and understand the responsibilities, hazards, and sacrifices of the officers of the Centralia Police Department in serving those in our community by safeguarding life and property, by protecting them against violence and disorder, protecting the innocent against deception and the weak against oppression; and

WHEREAS, each and every day, the 33 commissioned officers of the Centralia Police Department work in partnership with our community to protect life and property, reduce crime, and enhance the security and quality of life in our city;

NOW THEREFORE, I, Bonnie Canaday, Mayor of the City of Centralia, do hereby proclaim Wednesday, May 15, 2013 to be

National Peace Officers Memorial Day

and call upon all residents of our community to observe the week of May 12 – 18 as Police Week and to join in commemorating law enforcement officers, past and present, who have rendered dedicated service to their communities and continue to preserve the rights and security of all citizens.

I further call upon all citizens to join me in honoring all police officers who have given their lives in the performance of their duties, and recognize and thank the officers and employees of the Centralia Police Department for their service to our community.

SIGNED, SEALED, AND DATED this 14th day of May, 2013.

Bonnie Canaday, Mayor
City of Centralia
CLAIM FOR DAMAGES FORM

MEMBER CITY/ORGANIZATION: City of Centralia

Please take note that Hugh Crane, who currently resides at Centralia, with 9 855, mailing address Same, home phone # 2 345 678, work phone # Same, and who resided at Same address at the time of the occurrence is claiming damages against City in the sum of $ 2, writing out the following circumstances listed below.

DATE OF OCCURRENCE: 5-1-13
LOCATION OF OCCURRENCE: Johnson Rd 

DESCRIPTION:
1. Describe the conduct and circumstance that brought about the injury or damage. Also describe the injury or damage

Blush Center threw rock and broken drivers side window on 2011 Toyota

(attach an extra sheet for additional information, if needed)

2. Provide a list of witnesses, if applicable, to the occurrence including names, addresses, and phone numbers.

Rick Larson, operator of Blush Center

3. Attach copies of all documentation relating to expenses, injuries, losses, and/or estimates for repair.

4. Have you submitted a claim for damages to your insurance company? Yes  No

If so, please provide the name of the insurance company: 

and the policy #: 

* * ADDITIONAL INFORMATION REQUIRED FOR AUTOMOBILE CLAIMS ONLY * *

<table>
<thead>
<tr>
<th>License Plate #</th>
<th>Driver License #</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 Toyota Avalon</td>
<td>Same</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>DRIVER: Hugh Crane</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address: Centralia, WA 98531</td>
</tr>
<tr>
<td>Phone#:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Passengers: Elaine Crane</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: Elaine Crane</td>
</tr>
<tr>
<td>Address: Same</td>
</tr>
</tbody>
</table>

* * NOTE: THIS FORM MUST BE SIGNED AND NOTARIZED * *

1. Hugh J Crane, being first duly sworn, depose and say that I am the claimant for the above described, that I have read the above claim, know the contents thereof and believe the same to be true.

X

Signature of Claimant(s)

State of Washington
County of Lewis

I certify that I know or have satisfactory evidence that Hugh Crane, is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument and directed me to (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 11-10-15

Signature
Title
My appointment expires 11-10-15

City of Centralia
PO Box 609 / 118 W. Maple
Centralia, WA 98531
CLAIM FOR DAMAGES FORM

MEMBER CITY/ORGANIZATION: City of Centralia

Please take note that Luis Andre
who currently resides at

(mailing address)
and who resided at
at the time of the occurrence is claiming damages against

in the sum of $2,557.92
arising out of the following circumstances listed below.

DATE OF OCCURRENCE: 4-30-13

TIME: 5:20 A.M.

LOCATION OF OCCURRENCE: Centralia, WA

DESCRIPTION:

1. Describe the conduct and circumstance that brought about the injury or damage. Also describe the injury or damage.

(attach an extra sheet for additional information, if needed)

2. Provide a list of witnesses, if applicable, to the occurrence including names, addresses, and phone numbers.

3. Attach copies of all documentation relating to expenses, injuries, losses, and/or estimates for repair.

4. Have you submitted a claim for damages to your insurance company? 

   Yes  X  No

   If so, please provide the name of the insurance company:

   and the policy #: __________________________

** ADDITIONAL INFORMATION REQUIRED FOR AUTOMOBILE CLAIMS ONLY **

<table>
<thead>
<tr>
<th>License Plate #</th>
<th>Driver License #</th>
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<tbody>
<tr>
<td>Type Auto:</td>
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<tr>
<td>(year)</td>
<td>(make)</td>
</tr>
<tr>
<td>(model)</td>
<td></td>
</tr>
<tr>
<td>DRIVER:</td>
<td></td>
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<tr>
<td>Address:</td>
<td></td>
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<tr>
<td>(owner)</td>
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<tr>
<td>Address:</td>
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<tr>
<td>Phone#:</td>
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<tr>
<td>Passengers:</td>
<td></td>
</tr>
<tr>
<td>Name:</td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td></td>
</tr>
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</table>

*NOTE: THIS FORM MUST BE SIGNED AND NOTARIZED*

I, Luis Andre, being first duly sworn, deposes and says that I am the claimant for the above described, that I have read the above claim, know the contents thereof and believe the same to be true.

Signature of Claimant(s)

State of Washington
County of Lewis

I certify that I know or have satisfactory evidence that Luis Andre is the person who appeared before me, and said person acknowledged that he/she signed this instrument and declared it to be (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 11-10-15

Signature

Title

My appointment expires 11-10-15

KATHY M. ELDER
COMMISSIONER EXAMINER
NOTARY PUBLIC
STATE OF WASHINGTON

City of Centralia
PO Box 609 / 118 W. Maple
Centralia, WA 98531
Mayor Canaday called the regular meeting to order at 7:00 pm.

Pledge of Allegiance

Councilor Henderson led the flag salute.

Attendance

Present: Mayor Canaday, Mayor Pro-Tem Coumb, Councilor Henderson, Councilor Trent, Councilor Anzelini and Councilor Elmore.

Absent: Councilor Bates.

1. Approval of Agenda - As Presented

COUNCILOR TRENT MOVED, SECONDED BY COUNCILOR HENDERSON, TO APPROVE THE
AGENDA AS PRESENTED...motion PASSED...6-0.

2. Comments by the Public on Non Agenda Items

TJ Nelson, Centralia, addressed the Council and stated that the sidewalks in Centralia are unsafe and need attention.

Roger Stewart, CDA, addressed the Council and reported on upcoming events in downtown Centralia.

3. Proclamation
   a. City of Centralia Preservation Month

Mayor Canaday read the proclamation into the record declaring May 2013 as City of Centralia Preservation Month and Shannon Murphy-Olson accepted it on behalf of the Centralia Historic Preservation Commission.

4. Presentations
   a. Chehalis Flood Authority Update - Ron Averill

   Mr. Averill updated the Council on the Chehalis Flood Authority.

   b. Centralia Armory

   Caption Nicholas Winters addressed the Council and spoke on the local armory and what they do for the community.
CITY OF CENTRALIA
RECORD OF COUNCIL PROCEEDINGS
Tuesday - April 23, 2013 - 7:00 pm

c. Lewis County Update - Commissioner Fund

Commissioner Fund addressed the Council and updated them on County events.

5. Reports

Councillor Anzelini - reported he attended the Finance Committee meeting.

Councillor Elmore - reported he attended the Finance Committee meeting and the Business After Hours at the Museum.

Mayor Pro-Tem Coumbs - reported he attended a Solid Waste Committee meeting and the Crime Stoppers Banquet. He noted that the Spring Youth Fair is the first weekend in May.

Councillor Trent - reported he attended the Law and Justice committee meeting.

Councillor Henderson - had no report.

Mayor Canaday - reported she attended the Lewis County Open House, an RFA meeting, the Lewis County Transportation meeting, traveled to the Legislature, Fox Theatre events and the Business After Hours.

Chief Berg - addressed the Council and gave a medical marijuana update.

Kim Ashmore - addressed the Council, along with Miss Lewis County, and spoke on the Charity Car Wash Program.

Emil Pierson - addressed the Council and spoke on the Tree City Designation.

6. Consent Agenda
   a. Voucher Approval for April 23, 2013 #121331-121511 $1,252,264.90
   b. Payroll Approval April 19, 2013 #128837-128855 and direct deposits #20702-20790 $114,995.00
   c. Consideration of meeting minutes for April 9, 2013
   d. Consideration of bid award-Stainless Steel Material $51,496.56
   e. Consideration of Change Order #1-Old WWTP Demolition $11,808.18

COUNCILOR ANZELINI MOVED, SECONDED BY COUNCILOR HENDERSON, TO APPROVE THE CONSENT AGENDA AS PRESENTED...motion PASSED...6-0.
7. Public Hearing related to Medical Marijuana Collective Gardens

Mayor Canaday opened the public hearing at 8:10 pm.

City Attorney Shannon Murphy-Olson spoke briefly on the process to date. There being no public comment,

Mayor Canaday closed the public hearing at 8:12 pm.

Archie Curtis, Centralia, addressed the Council and spoke on item 6d. He noted he was one of the bidders for this project, and although he was not the low bid, he felt he should have been awarded the bid because he was local.

8. Consideration of an agreement with McDonald’s for a scoreboard at Wheeler Field

**MAYOR PRO-TEM COUMBS MOVED, SECONDED BY COUNCILOR ANZELINI, TO APPROVE AN AGREEMENT WITH MCDONALDS FOR A SCOREBOARD AT WHEELER FIELD.**

Mr. Pierson and McDonald’s Franchise Owner Mike Selstrom reviewed the agreement with the Council. Councilor Henderson noted his opposition to the portion of the contract that stated the no national burger chain or Taco Bell be allowed to have sponsorship signs on the scoreboard or in Wheeler Field. Mr. Selstrom explained that the wording was standard for McDonald’s in contracts like this one.

Mayor Canaday called for a vote on the motion...motion PASSED...5-1 (Councilor Henderson).

9. Consideration of Water System Plan Update

**COUNCILOR ANZELINI MOVED, SECONDED BY MAYOR PRO-TEM COUMBS, TO APPROVE THE WATER SYSTEM PLAN UPDATE...motion PASSED...6-0.**

10. Consideration of second reading of an ordinance approving a Franchise Agreement with Rainier Connect

**COUNCILOR ELMORE MOVED, SECONDED BY COUNCILOR TRENT, TO APPROVE ON SECOND READING AN ORDINANCE APPROVING A FRANCHISE AGREEMENT WITH RAINIER CONNECT...motion PASSED...6-0.**

11. Executive Session to discuss Labor Negotiations pursuant to RCW 42.30.140 and Real Estate pursuant to RCW 42.30.110. Expected to last approximately 30 minutes with possible action to be taken after

**COUNCILOR HENDERSON MOVED, SECONDED BY COUNCILOR ANZELINI, TO GO INTO EXECUTIVE SESSION AFTER A 5 MINUTE BREAK TO DISCUSS LABOR NEGOTIATIONS**
PURSUANT TO RCW 42.30.140 AND REAL ESTATE PURSUANT TO RCW 42.30.110 FOR APPROXIMATELY 30 MINUTES WITH NOTHING TO REPORT AFTER...motion PASSED...6-0.

The Executive Session began at 8:43 pm. The Executive Session adjourned at 9:13 pm.

Adjournment

Mayor Canaday adjourned the meeting at 9:13 pm.

Submitted By:

Deena Bilodeau, City Clerk

Approved By:

Bonnie Canaday, Mayor
City of Centralia
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council
From: Kahle Jennings, Public Works Director
Department: Public Works
Subject: Consultant Services Agreement for Wastewater NPDES Permit Effluent and River Sampling and Analysis

Purpose: Approve a Consultant Services Agreement with CH2MILL for sampling and analysis of Centrailia wastewater effluent and Chehalis River water.

Background: This agreement will provide training, laboratory analysis, data validation and annual effluent/receiving water monitoring reports necessary for compliance with the City’s wastewater NPDES permit. This study is required by our current permit and the results will be used by the Washington State Department of Ecology to determine requirements of future permits.

Proper training and oversight during sample collection is imperative as that is where most mistakes are made. Staff will work side by side with a CH2MILL “clean sampling” expert to sample Centrailia’s wastewater effluent and Chehalis River water for temperature, hardness and metals consistent with EPA methods.

Laboratory analyses of the receiving water (Chehalis River) and wastewater treatment plant effluent will be performed in accordance with the procedures defined in the State approved Quality Assurance Project Plan (QAPP). CH2MILL’s Applied Sciences Laboratory (ASL) will provide the required pre-cleaned sample containers and sampling devices, and analyze the samples in their laboratory. We attempted to find a local laboratory that would analyze the samples but none of them could perform all of the required tests.

Financial Impacts:

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$44,290 - tax included</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Ongoing</td>
<td>Appropriation/Amendment Required</td>
</tr>
<tr>
<td>X Funds in Current Budget</td>
<td></td>
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</tbody>
</table>

Alternatives: None as this is required by our existing wastewater NPDES permit.

Recommendation: Staff recommends that the City Council authorize the City Manager to sign the consultant services agreement with CH2MILL for Effluent and River Sampling and Analysis.
CONSULTANT SERVICES AGREEMENT
between the City of Centralia and

CH2M HILL Engineers, Inc.

THIS AGREEMENT is made between the City of Centralia, a Washington municipal
corporation (hereinafter the "City"), and CH2M HILL Engineers, Inc. organized
under the laws of the State of Delaware, located and doing business at 1100 112th
Ave NE, Suite 400 Bellevue, WA 98004 425-453-5000 (hereinafter the
"Consultant").

I. DESCRIPTION OF WORK.

Consultant shall perform the following services for the City in accordance
with the following described plans and/or specifications:

Attached as Exhibit A and incorporated by this reference.

Consultant further represents that the services furnished under this
Agreement will be performed in accordance with generally accepted professional
practices in effect at the time those services are performed.

II. TIME OF COMPLETION. The parties agree that work will begin on
the tasks described in Section I above immediately upon the effective date of this
Agreement. Upon the effective date of this Agreement, Consultant shall complete
the work described in Section I by (December 31, 2013).

III. COMPENSATION.

A. The City shall pay the Consultant, on a lump sum basis, an amount not to
exceed $44,290.00 for the services described in this Agreement. This is the
maximum amount to be paid under this Agreement for the work described in
Section I above, and shall not be exceeded without the prior written authorization
of the City in the form of a negotiated and executed amendment to this agreement.

B. The Consultant shall submit monthly payment invoices to the City for work
performed, and a final bill upon completion of all services described in this
Agreement. Amount invoiced each month will be based on estimate of percentage
of completion multiplied times the lump sum amount. The City shall provide
payment within forty-five (45) days of receipt of an invoice. If the City objects to
all or any portion of an invoice, it shall notify the Consultant and shall withhold
payment only for that portion of the invoice in dispute. In that event, the parties
will immediately make every effort to settle the disputed portion.
IV. INDEPENDENT CONTRACTOR. The parties intend that an Independent Contractor-Employer Relationship will be created by this Agreement and that the Consultant has the ability to control and direct the performance and details of its work, the City being interested only in the results obtained under this Agreement.

V. TERMINATION. Either party may terminate this Agreement, with or without cause, upon providing the other party thirty (30) days written notice at its address set forth on the signature block of this Agreement. On termination, Consultant will be paid for all authorized services performed up to the termination date. After termination, the City may take possession of all records and data within the Consultant's possession pertaining to this project until City, which may be used by the City for the purpose for which they were intended. Use on another project, change, or alteration by the City or by others acting through or on behalf of City, without the written permission of Consultant will be at City's sole risk. City agrees to indemnify Consultant and Consultant's officers, employees, subcontractors, and affiliated corporations from all claims, damages, losses, and costs, including, but not limited to, litigation expenses and attorney's fees arising out of or related to such unauthorized reuse, change or alteration.

VI. DISCRIMINATION. In the hiring of employees for the performance of work under this Agreement or any subcontract, the Consultant, its subcontractors, or any person acting on behalf of the Consultant or subcontractor shall not, by reason of race, religion, color, sex, age, sexual orientation, national origin, or the presence of any sensory, mental, or physical disability, discriminate against any person who is qualified and available to perform the work to which the employment relates.

VII. INDEMNIFICATION/INSURANCE. Attached as Exhibit B and incorporated by this reference.

VIII. EXCHANGE OF INFORMATION. The City will provide its best efforts to provide reasonable accuracy of any information supplied by it to Consultant for the purpose of completion of the work under this Agreement. Consultant will reasonably rely upon the accuracy, timeliness, and completeness of the information provided by the City.

IX. OWNERSHIP AND USE OF RECORDS AND DOCUMENTS. Original documents, drawings, designs, reports, or any other records developed or created under this Agreement shall belong to and become the property of the City. All records submitted by the City to the Consultant will be safeguarded by the Consultant. Consultant shall make such data, documents, and files available to the City upon the City's request. Use on another project, change, or alteration by the City or by others acting through or on behalf of City, without the written permission of Consultant will be at City's sole risk. City agrees to indemnify Consultant and Consultant's officers, employees, subcontractors, and affiliated corporations from all claims, damages, losses, and costs, including, but not limited
to, litigation expenses and attorney's fees arising out of or related to such unauthorized reuse, change or alteration.

X. CITY'S RIGHT OF INSPECTION. Even though Consultant is an independent contractor with the authority to control and direct the performance and details of the work authorized under this Agreement, the work shall be subject to the City's general right of inspection to secure satisfactory completion of the work as described in Section I.

XI. WORK PERFORMED AT CONSULTANT'S RISK. Consultant shall take all necessary precautions and shall be responsible for the safety of its employees, agents, and subcontractors in the performance of the contract work and shall utilize all protection necessary for that purpose. All work shall be done at Consultant's own risk, and Consultant shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

XII. MISCELLANEOUS PROVISIONS.

A. Recyclable Materials. The City recommends that its contractors and consultants use recycled and recyclable products whenever practicable.

B. Non-Waiver of Breach. The failure of the City to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.

C. Resolution of Disputes and Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. If the parties are unable to settle any dispute, difference or claim arising from the parties' performance of this Agreement, the exclusive means of resolving that dispute, difference or claim, shall only be by filing suit exclusively under the venue, rules and jurisdiction of the Lewis County Superior Court, Lewis County, Washington, unless the parties agree in writing to an alternative dispute resolution process. In any claim or lawsuit for damages arising from the parties' performance of this Agreement, each party shall pay all its legal costs and attorney's fees incurred in defending or bringing such claim or lawsuit, in addition to any other recovery or award provided by law; provided, however, nothing in this paragraph shall be construed to limit the City's right to indemnification under Section VII of this Agreement.

D. Written Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the Agreement, unless notified to the contrary. Any written notice hereunder shall become effective three (3) business days after the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in
this Agreement or such other address as may be hereafter specified in writing.

E. Assignment. Any assignment of this Agreement by either party without the written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment shall be made without additional written consent.

F. Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and Consultant.

G. Entire Agreement. The written provisions and terms of this Agreement, together with any Exhibits attached hereto, shall supersede all prior verbal statements of any officer or other representative of the City, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. All of the above documents are hereby made a part of this Agreement. However, should any language in any of the Exhibits to this Agreement conflict with any language contained in this Agreement, the terms of this Agreement shall prevail.

H. Compliance with Laws. The Consultant agrees to comply with all federal, state, and municipal laws, rules, and regulations that are now effective or in the future become applicable to Consultant's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of those operations.

IN WITNESS, the parties below execute this Agreement, which shall become effective on the last date entered below.

**CONSULTANT:**

By: [Signature]
Print Name: Michael Reinbold
Its: NW Operations Manager
DATE: 4/1/15

**CITY OF CENTRALIA:**

By: [Signature]
Print Name: Rob Hill
Its: City Manager
DATE: 

**NOTICES TO BE SENT TO:**
Melissa Wu and Dave Reynolds

**CONSULTANT:**
CH2M HILL Engineers, Inc.
1100 112th Ave NE, Suite 400
Bellevue, WA 98004

**NOTICES TO BE SENT TO:**

**CITY OF CENTRALIA:**
Deena Bilodeau, City Clerk
118 W. Maple/POB 609
Centralia, WA 98531
| 425-453-5000   | (360) 330-7675 (telephone) |
| 425-468-3100   | (360) 330-7673 (facsimile) |
| Dave.Reynolds@CH2M.com |                     |
| Melissa.Wu@CH2M.com |                     |
City of Centralia

Support for NPDES Permit Effluent and River Sampling and Analyses – 2013

Scope of Work

Task 1 - Laboratory Analyses

Perform laboratory chemical analyses on effluent samples and river water samples in accordance with the measurement procedures define the QAPP for Receiving Water and Effluent Study of Temperature, Hardness, and Metals (CH2M HILL, Feb. 8, 2012). The QAPP defines the required laboratory methods, method detection limits and minimum reporting limits in Table 6; the laboratory quality control procedures are listed in Table 7. CH2M HILL’s Applied Sciences Laboratory (ASL) will perform these analytical services and provide the required pre-cleaned sample containers (as defined in Table 5 of the QAPP). ASL will pre-clean the sample containers, pack and ship the containers to the Centralia WWTP for each of the ten (10) sample events (June through October 2013; sampling twice per month) that will generate a total of thirty-six (36) samples (this includes equipment blanks, field duplicates, and matrix spike samples). In addition, Centralia will ship Niskin water samplers and PTFE effluent sample dippers to ASL for cleaning and ASL will ship the cleaned samplers (wrapped in plastic) back to Centralia for use in sampling each of the ten (10) sample events.

ASL will provide laboratory analytical results and quality control information (Level 3 QC reporting) in a lab report format and in an Excel sheet. Laboratory results will be reported within 4 weeks of sample delivery to ASL.

Task 2 – Sample Training, Audits & Data Review

CH2M HILL will provide an experienced clean-sampling expert (Mike Stanaway, ASL) to work with Centralia WWTP personnel during the first field sampling event in June 2013. Mr. Stanaway will demonstrate and assist Centralia personnel in the specific methods and equipment for clean sampling of wastewater effluent and river water that are consistent with EPA Method 1669. He will demonstrate the correct methods for equipment blank and field duplicate collections. Mr. Stanaway will also be the primary contact for sampling questions and coordination with Centralia.

Once during the June-October sampling season, CH2M HILL will provide an experienced clean-sampling expert (Mike Stanaway, ASL) to audit Centralia personnel during a field sampling event. The audit report will be included in the annual report to Ecology.

CH2M HILL will provide review of ASL laboratory analytical results and quality control information – for every lab report. The review of laboratory results will be reported to Centralia by email, and any problems or issues will be identified and discussed with Centralia.

Task 3 – Data Validation and Annual Effluent & Receiving Water Report

CH2M HILL will prepare a data validation memorandum. The data verification and validation will assess the validity of the analytical data. A chemist will review the electronic database file and supporting hardcopy reports to assess the quality of the data with respect to the project-specific DQOs. Data validation procedures are described in this QAPP. The data quality evaluation will assess whether the data meets the planned DQOs for this project. The final results, as adjusted for the findings of any data validation/data evaluation, will be checked against the DQOs and an assessment will be made as to whether the data are of sufficient quality to support the DQOs.
CH2M HILL will prepare the 2013 Effluent & Receiving Water Report documenting the ten (10) sample events, providing the analytical results of twenty-six (26) samples, the data validation memorandum, and the field audit memorandum. The Draft 2013 Effluent & Receiving Water Report will be provided to Centralia for review by November 30, 2013; and the Final 2013 Effluent & Receiving Water Report will be provided to Centralia for submittal to Ecology by December 14, 2013.

Cost Estimate

The cost estimate for the NPDES Effluent & Receiving Water Sampling and Analyses – 2013 is presented in Table 1. The fee estimate is based on the schedule for activities and report outlined. This work will be performed on a time and expense basis under the contracted terms and conditions. Conditions that could change this cost estimate include: 1) delays due to not receiving field samples from the City, 2) requirements for Centralia to repeat sampling, and 3) missing samples in sample sets received at ASL.

This cost estimate assumes that ASL will be shipping containers to Centralia by ground service and Centralia will be shipping samples for analyses via overnight shipping service (UPS or Fedex) and paid by the City.

<table>
<thead>
<tr>
<th>Project Tasks</th>
<th>Labor ($)</th>
<th>Expenses ($)</th>
<th>Total ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1 – Laboratory Analyses</td>
<td>$ 4,430</td>
<td>$14,200</td>
<td>$18,630</td>
</tr>
<tr>
<td>Task 2 – Sample Training, Audits &amp; Review</td>
<td>$11,380</td>
<td>$ 1,250</td>
<td>$12,630</td>
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<tr>
<td>Task 3 – Data Validation and Annual Effluent &amp; Receiving Water Report</td>
<td>$12,930</td>
<td>$ 100</td>
<td>$13,030</td>
</tr>
<tr>
<td><strong>Total Cost Estimate</strong></td>
<td>$28,740</td>
<td>$11,850</td>
<td>$44,290</td>
</tr>
</tbody>
</table>

Project Team

The key project team members and their project roles are listed below:

**Mike Stanaway** – Laboratory and Field Sampling Lead

**David Wilson** – Reporting and Senior Review

**Dave Reynolds** - Project Manager
EXHIBIT B

INSURANCE REQUIREMENTS FOR PROFESSIONAL SERVICE AGREEMENTS

Indemnification / Hold Harmless

Consultant shall defend, indemnify and hold the City, its officers, officials, and employees harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from claims by third parties for property damage or bodily injury, including death, for the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

Insurance

The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

No Limitation

Consultant’s maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. Minimum Scope of Insurance

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary,
the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an insured under the Consultant’s Commercial General Liability insurance policy with respect to the work performed for the City.

3. Workers’ Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

4. Professional Liability insurance appropriate to the Consultant’s profession.

B. Minimum Amounts of Insurance

Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of $1,000,000 per accident.

2. Commercial General Liability insurance shall be written with limits no less than $1,000,000 each occurrence, $2,000,000 general aggregate.

3. Professional Liability insurance shall be written with limits no less than $1,000,000 per claim and $1,000,000 policy aggregate limit.

C. Other Insurance Provision

The Consultant’s Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor’s insurance and shall not contribute with it.

D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

E. Verification of Coverage

Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.
F.   Notice of Cancellation

The Consultant shall provide the City with written notice of any policy cancellation, within two business days of their receipt of such notice.

G.   Failure to Maintain Insurance

Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days notice to the Consultant to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

<table>
<thead>
<tr>
<th>To:</th>
<th>Mayor and City Council</th>
<th>Council Meeting Date:</th>
<th>May 14, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>From:</td>
<td>Jan Stemkoski, P.E.</td>
<td>Department:</td>
<td>Public Works</td>
</tr>
<tr>
<td>Subject:</td>
<td>Consultant Agreement for Hazardous Material Evaluation at 1411 South Tower Avenue (Floral Street House)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Background:
This contract will provide a hazardous material evaluation for the City-owned house located at 1411 South Tower Avenue, commonly known as the Floral Street House. The Public Works Department is in the process of preparing an advertisement for public bids to have that house demolished. In order to proceed with that work, a hazardous material evaluation must be completed to determine if the structure has any asbestos-containing materials or lead paint. We have solicited a proposal from PBS Engineering and Environmental Inc. from our Consultant Roster to complete the work.

Financial Impacts:
Implementation $2,940.00 Annual Ongoing $ 

X Funds in Current Budget 

Funds for this project have been allocated in Object 410 of the 2013 Landfill Department budget.

Alternatives: N/A

Recommendation:
Staff recommends that the City Council award the Consultant Agreement for Hazardous Material Evaluation for 1411 South Tower Avenue to PBS Engineering and Environmental Inc. in the amount of $2,940.00.
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council
Council Meeting Date: May 14, 2013

From: Jan Stemkoski, P.E.
City Engineer

Department: Public Works

Subject: Consultant Contract PBS Engineering and Environmental for Asbestos Assessment for the Wastewater Treatment Plant Demolition Project

Approvals:

City Manager ✓
City Attorney ✓
Finance ✓
Personnel
Risk Mgmt.

Background:
Prior to starting the Wastewater Treatment Plant Demolition Project we had an asbestos assessment done. Once the assessment was completed an asbestos abatement contractor removed all the asbestos that was found during the assessment. Once the demolition project was started we have found building materials that need to be tested to determine if they contain asbestos. This contract is to provide for a consultant to secure samples and test those building materials.

Financial Impacts:

Implementation $4,000.00
X Funds in Current Budget

Annual Ongoing $0.00

✓ Appropriation/Amendment Required

These funds will be paid out of the Wastewater Department budget and then be 100% reimbursed by the Washington State Department of Transportation.

Alternatives: N/A

Recommendation:
Staff recommends that the City Council authorize the City Manager to execute a contract with PBS Engineering and Environmental to provide asbestos assessment services for the construction phase of the Wastewater Treatment Plan Demolition Project.
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council  Council Meeting Date: May 14, 2013
From: Kahle Jennings, Public Works Director  Department: Public Works
Subject: Reimbursable Agreement Between Centralia and Grays Harbor County

Approvals:  

Purpose: Approve agreement with Grays Harbor County for support of the Chehalis Basin Partnership (CBP).

Background: The City of Centralia has been a participant in watershed planning since its inception. The Watershed Planning Act (RCW 90.82) was passed by the Legislature in 1998 because the historical top-down approach of allocating water wasn’t working to provide adequate water for human uses such as agriculture, future population growth and economic development, and ensuring adequate river flows necessary support sustainable populations of native fish. Watershed planning is a bottoms-up approach guided by local interested and affected constituents. The outcome is intended to be local solutions to local problems.

This effort has largely been supported through State grants and Federal matching funds for projects. In 2011 the Chehalis Basin Partnership was told that it couldn’t keep asking for State support without a demonstration of local support evidenced by putting local funding into the effort. The Chehalis Tribe, Thurston County and the Port of Grays Harbor have all previously contributed. The Centralia Water Department’s 2013 budget included $15,000 to support continuing the work of the Chehalis Basin Partnership.

The Centralia Water System Plan predicts the sufficiency of our water rights to supply future water needs in 6 years, 20 years and 50 years. The Water System Plan predicts that Centralia has sufficient water rights to satisfy average day and peak day demands through the year 2031 (20 years), but will need additional water rights for 4,929 acre-feet per year to meet the projected 5061 (50 year) annual water requirement (page 7-7). [NOTE: 1 acre-foot = 325,851.4 gallons; 4929 acre-feet = 1,606,121,551 gallons per year or over 4.4 million gallons per day]. It is my belief that the work being done by the Chehalis Basin Partnership will help answer the question, “Where will Centralia obtain the additional water to serve community needs in 40 to 50 years?” Two specific studies come to mind. First is the Skookumchuck Water Rights Study (2008 cost: $42,450). The information in this report is critical to determining if Centralia has any opportunity to obtain water from the Skookumchuck River. The second study is the USGS Groundwater/Surface Water Interaction and Hydrogeological Characterization Report (2007-2010 cost: $210,000). This study is the first of a multi-phase study that will determine if additional groundwater can be withdrawn without diminishing summer surface water flows and river temperature critical for fish.
Financial Impacts:

Implementation $15,000

Annual
Ongoing

Funds in Current Budget

Appropriation/Amendment
Required

Alternatives: Not support the Chehalis Basin Partnership. Implications of this action would include erosion of legislative support for additional State appropriations to the Chehalis Basin Partnership and should the Partnership cease to function, the unlikelihood of completing the remaining work on characterizing groundwater resources necessary to support additional groundwater use.

Recommendation: Staff recommends that the City Council approve the reimbursable agreement with Grays Harbor County.

Additional Chehalis Basin Partnership Information:

- Chapter 90.82 RCW states: The Legislature finds that the local development of watershed plans for managing water resources and for protecting existing water rights is vital to both State and local interests. The Chehalis Basin Partnership is one of the planning units that actually developed and adopted a watershed plan. The Chehalis Basin Partnership also developed a detailed implementation plan.
- Water rights given away on paper far exceed what is actually available. If existing paper water rights were fully used the river would dry up.
- In-stream flows were set in 1976 for the Chehalis Basin; 24 streams were closed to future appropriation.
- Most water rights precede the 1976 in-stream flows.
- The Chehalis River does not meet the in-stream flows set in 1976 an average of 77 days per year.
- Two Tribes (Chehalis, Quinault) have separate fish interests in the Chehalis Basin.
- Without changing how we manage water a listing of some salmon species as threatened or endangered is inevitable; preventing a listing is much less expensive than remediation once a listing occurs.
- How do you solve problems? 1) Identify the issues; 2) inventory the resources available; 3) develop alternatives; 4) implement. The CBP is between step #2 and step #3.
- Local participants (not including Centralia) have contributed $50,000 to continue the work of the CBP over the last 2 years.
- The CBP is working towards acquiring non-profit status to increase the available funding options.
- The CBP has asked for $150,000 in the 2014 State budget to continue the State investment in the Chehalis Basin Partnership’s effort.
REIMBURSABLE SERVICES AGREEMENT

THIS AGREEMENT, made and entered into the last date set forth herein below, by and between Grays Harbor County, a municipal corporation of the State of Washington, hereinafter referred to as "Grays Harbor County" and City of Centralia, a municipal corporation of the State of Washington, hereinafter referred to as "City of Centralia":

WHEREAS, Grays Harbor County is the designated Lead Agency for the Chehalis River Basin Watershed Management Partnership ("the Partnership") formed by intergovernmental agreement dated August 31, 1998, as thereafter amended ("the Partnership Agreement"), responsible for and designated to perform specified tasks on behalf of the Partnership; and

WHEREAS, the Partnership Agreement requires Grays Harbor County, as Lead Agency for the Partnership, to obtain City of Centralia's approval for its expenditures on behalf of City of Centralia under the Partnership Agreement; and

WHEREAS, City of Centralia desires to have certain services performed by GRAYS HARBOR COUNTY as hereinafter set forth, as Lead Agency under the Partnership Agreement, requiring specialized skills and other supportive capabilities; and

WHEREAS, Grays Harbor County, as Lead Agency under the Partnership Agreement, represents that it is qualified and possesses sufficient skills and the necessary capabilities, including technical and professional expertise where required, to perform the services set forth in this contract,

NOW, THEREFORE, in consideration of the terms, conditions, covenants and performance contained herein, the parties hereto agree as follows:

I. SERVICES

Grays Harbor County shall perform such services and accomplish such tasks, including the furnishing of all materials and equipment necessary for full performance as are identified as Grays Harbor County responsibilities throughout this Agreement.

Grays Harbor County shall provide a watershed coordinator to support the work of the Partnership, the Watershed Planning Unit in the Chehalis Basin, which encompasses a portion of City of Centralia. A description of work for the Watershed Coordinator is attached as Exhibit A.

II. REPORTING REQUIREMENTS

Grays Harbor County shall submit periodic reports as required by City of Centralia, which shall include, but not be limited to, (1) a fiscal year, (2) revenue and expenditure report, and (3) final evaluation report. Grays Harbor County shall submit a detailed quarterly report of work performed on behalf of City of Centralia to document reported achievements.

III. DURATION OF AGREEMENT
IV. MODIFICATION

This Agreement may be extended or amended at any time by mutual consent of the parties in writing, and pursuant to the terms and conditions of this Agreement.

V. COMPENSATION AND METHOD OF PAYMENT

City of Centralia shall reimburse Grays Harbor County for all services performed under this Agreement and within the boundaries of the Partnership Agreement, an amount not to exceed $15,000. An invoice for each payment installment will be provided by Grays Harbor County to City of Centralia that contains a detailed accounting for submitted expenses.

VI. ESTABLISHMENT AND MAINTENANCE OF RECORDS

Grays Harbor County shall maintain separate accounts and records, including personnel, property, financial, and program records, which sufficiently and properly reflect all direct and indirect costs of any nature expended and services performed in the performance of this Agreement. These records shall be maintained for a period of three (3) years after termination hereof. The records and documents with respect to all matters covered by this Agreement shall be subject at all reasonable times to inspection or review by City of Centralia during the performance of this Agreement.

VII. COMPLIANCE WITH LAWS

Grays Harbor County, in performance of this agreement, agrees to comply with all applicable federal, state, and local laws or ordinances, including standards for licensing, certification, and operation of facilities, programs, and accreditation, and licensing of individuals and any other standards or criteria as described in this Agreement to assure quality of services.

VIII. NON-DISCRIMINATION

A. During the performance of this Agreement, Grays Harbor County agrees to comply with federal and state laws prohibiting discrimination in employment and delivery of services.

Grays Harbor County shall not, on the grounds of race, color, sex, religion, national origin, creed, marital status, age or the presence of any sensory, mental or physical disability:

1. Deny any individual any services or other benefits provided under this agreement;

2. Provide any services or other benefits to any individual which are different or are provided in a different manner from those provided to others under this agreement;

2013 Reimbursable Agreement
City of Centralia and Grays Harbor County
Page 2 of 5
(3) Subject an individual to segregation or separate treatment in a manner related to his/her receipt of any services or other benefits provided under this agreement;

(4) Deny any individual an opportunity to participate in any program provided by this agreement through the provision of services or otherwise, or will afford him/her opportunity to do so, which is different from that afforded to others under this agreement;

(5) Grays Harbor County, in determining (a) the types of services or other benefits to be provided, or (b) the class of individuals to whom, or the situation in which, such services or other benefits will be provided, or (c) the class of individuals to be afforded an opportunity to participate in any services or other benefits, will not utilize criteria or methods of administration which have the discrimination because of race, color, sex, religion, national origin, creed, marital status, age, Vietnam era, or disabled veteran status, or the presence of any sensory, mental, or physical handicap.

C. Grays Harbor County shall take affirmative action to ensure that its facilities and programs are accessible to people with sensory, mental, or physical handicaps, in compliance with the Americans with Disabilities Act of 1990 ("ADA").

IX. INDEMNIFICATION/HOLD HARMLESS

All services to be rendered or performed under this Agreement will be performed or rendered entirely at Grays Harbor County’s own risk and Grays Harbor County shall protect, indemnify, and hold harmless City of Centralia, its officers, agents, and employees, from and against any and all claims and losses whatsoever occurring or resulting from supplying work, services, materials or supplies in connection with the performance of this Agreement. Grays Harbor County further agrees that it is financially responsible for any audit exception which occurs due to its negligence or failure to comply with the terms of this Agreement.

X. POLITICAL ACTIVITY PROHIBITED

None of the funds, materials, property or services provided directly or indirectly under this Agreement shall be used in the performance of this Agreement for any partisan political activity, or to further the election or defeat of any candidate for public office.

XI. INSURANCE

With respect to its operations, activities, and services provided under this Agreement, Grays Harbor County agrees to provide proof of ability, through purchased insurance or through a program of self-insurance, to meet public liability minimum requirements in a combined single limit of $1,000,000 per occurrence for bodily injury, personal injury, and property damage, with the general aggregate applying separately to this Agreement. Grays Harbor County shall additionally provide, at its own expense, Workers’ Compensation coverage, as required by the

2013 Reimbursable Agreement
City of Centralia and Grays Harbor County
Page 3 of 5
XII. TERMINATION

Upon mutual agreement, Grays Harbor County or City of Centralia may terminate this Agreement without cause in writing upon thirty (30) days notice. Upon breach or other non-performance of this Agreement, either party hereto may terminate this Agreement upon 30 days written notice to the other party stating the reasons for such termination. In case of breach, either party may pursue such remedies as are legally available, including, but not limited to, suspension or termination of this Agreement.

XIII. ENTIRE AGREEMENT

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Further, any modification of this Agreement shall be in writing and signed by both parties.

APPROVED this _____ day of __________, 2013 by the CITY OF CENTRALIA

____________________
Rob Hill, City Manager

____________________

ATTEST:

____________________
Deena Bilodeau, City Clerk

APPROVED AS TO FORM:

By: ____________________
Shannon Murphy Olson
City Attorney
APPROVED this ______ day of ________, 2013 by the GRAYS HARBOR COUNTY BOARD OF COUNTY COMMISSIONERS

Herb Welch, Chair

Wes Cornier, Commissioner

Frank Gordon, Commissioner

ATTEST:

Donna McCallum, Clerk of the Board

APPROVED AS TO FORM:
H. STEWARD MENEFEE
Prosecuting Attorney

By: ____________________________
Deputy Prosecuting Attorney
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council                Council Meeting Date: May 14, 2012
From: Robert Berg                            Department: Police

Subject: Surplus Property

Approvals

Background:

City staff has made a determination that nine (9) on attached Exhibit “A” “are surplus to the needs of the department.

The vehicles listed in Exhibit “A” have been forfeited to the Centralia Police Department under the terms and conditions of RCW 69.50.505. As such the vehicles, or proceeds from the sale of the vehicles, or equipment or vehicles acquired in the trade of these surplus vehicles must be used in the enforcement of the uniform controlled substance act of the State of Washington. Staff plans to sell or trade these vehicles in order to acquire different and unrecognized units for use in accordance with the statute. Proceeds from the sales of these vehicles will be placed in the Confiscations and Seizures Fund (111).

Financial Impacts: No expenditure impacts.

- Miscellaneous revenue to the General Fund #001
- Miscellaneous revenue to the Confiscations & Seizure Fund #111

Alternatives:

- Do not dispose of the surplus property.
- Dispose of the surplus property via trade, auction, or internet sale.

Recommendation:

Adopt the resolution declaring the property on Exhibit “A,” to be surplus to the needs of the City and direct staff to dispose of the property by trade, auction, or internet sale.
RESOLUTION NO. ____________

A RESOLUTION OF THE CITY OF CENTRALIA WASHINGTON, DECLARING CERTAIN PERSONAL PROPERTY TO BE SURPLUS, AND AUTHORIZING AND DIRECTING STAFF TO DISPOSE OF SAID PROPERTY FOR THE HIGHEST AND BEST PRICE.

WHEREAS, the City of Centralia is the owner of certain personal property (vehicles and other equipment), being more particularly described on the attached Exhibit "A," and

WHEREAS, the City Council of the City of Centralia, after consultation with staff, does not believe that the City has any present or future need, use, or plans for said property; and

WHEREAS, the individual value of any item is less than $50,000;

NOW THEREFORE, be it resolved by the City of Centralia that the personal property owned by the City of Centralia and described on the attached Exhibit "A," "is hereby declared surplus, and staff is authorized to dispose of said property via trade, auction, or internet sale.

ADOPTED by the City Council of the City of Centralia Washington and executed by its Mayor at a regularly scheduled meeting this 14th day of December 2014.

__________________________
Mayor

ATTEST:

__________________________
City Clerk

APPROVED AS TO FORM:

__________________________
City Attorney
### EXHIBIT A - Confiscations and Seizures Fund 111

<table>
<thead>
<tr>
<th>License #</th>
<th>VIN</th>
<th>Description</th>
<th>Case #</th>
</tr>
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<tbody>
<tr>
<td>256 WWQ (WA)</td>
<td>1LNLM82W6VY707058</td>
<td>1997 Lincoln Town car; White 4 door,</td>
<td>13A2681</td>
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<tr>
<td>AKP0004 (WA)</td>
<td>9BWGK61J824073279</td>
<td>2002 VW Golf; Red 3 door,</td>
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<td>AAT2018 (WA)</td>
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<td>2003 Land Rover Freelander; Silver SUV</td>
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<td>11A9645</td>
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<td>2005 Chrysler Sebring; Green 4 door</td>
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<td>AJF3471 (WA)</td>
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<td>1999 BMW 323: White 4 door,</td>
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<td>54826D (WA)</td>
<td>2G1WW12E439346241</td>
<td>2003 Chevrolet Monte Carlo; Silver 2 door</td>
<td>DEA Seizure</td>
</tr>
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</table>
CITY OF CENTRALIA
COUNCIL AGENDA REPORT

To: Mayor and City Council
From: Emil Pierson, Director
Council Meeting Date: May 14, 2013
Department: Community Development

Subject: 1st Reading of an ordinance adopting updates to CMC 16.04 State Environmental Policy Act; this will make the City's code consistent with the State RCW and WAC.

Background:
Centralia Municipal Code 16.04 CMC 16.04 State Environmental Policy Act governs state mandated environmental regulations that cities operating under the Growth Management Act (GMA) are required to follow. In 2012, the Washington State legislature, in response to the downturn in the economy and the impact the environmental laws within the State of Washington have had on that downturn, instructed the Department of Ecology to change regulations to reflect current conditions and concerns.

In March of 2013, Washington Administrative Code (WAC) 197-11 was updated. This update left the City's regulations found in CMC 16.04 to be more restrictive than the State regulations. Therefore, it is proposed that the City adopt the new regulations from the Department of Ecology.

The Planning Commission heard this proposal on April 12, 2013 and held a public hearing at that time. The Commission recommended approval with no changes to the Code.

Financial Impacts: N/A

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$</th>
<th>Annual Ongoing</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds in Current Budget</td>
<td></td>
<td>Appropriation/Amenment Required</td>
<td></td>
</tr>
</tbody>
</table>

Alternatives:
1. Approve the proposed changes to CMC 16.04 State Environmental Policy Act
2. Approve the proposed changes to CMC 16.04 State Environmental Policy Act with the following modifications.
3. Reject the proposed changes to CMC 16.04 State Environmental Policy Act.
4. Table the proposed changes to CMC 16.04 State Environmental Policy Act for the following reasons:

Recommendation:
Planning Commission recommended that the City Council Approve the proposed changes to CMC 16.04 State Environmental Policy Act.
ORDINANCE

AN ORDINANCE OF THE CITY OF CENTRALIA, WASHINGTON, REPEALING AND REPLACING IN ITS ENTIRETY CENTRALIA MUNICIPAL CODE (C.M.C) CHAPTER 16.04 ENTITLED ENVIRONMENTAL POLICY

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CENTRALIA AS FOLLOWS:

Section 1

Centralia Municipal Code Chapter 16.04 entitled State Environmental Policy Act

Adopted is hereby repealed in its entirety and replaced as follows:

Chapter 16.04
ENVIRONMENTAL POLICY

Sections:
Part I. Authority
16.04.010 Authority.

Part II. General Requirements
16.04.020 Purpose of this part and adoption by reference.
16.04.030 Additional definitions.
16.04.040 Designation of responsible official.
16.04.050 Lead agency determination and responsibilities.
16.04.053 Transfer of lead agency status to a state agency.
16.04.055 Additional considerations in time limits applicable to the SEPA process.
16.04.058 Additional timing considerations.

Part III. Categorical Exemptions and Threshold Determinations
16.04.065 Purpose of this part and adoption by reference.
16.04.070 Flexible thresholds for categorical exemptions.
16.04.080 Use of exemptions.
16.04.090 Environmental checklist.
16.04.100 Threshold determination (DNS, mitigated DNS, optional DNS and DS).

Part IV. Environmental Impact Statement (EIS)
16.04.110 Purpose of this part and adoption by reference.
16.04.120 Preparation of EIS – Additional considerations.
16.04.125 Additional elements to be covered in an EIS.

Part V. Commenting
16.04.128 Adoption by reference.
16.04.130 Public notice.
16.04.140 Designation of official to perform consulted agency responsibilities for the city.

Part VI. Using Existing Environmental Documents
16.04.155 Purpose of this part and adoption by reference.
16.04.160 Substantive authority.
16.04.170 Appeals.

Part VIII. Definitions
16.04.175 Purpose of this part and adoption by reference.

Part IX. Categorical Exemptions
16.04.180 Adoption by reference.

Part X. Agency Compliance
16.04.185 Purpose of this part and adoption by reference.
16.04.190 Critical areas.
16.04.200 Fees.

Part XI. Forms
16.04.205 Adoption by reference.

Part I. Authority
16.04.010 Authority.
A. The city adopts the ordinance codified in this chapter under the State Environmental Policy Act (SEPA), RCW 43.21C.120, and the SEPA rules, WAC 197-11-904.
B. This chapter contains this city's SEPA procedures and policies.
C. The SEPA rules, Chapter 197-11 WAC, must be used in conjunction with this chapter.

Part II. General Requirements
16.04.020 Purpose of this part and adoption by reference.
This part contains the basic requirements that apply to the SEPA process. The city adopts the following sections of Chapter 197-11 of the Washington Administrative Code (WAC) by reference:
WAC
197-11-040 Definitions.
197-11-050 Lead agency.
197-11-055 Timing of the SEPA process.
197-11-060 Content of environmental review.
197-11-070 Limitations on actions during SEPA process.
197-11-080 Incomplete or unavailable information.
197-11-090 Supporting documents.
197-11-100 Information required of applicants.
197-11-158 GMA project review – Reliance on existing plans, laws and regulations.
197-11-164 Planned actions – Definition and criteria.
197-11-168 Ordinances or resolutions designating planned actions – Procedures.
197-11-172 Planned actions – Project review.

16.04.030 Additional definitions.
In addition to those definitions contained within WAC 197-11-700 through 197-11-799, when used in this chapter, the following terms shall have the following meanings, unless the context indicates otherwise:
A. “SEPA rules” means Chapter 197-11 WAC adopted by the Department of Ecology. B. “Early notice” means the city’s response to an applicant stating whether it considers issuance of a determination of significance likely for the applicant’s proposal (mitigated determination of nonsignificance (DNS) procedures). C. “City department” means any division, subdivision or organizational unit of the city established by ordinance, rule or order.

16.04.040 Designation of responsible official.
A. For those proposals for which the city is the lead agency, the responsible official shall be the director of planning and community development or any other such person as the director may designate in writing.
B. For all proposals for which the city is the lead agency, the responsible official shall make the threshold determination, supervise scoping and preparation of any required environmental impact statement (EIS), and perform any other functions assigned to the “lead agency” or “responsible official” by those sections of the SEPA rules that were adopted by reference in CMC 16.04.020.
C. The city shall retain all documents required by the SEPA rules (Chapter 197-11 WAC) and make them available in accordance with Chapter 42.17 RCW.

16.04.050 Lead agency determination and responsibilities.
A. If the city receives an application for or initiates a proposal that involves a nonexempt action, the city shall determine the lead agency for that proposal under WAC 197-11-050 and 197-11-922 through 197-11-940, unless the lead agency has been previously determined or the city is aware that another agency is in the process of determining the lead agency.
B. When the city is not the lead agency for a proposal, the city shall use and consider, as appropriate, either the DNS or the final EIS of the lead agency in making decisions on the proposal. The city shall not prepare or require preparation of a DNS or EIS in addition to that prepared by the lead agency, unless required under WAC 197-11-600. In some cases, the city may conduct supplemental environmental review under WAC 197-11-600.
C. If the city receives a lead agency determination made by another agency that appears inconsistent with the criteria of WAC 197-11-922 through 197-11-940, it may object to the determination. Any objection must be made to the agency originally making the determination and resolved within 14 days of receipt of the determination, or the city must petition the Department of Ecology for a lead agency determination under WAC 197-11-946 within the 14-day time period. Any such petition on behalf of the city may be initiated by the responsible official.
D. The city is authorized to make agreements as to lead agency status or shared lead agency duties for a proposal under WAC 197-11-942 and 197-11-944; provided, that the responsible official and any city department that will incur responsibilities as the result of such agreement approve the agreement.
E. The city, in making a lead agency determination for a private project, shall require sufficient information from the applicant to identify which other agencies have jurisdiction over the proposal.
16.04.053 Transfer of lead agency status to a state agency.
For any proposal for a private project where the city would be the lead agency and for which one or more state agencies have jurisdiction, the responsible official may elect to transfer the lead agency duties to a state agency. The state agency with jurisdiction appearing first on the priority listing in WAC 197-11-936 shall be the lead agency and the city shall be an agency with jurisdiction. To transfer lead agency duties, the responsible official must transmit a notice of the transfer together with any relevant information available on the proposal to the appropriate state agency with jurisdiction. The responsible official of the city shall also give notice of the transfer to the private applicant and any other agencies with jurisdiction over the proposal.

16.04.055 Additional considerations in time limits applicable to the SEPA process.
Time estimates contained in this section (expressed in calendar days) shall apply when the city processes licenses for all private projects and those governmental proposals submitted to the city by other agencies. The actual time may vary with the complexity of the project, availability of staff, cooperation of agencies with jurisdiction or expertise, etc. Time periods for making threshold determinations shall commence upon payment of fees.
A. Categorical Exemptions. The city will normally identify whether an action is categorically exempt within seven days of receiving a completed application.
B. Threshold Determinations. When the city is lead agency for a proposal, the following threshold determination timing requirements apply:
   1. If a DS is made concurrent with the notice of application, the DS and scoping notice shall be combined with the notice of application (RCW 36.70B.110). Nothing in this subsection prevents the DS/scoping notice from being issued before the notice of application. If sufficient information is not available to make a threshold determination when the notice of application is issued, the DS may be issued later in the review process.
   2. If the city is lead agency and project proponent or is funding a project, the city may conduct its review under SEPA and may allow appeals of procedural determinations prior to submitting a project permit application.
   3. If an open record predecision hearing is required, the threshold determination shall be issued at least 15 days before the open record predecision hearing (RCW 36.70B.110 (6)(b)).
   4. The optional DNS process in WAC 197-11-355 may be used to indicate on the notice of application that the lead agency is likely to issue a DNS. If this optional process is used, a separate comment period on the DNS may not be required (refer to WAC 197-11-355(4)).

16.04.058 Additional timing considerations.
A. If the city’s only action on a proposal is a decision on a building permit or other license that requires detailed project plans and specifications, the applicant may request in writing that the city conduct environmental review prior to submission of the detailed plans and specifications.
B. In addition to the environmental documents, an applicant shall submit the following information for early environmental review:
1. Site plan as required by the zoning code.
2. Other information as the responsible official may determine.

Part III. Categorical Exemptions and Threshold Determinations

16.04.065 Purpose of this part and adoption by reference.
This part contains the rules for deciding whether a proposal has a "probable significant, adverse environmental impact" requiring an environmental impact statement (EIS) to be prepared. This part also contains rules for integrating SEPA environmental analysis with project review and for evaluating the impacts of proposals not requiring an EIS. The city adopts the following sections by reference, as supplemented in this part:

WAC
197-11-300 Purpose of this part.
197-11-305 Categorical exemptions.
197-11-310 Threshold determination required.
197-11-315 Environmental checklist.
197-11-330 Threshold determination process.
197-11-335 Additional information.
197-11-340 Determination of non-significance (DNS).
197-11-350 Mitigated DNS.
197-11-355 Optional DNS process.
197-11-360 Determination of significance (DS)/initiation of scoping.
197-11-390 Effect of threshold determination.

16.04.070 Flexible thresholds for categorical exemptions.
A. Categorical exemptions are adopted by reference under CMC 16.04.180. The city establishes the following exempt levels for minor new construction under WAC 197-11-800(1)(d) based on local conditions:
   1. For residential dwelling units in WAC 197-11-800 (1)(d): twenty units.
   2. For agricultural structures in WAC 197-11-800 (1)(d): 40,000 square feet.
   3. For office, school, commercial, recreational, service or storage buildings in WAC 197-11-800 (1)(d): 12,000 square feet and 40 parking spaces.
   4. For parking lots in WAC 197-11-800 (1)(d): 40 parking spaces.
   5. For landfills and excavations in WAC 197-11-800(1)(d): 1000 cubic yards.
B. The city shall send the new exempt levels established under this section to the Department of Ecology, Headquarters Office, Olympia, Washington, 98504 under WAC 197-11-800 (1)(c).

16.04.080 Use of exemptions.
A. Upon receiving an application for a license or, in the case of governmental proposals, initiating the proposal, the city shall determine whether the license and/or the proposal is exempt. The city's determination that a proposal is exempt shall be final and not subject to administrative review. If a proposal is exempt, none of the procedural requirements of this chapter shall apply to the proposal.
B. In determining whether or not a proposal is exempt, the city shall make certain the proposal is properly defined and shall identify the governmental licenses required. WAC 197-11-060. If a proposal includes exempt and nonexempt actions, the city shall
determine the lead agency, even if the license application that triggers the city’s consideration is exempt.

C. If a proposal includes both exempt and nonexempt actions, the city may authorize exempt actions prior to compliance with the procedural requirements of this chapter, except that:

1. The city shall not give authorization for:
   a. Any nonexempt action;
   b. Any action that would have an adverse environmental impact; or
   c. Any action that would limit the choice of alternatives.

2. The city may withhold approval of an exempt action that would lead to modification of the physical environment, when such modification would serve no purpose if nonexempt action(s) were not approved; and

3. The city may withhold approval of exempt actions that would lead to substantial financial expenditures by a private applicant when the expenditures would serve no purpose if nonexempt action(s) were not approved.

D. 1. Short subdivision of lands previously subdivided under an exemption from the SEPA rules shall not be exempt from environmental review.

2. Proposed short subdivision of land that is adjacent to previous short subdivisions or adjacent to land on which a subdivision is pending shall not be exempt if adjacent subdivisions share any improvements or access easements. In such cases, the proposed short plat will be considered physically or functionally related regardless of ownership.

16.04.090 Environmental checklist.

A. A completed environmental checklist (or a copy), in the form provided in WAC 197-11-960, shall be filed at the same time as an application for a permit, license, certificate, or other approval not specifically exempted in this chapter; provided, that a checklist is not needed if the city and applicant agree an EIS is required, SEPA compliance has been completed, or SEPA compliance has been initiated by another agency. The city shall use the environmental checklist to determine the lead agency.

B. For private proposals, the city will require the applicant to complete the environmental checklist, providing assistance as necessary. For city proposals, the applicant shall complete the environmental checklist for that proposal.

C. The city may require that it or a consultant of the city’s choosing, and not the private applicant, shall complete all or part of the environmental checklist for a private proposal, if either of the following occurs:

1. The city has technical information on a question or questions that is unavailable to the private applicant; or

2. The applicant has provided inaccurate information on previous proposals or on proposals currently under consideration. Prior to the hiring of such consultant, the applicant, the city and the consultant shall enter into a three-party agreement under which the applicant pays the consultant directly for services rendered.

16.04.100 Threshold determination (DNS, mitigated DNS, optional DNS and DS).

A. As provided in this section and in WAC 197-11-350, the responsible official may
issue a DNS based on conditions attached to the proposal by the responsible official or on changes to, or clarifications of, the proposal made by the applicant.

B. Early Notice.

1. An applicant may request in writing early notice of whether a DS is likely under WAC 197-11-350. The request must:
   a. Follow submission of a permit application and environmental checklist for a nonexempt proposal for which the city is lead agency; and
   b. Precede the city's actual threshold determination for the proposal.

2. The responsible official should respond to the request for early notice within 15 working days. The response shall:
   a. Be written;
   b. State whether the city currently considers issuance of a DS likely and, if so, indicate the general or specific areas of concern that are leading the city to consider a DS; and
   c. State that the applicant may change or clarify the proposal to mitigate the indicated impacts, revising the environmental checklist and/or permit application as necessary to reflect the changes or clarifications.

C. As much as possible, the city should assist the applicant with identification of impacts to the extent necessary to formulate mitigation measures.

D. When an applicant submits a changed or clarified proposal along with a revised or amended environmental checklist, the city shall base its threshold determination on the changed or clarified proposal and should make the determination within 15 days of receiving the changed or clarified proposal:

1. If the city indicated specific mitigation measures in its response to the request for early notice, and the applicant changed or clarified the proposal to include those specific mitigation measures, the city shall issue and circulate a DNS under WAC 197-11-340(2).

2. If the city indicated areas of concern, but did not indicate specific mitigation measures that would allow it to issue a DNS, the city shall make the threshold determination, issuing a DNS or DS as appropriate.

3. The applicant's proposed mitigation measures (clarifications, changes or conditions) must be in writing and must be specific. For example, proposals to "control noise" or "prevent storm water runoff" are inadequate, whereas proposals to "muffle machinery to X decibel" or "construct 200-foot storm water retention pond at Y location" are adequate.

4. Mitigation measures which justify issuance of a mitigated DNS may be incorporated in the DNS by reference to agency staff reports, studies or other documents.

E. A mitigated DNS is issued under WAC 197-11-340(2), requiring a 14-day comment period and public notice or issued under the optional DNS process, WAC 197-11-355.

F. Mitigation measures incorporated in the mitigated DNS shall be deemed conditions of approval of the permit decision and may be enforced in the same manner as any term or condition of the permit, or enforced in any manner specifically prescribed by the city. Failure to comply with the designated mitigation measures shall be grounds for suspension and/or revocation of any issued license or permit.

G. If the city's tentative decision on a permit or approval does not include mitigation
measures that were incorporated in a mitigated DNS for the proposal, the city should evaluate the threshold determination to assure consistency with WAC 197-11-340 (3)(a) (withdrawal of DNS).

H. Optional DNS Process.

1. When the responsible official has a reasonable basis for determining significant adverse environmental impacts are unlikely for a proposal, the city may use a single integrated comment period to obtain comments on the notice of application and the likely threshold determination for the proposal. If the process is used, an second comment period will typically not be required when the DNS is issued.

2. If the city uses the optional process, the responsible official shall comply with the requirements of WAC 179-11-355, combining the SEPA notice with the notice of application and providing on 14-day comment period for the application and SEPA determination.

I. The city's written response under subsection B of this section, Early Notice, shall not be construed as a determination of significance. In addition, preliminary discussion of clarifications or changes to a proposal, as opposed to a written request for early notice, shall not bind the city to consider the clarifications or changes in its threshold determination.

Part IV. Environmental Impact Statement (EIS)

16.04.110 Purpose of this part and adoption by reference.

This part contains the rules for preparing environmental impact statements. The city adopts the following sections by reference, as supplemented by this part:

WAC
197-11-400 Purpose of EIS.
197-11-402 General requirements.
197-11-405 EIS types.
197-11-406 EIS timing.
197-11-408 Scoping.
197-11-410 Expanded scoping.
197-11-420 EIS preparation.
197-11-425 Style and size.
197-11-430 Format.
197-11-435 Cover letter or memo.
197-11-440 EIS contents.
197-11-442 Contents of EIS on non-project proposals.
197-11-443 EIS contents when prior non-project EIS.
197-11-444 Elements of the environment.
197-11-448 Relationship of EIS to other considerations.
197-11-450 Cost-benefit analysis.
197-11-455 Issuance of DEIS.
197-11-460 Issuance of FEIS.

16.04.120 Preparation of EIS – Additional considerations.

A. Preparation of draft and final EISs (DEIS and FEIS) and draft and final supplemental EISs (SEIS) is the responsibility of the city under the direction of the responsible official.
Before the city issues an EIS, the responsible official shall be satisfied that it complies with this chapter and Chapter 197-11 WAC.

B. The DEIS and FEIS or draft and final SEIS shall be prepared by city staff, the applicant, or by a consultant selected by the city or the applicant. If the responsible official requires an EIS for a proposal and determines that someone other than the city will prepare the EIS, the responsible official shall notify the applicant immediately after completion of the threshold determination. The responsible official shall also notify the applicant of the city's procedure for EIS preparation, including approval of the DEIS and FEIS prior to distribution.

C. The city may require an applicant to provide information the city does not possess, including specific investigations. However, the applicant is not required to supply information that is not required under this chapter or that is being requested from another agency. (This does not apply to information the city may request under another ordinance or statute.)

16.04.125 Additional elements to be covered in an EIS.
The following additional elements are part of the environment for the purpose of EIS content, but do not add to the criteria for threshold determinations or perform any other function or purpose under this chapter:
A. Economy;
B. Social policy analysis;
C. Cost-benefit analysis;
D. Such other elements as may be required by the responsible official.

Part V. Commenting
16.04.128 Adoption by reference.
This part contains rules for consulting, commenting, and responding on all environmental documents under SEPA, including rules for public notice and hearings. The city adopts the following sections by reference, as supplemented in this part:

WAC
197-11-500 Purpose of this part.
197-11-502 Inviting comment.
197-11-504 Availability and cost of environmental documents.
197-11-508 SEPA register.
197-11-535 Public hearings and meetings.
197-11-545 Effect of no comment.
197-11-550 Specificity of comments.
197-11-560 FEIS response to comments.
197-11-570 Consulted agency costs to assist lead agency.

16.04.130 Public notice.
A. Whenever the city issues a DNS under WAC 197-11-340(2) or 197-11-355, or a DS under WAC 197-11-360(3) the city shall give public notice as follows:
   1. When possible, public notice requirements under SEPA should be combined with notice requirements for an application. This notice shall state whether a DS or a DNS was issued and when all comments are due. (For example, if
the timing for notice requirements for a subdivision or construction project coincide with the timing requirements under SEPA, then the city shall combine information on the application notice and have one time frame for all comments.) The city will use whichever notice requirements are greater except when issuing a DNS under the optional DNS process, in which case the requirements of WAC 197-11-355 shall be met.

2. The city shall give notice of a DNS or DS by using all of the following means:
   a. Posting the property for site-specific proposals or mailing to property owners within 300 feet of the proposal if the project is site-specific, or both, as determined by the responsible official. For posting, the applicant shall supply and erect an eight-square-foot notice board on all site-specific projects on all adjacent rights-of-way or in accordance with requirements set forth by the office of planning and community development; and
   b. Publishing notice in the city's legal newspaper; and
   c. Notifying public or private groups which have expressed interest in writing for a certain proposal or in the type of proposal being considered; and
   d. Sending notice to agencies as directed by the responsible official (either general lists or lists for specific proposals for subject areas); and
   e. Any other reasonable method calculated to inform the public and other agencies or required by statute or ordinance, as determined by the responsible official.

3. Whenever the city issues a DS under WAC 197-11-360(3), the city shall state the scoping procedure for the proposal in the DS as required in WAC 197-11-408 and in the public notice.

B. Whenever the city issues a DEIS under WAC 197-11-455(5) or a SEIS under WAC 197-11-620, notice of the availability of those documents shall be given by indicating the availability of the DEIS in any public notice required for a nonexempt license and all of the following methods:

1. Posting the property for site-specific proposals or mailing to property owners within 500 feet of the proposal, if the project is site-specific, or both, as determined by the responsible official. For posting, the applicant shall supply and erect an eight-square-foot notice board on all site-specific projects in accordance with requirements set forth by the office of planning and community development; and
2. Publishing notice in the city's legal newspaper; and
3. Notifying public or private groups which have expressed interest in a certain proposal or in the type of proposal being considered; and
4. Sending notice to agency mailing lists (either general lists or lists for specific proposals for subject areas); and
5. Any other reasonable method calculated to inform the public and other agencies or required by statute or ordinance, as determined by the responsible official.

C. Whenever possible, the city shall integrate the public notice required under this section with existing notice procedures for the city's nonexempt permit(s) or approval(s)
required for the proposal.
D. Notice of public hearings shall be published no later than 15 days before the
hearing. Notices shall be mailed to owners of property within 300 feet of the site and
posted as described in this section.
E. The city shall require an applicant to complete the public notice requirements for the
applicant’s proposal at the applicant’s expense, compensate the city for costs of carrying
out the public notice requirements on behalf of the applicant, or provide services or
materials to assist the city in carrying out the public notice requirements.

16.04.140 Designation of official to perform consulted agency responsibilities for
the city.
A. The responsible official shall be responsible for preparation of written comments for
the city in response to a consultation request prior to a threshold determination,
participation in scoping, and reviewing a DEIS.
B. The responsible official shall be responsible for the city’s compliance with WAC 197-
11-550 whenever the city is a consulted agency and is authorized to develop operating
procedures that will ensure that responses to consultation requests are prepared in a
timely fashion and include data from all appropriate city departments.

Part VI. Using Existing
Environmental Documents
16.04.150 Purpose of this part and adoption by reference.
This part contains rules for using and supplementing existing environmental documents
prepared under SEPA or National Environmental Policy Act (NEPA) for the city’s own
environmental compliance. The city adopts the following sections by reference:

WAC
197-11-600 When to use existing environmental documents.
197-11-610 Use of NEPA documents.
197-11-620 Supplemental environmental impact statement – Procedures.
197-11-625 Addenda – Procedures.
197-11-630 Adoption – Procedures.
197-11-635 Incorporation by reference – Procedures.
197-11-640 Combining documents.

Part VII. SEPA and Agency Decisions
16.04.155 Purpose of this part and adoption by reference.
This part contains rules (and policies) for SEPA’s substantive authority, such as
decisions to mitigate or reject proposals as a result of SEPA. This part also contains
procedures for appealing SEPA determinations to agencies or the courts. The city
adopts the following sections by reference:

WAC
197-11-650 Purpose of this part.
197-11-655 Implementation.
197-11-660 Substantive authority and mitigation.
197-11-680 Appeals.

16.04.160 Substantive authority.
A. The policies and goals set forth in this chapter are supplementary to those in the existing authorization of the City of Centralia.

B. The city may attach conditions to a permit or approval for a proposal so long as:
   1. Such conditions are necessary to mitigate specific probable adverse environmental impacts identified in environmental documents prepared pursuant to this chapter; and
   2. Such conditions are in writing; and
   3. The conditions or mitigation measures included in such conditions are reasonable and capable of being accomplished; and
   4. The city has considered whether other local, state, or federal mitigation measures applied to the proposal are sufficient to mitigate the identified impacts; and
   5. Such conditions are based on one or more policies in subsection D of this section.

C. The city may deny a permit or approval for a proposal on the basis of SEPA so long as:
   1. A finding is made that approving the proposal would result in probable significant adverse environmental impacts that are identified in a FEIS or final SEIS prepared pursuant to this chapter; and
   2. A finding is made that no reasonable mitigation measures are capable of being accomplished that are sufficient to mitigate the identified impact; and
   3. The denial is based on one or more policies identified in subsection D of this section and identified in writing in the decision document.

D. The city designates and adopts by reference the following policies as the basis for the city's exercise of authority pursuant to this section:
   1. The city shall use all practicable means, consistent with other essential considerations of state policy, to improve and coordinate plans, functions, programs, and resources to the end that the state and its citizens may:
      a. Fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;
      b. Assure for all people of Washington safe, healthful, productive, and aesthetically and culturally pleasing surroundings;
      c. Attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;
      d. Preserve important historic, cultural, and natural aspects of our national heritage;
      e. Maintain, wherever possible, an environment which supports diversity and variety of individual choice;
      f. Achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities; and
      g. Enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.
   2. The city recognizes that each person has a fundamental and inalienable right to a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment.
3. The city adopts by reference the policies in the following:
   a. City of Centralia Municipal Code, including all other chapters contained in Title 16, Environment;
   b. Shoreline Management Act;
   c. Water Quality Act;
   d. Lewis County board of health regulations;
   e. Growth Management Act;
   f. Forest Practice Act and Regulations;
   g. City of Centralia water and sewer plan;
   h. City of Centralia comprehensive plan;
   i. City of Centralia shoreline master program;
   j. City of Centralia critical area policies;

16.04.170 Appeals.
A. Any person may appeal the issuance of:
   1. A determination of nonsignificance;
   2. A determination of significance;
   3. A final environmental impact statement; and
   4. Any decision of a non-elected official which conditions or denies a proposal or action on the basis of SEPA, except for permits or variances issued pursuant to Chapter 16.12. No other SEPA appeal shall be allowed.
B. Except for an appeal of a determination of significance (DS), there shall be no more than one administrative SEPA appeal proceeding.
C. An appeal must be filed in writing with the responsible official within 14 calendar days from the date of the determination, or 21 calendar days from the date of the determination, when the determination is subject to a SEPA public comment period as required under WAC 197-11-340. The appeal shall identify the decision, contain a summary of the grounds for the appeal and be accompanied by an appeal fee in an amount established by resolution of the city council. Following receipt of the appeal and the fee, the responsible official shall transmit a copy of the appeal to the hearing examiner.
D. The appeal shall be heard by the hearing examiner at a public hearing, notice of which shall be published once and mailed to the appellant and delivered to the responsible official at least 15 days before the public hearing.
E. At the public appeal hearing, the hearing examiner shall consider all relevant evidence and take testimony on oath. The public hearing shall be tape recorded. Upon completion of the public hearing, the hearing examiner shall enter findings of fact, conclusions of law and a decision, giving substantial weight to the decision of the responsible official.
F. The decision of the hearing examiner is final unless an appeal is filed with the superior court.
G. The city shall give official notice under WAC 197-11-680(5) whenever it issues a permit or approval for which a statute or ordinance establishes a time limit for commencing judicial appeal. If there is no time period for appealing the underlying government action and a notice of action under RCW 43.21C.080 is used, appeal shall be commenced within the time period specified by RCW 43.21C.080.
A. The city, applicant for, or proponent of an action may publish a notice of action pursuant to RCW 43.21C.080 for any action.
B. The form of the notice shall be substantially in the form provided in WAC 197-11-990. The notice shall be published by the city clerk or county auditor, applicant or proponent pursuant to RCW 43.21C.080.

Part VIII. Definitions

16.04.175 Purpose of this part and adoption by reference.
This part contains uniform usage and definitions of terms under SEPA. The city adopts the following sections by reference, as supplemented by CMC 16.04.040:

WAC
- 197-11-700 Definitions.
- 197-11-702 Act.
- 197-11-704 Action.
- 197-11-706 Addendum.
- 197-11-708 Adoption.
- 197-11-710 Affected tribe.
- 197-11-712 Affecting.
- 197-11-714 Agency.
- 197-11-716 Applicant.
- 197-11-718 Built environment.
- 197-11-720 Categorical exemption.
- 197-11-721 Closed record appeal.
- 197-11-722 Consolidated appeal.
- 197-11-724 Consulted agency.
- 197-11-726 Cost-benefit analysis.
- 197-11-728 County/city.
- 197-11-730 Decision maker.
- 197-11-732 Department.
- 197-11-734 Determination of non-significance (DNS).
- 197-11-736 Determination of significance (DS).
- 197-11-738 EIS.
- 197-11-740 Environment.
- 197-11-742 Environmental checklist.
- 197-11-744 Environmental document.
- 197-11-746 Environmental review.
- 197-11-748 Environmentally sensitive area.
- 197-11-750 Expanded scoping.
- 197-11-752 Impacts.
- 197-11-754 Incorporation by reference.
- 197-11-756 Lands covered by water.
- 197-11-758 Lead agency.
- 197-11-760 License.
- 197-11-762 Local agency.
Part IX. Categorical Exemptions

16.04.180 Adoption by reference.
The city adopts by reference the following rules for categorical exemptions, as supplemented in this chapter, including CMC 16.04.070 (Flexible thresholds), CMC 16.04.080 (Use of exemptions), and CMC 16.04.190 (Critical areas):

WAC
197-11-800 Categorical exemptions.
197-11-880 Emergencies.
197-11-890 Petitioning DOE to change exemptions.

Part X. Agency Compliance

16.04.185 Purpose of this part and adoption by reference.
This part contains rules for agency compliance with SEPA, including rules for charging fees under the SEPA process, designating critical areas, listing agencies with environmental expertise, selecting the lead agency, and applying these rules to current agency activities. The city adopts the following sections by reference, as supplemented by CMC 16.04.050 through 16.04.053 and this part:

WAC
197-11-900 Purpose of this part.
197-11-902 Agency SEPA policies.
197-11-916 Application to ongoing actions.
197-11-920 Agencies with environmental expertise.
197-11-922 Lead agency rules.
197-11-924 Determining the lead agency.
197-11-926 Lead agency for governmental proposals.
197-11-928 Lead agency for public and private proposals.
197-11-930 Lead agency for private projects with one agency with jurisdiction.
197-11-932 Lead agency for private projects requiring licenses from more than one agency, when one of the agencies is a county/city.
197-11-934 Lead agency for private projects requiring licenses from a local agency, not a county/city, and one or more state agencies.
197-11-936 Lead agency for private projects requiring licenses from more than one state agency.
197-11-938 Lead agencies for specific proposals.
197-11-940 Transfer of lead agency status to a state agency.
197-11-942 Agreements on lead agency status.
197-11-944 Agreements on division of lead agency duties.
197-11-946 DOE resolution of lead agency disputes.
197-11-948 Assumption of lead agency status.

16.04.190 Critical areas.
A. The responsible official shall designate critical areas under the standards of WAC 197-11-908 and shall file maps designating such areas, together with the exemptions from the list in WAC 197-11-908 that are inapplicable in such areas, with the city clerk and the Department of Ecology, Headquarters Office, Olympia, Washington. The critical area designations shall have full force and effect of law as of the date of filing.
B. The city shall treat proposals located wholly or partially within a critical area as other nonexempt proposals under this chapter, making a threshold determination for all such proposals. The city shall not automatically require an EIS for a proposal merely because it is proposed for location in a critical area.
C. Certain exemptions do not apply on lands covered by water, and this remains true regardless of whether or not lands covered by water are mapped.

16.04.200 Fees.
The city shall require the following fees for its activities in accordance with the provisions of this chapter:
A. Threshold Determination. For every environmental checklist the city will review when it is lead agency, the city shall collect a fee as established by resolution of the city council from the proponent of the proposal prior to undertaking the threshold determination. The time periods provided by this chapter for making a threshold determination shall not begin to run until payment of the fee. When the city completes the environmental checklist at the applicant's request or under CMC 16.04.090.C, an additional cost plus a percent as established by resolution of the city council shall be collected.
B. Environmental Impact Statement.
1. When the city is the lead agency for a proposal requiring an EIS and the responsible official determines that the EIS shall be prepared by employees of the city, the city will charge and collect a reasonable fee from any applicant to cover costs incurred by the city in preparing the EIS. The responsible
official shall advise the applicant(s) of the projected costs for the EIS prior to actual preparation; the applicant shall post bond or otherwise ensure payment of such costs.

2. The responsible official may determine that the city will contract directly with a consultant of the city's choice for preparation of an EIS, or a portion of the EIS, for activities initiated by some persons or entity other than the city and may bill such costs and expenses directly to the applicant. The city may require the applicant to post bond or otherwise ensure payment of such costs. Such consultants shall be selected by mutual agreement of the city and applicant.

3. If a proposal is modified so that an EIS is no longer required, the responsible official shall refund any fees collected under subdivision 1 or 2 of this subsection which remain after incurred costs are paid.

C. The city will collect a reasonable fee from an applicant to cover the cost of meeting the public notice requirements of this chapter relating to the applicant's proposal.

D. The city shall not collect a fee for performing its duties as a consulted agency.

E. The city will charge any person for copies of any document prepared under this chapter, and for mailing the document, in a manner provided by Chapter 42.17 RCW.

Part XI. Forms

16.04.205 Adoption by reference.
The city adopts the following forms and sections by reference:

WAC
197-11-960 Environmental checklist.
197-11-965 Adoption notice.
197-11-970 Determination of non-significance (DNS).
197-11-980 Determination of significance and scoping notice (DS).
197-11-985 Notice of assumption of lead agency status.
197-11-990 Notice of action.

Section 2

That the provisions of this ordinance are declared to be severable and in the event a court of competent jurisdiction declares any portion of this ordinance invalid, the remaining provisions shall be unaffected thereby.

Section 3

That any previously enacted ordinance, or part thereof in conflict herewith be and the same hereby is repealed to the extent of such conflict.
Section 4

This ordinance shall become effective five days after its passage and publication as required by law.

PASSED by the City Council of the City of Centralia, Washington for the first reading on the ___ day of May, 2013 and the second and final reading on the ___ day of May, 2013.

________________________
MAYOR

ATTEST:

________________________
City Clerk

APPROVED AS TO FORM:

________________________
City Attorney
CITY OF CENTRALIA

COUNCIL AGENDA REPORT

To: Mayor and City Council  Council Meeting Date: May 14, 2013
From: Pamela Nelson, Finance Director  Department: Finance
Subject: Consideration of Approval of Ordinance  Increases in the 2013 Adopted Budget.

Approvals

Background: The proposed Budget Amendment Ordinance increases appropriations for expenditures in various accounts to be funded by unanticipated grants, by unbudgeted contract revenues and seizure revenues, by recognizing un-appropriated carry-over balances, and by release of reserves in several funds. The requested changes are:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fund Name</th>
<th>Adopted Budget</th>
<th>Proposed Change</th>
<th>Amended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>001</td>
<td>General</td>
<td>9,109,116</td>
<td>158,018</td>
<td>9,267,134</td>
</tr>
<tr>
<td>101</td>
<td>Street</td>
<td>3,036,530</td>
<td>2,397</td>
<td>3,038,927</td>
</tr>
<tr>
<td>111</td>
<td>Confiscation/Seizures</td>
<td>40,000</td>
<td>7,650</td>
<td>47,650</td>
</tr>
<tr>
<td>112</td>
<td>Law Enforcement Grant</td>
<td>159,185</td>
<td>34,000</td>
<td>193,185</td>
</tr>
<tr>
<td>401</td>
<td>City Light</td>
<td>25,223,703</td>
<td>517,669</td>
<td>25,741,372</td>
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<tr>
<td>402</td>
<td>Water</td>
<td>5,034,179</td>
<td>6,019</td>
<td>5,040,198</td>
</tr>
<tr>
<td>403</td>
<td>Wastewater</td>
<td>7,665,915</td>
<td>863,460</td>
<td>8,529,375</td>
</tr>
<tr>
<td>405</td>
<td>Storm &amp; Surface Water</td>
<td>1,184,100</td>
<td>102,210</td>
<td>1,286,310</td>
</tr>
<tr>
<td>501</td>
<td>Equipment Rental</td>
<td>497,735</td>
<td>179,556</td>
<td>677,291</td>
</tr>
<tr>
<td></td>
<td>Total for Amended Funds</td>
<td>51,950,463</td>
<td>1,870,979</td>
<td>53,821,442</td>
</tr>
</tbody>
</table>

Financial Impacts: These changes, if approved, recognize unbudgeted grants in the amount of $127,450, new contract revenues totaling $457,099, use of general carryover funds of $101,768, seizure funds of $7,650 and use of accumulated reserves of $124,000 (ERR), $400,000 (Wastewater) and $300,000 (Electric). Appropriations requested are one-time costs with the exception of staff costs covered by recurring revenues. The change in City Light Fund reflects the net of the revenue reduction anticipated from the delayed implementation of rate increases offset by DOT revenue reimbursement. The proposed changes add two (2) full time positions and delete two (2) part time positions. A one time COLA which sunsets at year end is proposed for all non-represented staff.

The proposed amendment increases the total City budget by $1,870,979. Only the budgets for the nine funds shown are modified by this proposed action; the budgets for thirteen other funds continue as adopted. The Attachment A of the staff report provides specific details for each fund. Memos from Department Directors explain the major program changes, new capital project and equipment purchase.

<table>
<thead>
<tr>
<th>Implementation</th>
<th>$1,870,979</th>
<th>Annual Ongoing</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds in Current Budget</td>
<td>x</td>
<td>Appropriation/Amendment Required</td>
<td></td>
</tr>
</tbody>
</table>

Alternatives: None recommended.  Recommendation: Pass for second reading
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF CENTRALIA, WASHINGTON, AMENDING THE 2013 BUDGET BY INCREASING THE APPROPRIATION IN CERTAIN FUNDS FROM WHAT WAS ANTICIPATED AT THE TIME SAID BUDGET WAS ADOPTED

WHEREAS, the City Council approved the 2013 Adopted Budget in Ordinance No. 2292 on November 27, 2012, and

WHEREAS, since adoption of the budget, additional financing has developed, certain programs have been modified by Council action, adjustments are needed to cover omissions and externally imposed costs, and carryover funding has been identified for potential use, and

WHEREAS, the City Council desires to amend said budget to recognize unanticipated revenues and to approve corresponding appropriations and to authorize use of equipment reserves and unrestricted reserves to modify certain programs and meet unforeseen requirements;

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF CENTRALIA, WASHINGTON, DO ORDAIN as follows:

Section 1

The 2013 budget amounts for revenues and expenditures for the City of Centralia is amended with changes to the following named funds in the amounts shown:

<table>
<thead>
<tr>
<th>Fund</th>
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<td>111</td>
<td>Confiscation/Seizures</td>
<td>40,000</td>
<td>7,850</td>
<td>47,850</td>
</tr>
<tr>
<td>112</td>
<td>Law Enforcement Grant</td>
<td>159,185</td>
<td>34,000</td>
<td>193,185</td>
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<td>677,291</td>
</tr>
</tbody>
</table>

Total for Amended Funds 51,950,463 1,870,979 53,821,442
Section 2

The 2013 budgeted staffing level is increased by one FTE classification Mechanic Assistant, salary range 11, S Table (Street) and one FTE classification Wastewater Bio-Solids Plant Operator, salary range 11 WW Table (Wastewater) together with increases in expenditures for salary and benefit costs in the appropriate funds.

Section 3

The provisions of this ordinance are declared to be severable and in the event a court of competent jurisdiction declares any portion of this ordinance invalid, the remaining provisions shall be unaffected thereby.

Section 4

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

Section 5

That such amendments are for the best interest of the City and the same shall take effect immediately upon its passage and publication as provided by law.

Section 6

PASSED by the City Council of the City of Centralia, Washington for the first reading on the 14th day of May, 2013 and the second and final reading on the 28th day of May 2013.

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney
FINANCE DEPARTMENT

Date: May 3, 2013
To: City Council Members
Via Rob Hill, City Manager
From: Pamela W. Nelson, Finance Director

Subject: First Amendment to the 2013 Adopted Budget

Purpose: To describe the changes proposed in the first 2013 Budget Amendment scheduled for Council action on May 14, 2013.

Background:

In December 2012, the City of Centralia Budget for 2013 was approved at $52,840,493. Since adoption of the 2013 Final Budget, additional financing has developed that requires spending authority, several programs have been modified by Council action, carryover funding has been identified for potential use and adjustments are needed to cover un-budgeted required costs. These events are addressed in the proposed budget amendment.

Authority: The Revised Codes of Washington provide that a legislative body may adjust the adopted budget by adopting a subsequent ordinance at a regularly scheduled public meeting.

Overview/Summary:

The amendment proposed increases and decreases which would modify the grand total of the City budget by $1,870,979 (3.5%). Of this amount, $914,359 is funded with new revenues, primarily from grants. The balance of expenditures is proposed to be funded with carryover dollars from 2012 and with specified releases of accumulated reserves $824,000.

- Eight of the proposed changes are ratifications of decisions already approved by the City Council in actions taken after adoption of the 2013 Annual Budget. These items increase the budget total by $1,073,209 (2%).

- Another ratification action is the $206,500 decrease in operating expenditures for City Light tied to the decrease in revenues due to implementation delay of the approved rate increase.

- Purchase of a capital equipment vehicle at $300,000 for City Light is proposed and would be funded by release of existing accumulated equipment reserves.

- Two new projects are proposed to be funded with reserves and are expected to increase safety, efficiency, and effectiveness, while maintaining the City’s assets; together these add an additional $524,000.
1) The composting project has been presented in detail at a Council workshop.
2) The equipment maintenance project ($124,000) is explained in Attachment D.

- Two full time positions (FTE) are proposed in conjunction with the new projects.
  (to be funded for half year during 2013)

- Omissions and corrections of $46,000 are requested; these impact the General Fund and Fund 112 Law Enforcement Fund.

- A request to provide all non-represented employees a 2% COLA is included, to be funded with carryover funds in the General Fund, Street and Utility Funds.

**Use of Carryover Funding**

Several actions included herein are proposed to be paid for with use of carryover funds from 2012. Such amounts can be considered a one-time financing source that developed because of two interacting factors: 1) savings from careful and frugal management that resulted in meeting program needs without use of all expenditure appropriations, and 2) the receipt of external moneys in excess of projections from sources included in the budget or from sources unanticipated in the budget. In the General Fund, the 2012 carryover (i.e. revenues less expenditures or positive net result of operations) was $109,041; this may be considered a one-time “structural budget surplus.”

The City has adopted policies that guide the use of such unanticipated funding and permit the uses proposed in this amendment action. For 2013, the required reserve elements are funded at the levels designated by policy, as shown on Attachment F.

**Appropriation Changes by Fund**

*Although each proposed budget change is detailed on Attachment A, the modifying ordinance will only show the total change in appropriations for each fund. The City adopts budgets at the fund level.*

**Prior Review by Finance Committee**

At its meeting on April 23, 2013, members of the Council's Finance Committee reviewed a draft of the budget amendment which included all items shown herein (except the newly added proposed hydro-excavator purchase.) Members acknowledged, with support, the various budget actions needed to implement prior Council actions (labeled ratifications herein) and indicated support of the necessary corrective actions.

Members requested additional information and justification of the composting project (which was provided in a Council workshop on April 28th). Other requested information on the maintenance building and other topics is provided in the Attachments to this report.

The Committee favored waiting until completion of the Council-requested compensation study prior to consideration of the proposed 2% cost of living allowance for non-represented employees.
RECOMMENDATION:

Approve, or modify and then approve, Ordinance No.______ incorporating the requested budget changes described above and detailed on Attachment A.

Conduct First Reading of said Ordinance and pass for second and final reading on May 28, 2013.

Attachment A  Memo - Detailed description of Proposed Changes with Funding Sources
Attachment B  Memo - Hydro- Excavator Acquisition
Attachment C  Memo - Composting Project  and New Position
Attachment D  Memo - Equipment Repair and Replacement Maintenance Building
Attachment E  Memo - Mechanic Assistant Position
Attachment F  Table - General Fund Carryover and Reserve Designations

Proposed Budget Amendment Ordinance
## Proposed Appropriation Increases

For the Funds listed below, each major category to be amended and the financing source for each change are identified.

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>AMOUNT</th>
<th>BUDGET CATEGORY modified and purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Fund 001 General Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Grant revenues</td>
<td>$17,500</td>
<td>Services Stop Grant for Police Department — domestic violence training, costs of transcriptions; Council approved grant after budget adopted.</td>
</tr>
<tr>
<td>b) Grant revenues</td>
<td>8,750</td>
<td>Services Stop Grant for City Attorney Department domestic violence prosecution; Council has approved the grant.</td>
</tr>
<tr>
<td>c) Contract revenues</td>
<td>5,000</td>
<td>Council previously approved contract to provide Canine Training to other entities. Additional revenues will be used for computer equipment upgrade.</td>
</tr>
<tr>
<td>d) Increased revenues</td>
<td>10,000</td>
<td>Salary Request is for increased budget amount for additional part time work to perform landscape maintenance at CCL; costs paid per arrangement with City Light.</td>
</tr>
<tr>
<td>e) Use of Carryover</td>
<td>12,000</td>
<td>Overtime wages for Parks Maintenance Division; Request is for same level of overtime as needed in 2012 after reduction of two (2) full time staff. Current overtime budget is zero due to inadvertent omission. This is a budget correction.</td>
</tr>
<tr>
<td>f) Use of Carryover</td>
<td>34,000</td>
<td>Operating Transfer Out increase to Fund 112 Law Enforcement Grant. Request is for costs of last 3 months for officers hired under the grant. (City is required to maintain staff for 12 months after first 36 duty months instead of after grant term which was September 30, 2012). Council approved original contract in 2009. The Adopted Budget funds only nine months. Request reflects compliance with the grant terms. This is a budget correction.</td>
</tr>
</tbody>
</table>
### Financing Sources

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Budget Category and Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>g) Use of Carryover</td>
<td>10,000</td>
<td>Misc. Council approved settlement of pending litigation; this is an unbudgeted cost to General Fund.</td>
</tr>
<tr>
<td>h) Use of Carryover &amp; revenues</td>
<td>30,000</td>
<td>Professional Services is needed for a compensation study per Council request. Cost will be shared by the General Fund (15K) and utility funds (15K).</td>
</tr>
<tr>
<td>i) Use of Carryover</td>
<td>30,768</td>
<td>Salary &amp; Taxes. Request is to include 2% COLA for 18 non-represented employees including the applicable employer paid taxes. COLA is to be effective Jan 1, 2013 and to sunset on December 31, 2013. This is General Fund share of this one-time expenditure.</td>
</tr>
</tbody>
</table>

(Other Funds' share cost of $30,936 for salary and taxes for their 16 non-represented staff – breakout below under each utility fund and the Street Fund.)

**Total General Fund Request:** $158,018

Carryover Used $101,768; New Revenues $56,250

### 2. Fund 101 Street

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Budget Category and Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of Carryover</td>
<td>2,397</td>
<td>Salary &amp; Taxes. Request is to include 2% COLA for all non-represented employees including the applicable employer paid taxes. COLA is to be effective Jan 1, 2013 and to sunset on December 31, 2013. This is Street Fund share of this one-time cost</td>
</tr>
</tbody>
</table>

### 3. Fund 111 Confiscations & Seizures

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Budget Category and Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased revenues</td>
<td>7,650</td>
<td>Services Increased activity has resulted in unanticipated revenues and requires more support from the City Attorney Department. Increased appropriations are funded by moneys received after budget was adopted.</td>
</tr>
</tbody>
</table>
**ATTACHMENT A**

<table>
<thead>
<tr>
<th>Financing Sources</th>
<th>AMOUNT</th>
<th>BUDGET CATEGORY modified and purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4. Fund 112 Law Enforcement Grant</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Transfer In</td>
<td>34,000</td>
<td><strong>Salaries &amp; Benefits</strong> Continued staffing for two officers until end of 2013 per grant terms. Operating transfer In from General Fund provides offset to expenditures. This is a budget correction corresponding to the General Fund Operating Transfer Out.</td>
</tr>
<tr>
<td><strong>5 Fund 401 Electric</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Contract Revenues</td>
<td>409,660</td>
<td><strong>Capital Project</strong> Council approved agreement in March with DOT for relocation of overhead line as part of the I-5 widening project; 100% reimbursed.</td>
</tr>
<tr>
<td>b) Decreased Revenues</td>
<td>(206,500)</td>
<td>Delayed implementation of rate increase until May results in decreased revenues. Off-setting expenditure decreases have been identified by Department Head as $111,500 in part time Salaries, $30,000 in Equipment, $15,000 in Engineering Services, and $50,000 Mapping Services.</td>
</tr>
<tr>
<td>c) Equipment Reserves</td>
<td>300,000</td>
<td><strong>Equipment</strong> Request is to use existing reserves to purchase a used Hydro Excavator valued at $300,000, substituting it for the planned backhoe ($85,000) and digger derrick ($215,000)</td>
</tr>
<tr>
<td>d) Use of Carryover</td>
<td>14,509</td>
<td><strong>Salary &amp; Taxes</strong>. Request is to include 2% COLA for all non-represented employees including applicable employer paid taxes. COLA effective Jan 1, 2013 to sunset on December 31, 2013.</td>
</tr>
<tr>
<td><strong>Total City Light Fund Request</strong></td>
<td>$517,669</td>
<td>Revenues $409,660 new reimbursement; $206,500 decreased from rates; $14,509 carryover; $300,000 Equipment reserves</td>
</tr>
</tbody>
</table>
## ATTACHMENT A

### Financing Sources  | AMOUNT | BUDGET CATEGORY modified and purpose
--- | --- | ---
6 Fund 402 Water
  Use of Carryover | 6,019 | **Salary & Taxes.** Request is to include 2% COLA for all non-represented employees including applicable employer paid taxes. COLA effective Jan 1, 2013 to sunset on December 31, 2013.

7 Fund 403 Wastewater
  a) Contract revenues | 457,099 | **Capital Project** Council approved a contract for Treatment Plant Demolition. Full cost, including engineering construction management, will be paid by Department of Transportation (DOT). Neither revenues nor appropriations were budgeted.
  b) Use of Reserves | 400,000 | **Capital Project** Request is for construction of a concrete surface for storage of composted materials during curing process. Long term savings in electricity and lime supplies are projected. The pilot study indicates that monthly savings up to $8,000 can achieve payback on this new process within five years. Sale of the produced Class A compost could shorten that time. Release of reserved funds, earmarked for system and process Improvements, will finance this project.
  c) Existing Budget | -0- | **Salary & Taxes** Request is for new position to provide the composting tasks. Increase in annual salary and benefits costs of $86,000 to be offset by decreased costs ($86,000) of **supplies** (lime) and **services** (power).
  d) Use of Carryover | 6,361 | **Salary & Taxes.** Request is to include 2% COLA for all non-represented employees including applicable employer paid taxes. COLA effective Jan 1, 2013 to sunset on December 31, 2013.

Total Wastewater Fund Request | $863,460 | Carryover Used $6,319; New Revenues $457,099, Reserves $400,000
<table>
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<tr>
<td>8 Fund 405 Storm &amp; Surface Water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Decreased Revenue</td>
<td>(649,300)</td>
<td>Capital Project Delete grant-funded Rain Garden Project revenues &amp; expenses</td>
</tr>
<tr>
<td>b) Grant Revenue &amp; Interfund Loan</td>
<td>750,500</td>
<td>Capital Project Add grant-funded Decant Station Project. Council changed priority and acceptance of grant-funded projects after budget adoption. The budget increase is funded by grant revenues. Proposed loan provides 25% match $187,500.</td>
</tr>
<tr>
<td>c) Use of Carryover</td>
<td>1,010</td>
<td>Salary &amp; Taxes. Request is to include 2% COLA for all non-represented employees including applicable employer paid taxes. COLA effective Jan 1, 2013 to sunset on December 31, 2013.</td>
</tr>
<tr>
<td><strong>Total</strong> Storm Water Fund Request</td>
<td>$102,210</td>
<td>New Revenues and Grant/Loan Proceeds</td>
</tr>
<tr>
<td>9 Fund 501 Equipment Rental Revolving (ERR)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Use of Carryover</td>
<td>124,000</td>
<td>Capital Project Request to build an expanded maintenance building including necessary sewer line to provide appropriate workspace for oversized and additional vehicles and added vehicle storage.</td>
</tr>
<tr>
<td>b) Increased Revenues</td>
<td>55,000</td>
<td>Salary &amp; Taxes Request is for a full time mechanic assistant (replaces two temporary positions) based on added workload. Cost covered by City Light revenues.</td>
</tr>
<tr>
<td>c) Increased Revenues</td>
<td>556</td>
<td>Salary &amp; Taxes. Request is to include 2% COLA for all non-represented employees including applicable employer paid taxes. COLA effective Jan 1, 2013 to sunset on December 31, 2013.</td>
</tr>
<tr>
<td><strong>Total</strong> ERR Fund Request</td>
<td>$179,556</td>
<td>New Revenues, Reserves and carryover funds</td>
</tr>
</tbody>
</table>

TOTAL OF ALL PROPOSED AMENDMENTS $1,870,979
City of Centralia – City Light

Memorandum

May 6, 2013

From: M.L. Norton, General Manager, Centralia City Light
To: Rob Hill, General Manager, City of Centralia

Subject: 2013 Budget Adjustment – Hydro Excavator Purchase

Centralia City Light (CCL) has been excavating pole holes and other types of holes (vaults, conduit runs, etc.) throughout its existence. The majority of the holes have been excavated by an auger-equipped digger derrick or a backhoe-type tractor. Excavating, with an auger or backhoe, in the urban environment represented by the City of Centralia, with its 100+ year history of placing utilities of various types underground, has been hazardous to CCL line crew personnel. The primary reason this is true is that the locating of the existing utilities is performed by professionals, but it regularly misses something or is not precise. The second reason is that an auger or backhoe does not sense hitting something until after the damage is done. In 2012 at the corner of Walnut and Buckner, Puget Sound Energy hit a 6” water line that the locates had missed. The entire intersection was floated and had to be replaced at a cost of $31,000 to the City. In the recent past, CCL personnel hit a 2” natural gas line with an auger; forcing the evacuation of several square blocks. This incident could have been much worse if the metal augur had sparked when it hit the line.

CCL has worked with GeoEngineers out of Redmond, Washington for several years on the Yelm canal and diversion dam. They were instrumental in CCL/Yelm recently passing the Federal Energy Regulatory Commission annual inspection. GeoEngineers requires that all excavations made in an urban environment down to 10’, on projects they have designed, must be done by a hydro excavator to provide adequate crew protection. GeoEngineers’ letter with the subject line: “Risk Management During Excavation”, signed by two Professional Engineers, is attached. Also attached is an e-mail from the Safety Director at Potelco, Inc. and an article on hydro excavation.

In order to provide CCL line crews with a safe means of excavating holes in the urban environment, I asked that they find a hydro excavator capable of navigating City streets and alleyways. CCL wanted one that was in excellent condition so that it could be used for virtually all required excavations. The use of a hydro excavator frees the crew from damaging the unknown utility that the locates may have missed and possibly causing bodily harm to the crew. The hydro excavation method uses a high-pressure water sprayer to break up the soil while the loose soil and water are vacuumed from the hole. This allows the operators to view hidden utilities and avoid them. Rick Evans, the CCL Line-Superintendent, located a lightly-used unit in Southern California. The unit has been on site and the CCL line crew has used it to excavate holes. This particular unit is equipped with a special water heater that preheats the spray so that it will easily cut through clay. Pictures of a new unit and the 2012 unit are attached.
Memorandum

May 7, 2013

TO: Centralia City Council
FROM: Kahle Jennings, Public Works Director
THROUGH: Rob Hill, City Manager
SUBJECT: Amendment to the 2013 Wastewater Department Budget

Public Works is requesting that the Wastewater Department budget for 2013 be amended to add expenditures for:

1. **Demolition of a Portion of the Old Wastewater Treatment Facility at Mellen Street**
   The demolition contract for this project was approved by Council in February 2013. The cost of demolition is being reimbursed by the Washington State Department of Transportation (WSDOT) in exchange for property needed to move the southbound Mellen Street exit as part of the Mellen Street interchange rebuild. The agreement with WSDOT includes reimbursement up to $457,099.40. The low bid for demolition was $225,599.09 but there will be additional costs for management of the demolition project by Public Works Engineering Department staff, disposal of non-recycled demolition debris and possibly unknown hazardous materials.

2. **Composting Infrastructure**
   We are requesting addition of the following capital expenses: 1) construction of a concrete slab to store finished composted biosolids; 2) asphalt in the compost operation area; and 3) compost runoff containment system. The source of funds will be capital reserves saved up for system improvement and expansion.

When the 2013 budget was prepared we were in the middle of a pilot project to document the cost and demonstrate that we could meet all the operational/permit conditions required to produce class "A" exceptional quality unregulated biosolids by composting excess wastewater microorganisms with ground wood waste. The pilot was successful – our final product met all of the regulatory requirements for composted biosolids. Our current practice is to squeeze the water out of the excess microorganisms, mix them with quicklime and heat them with electricity to a temperature that pasteurizes them.

The permit for composting requires that we compost and store finished material on a concrete or asphalt surface. We have determined that asphalt will not have the service life of concrete for the production and storage area, but asphalt can be used in the area where equipment operates. The area of concrete needed for composting operations is 17,550 square feet. The engineering estimate for contracting out the work is $145,250. An additional 39,730 square feet of asphalt is needed at an estimated cost of $110,000. The estimated cost of the runoff containment system is $180,000 but we already budgeted $80,000 for containment storage in 2013.

I recognize this is a large capital expense. This is a business investment and I am confident that the investment will be paid back through cost reduction and sale of finished compost as described at the April 23, 2013 workshop and summarized below.
Production Cost/Savings
When we started operating the new WWTP in 2004 it cost us about $47,000 for quicklime annually. Since that time the cost of quick lime has increased 265% from $85/ton to $225/ton and the cost of delivery has doubled from $500 to $1000 per load. Our current annual expense for quicklime is approximately $96,750. In addition, we spend about $44,150 per year to purchase electricity from the PUD for supplemental heat to pasteurize the dewatered microorganisms. Polymer is $56,000 and labor is $57,500. The total cost for lime stabilized biosolids is $254,400. At this cost we end up with a sticky product that we can give away to farmers that have the correct spreading equipment to apply it to their fields. The total cost per ton to treat dewatered solids with lime and temperature is $254.40/dry ton.

Composting replaces quicklime and electric heat with ground woody debris and electricity for air supply fans. This year we have received a large quantity of free ground woody debris and purchased the rest. Since we can’t always count on obtaining ground wood waste for free we are basing compost cost on purchasing all the ground wood waste needed at $6.00/yard plus $1.25/yard in hauling costs totaling $36,250. Electricity cost for air supply is estimated to be $12,150/year, fuel is $5,000 and labor is $86,000 for a total cost of $139,400. The cost per ton for composting dewatered solids is $139.40/ dry ton. This is a direct cost savings of $115 dry/ton compared to using lime.

Our current plan is to sell the finished product in bulk to companies that resell to the public rather than sell directly to the public. There are several reasons for selecting this method of distribution:
- We aren’t set up to handle the traffic at the wastewater treatment plant
- We aren’t set up to handle payments at time of pickup
- We don’t want to compete with companies that sell to the public.

Based on the pilot project we estimate we will generate between 8,000 and 12,000 yards of finished compost to sell. We know we can sell it for at least $10/yard to distributors, generating between $80,000 and $120,000 per year in revenue. The estimated revenue per ton of dewatered solids is $80 to $120. This reduces the cost of composting and increases the cost savings of composting compared to lime pasteurization.

3. Compost Operations Staff Position
Initially we thought that the existing Farm Operator would be able to handle the additional workload required by the composting operation. Our experience with the pilot composting project has proven otherwise. We have redirected existing wastewater treatment and collection system staff to manage the compost operation. This has come at a cost because normal system maintenance is being deferred. We can manage this short-term, but it is not sustainable.

The preferred option would be to establish a temporary position to take over composting through 2015 when the Farm Operator will retire. Under the terms of the Wastewater Collective Bargaining Agreement, when the Farm Operator retires the Farm Operator position (a Teamsters position transferred years ago from the Street Department) will become a Wastewater Compost Operator position (IBEW). By that time farm operations will be reduced because we will no longer be stockpiling and applying lime stabilized biosolids to the farm fields. The hay acreage will be reduced because starting this year we are planting fast growing trees for use as a compost feedstock. The only remaining “farm” tasks will be
maintenance of the Discovery Trail, fence maintenance and night/weekend security. These tasks will be contracted out to the person living in the house in lieu of rent.

Other staffing options are: 1) to establish the temporary position for the remainder of 2013 and then consider adding a new full-time permanent position for 2014 during the 2014 budgeting process; 2) establish a new full-time permanent position now.

The estimated fully-loaded annual cost for a Compost Operator is $86,000. This person is classified at the same level as Wastewater Treatment Operators and Wastewater Collection Technicians. They will be cross-trained over time to provide backup support for the other positions if necessary.

This expense will be covered by the cost savings and added revenue realized by the switch to composting.

<table>
<thead>
<tr>
<th>Annual Cost Comparison – Lime Stabilized Biosolids vs. Compost Biosolids</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lime</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Quicklime</td>
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<tr>
<td>Electricity</td>
</tr>
<tr>
<td>Wood Waste</td>
</tr>
<tr>
<td>Labor</td>
</tr>
<tr>
<td>Polymer</td>
</tr>
<tr>
<td>Fuel</td>
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<tr>
<td>Subtotal Cost</td>
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<tr>
<td>Revenue (low)</td>
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<tr>
<td>Revenue (high)</td>
</tr>
<tr>
<td>Net Cost - Revenue</td>
</tr>
<tr>
<td>Annual Savings</td>
</tr>
</tbody>
</table>

In summary, this request includes:
- ($457,099.40) Demolition of a portion of the old wastewater treatment facility at Mellen Street – reimbursed by WSDOT
- ($355,250) Composting infrastructure
- ($38,000) Compost Operator position (temporary through 2015)
- The period required to pay back the capital investment is between 7 and 13 years depending upon the wholesale price of finished compost.
Memorandum

May 6, 2013

TO: Centralia City Council
FROM: Kahle Jennings, Public Works Director
THROUGH: Rob Hill, City Manager
SUBJECT: Amend the 2013 ER&R Budget to add Maintenance Shop and Vehicle Storage

Public Works is requesting that the Equipment Rental Department budget for 2013 be amended to add an expenditure of $124,000 to modify the existing maintenance shop to accommodate larger vehicles, construct a new vehicle maintenance and storage structure and connect the Street Shop to City sanitary sewer. The source of funds will be Equipment Rental 2013 projected available fund balance.

Equipment Rental is a separate department with a separate budget. It is co-located with the Centralia Street and Stormwater Departments off Reynolds Road and managed by the same person. Under the current budget Equipment Rental “rents” space for vehicle maintenance from the Street Department at a cost of $18,000 per year. This rent is an expense for Equipment Rental and revenue for the Street Department.

Several vehicles in the City fleet should be stored inside during cold weather. In some cases this is to prevent equipment damage caused by freezing weather. Vehicles subject to damage from freezing include the street sweeper and the jet-vacuum truck. Dump trucks with snowplows and sanders should be stored inside because wet sand freezes and that prevents the sand from flowing into the sand distributor. The trolley should be stored inside at all times to prevent weather damage to exterior paint and exposed wood trim.

This equipment is now stored in the repair shop at night during cold weather. To accomplish this, vehicles in the shop for repair must be moved outside at the end of each work day to make room for equipment that must be stored inside. The next day the equipment is moved back outside. This wastes staff time at the beginning and end of each day as mechanics move vehicles in and out. It also places the vehicles we are trying to protect from freezing weather outside during the work day.

In late 2012 the decision was made to transfer maintenance of approximately 35 City Light Department vehicles to Equipment Rental. Some of the City Light vehicles are so tall that they can’t be pulled into the existing maintenance shop. This forces the mechanics to work outside regardless of the weather, in conditions that are difficult at best.

Sanitary waste from the existing Street Department buildings is currently disposed of using a septic system. This septic system is located within the City’s designated critical aquifer area. As part of this project the septic system will be abandoned and the buildings connected to the City’s sanitary sewer system. This will help protect the City’s drinking water source and is necessary because the septic drain field is located where the new shop/storage building will be built.

In summary, this request includes:
- $80,000 for a new shop annex building with room for vehicle storage during cold weather
- $24,000 to connect to the City’s sanitary sewer system
- $20,000 for upgrades to the existing vehicle maintenance building.
Memorandum

May 6, 2013

TO: Centralia City Council
FROM: Kahle Jennings, Public Works Director
THROUGH: Rob Hill, City Manager
SUBJECT: Amendment to the 2013 Equipment Rental Department Budget to Make the Temporary Mechanic Assistant Position Permanent

Public Works is requesting that the Equipment Rental Department budget for 2013 be amended to convert the temporary Mechanic Assistant position established in 2012 to a permanent position. The temporary position was filled in October 2012 and ended April 30, 2013.

When the ER&R department was set up as a City-wide repair and maintenance shop in 1965 under Ordinance #1162 the service, repair and support for vehicles was handled by two mechanics. The number of vehicles has grown considerably since 1965 without the addition of any mechanics. I haven’t located any fleet records prior to the early 1990’s but for comparison purposes, in 1993 there were 81 vehicles in the fleet (Street 48, Police 33), two mechanics (40.5 vehicles per mechanic) and the annual operating budget was $181,743 ($2,243 per vehicle in 1993 dollars). In 2013 there are 202 vehicles in the fleet (Street 30, Police 66, Engineering 4, Landfill 3, Light 34, Stormwater 6, Wastewater 31 and Water 28), two mechanics (101 vehicles per mechanic) and the annual operating budget including the new Mechanic Assistant position is $368,235 ($1,823 per vehicle). Today ER&R has over twice the number of vehicles per mechanic than they did in 1993 and it is costing less per vehicle for the services ER&R provides. Yelm Hydro, Parks, and Community Development are not currently part of ER&R.

In 2012 City Light (CCL) identified the need to better organize and operate the warehouse to improve overall departmental efficiency. This was in conflict with CCL continuing to maintain its own equipment and vehicles. In order to improve efficiency and free up warehouse-trained personnel to serve in their area of expertise, it was decided to shift maintenance of the equipment and vehicles from CCL to ER&R. This move also proved to be a money saver and ended a concern the Union had brought to light. The cost savings resulted from CCL releasing a Warehouseman – reducing warehouse staff from three to two. The fully loaded hourly cost of a Warehouseman is $41.92/hour. The fully loaded cost of a Mechanic is $41.00/hour and the Mechanic’s Assistant is $33.67/hour; both of these are less than the Warehouseman wages.

CCL designated $55,000 in the 2013 Budget for ER&R to maintain their fleet and equipment. CCL plans to continue to contribute annually to ER&R. The amount is expected to cover the costs of the services that ER&R provides to CCL.

The additional workload of 34 City Light Department vehicles is more than the two existing mechanics can handle without some compromises in vehicle maintenance. From October 2012 to April 30, 2013 ER&R was provided additional support in the form of a temporary Mechanic Assistant. The Mechanic Assistant position worked out well but the agreement with the Union representing ER&R for a temporary Mechanic Assistant ended April 30, 2013.

The Mechanic Assistant does preventative maintenance checks, tire rotations, oil/lube changes and miscellaneous small repairs such as changing light bulbs when a vehicle with a burned out bulb is brought in. This frees up the mechanics to do more complex work including complete
teardown and refitting new police vehicles. Preventative maintenance work orders were starting to back up before the Mechanic Assistant position was created. As a result of the temporary Mechanic Assistant position ER&R has started catching up on preventative maintenance. Problems with vehicles are being identified during preventative maintenance before they become serious.

If the Mechanic Assistant position is made permanent there would be the option of adding more vehicles to the fleet from the departments that do not currently participate. However, there would be a cost to those departments for the services provided by ER&R.

The question of contracting out preventative maintenance was addressed April 2011 in a memo from the Public Works Director to the City Manager. That memo compared the cost of maintaining a Centralia ER&R Department to the cost of contracting out the services ER&R provides. The following cost comparison for vehicle repairs is taken from that memo.

**Cost Comparison – Vehicle Repair Costs:**

On average the ER&R repairs 700 vehicles per year. Using this number and assigning a minimum of 2 hours per repair work the following costs were calculated:

<table>
<thead>
<tr>
<th></th>
<th># Hours</th>
<th>Hourly Shop Charge</th>
<th>Labor Cost</th>
<th>Transport Vehicle?</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ER&amp;R Shop</strong></td>
<td>1400</td>
<td>$91.60</td>
<td>$128,240</td>
<td>No</td>
<td>$128,240</td>
</tr>
<tr>
<td><strong>Private Shop</strong></td>
<td>1400</td>
<td>$94.00</td>
<td>$131,600</td>
<td>Yes, 2 mechanics for 1 hour (2 x 1 hr x $91.60 = $183.20 x 700 vehicles/year = $128,240)</td>
<td>$259,840</td>
</tr>
<tr>
<td><strong>Bus Barn</strong></td>
<td>1400</td>
<td>$72.85</td>
<td>$101,990</td>
<td>Yes, 2 mechanics for 0.5 hour (2 x 0.5 hr x $91.60 = $91.60 x 700 vehicles/year = $64,120)</td>
<td>$166,110</td>
</tr>
</tbody>
</table>

**Difference: (savings) $131,600**

**Difference: (savings) $37,870**

It is apparent from this comparison that a significant portion of the vehicle repair cost when contracting out is the cost of staff time to deliver vehicles to a private shop. Either one person takes the vehicle and waits for the repair to be completed, or two people make one trip to drop it off and another to pick it up. It may not be a mechanic doing the drop off and delivery at the "shop" rate, but some employee would have to do it and there would be a significant staff cost in terms of other City work that is not being done while staff is tied up delivering vehicles.

Another factor is service outside normal working hours. ER&R mechanics are available for call out after normal work hours. They would get paid overtime, but more importantly, they are available if equipment critical for emergency after hours work needs to be repaired.

The April 2011 memo did not include an evaluation of the costs of taking vehicles to a "oil change" business because, by the time you add the cost of staff transporting vehicles back and forth and the additional cost of then delivering the vehicle to ER&R for tire rotation, brake checks and other preventative maintenance, it is neither an efficient use of City staff time nor cost effective.
CITY OF CENTRALIA
GENERAL FUND RESERVES

General Fund Fund Balance 12/31/2012   3,309,707

Restricted/Committed

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distressed counties reinvestment</td>
<td>$ 111,596</td>
</tr>
<tr>
<td>HUD reinvestment</td>
<td>34,688</td>
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<tr>
<td>Municipal Court trust</td>
<td>25,162</td>
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<tr>
<td>HUB City sign maintenance</td>
<td>5,155</td>
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<tr>
<td>Mural maintenance</td>
<td>4,456</td>
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<tr>
<td><strong>Total Restricted/Committed Fund Balance</strong></td>
<td><strong>$ 181,037</strong></td>
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Assigned:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excess Comp, Vacation &amp; Sick Time &amp; LEOFF I</td>
<td>323,120</td>
</tr>
<tr>
<td>Depot Maintenance</td>
<td>37,039</td>
</tr>
<tr>
<td>Mellen Street Training Facility</td>
<td>11,559</td>
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<tr>
<td>COPS Hiring Recovery Program (CHRP)</td>
<td>148,491</td>
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<tr>
<td>Repair &amp; Demolition Fund 106</td>
<td>26</td>
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<tr>
<td>Park Improvement Fund 108</td>
<td>9,812</td>
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<tr>
<td>Indoor Pool Fund114</td>
<td>-</td>
</tr>
<tr>
<td>Borst Construction Fund 124</td>
<td>99,753</td>
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<tr>
<td>Borst Home Fund 125</td>
<td>4,407</td>
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<tr>
<td>Washington Lawn Cemetery Fund130</td>
<td>2,341</td>
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<tr>
<td><strong>Total Assigned Reserves</strong></td>
<td><strong>636,548</strong></td>
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Unassigned Reserves $ 2,492,122

Designated by Policy

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects (7.5%)</td>
<td>675,000</td>
</tr>
<tr>
<td>Base Line (7.5%)</td>
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<tr>
<td>Operating (7.5%)</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>2,025,000</strong></td>
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Remaining Unassigned Reserves $ 467,121.65