

STAFF REPORT

To: City Council
From: Busse Nutley, City Administrator 
Date: April 7, 2008
Re: BPA Conservation Funds

In October 2006 the City agreed to provide energy conservation programs to customers for a three-year period. In return for a credit on our bill, we are to assist in paying for energy efficient products in homes and businesses. McCleary will receive \$11,974.00 per year for administrative costs, an amount that was budgeted for both 2007 and 2008. Customers are to receive a total of \$47,894.00. If this amount is not expended by October 2009, then the City will have to repay any remaining balance. To date, we have used only \$1,200.

Attached is a memo from Ardyce that contains her proposed plan for accomplishing our goal. There is a program we can participate in called "Energy Smart Program" that assists commercial operations with refrigeration/freezer options. Because the School will begin its remodeling, we are hopeful it can also take advantage of the program.

Additional programs Ardyce is investigating include shower head kits and low income window weatherization.

Requested Action:

Approve the overall plan and authorize the Mayor to invite Portland Energy Conservation Inc. (PECI) to conduct the Energy Smart Grocer (ESG) Program for Light & Power customers



City of McCleary
Home of the McCleary Bear Festival

100 South 3rd Street, McCleary, WA 98557 • 360.495.3667(phone) 360.495.3097(fax) CityofMcCleary.com

Memo

Date: 4/1/08
To: Wallace Bentley, Mayor, Busse Nutley, City Administrator
Cc: Councilmen and Councilwomen
From: Ardyce Taylor 
RE: Electrical Conservation Funds

It has been a very busy week, working with Mark Ralston from BPA. I was required to submit a PLAN for the remainder of our conservation monies, by April 1, 2008. We have been offering the rebates on appliances and water heaters but have had only a small amount of interest. When we started this rate period we had \$59,868.00 in conservation monies that needed to be spent by October of 2009. At this point we have only spent about \$1,200.00. This is a far cry from the amounts that we need to have spent by now.

I am going to attempt to explain what I am proposing and why.

The amount accessed, by BPA, for the City in October of 2006 was \$1,663.00 per month. If you look at any of our billings from BPA you would see this as a credit from our amount due. That means that we get to keep that much monies every month towards the conservation monies we need to expend. When you multiply \$1,663.00 times 36 months you come to the total of \$59,868.00. The City is allowed to keep 20% of this amount, \$11,974.00, for administrative fees. This then leaves \$47,894.00 to be expended prior to October 2009. We are at the half way point, 18 months, and should have used \$29,934.00 and have actually only used \$1,200.00.

Now comes the scary news; if at the end of the rate period October 2009 if all monies have not be expended we will need to cut a check to BPA to reimburse for any balance. I have attached a letter of intent and an agreement with the EnergySmart Program to start contacting and auditing any interested commercial businesses that would like to use some of the monies available to conserve on refrigeration and lighting issues with their businesses.

I would like this issue put on the agenda and addressed at the April 9th City Council Meeting. When I have had more information from the school, I will also be working with them for the heating issue and conservation of new remodel. Any further information I get will be forwarded to you. Please feel free to ask any questions.

City of McCleary 2008-2009 Action Plan

The City of McCleary has been off to a very slow start with the Conservation Program. We are looking to step up our efforts.

- McCleary's three-year rate credit amount is \$59,868.
- Approximately \$1,000 has been claimed up through the first half of FY2008, including 20 percent admin. This leaves about \$58,900 to be spent by the end of the rate period.
- The City will continue to offer appliances and water heaters.
- The City plans to sign up for the Energy Smart Program. The City hopes to utilize a portion of its CRC to incorporate EE measures in the hospital, school, grocery store and eight other commercial businesses with refrigeration/freezing located in the City. PEGI's rough estimate of potential CRC spending for these establishments is \$10,000 to \$25,000. One issue is that some ES projects may not be completed before the end of the rate period.
- The City would also like to implement EE measures at the elementary/middle school building. A Renovation project is currently in the works, and a bond has been passed to cover improvements including energy efficiency. The project is to break ground in mid summer. The major area that they are looking is the heating system and installing a water type of heat pump.
- The City is also investigating the CFL and Shower Head Kits, mail in program.
- The City is also working with the local Community Action Council for low income weatherization of windows.



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Mr. Steven Cofer
Program Manager
Portland Energy Conservation, Inc.
1400 SW 5th Avenue Suite 700
Portland, OR 97201

Dear Mr. Cofer,

Thank you for providing information to the City of McCleary on the Portland Energy Conservation Inc (PECI) EnergySmart Grocer (ESG) Program. The purpose of this letter is to invite PEGI to conduct the ESG program in our service territory with the following understandings:

- 1) We will commit and reserve \$25,000.00 of our Conservation Rate Credit for ESG reimbursements. We will monitor reimbursements expenditures as the ESG program is implemented and, in coordination with PEGI, make budget adjustments as we deem appropriate for our needs.
- 2) We authorize PEGI to submit a measure to the City of McCleary, utilizing the quest account capability, within the Planning Tracking and Reporting (PTR) system. Please inform BPA of this authorization. BPA will implement the security permissions and other installations, and other program actions. The City of McCleary shall accept or reject measures reported by PEGI to assure all measures meet the reporting requirements of the BPA Post 2006 Conservation Implementation Manual dated October 1, 2006.
- 3) The City understands there may be additional steps in implementing the ESG. These next steps will involve our discussion with PEGI regarding roles and responsibilities and how the ESG will be coordinated between PEGI and the City of McCleary. Next steps may also include additional agreements to address certain implementation responsibilities.

We look forward to an active and successful ESG program.

Sincerely,

Wallace Bentley, Mayor
City of McCleary

Cc: Patricia Tawney, BPA, KLK/Portland

PECI EnergySmart Program

Service Agreement

Overview

Portland Energy Conservation Incorporated (PECI) is implementing the EnergySmart Program (ES) throughout various utility territories in the Northwest. **City of Mcclary**(Utility) has signed and submitted a participation letter inviting PECI to conduct the ES program in their territory. This agreement outlines each party's involvement and commitment.

Program Timeframe

The terms of this agreement is effective from date of signing and continue through September 30, 2009.

PECI Commitment

A scope of work is outlined in Attachment A and provides specific details regarding PECI services. A general listing of PECI services include:

- Scheduling audits
- Conducting audits
- Installing measures such as compact fluorescent lamps and cooler misers during site visits where appropriate
- Managing and enrolling contractors into program
- Technical design reviews
- Rebate processing
- Determining installed measure savings
- Generating and submitting Carts via PTR system
- Keeping utilities abreast of program activity

PECI also commits to the following

PECI will correct any discrepancies between the measure Cart and the documentation for any returned Carts. PECI will provide all completed project Carts to Utility in time for the bi-annual and annual reports which occur on April 30 and October 31 of each year reporting period for the Bonneville Power Administration (BPA) funded measures.

PECI and Utility will monitor reimbursement expenditures as the EnergySmart Program is implemented and, in coordination with PECI, make budget adjustments as appropriate. Additional incentives in excess of allocated funding will require written approval from Utility.

UTILITY Commitment

Utility commits to fulfill the following:

- Utility will complete and submit EnergySmart participation letter, which includes funding mechanism and incentive allocation amount.
- Utility shall review documentation sent with the PTR Shopping Cart and verify contents comply with program terms and conditions and resolve any issues Utility discovers between the PTR Cart and the documentation. Utility shall notify PECI within two (2)

weeks from receipt of the Cart with any questions regarding submitted materials. Participating facilities must be willing to allow random inspections of measures installed under this program conducted by BPA.

Utility will either accept or reject the submitted PTR Cart for cause. Rebates and kWh will be reported to BPA for all accepted Carts. Rejected Carts will be returned to PECI for modification. PECI agrees to correct any Cart and documentation inconsistencies. Utility and PECI will not report energy or rebates to BPA until issue(s) are resolved.

- Please initial the option under which Utility agrees to reimburse rebates. The two options are outlined in Attachment B: Rebate Reimbursement Roles and Responsibilities.

Option One: Advanced Funding _____

Provide two (2) months advanced funding for rebates.

Option Two: Utility Generates Check _____

Issue rebate check with two (2) weeks of accepted Cart.

- Select facility types that Utility would like PECI to target. Please initial next to each facility type or initial next to "all eligible facility types."

<input checked="" type="checkbox"/> All eligible facility types	_____ National chain supermarkets
_____ Regional chain groceries	_____ Independent groceries
_____ Food marts	_____ Corner groceries
_____ Convenience stores	_____ Buffet restaurants
_____ Specialty retailers (ice cream, butchers, etc)	_____ Sit-down restaurants
_____ Institutional kitchens (schools, hospitals, prisons, factories, universities, assisted living and nursing care facilities, etc.)	_____ Liquor Stores

- Select methodology for PECI to use when making first contact with your customers

_____ Utility will contact customer base prior to PECI making calls. Utility will report back to PECI regarding the specific names and addresses of interested customers. PECI will then call customer and provide the customer with additional information if needed and schedule date and time for audit.

_____ Utility will generate a letter to the customer base informing them about program opportunities. The letter will outline next steps in the process and provides program contact information to facilitate scheduling audits. PECI will follow up the letter with a call to the customer and provide additional information, if needed, and schedule date and time for audit.

_____ PECI will generate a letter to the customer base informing them about program opportunities. The letter will outline next steps in the process and provides program contact information to facilitate scheduling audits. PECI will then call customer and provide additional information, if needed, and schedule date and time for audit.

_____ PECI will contact customers and inform them about program and process. PECI will schedule audits for interested customers.

Indemnification

Each Party will indemnify, hold harmless, and defend the other, its officers, employees, agents, representatives, and affiliates against any and all losses, liabilities, damages, claims, suits, proceedings, judgments, assessments, costs, and expenses (including interest and penalties), and including reasonable attorney fees and expenses, incurred by Party and arising from and to the proportionate extent of any (i) negligent or wrongful acts or omissions of the Party or of its officers, employees, agents, representatives, or subcontractors, affiliates, (ii) breach by the Party or of its officers, employees, agents, representatives, subcontractors, or affiliates of this Agreement, or (iii) any finding, judgment or other determination or settlement whereby the Party is deemed or considered to be the employer of the other Party.

Portland Energy Conservation, Inc

Utility: *City of McCleary*

Name: _____

Name: _____

Date: _____

Date: _____

Attachment A: Scope of Work

Attachment A outlines services PECI will perform.

Eligible Customers

The EnergySmart Grocery program defines eligible customers as those who have commercial refrigeration load. Customers include:

- | | |
|---|-----------------------------|
| 1) National chain supermarkets | 6) Regional chain groceries |
| 2) Independent groceries | 7) Food marts |
| 3) Corner groceries | 8) Convenience stores |
| 4) Specialty shops (ice cream, butchers, etc) | 9) Florists |
| 5) Institutional kitchens (schools, hospitals, prisons, factories, universities, assisted living and nursing care facilities, etc.) | 10) Liquor Stores |
| | 11) Buffet restaurants |
| | 12) Sit-down restaurants |

PECI Program Services

Service 1. Initiating Customer Contact: PECI will contact Utility before making customer contact. PECI will work out any of Utility's specific requirements before initial customer contact is made. Specific actions a utility may require for initial contact may include any one of the following:

1. Utility will contact customer base prior to PECI making calls. Utility will report back to PECI on their assessment of customer interest in ESG. PECI will then call retail customer and provide additional information, if needed, and schedule date and time for audit.
2. PECI or Utility will generate a letter to be mailed to customer base informing them about program opportunities. The letter will outline next steps in the process and provides program contact information for scheduling audits. PECI will then call customer and provide additional information if needed and schedule date and time for audit.
3. PECI will contact customers and inform them about program and process. PECI will schedule audits for interested customers.

As the program gains momentum, local contractors will be interested in leveraging the program in their calls. Contractors will see the benefits of promoting the EnergySmart Program to their customers, which will spur market activity and result in increased energy savings. Contractor actions are not controlled by this Service Agreement.

Service 2. Audit Appointment Scheduled: After any of the above pre-requirements are met, PECI program staff will schedule an appointment with the customer. PECI will communicate dates and times for all scheduled audits along with a list of customers contacted and whether they accepted, declined or were not able to be reached. Utility is welcome to attend any of the audits.

Not every customer will receive an audit from the program. Experience shows that many facilities can take action through a well trained cadre of contractors and that an audit does not deliver the same return in terms of energy saving activity. Soliciting audits is at the discretion of PECI and

will be made on a case-by-case basis. Any audit requests made by the utility or customer will be fulfilled.

Service 3. Conducting Audit: Store type will determine the variety of audit needed to move the customer forward. Larger facilities with complex refrigeration loads, such as national chain supermarkets, regional chain groceries and independent groceries, will receive a comprehensive audit and report. The comprehensive audit and report include:

1. Detailed walk through of the store conditions and equipment
2. Site specific recommendations with projected cost savings, payback, estimate of project cost and projected incentive
3. Letter outlining recommendations
4. Pictures of store conditions (as needed)
5. Input report of store conditions
6. Program materials such as rebate applications, marketing materials, etc.

Smaller facilities such as food marts, corner groceries, convenience stores, fast food establishments, florists, etc. will receive a site assessment. A site assessment includes the following:

1. Detailed walk through of the store conditions and equipment
2. Discussion with store decision maker around Field Energy Analyst (FEA) assessment
3. Program materials such as rebate applications, marketing materials, etc.

These smaller facilities typically do not have the sophisticated refrigeration system loads and therefore do not require the extensive audit report. If an FEA determines a smaller facility warrants the comprehensive energy saving report one will be produced.

Where appropriate, the FEA may decide to install small, quick payback items on the first store visit. These items may include but not limited to:

1. Cooler Miser controls: Cooler Misers use a passive infrared sensor to determine occupancy in the area of the cooler. These devices will be installed on beverage merchandisers in stores that do not operate 24 hours a day.
2. Compact Fluorescent Lamps (CFLs): CFLs may be installed in walk-in coolers and freezers, check-out stands, offices and other spaces that are currently utilizing incandescent bulbs.

The installation serves two purposes. First and foremost, it produces immediate success, gaining the trust of the business and engendering good will for the program. Secondly, it ensures savings at every site, even if the business decides not to move forward with larger retrofits. ***BPA is paying for these installations and therefore claims the savings.***

Service 4. Managing and Enrolling Contractors: To effectively service BPA's large territory and maximize resources PECI will train and manage a group of contractors to communicate the Program and provide retrofits. To accomplish this, PECI will have two levels of contractor relationships: Preferred and Participating. The methods for recruiting, training and overseeing quality assurance for all contractors participating in the program is outlined below.

Preferred Contractors

Preferred Contractors will have a high level of collaboration with the Program. These contractors will help service the small, hard to reach refrigeration businesses such as convenience, fast food, corner markets, and others. These smaller stores typically have refrigeration systems and energy

requirements that are less complicated than a full size grocery store and do not always necessitate a full EnergySmart audit. Energy efficient measures will be identified through trained and managed vendor relationships.

PECI has strict requirements for Preferred Contractors. Contractors are chosen for their high quality of work, ability to understand and adapt to new processes and effectiveness in the market.

Participating Contractors

Participating Contractors will likely be the larger refrigeration contractor and supply companies. Participating Contractors will likely follow the FEA Energy Saving Report recommendations or generate their own leads. Some of the Participating Contractors will come from the store personal contractor relationships. These contractors will be trained about the program and requirements as they arise.

PECI will meet with all contractors to evaluate their skills and level of interest in working with the Program. Interested contractors will be required to complete a Contractor Participation Application and receive marketing materials, training and general support from the Program.

PECI cannot prevent contractors from contacting their customers and promoting the Program. If PEFI determines a contractor has been misrepresenting the Program by any means, PEFI will immediately contact the contractor to resolve the issue.

Service 5. Technical Design Review: The Program can provide a technical design review for proposed work in a store on equipment such as multiplex, efficient compressors and efficient condensers. A formal technical review is conducted on system oriented projects and a letter will be provided noting potential rebates and whether or not proposed items meet the Program terms and conditions. This service is designed to assist in the decision making process of purchasing energy saving equipment. This review can be requested by the program FEA or customer.

Service 6. Process rebates and Reporting: see Attachment B

Service 7. Program Communication: PEFI will keep Utility informed around program activity and audits. PEFI will provide the following information as necessary to Utility:

- Listing of customer audits performed
- Electronic version of audited store Energy Saving Report
- Projected monetary commitments

PECI program staff will also be in communication with Utility in person, phone and email as necessary.

Service 8. Determining installed kWh savings: PEFI will use its Regional Technical Forum approved proprietary modeling software, GrocerSmart, to determine energy savings by measure installed. The energy savings are based on DOE-2 parametric runs and engineering calculations which account for many variables including the facility's particular climate zone, compressor configuration, condenser type, condenser degradation factors, and hours of operation. PEFI's software estimates are site and climate specific. PEFI will use these savings calculations when submitting measure Cards to Utility.

PECI will also derive prescriptive energy savings for measures that do not require an onsite audit. These measures are not climate or system specific. BPA has accepted these calculations for the purpose of PTR reporting.

Lighting savings will be estimated using the BPA Commercial/Industrial Lighting Offer (CILO) procedures.

Gaskets and auto-closers

Gaskets and auto-closers for reach-in and walk-in doors are low to no cost energy saving measures. The program utilizes these measures to deliver immediate energy savings while building the relationship with the store to move them forward with larger, more complex energy opportunities.

PECI adopted the California Public Utility Commissions (CPUC) saving methodology for these measures. The Regional Technical Forum has reviewed the CPUC's methodology and determined that there is not enough empirical evidence to justify the proposed savings. However, they do feel that these measures are worthwhile and save energy. The Regional Technical Forum has created a subcommittee to perform onsite monitoring and lab testing in order to better understand the actual savings for these measures.

Until the Regional Technical Forum has finalized the energy savings these measures are no longer available for an incentive from the utility. BPA believes the test data will show good savings and will reinstate these measures after the savings have been verified. Until the analysis is complete BPA is offering to pay for these measures through program administrative funds. No savings will be claimed by the utility or BPA until savings have been approved by the Regional Technical Forum.

Service 9. Post-Installation Inspections

PECI will provide 100 percent verification that measures are installed and operating through reviewing applications, installing contractor invoices and other technical documents (as applicable) for all installed measures. Measures with a total project cost (installation and materials) exceeding \$5,000 will receive an on-site inspection from Program staff. A project is defined as the installation of measures at a customer facility. A customer may have multiple projects throughout the duration of the program, which may or may not require an on-site inspection.

Example of when an on-site inspection is required: Store A receives work on gaskets and auto-closers in May and the total project cost is \$3,500. Peci will verify by reviewing applications and installing contractor invoices. In July, Store A installs night covers with a project cost of \$10,000. Peci will perform on-site inspection to verify night cover installation.

For all on-site inspections, the FEA will complete and sign a post-installation form, and rebates are not issued until the Program receives the completed post-installation form.

Controls may have a project cost over \$5,000 but not require an on-site inspection if the customer or contractor can provide sufficient documentation that the controls are installed and performing properly.

Under current Commercial & Industrial Lighting rules, utilities are required to perform a pre and post inspection. Therefore, either Peci, or its representative, or the utility representative must perform both inspections to count energy savings for measures subject to these requirements.

The following matrix outlines the type of verification and frequency.

When inspection is required	Frequency
Installed measures – existing contractor – project cost < \$5,000	100% verification via reviewing applications and invoices
Installed refrigeration measures – existing contractor – project cost > \$5,000	100% site inspections
Installed controls	100% site inspection OR documentation controls have been installed and operating
Installed lighting measures	100% site inspection either by PECEI or utility

Service 10. Reporting via Planning, Tracking and Reporting (PTR) system: After installation is verified through application and invoices, PECEI will generate and submit EnergySmart Cart to Utility. The measure Cart will include the following information:

- Store information including site address, store type, building identification where applicable
- Identification of audits performed prior to the installation using the unique ID function
- Measures installed reference number
- Rebate per measure (the amount to be reimbursed/credited by BPA)
- kWh per measure(s)
- Supporting documents such as invoices, applications, spec sheets, etc. will be sent to Utility under separate cover (email).

Measure Cart will be submitted to Utility for acceptance. Utility review process is outlined in option one and two of Attachment B.

Measure List and Rebates

Approved measure list and specifications will be available via the PTR system. Any approved savings values associated with a measure are also found on the PTR site. Measures without savings values means a measure where the GrocerSmart model will be used to calculate the savings values. For strip curtains, autoclosers, and door gaskets, BPA will also accept retroactive savings for measures that are approved by the RTF.

Refrigeration rebate values can be found on the program rebate application. PECEI may change the rebate application and refrigeration rebate values anytime during the duration of the contract (at the Utility service territory level, where program implementation costs justify such a change).

The incentive to the utility remains the same as provided in the PTR. PECEI must work with the retail utility to determine what the rebate to the consumer will be if it is different than that provided in the PTR. PECEI may add measures to their rebate list based on these agreements with the utility. PECEI will work with the utility customers to assure there isn't confusion regarding measure reporting to assure that measures are not reported more than once in the PTR system.

PTR measure list also includes custom projects. Customers must comply with PTR specifications, standards, process, forms and any required inspections or evaluations. CRC, CAA or HWM willingness to pay amounts set by BPA.

Attachment B: Rebate Reimbursement Roles & Responsibilities

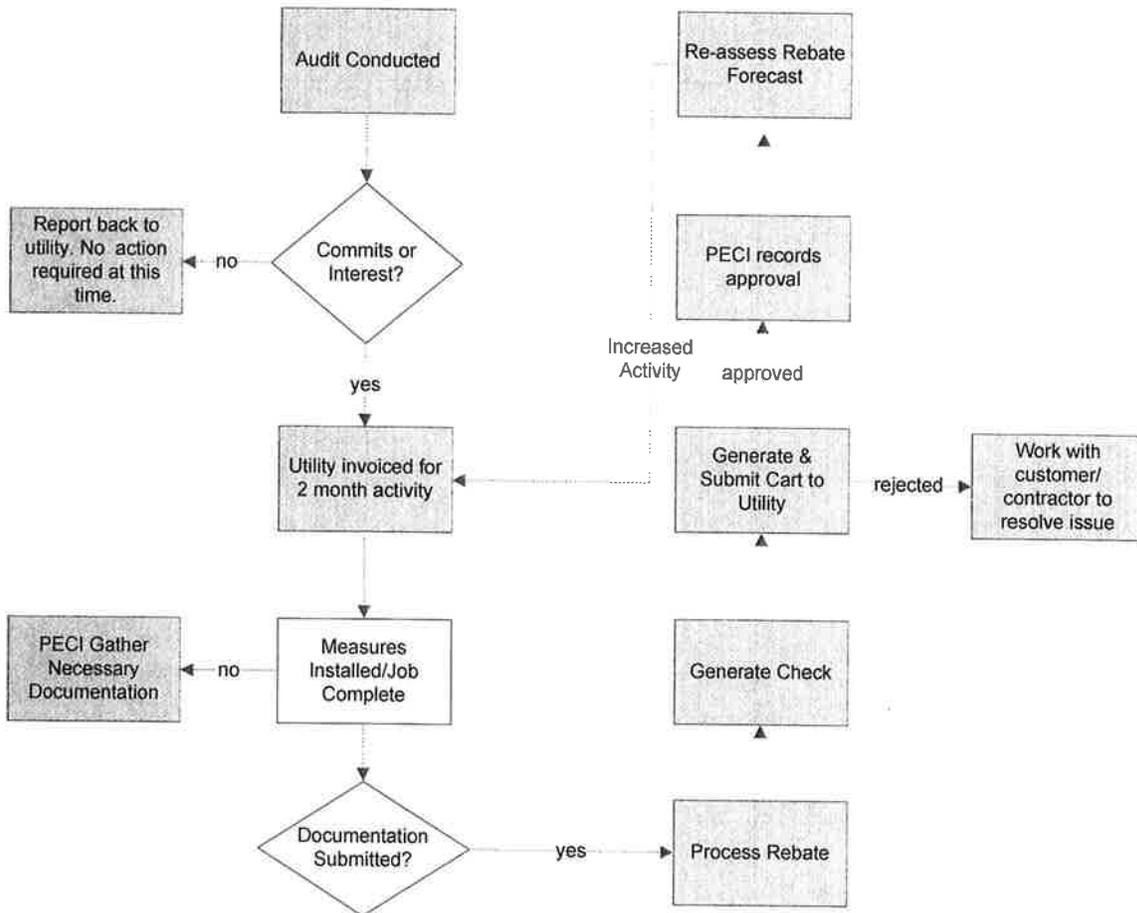
PECI is providing utilities with two options regarding rebate reimbursements. Utility is required to select one of the options and initial the selected option on the Service Agreement form.

Option 1: Advanced Funding

Utility will provide a cash advance on two (2) months forecasted activity. Forecasted activity will be determined by PEGI based upon audits and discussions with utility customers and contractors. Cash advance ensures that customers and contractors are paid for measures installed in a timely manner.

The cash advance will only be used to pay rebates for program measures installed in accordance with the programs terms and conditions. The rebate will be paid to either the utility customers or installing contractor. Utility has the right to request cash advance be returned on sixty (60) days written notice. PEGI will refund any unspent advance funds at the end of program contract.

The following flow diagram outlines Option 1 process.



Audit Conducted and Interest: PECI will conduct audits and assess EnergySmart efficiency measure opportunity. A PECI Field Energy Analyst will work with the store decision maker to understand interest and outline next steps. Based on this information, PECI will forecast measures and rebates for a two-month time period. This forecast will be a weighted assessment of the rebate dollars required within the specified timeframe. PECI will also take into account any known contractor activity in the region.

Invoicing: Based upon above forecast PECI will invoice utility for projected activity. Invoice will include list of customers, projected measures and rebate amounts. These projections are estimates and may change.

Job Completed: PECI will track the progress of the job. Once the contractor has completed the measure installation, the contractor or utility customer will submit to PECI all pertinent documentation. Once all required documentation is received, PECI will process the paperwork.

Process Rebate and Generate Checks: PECI will review and approve all rebate applications and invoices to ensure they are completed in full and contain necessary information. Once documentation is approved data is entered into program database and sent to accounting. Accounting will cut checks once a week. Program turn around time is within two (2) weeks of completed application and invoices. Checks will be accompanied by letter with utility logo explaining the reason for the check. Utility will need to provide logo to PECI.

Generate and Submit PTR Cart: PECI will generate and submit a measures Cart to Utility via the PTR System. Submittals will specify rebates paid for installed measures and calculated savings per measure. Utility will receive copies of the completed rebate forms, invoices and any other documentation necessary to approve Measure Cart. PECI will notify Utility that Cart has been submitted.

Utility will be required to review documentation sent with the PTR Shopping Cart and verify contents comply with program terms and conditions. A site inspection by Utility is not required. Participating facilities must be willing to allow random inspections by BPA or the utility of measures installed under rebates funded with BPA dollars.

Utility is responsible for reviewing documentation submitted by PECI to ensure:

- The number of installed measures matches those reported in the Measure Cart.
- The measure description on the documentation is consistent with the Measure Cart description.
- Documentation such as a signature, initial or e-mail from the retail store's representative indicating that the items on the contractors invoice were received, installed and operating.
- Dates are to coincide with effective dates of the program.

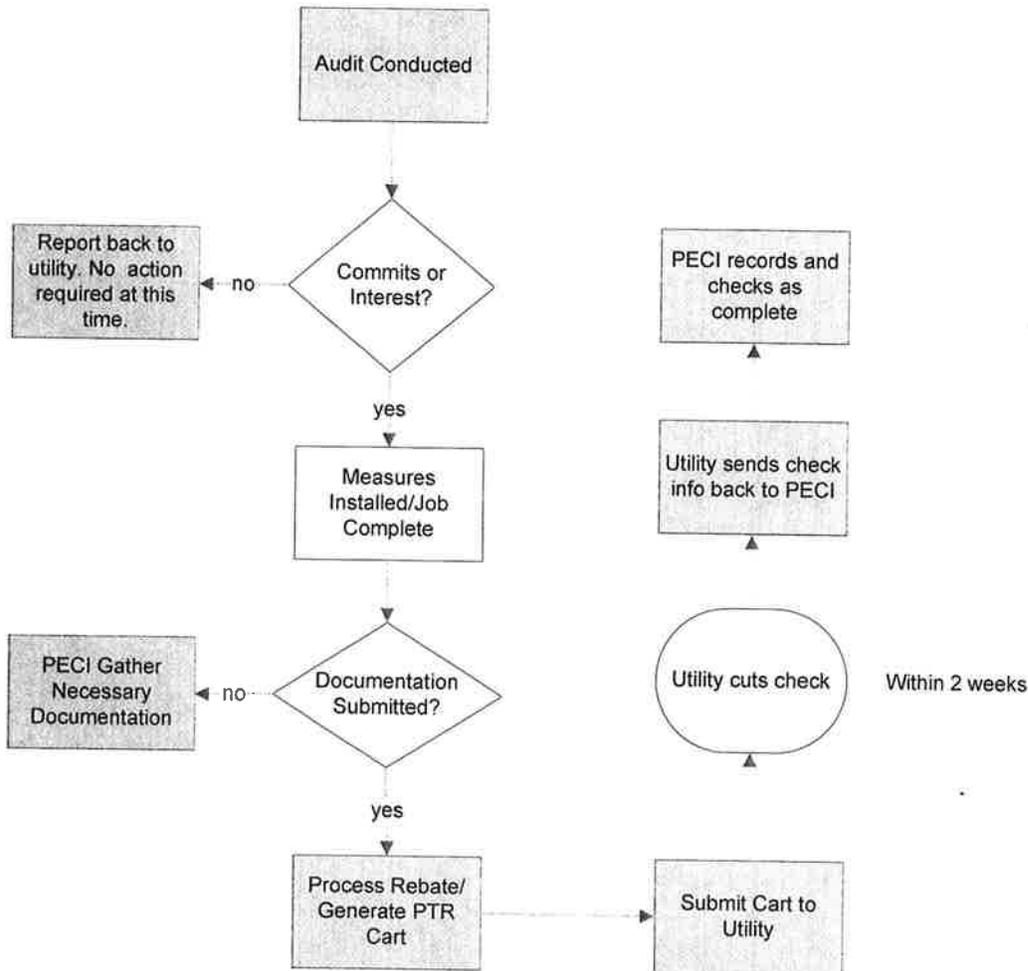
Utility will either accept or reject the Cart. For all approved Carts, kWh and rebates will be reported to BPA. Rejected Carts will be sent back to PECI for clarification and no energy savings or rebates will be reported until issue(s) are resolved.

PECI will record all approvals and rejections.

Reassess Rebate Forecast: PEGI will reassess rebate levels and projected activity as needed. PEGI will request additional funds (not to exceed total allocation) on an as needed basis. Additional requested funds will follow the same invoicing process as above.

Option 2: Utility Generates Check

Utility will cut customer or contractor the rebate check. PECI will provide all the necessary documentation for Utility to generate rebate check. The following flow diagram outlines option two.



Audit Conducted and Interest: PECI will conduct audits and assess EnergySmart efficiency measure opportunity. A PECI Field Energy Analyst will work with the store decision maker to understand their interest and outline next steps.

PECI will track the progress of the job: Once the contractor has completed the measure installation, the contractor or utility customer will submit to PECI all pertinent documentation. Once all required documentation is received, PECI will process the paperwork.

Generate and Submit PTR Cart: PECI will generate and submit a measures Cart to Utility via the PTR System. Submittals will specify rebates paid for installed measures and calculated savings per measure. Utility will receive copies of the completed rebate forms, invoices and any

other documentation necessary to approve measure Cart. PECI will notify Utility that Cart has been submitted.

Utility will be required to review documentation sent with the PTR Shopping Cart and verify contents comply with program terms and conditions. A site inspection by Utility is not required. Participating facilities must be willing to allow random inspections by BPA or the utility of measures installed under rebates funded with BPA dollars.

Utility is responsible for reviewing documentation submitted by PECI to ensure:

- The number of installed measures matches those reported in the Measure Cart.
- The measure description on the documentation is consistent with the Measure Cart description.
- Documentation such as a signature, initial or e-mail from the retail store's representative indicating that the items on the contractors invoice were received.
- Dates are to coincide with effective dates of the program.

Utility will either accept or reject the Cart. kWh and rebates will be reported to BPA for all approved Carts. Rejected Carts will be sent back to PECI for clarification and no energy or rebates will be reported until issue(s) are resolved.

PECI will record all approvals and rejections.

Utility Cuts Check: The utility is required to cut the rebate check within two (2) weeks of submitted PTR cart. Additional payee information will be provided to the Utility. Information will include:

- Unique Customer ID Number*
- Customer Name*
- Street Address*
- City*
- State*
- Zip Code*
- Utility Account Number*
- Tax Payer Info (utility responsible for 1099)
- Measure installed
- Rebate amount (per measure and total)

* Data may vary from Utility records. Data primarily gathered from rebate application.

Utility will be required to provide check information to PECI within two (2) weeks of submitted PTR cart. PECI will provide Utility with electronic version of requirements and format. Required information will include the following:

- Unique Customer ID Number
- Customer Name
- Street Address
- City
- State
- Zip Code
- Utility Account Number
- Measure installed
- Check Number (NEW)
- Date Check was cut (NEW)

PECI will record and update program tracking system.

STAFF REPORT

To: City Council
From: Busse Nutley, City Administrator 
Date: April 7, 2008
Re: Amending the Conditions for Cedar Heights Final Plat

On October 10, 2007 the Council approved Cedar Heights subdivision subject to several conditions, three of which required action by the developer within six months, or April 10, 2008:

1. The ADA ramp at the intersection of Hemlock Street and Evergreen Place will be reconstructed on Hemlock Street within six (6) months of approval.
2. The pavement patch on Hemlock Street, west of 2nd Street will be reinstalled or regraded within six (6) months of approval.
3. Mylar and electronic "as-builts" will be completed, submitted and approved within six (6) months of approval.

The weather has not been particularly favorable for concrete work, so extending the deadline to reconstruct the ADA ramp would be prudent. Further investigation of how the pavement patch on Hemlock actually functions during a heavy rain showed that the proposed improvement is not necessary, and therefore, should be waived. Finally, the developer has supplied a set of Mylar "as-builts", but not an electronic version. Because the ADA ramp will amend one of the "as-builts", it is logical to require that amended drawing as well as a full set on electronic media after all has been completed.

Requested Action:

Adopt the Resolution to extend the deadline for the ADA ramp, Mylar amended as-built, and full set of electronic record drawings for an additional 90 days.

RESOLUTION NO. _____

A RESOLUTION EXTENDING THE PERIOD FOR COMPLETION OF CERTAIN IMPROVEMENTS REQUIRED BY THE APPROVAL OF THE FINAL PLAT OF CEDAR HEIGHTS.

R E C I T A L S :

1. In November, 2007, the Council granted final approval of the plat of Cedar Heights. The approval was conditioned upon certain improvements being completed within six months of adoption.

2. The Council and Mayor have received a written report of the City Administrator as to the matter of the compliance of the development of Cedar Heights with the conditions imposed by the final plat approval.

3. The report and supporting information and material indicate that compliance with certain conditions has not yet been achieved and the time period for such completion be extended upon conditions. Further, that further observation indicates one of the conditions should be waived.

4. The Council finds it appropriate to follow the recommendations contained in the report.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY, THE MAYOR SIGNING IN AUTHENTICATION THEREOF:

SECTION I: As to the items set forth in the report of the City Administrator dated April 7, 2008, a copy of which is on file in the Office of the City Administrator, the Council authorizes as follows:

A. The condition requiring the pavement "patch" on Hemlock Street west of 2nd Street shall be waived.

B. As to the other two conditions, specifically that

(1) the ADA ramp at the intersection of Hemlock Street and Evergreen Place is to be reconstructed on Hemlock Street, and

(2) mylar and electronic "as-builts" are to be completed, submitted, and approved, the current owner of the Plat shall submit a schedule for such completions within 30 days of the adoption of this resolution which will provide for fulfillment of those conditions within 90 days of the adoption of this resolution. Further, that such fulfillment shall be achieved within that 90 day period.

SECTION II: In the event of a failure to comply with the conditions set out in Section I, the City shall move forward with completion of those conditions and shall recoup the cost thereof from the bond posted pursuant to the conditions of final approval.

PASSED THIS _____ DAY OF APRIL, 2008, by the City Council of the City of McCleary, and signed in authentication thereof this _____ day of April, 2008.

CITY OF McCLEARY:

WALLACE BENTLEY, Mayor

ATTEST:

DONNIE ROSTEDT, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

STAFF REPORT

To: City Council
From: Busse Nutley, City Administrator 
Date: April 7, 2008
Re: Surplus Transformers

It's time to declare more transformers as surplus to make some more storage room. The attached list shows they have all been properly tested for PCB's, making them eligible for sale or disposal. According to Jeff, the last time transformers were sold, they went for about \$0.10 / kilowatt, or \$2.50 each. We do not yet know what the current market conditions are.

Requested Action:

Declare the 81 transformers identified on the attached list as surplus.

RESOLUTION NO. _____

**A RESOLUTION DECLARING MATERIALS TO BE SURPLUS
AND PROVIDING FOR THE NEGOTIATED DISPOSITION
THEREOF.****R E C I T A L S:**

1. Certain items held by the Light and Power utility, more fully detailed upon Exhibit #1, which have been utilized in the operation of the City's electrical utility and which are no longer appropriate for utilization within the City's system, have been recommended to be found to be surplus and disposed of in such a manner as to achieve the most beneficial fiscal result while assuring the City has no legal exposure as the result of such disposal. It has been reported there is little possibility of achieving a significant fiscal recovery through normal disposition procedures for the reasons set forth below.

2. The City Administrator has carried forth a review of possible dispositions which meet the necessary governmental requirements. That included a review of the methodology and results of the disposal of similar transformers some years ago. She has reported that most companies which are capable of properly disposing of the transformers are likely to charge the City for taking possession of and assuming responsibility for the transformers.

3. It is the desire and the intent of the Council to declare these items surplus and to provide for the disposition thereof.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY, THE MAYOR SIGNING IN AUTHENTICATION THEREOF:

SECTION I: Those certain transformers more fully described in Attachment Number 1, said Attachment being attached hereto and incorporated by this reference, are hereby declared surplus to the present and future needs of the City.

SECTION II: In recognition of the nature and difficulties surrounding the disposal of the property so declared surplus, they shall be disposed of as follows:

They may be disposed of by negotiated disposition; said negotiations to be carried forth by the City Administrator and subject to the Council's approval prior to any agreement to sell being final.

PASSED THIS _____ DAY OF _____, 2008, by the City Council of the City of McCleary, and signed in authentication thereof this _____ day of _____, 2008.

CITY OF McCLEARY:

WALLACE BENTLEY, Mayor

ATTEST:

DONNIE ROSTEDT, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

McCleary Light and Power

Surplus Transformer List

As of April 4th, 2008

Inventory #	Pole / Pad	Serial #	KVA	PPM
002	Pole	801016592	50	<2
003	Pole	801016591	50	<2
004	Pole	801016593	50	<2
005	Pole	801016587	50	<2
006	Pole	3454558	15	5
036	Pole	52871	10	<1
054	Pole	E582584-60K	10	4
055	Pole	3931813	15	5
056	Pole	040979	15	13
065	Pad	1498772	25	29
075	Pole	4147747	15	N.D.
078	Pole	3928535	25	1
080	Pole	4147740	15	N.D.
102	Pole	X340904	25	N.D.
116	Pole	5391025	10	2
117	Pole	2363922	10	2
127	Pole	8245218	25	97
131	Pole	DVU11610	15	<2
148	Pole	59A8469	15	22
149	Pole	56E253	15	7
159	Pole	5K29432	10	<2
165	Pole	5K29426	10	<2
168	Pole	BU323160	25	<2
197	Pole	9164042	10	93
213	Pole	1649386	37.5	<2
218	Pole	6921935	25	N.D.
219	Pole	3799148	15	<2
238	Pole	1117051	15	N.D.
244	Pole	6334861	15	30

Inventory #	Pole / Pad	Serial #	KVA	PPM
248	Pole	6917258	15	N.D.
257	Pole	1567679	10	N.D.
258	Pole	E833195-61Y	15	<1
264	Pole	5442323	25	N.D.
265	Pole	2662025	25	N.D.
273	Pole	6161419	25	N.D.
275	Pole	89974	10	N.D.
285	Pole	9246125	15	148
289	Pole	7030017	25	<1
319	Pole	801015844	25	N.D.
320	Pole	801015843	25	N.D.
321	Pole	801016589	50	N.D.
325	Pole	14918-2372	10	67
328	Pole	801014969	15	N.D.
329	Pole	801014999	15	N.D.
331	Pole	801015006	25	N.D.
333	Pole	6145948	15	N.D.
334	Pole	6007398	25	43
335	Pole	052860	15	<1
336	Pole	801014972	15	N.D.
337	Pole	801014990	15	N.D.
338	Pole	801015002	15	N.D.
345	Pole	801015005	15	N.D.
358	Pad	029635	15	33
363	Pad	M832941YFRA	50	N.D.
371	Pole	801015852	25	<1
372	Pole	801015001	15	<2
409	Pole	801015846	25	N.D.
410	Pole	801016588	50	N.D.

Inventory#	Pole / Pad	Serial#	KVA	PPM
416	Pole	56L32714	25	12
420	Pole	1485657	25	2
427	Pole	71AF5679	37.5	1
428	Pole	71AC5699	37.5	4
429	Pole	69AK15012	37.5	1
437	Pole	771106599	25	2
438	Pole	821097761	15	2
461	Pole	F11010-21	25	2
470	Pole	G868317-67Y	15	2
472	Pole	G965486-67Y	15	2
474	Pole	G979909-67Y	15	2
475	Pole	G972128-67Y	15	2
486	Pole	CV411438	37.5	2
491	Pole	070945	25	2
492	Pole	070947	25	2
496	Pole	070941	25	2
500	Pole	G416598-65K	25	2
510	Pad	080851	50	2
518	Pole	083844	50	2
519	Pole	083843	50	2
520	Pole	083284	50	2
521	Pole	871039882	50	2
688	Pole	CP050200313	25	2

STAFF REPORT

To: City Council

From: Busse Nutley, City Administrator 

Date: April 7, 2008

Re: Expressing Support for a Sales Tax for Disaster Preparedness

This Resolution will be explained by the City Attorney and the Mayor.

RESOLUTION NO. _____

A RESOLUTION EXPRESSING SUPPORT FOR THE IMPOSITION OF A ONE-TENTH OF ONE PERCENT INCREASE IN LOCAL COUNTY AND CITY SALES TAX, WITH THE REVENUE DEDICATED EXCLUSIVELY TO DISASTER PREPAREDNESS PROJECTS AND PROGRAMS.

R E C I T A L S :

1. All recognize that the devastating wind storm of December, 2007, which resulted in loss of life, personal injuries, extensive property damage, loss of services, and long-term power outages, demonstrated the need for improvement to Grays Harbor County's ability to respond to emergencies.

2. Additional funding is necessary to improve the disaster preparedness systems of Grays Harbor County and the City of McCleary.

3. RCW 82.14.450 authorizes a county legislative authority to submit an authorizing proposition to the county voters to impose a sales and use tax not to exceed three-tenths of one percent.

4. The Council and Mayor of the City of McCleary believe it would be beneficial to the citizens of Grays Harbor County and the City to consider the imposition of a sales and use tax pursuant to RCW 82.14.450 in the amount of one-tenth of one percent, the proceeds to be used for disaster preparedness projects and programs.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY, THE MAYOR SIGNING IN AUTHENTICATION THEREOF:

SECTION I: The Council and Mayor of the City do hereby support the adoption by the Board of Grays Harbor County Commissioners of a resolution authorizing the submission to the voters of this County a proposition authorizing the imposition of an additional sales and use tax not to exceed one-tenth of one cent and having a term of four years or less, the proceeds of which are to be used exclusively for disaster preparedness projects and programs.

SECTION II: The Clerk-treasurer shall provide the Board of County Commissioners a copy of this resolution.

PASSED THIS _____ DAY OF _____, 2008, by the City Council of the City of McCleary, and signed in authentication thereof this _____ day of _____, 2008.

CITY OF McCLEARY:

WALLACE BENTLEY, Mayor

ATTEST:

DONNIE ROSTEDT, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

RESOLUTION - 3
3/26/08
DG/le

CITY OF McCLEARY
100 SOUTH 3RD STREET
McCLEARY, WASHINGTON 98557