



McCleary City Council

AGENDA

March 27, 2013

7:00 Council Meeting

Flag Salute
Roll Call
Public Hearings:

Public Comment:
Minutes (Tab A)
Mayor's Report/Comments: Appointments

Staff Reports: Dan Glenn, City Attorney (Tab B)*
Nick Bird, Director of Public Works (Tab C)

Old Business: Council Electronics (Tab D)
Snow and Ice Control (Tab E)

New Business: Surplus Transformer Disposal (Tab F)
4kV Transformer Procurement (Tab G)
Microsoft Purchase Agreement (Tab H)
Power Rates Information (Tab I)
Zoning Amendment (Tab J)
Water Meter Purchase (Tab K)
TCA Fire Station Agreement (Tab L)
Luscombe Underground Replacement (Tab M)
Copiers Northwest (Tab Q)*

Resolutions: Utility Service Abandonment (Tab N)
Sole Source Water Meters (Tab O)

Ordinances: Utility Service Abandonment (Tab P)

Vouchers
Mayor/Council Comments
Public Comment
Executive Session
Adjournment

* Denotes supplemental
information or new tab

Americans with Disabilities Act (ADA)
Accommodation is Provided Upon Request

Please Turn Off Cell Phones – Thank You

The City of McCleary is an equal opportunity provider and employer.
La ciudad de McCleary es un proveedor de igualdad de oportunidades y el empleador.

CITY OF MCCLEARY
Regular City Council Meeting
Wednesday, March 6, 2013

ROLL CALL AND FLAG SALUTE Councilmen Catterlin, Lant, Reed, Ator and Schiller.

ABSENT None.

PUBLIC HEARING

MARIJUANA MORATORIUM

The Public Hearing opened at 7:01 PM. Dan Glenn gave an overview of why the City has a current moratorium on marijuana and why they are extending it. Even though the State passed an Initiative for marijuana use, the Federal Government has not approved it. The McCleary Police are subject to federal sanctions since the federal law will not support marijuana use and sales. Mayor Dent does not want the police to be put in a compromising position of following State Law and not Federal Law.

Joy Iverson agreed the City should wait until a decision is made federally to protect our Police Officers.

Councilman Catterlin asked how Chief Crumb felt about the issue. Chief Crumb is completely against the sale of marijuana and feel it's another devise to pollute the mind of people. He has no problem with medical marijuana but feels recreational use is disgusting. Councilman Lant agrees they do not need another impairment among people when responding to aid calls. Officer John Graham witnessed a failure to pass a sobriety test due to marijuana use. The person acted just like an intoxicated driver.

The Public Hearing closed at 7:11 PM.

REGULAR MEETING

STAFF PRESENT Present at the meeting were Dan Glenn, Wendy Collins, Nick Bird, George Crumb, and John Graham.

PUBLIC COMMENT James Rigney spoke regarding a billing mistake that took place when he paid his utility bill a few months back. The issue was immediately corrected and he was notified of the correction but he is still frustrated with his lack of trust with the staff and what he can expect as an improvement. Wendy Collins explained how the issue occurred and staff has worked with both the software company and the credit card company to make sure it will not happen again, which it hasn't.

MAYOR'S COMMENTS Mayor Dent announced the appointment of Paul Nott as the new Fire Chief for the McCleary Fire Department.

The City has hired a new Wastewater Treatment Plant Manager, Kevin Trehwella. Kevin will start on March 18th.

Chief George Crumb asked the Council to authorize a Police grant for 2 sceptor units that allows an officer to swipe the I. D. card and it automatically downloads the information in to the ticket, allowing the officer to spend a portion of the time it normally takes and the information will be exactly as it appears on the identification card, making for a safer, faster, and more accurate traffic stop. The only cost associated outside of the grant will be for the rolls of print paper used for the tickets. **It was moved by Councilman Lant, seconded by Councilman Ator to authorize the Police Grant renewal. Motion Carried 5-0.**

MINUTES APPROVED **It was moved by Councilman Schiller, seconded by Councilmen Ator to approve the minutes from the February 13, 2013 meeting. Motion Carried 5-0.**

CITY ATTORNEY REPORT

Dan Glenn provided a memo for the Council and is available if they have any questions. Mr. Glenn pointed out the Building Official MOU is included in the packet. It was implemented some months ago and because it's a short-term MOU, it does not need to be approved by the Council, however, the Mayor wants them to be aware of it and to let them know it will be phasing out.

Mayor Dent is concerned about filling the Building Official position because it is funded completely out of current expense. He is not willing to fill a position whose salary is completely funded from current expense until things improve.

DIRECTOR OF PUBLIC WORKS REPORT

Nick Bird stated the bid package for the replacement transformer has been prepared. Bids will open on March 14, 2013. He will present the bids for award at the following meeting.

Nick Bird asked the Council what their needs are for the Council meeting lap tops. The Council agreed to have a reader unit that will allow them access to email and save paper, staff hours and eliminate the bulky binders. Cost is an issue but if it will pay for itself in two years, Councilman Catterlin would be for it. Councilman Lant wants to read what is on the agenda and respond to emails in a timely manner. Council agreed it needs to be simple and cost effective. Dan Glenn reminded the Council that all emails are considered a public record. Mr. Glenn stated Montesano purchased I Pads for their Councilmember's. Staff will review options and report back to the Council.

WELL NO. 1 DEMOLITION & DECOMMISSION

It was moved by Councilman Lant, seconded by Councilman Reed to authorize staff to prepare Change Order No. 3 to demolish and decommission Well No. 1 at a cost of \$9,500. Motion Carried 5-0.

WELL PROGRESS ESTIMATE NO. 6

It was moved by Councilman Catterlin, seconded by Councilman Lant to authorize payment of Progress Estimate No. 6 to Award Construction in the amount of \$139,310.82 and deposit \$6,736.50 into the retainage account. Motion Carried 5-0.

I.T. NEEDS

Nick Bird asked the Council what their needs are for the Council meeting lap tops. The Council agreed to have a reader unit that will allow them access to email and save paper, staff hours and eliminate the bulky binders. Cost is an issue but if it will pay for itself in two years, Councilman Catterlin would be for it. Councilman Lant wants to read what is on the agenda and respond to emails in a timely manner. Council agreed it needs to be simple and cost effective. Dan Glenn reminded the Council that all emails are considered a public record. Mr. Glenn stated Montesano purchased I Pads for their Councilmember's. Staff will review options and report back to the Council.

ORDINANCE NO. 792 BUDGET AMENDMENT

It was moved by Councilman Catterlin, seconded by Councilman Schiller to adopt Ordinance 792 Adopting a supplemental budget for the calendar year 2013; amending Ordinance 788 as to certain particular elements; and declaring an emergency. Roll call taken in the affirmative. Ordinance Adopted 5-0.

ORDINANCE NO. 793 MARIJUANA MORATORIUM

It was moved by Councilman Lant, seconded by Councilman Schiller to adopt Ordinance 793 readopting and extending the moratorium on the establishment of medical cannabis/medical dispensaries and collective gardens; making findings and adopting by reference definitions and findings, establishing a work plan, and declaring an emergency. Roll call taken in the affirmative. Ordinance Adopted 5-0.

EXECUTIVE SESSION

None.

PUBLIC COMMENT

Helen Lake asked if there was an update on the Ardyce Taylor fraud trial. Mayor Dent stated she should be sentenced on March 11, 2013.

Terry Franklin asked if the Council is intending to look at the reports she spoke about at the last meeting regarding the aquifer. She wanted to know why we are not going with the written recommendations in the report. Nick Bird responded by saying he has not had the adequate time to review the reports thoroughly so he cannot respond. His plan is to read them in the near future.

APPROVAL OF VOUCHERS

Accounts Payable vouchers/checks approved were 36040-36097 including EFT's in the amount of \$285,505.64 and 36098-36133 including EFT's in the amount of \$120,726.84.

It was moved by Councilmen Ator, seconded by Councilman Reed to approve the vouchers. Motion Carried 5-0.

MEETING ADJOURNED

It was moved by Councilman Lant, seconded by Councilman Ator to recess the meeting at 7:59 PM until March 27, 2013 at 7:00 PM and cancel the March 13, 2013 meeting. Motion Carried 5-0.

Mayor Gary Dent:

Clerk-Treasurer Wendy Collins:

MEMORANDUM

TO: MAYOR AND CITY COUNCIL, City of McCleary
FROM: DANIEL O. GLENN, City Attorney
DATE: March 21, 2013
RE: LEGAL ACTIVITIES as of MARCH 27, 2013

THIS DOCUMENT is prepared by the City Attorney for utilization by the City of McCleary and its elected officials and is subject to the attorney-client privileges to the extent not inconsistent with laws relating to public disclosure.

1. **SOLE SOURCE ACQUISITION RESOLUTION:** In a discussion last week with Ms. Collins and Mr. Bird, the matter of the need to purchase additional water meters for our system for use in both expansion of the system and replacement of defective meters was brought up. The indication was the City currently utilizes a particular manufacturer's meters. The questions were [a] whether or not the City could specifically seek bids on this meter only and, if so [b] what steps needed to be taken.

My advice was, given the particular circumstances, the answer to the first query was in the affirmative. As to the second query, the advice was to present to the Council and Mayor for adoption a resolution setting forth in writing the rationale for the restriction on bidding. This latter step is to make certain the SAO will have the written rationale available if they question the purchase.

To implement the second step, I have provided a draft resolution for consideration setting forth the rationale and granting the authorization. Obviously if there is more than one supplier of this meter from which the City may solicit bids, it should do so. However, Mr. Bird indicated to me there is only one distributor operating in the three Northwest states.

2. **DEPARTMENT OF ENTERPRISE SERVICES AGREEMENT:** At the last meeting, Mr. Bird and Ms. Collins reported the need to acquire a variety of updates for the City's information processing system. One of those items was software. Apparently

DES, which was formerly the Department of General Administration, has a contract with Microsoft under which agencies can purchase software at discounted rates. Of course, in order to do so the City must execute an agreement with DES. The good news is that it apparently will provide the software and updates at reduced prices. The bad news is it is drafted in such a manner as to be basically "pay up and shut up or else." However, as was true in 18th Century England in terms of being paid, if you want the Ruler's schilling, you play by the Ruler's rules.

3. CANNABIS SITUATION:

A. The Moratorium: As you are aware, the moratorium will expire in the first week of September unless extended or earlier repealed. It deals only with the matter of the location of medical cannabis suppliers and collective cannabis gardens. (I guess it makes it more politically correct if it is cannabis rather than marijuana.) This area is to be distinguished from the area covered by I 502 in terms of the licensing of growers, manufacturers, and sellers of retail cannabis, an area which is largely in the jurisdiction of the Liquor Control Board. (The Port of Raymond has taken some steps in relation to hosting the first category.)

In any event, I am certain you are going to want to refer the matter of the review and initial development of zoning regulations to the Hearing Examiner under the recently adopted ordinance confirming his position as the Planning Agency. So that you may have not only additional background information, but two possible legislative/zoning approaches, I have provided Ms. Collins with the following:

1. Access to Carol Morris' article on Local Regulation of the area. It is a very extensive article and I have requested Ms. Collins to provide you with a copy. Ms. Morris is a fellow member of the Municipal Attorneys who did quite a bit of research on the matter.
2. City of Kent's Ordinance #4036 which prohibits the collective gardens and dispensaries within the City.
3. A draft ordinance patterned after one developed by Ms. Morris, but "morphed" a bit to fit our particular situation. As you will note, it authorizes the placement of both activities within certain to be chosen zoning districts.
4. As an additional resource, several months ago the City received an article written by our labor

consultant, Scott Snyder, on the broad subject area. That includes the area of employment criteria. Ms. Collins would be able to provide that to you upon your request.

After you have reviewed these items and determined if they provide you adequate information, I would recommend the matter be referred to the Hearing Examiner in terms of holding the initial public hearing on the matter of whether or not the zoning code should be modified to allow or to prohibit such activities within the City and, if the answer is to allow, in what zones and under what conditions.

B. Status of Initiative 502 Implementation: Jim Doherty, one of the legal consultants at Municipal Research and Services Center (MRS), wrote an article in relation to I 502 and the current status of its implementation. As he notes, it too presents zoning issues which would benefit from clarification. Given the currently existing provision relating to prohibiting location of any grower, processor, or retailer within 1,000 foot of schools, play grounds, parks, etc., the possible areas of location within the corporate limits are relatively limited. (However, it should be noted there was a bill pending which would have reduced the 1,000 feet to 500 feet. However, it is unlikely to pass, both for timing reasons and the requirement that it would take a 2/3 vote since it is amending an initiative within two years of passage.)

Set out below is a brief report from AWC as to where things stand. I have bolded the aspect which deals with the zoning issue.

Current Status of Medical Marijuana in Washington State

The 2012 legislature did not pass any amendments to the current medical marijuana statutes, and Initiative 502 did not contain any amendments to the medical marijuana statutes, so now there are two clearly separate regulatory systems, one dealing with medical marijuana and the other dealing with adult recreational use of marijuana. **Local jurisdictions will need to enact zoning provisions in the future for businesses that grow or retail recreational marijuana, but that is a separate issue from medical marijuana collective garden zoning (though it is possible that there might be similar zoning approaches used for both).**

4. TRANSFORMER SURPLUS RESOLUTION; The request will be that the matter be set on for a public hearing at the next

Council Meeting. Mr. Bird will be laying out in more detail the nature of the situation since, when you surplus them, an estimated sales price is to be provided.

5. UTILITY DISCONTINUANCE/REACTIVATION: Following up on discussions over the last months, I have prepared and provided to Ms. Collins and Mr. Bird for their review drafts of an ordinance and a resolution.

A. The draft ordinance would amend the current code section relating to extended discontinuance of service from the water utility to soften the impact of such action. Basically, it would set up three periods: [a] less than six months, no real impact; [b] more than six months, but less than five years, some impact based upon payment of such reactivation as you set by resolution; and [c] more than five years, an inspection and payment of such reconnection fee as you establish.

B. The resolution will be developed to fit with such fees as you determine.

As always, this is not meant to be all inclusive. If you have any questions or comments, please direct them to me.

DG/le

ORDINANCE NO. 4036

AN ORDINANCE of the city council of the city of Kent, Washington, amending Title 15 of the Kent City Code, to specify that medical cannabis collective gardens are not permitted in any zoning district within the city of Kent.

RECITALS

A. Recent amendments to Chapter 69.51A RCW, relating to the medical use of cannabis, have expanded the scope of certain activities, involving the use of cannabis for medical purposes that are permitted under state law.

B. Section 69.51A.085 RCW allows "qualifying patients" to create and participate in "collective gardens" for the purpose of producing, processing, transporting, and delivering cannabis for medical use, subject to certain conditions.

C. Section 69.51A.140 RCW delegates authority, to cities and towns, to adopt and enforce zoning requirements, business licensing requirements, health and safety requirements, and business taxes, as

those requirements and taxes relate to the production, processing, or dispensing of medical cannabis within their jurisdictions.

D. The city council understands that approved medical uses of cannabis may provide relief to patients suffering from debilitating or terminal conditions, but potential secondary impacts from the establishment of facilities for the growth, production, and processing of medical cannabis are not appropriate for any zoning designation within the city.

E. The city council further understands that while the medical benefits of cannabis have been recognized by the state legislature, cannabis remains a Schedule I controlled substance under the federal Controlled Substances Act (CSA), and possession and use of cannabis is still a violation of federal law. The city council wishes to exercise the authority granted pursuant to state law in order to clarify that the establishment of a collective garden will be deemed to be a violation of city zoning ordinances, but the city council expressly disclaims any intent to exercise authority over collective gardens in a manner that would directly conflict with the CSA.

F. The city's State Environmental Policy Act (SEPA) official issued a Determination of Nonsignificance on September 26, 2011.

G. On September 23, 2011, notice was sent to the Washington State Department of Commerce requesting expedited review. On, October 10, 2011, the city was granted expedited review

and was informed that it had met the Growth Management Act notice requirements under RCW 36.70A.106.

H. The Economic and Community Development Committee considered this matter at its September 12, 2011 workshop, and held a public hearing on October 10, 2011. The matter was then considered at the Economic and Community Development Committee meetings on November 14, 2011, and December 12, 2011. The city council further considered this matter at its regular meeting on January 3, 2012, and the Economic and Community Development Committee again took up the matter at its May 14, 2012 meeting.

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

ORDINANCE

SECTION 1. - Amendment. Chapter 15.02 of the Kent City Code is amended to add a new Section 15.02.074 to read as follows:

Sec. 15.02.074. Collective gardens.

Collective garden means the growing, production, processing, transportation, and delivery of cannabis, by qualifying patients, for medical use, as set forth in Chapter 69.51A RCW, and subject to the following conditions:

A. No more than ten qualifying patients may participate in a single collective garden at any time;

B. A collective garden may contain no more than fifteen plants per patient up to a total of forty-five plants;

C. A collective garden may contain no more than twenty-four ounces of useable cannabis per patient up to a total of seventy-two ounces of useable cannabis;

D. A copy of each qualifying patient's valid documentation, including a copy of the patient's proof of identity, must be available at all times on the premises of the collective garden;

E. No useable cannabis from the collective garden is delivered to anyone other than one of the qualifying patients participating in the collective garden;

F. A collective garden may contain separate areas for growing, processing, and delivering to its qualified patients, provided that these separate areas must be physically part of the same premises, and located on the same parcel or lot. A location utilized solely for the purpose of distributing cannabis shall not be considered a collective garden; and

G. No more than one collective garden may be established on a single tax parcel.

SECTION 2. - Amendment. Chapter 15.08 of the Kent City Code is amended by adding a new Section 15.08.290 to read as follows:

Sec. 15.08.290. Medical cannabis collective gardens.

A. *Collective gardens*, as defined in KCC 15.02.074, are prohibited in the following zoning districts:

1. All agricultural districts, including A-10 and AG;
2. All residential districts, including SR-1, SR-3, SR-4.5, SR-6, SR-8, MR-D, MR-T12, MR-T16, MR-G, MR-M, MR-H, MHP, PUD, MTC-1, MTC-2, and MCR;
3. All commercial/office districts, including: NCC, CC, CC-MU, DC, DCE, DCE-T, CM-1, CM-2, GC, GC-MU, O, O-MU, and GWC;
4. All industrial districts, including: MA, M1, M1-C, M2, and M3; and
5. Any new district established after June 5, 2012.

B. Any violation of this section is declared to be a public nuisance per se, and shall be abated by the city attorney under applicable provisions of this code or state law, including, but not limited to, the provisions of KCC Chapter 1.04.

C. Nothing in this section is intended to authorize, legalize, or permit the establishment, operation, or maintenance of any business, building, or use which violates any city, state, or federal law or statute.

SECTION 3. - Severability. If any one or more sections, subsections, or sentences of this ordinance are held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance and the same shall remain in full force and effect.

SECTION 4. - Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

SECTION 5. - Effective Date. This ordinance shall take effect and be in force five (5) days from and after its passage, approval and publication as provided by law. The City Clerk is directed to publish a summary of this ordinance at the earliest possible publication date.

SUZETTE COOKE, MAYOR

ATTEST:

BRENDA JACOB, CITY CLERK

APPROVED AS TO FORM:

TOM BRUBAKER, CITY ATTORNEY

PASSED: day 5th of June, 2012. APPROVED: day of , 20__.

PUBLISHED: day of , 20__.

I hereby certify that this is a true copy of Ordinance No. 4036 passed by the city council of the city of Kent, Washington, and approved by the Mayor of the city of Kent as hereon indicated.

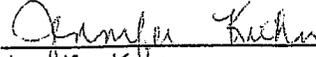
BRENDA JACOB, CITY CLERK

(SEAL)

P:\Civil\Ordinance\Med Cannabis Zoning-Final.3.docx


Bernard W. Talmas, Mayor

ATTEST/AUTHENTICATED:


Jennifer Kuhn
City Clerk/CMC

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY


Greg A. Rubstello
City Attorney

PASSED BY THE CITY COUNCIL: 2-21-2012
PUBLISHED: 2-27-2012
EFFECTIVE DATE: 3-5-2012
ORDINANCE NO. 541

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF _____,
WASHINGTON, RELATING TO LAND USE AND ZONING,
ADOPTING ZONING RESTRICTIONS ON THE
CULTIVATION OF MEDICAL CANNABIS (MARIJUANA)
FOR PERSONAL USE AND IN COLLECTIVE GARDENS,
DESCRIBING THE LAND USE IMPACTS TRIGGERING
SUCH RESTRICTIONS, IDENTIFYING THE PERMITTED
ZONE FOR COLLECTIVE GARDENS, ESTABLISHING
SEPARATION AND DISTANCE REQUIREMENTS WITHIN
THE PERMITTED ZONE, ESTABLISHING PROCEDURES
FOR ENFORCEMENT OF VIOLATIONS INCLUDING
ABATEMENT OF CANNABIS NUISANCES, REPEALING
THE MORATORIUM ON MEDICAL MARIJUANA
DISPENSARIES AND COLLECTIVE GARDENS, ADDING
A NEW CHAPTER TO TITLE 17 OF THE MUNICIPAL
CODE, PROVIDING FOR AN EFFECTIVE DATE.

RECITALS

1. Since 1970, federal law has prohibited the manufacture and possession of marijuana as a Schedule I drug, based on the federal government's categorization of marijuana as having a "high potential for abuse, lack of any accepted medical use, and absence of any accepted safety for use in medically supervised treatment." *Gonzales v. Raich*, 545 U.S. 1, 14 (2005), Controlled Substance Act (CSA), 84 Stat. 1242, 21 U.S.C. 801 et seq.

2. The voters of the State of Washington approved Initiative 692, now codified as RCW 69.51A, in November, 1998, and Initiative 502 in November, 2012.

3. The stated intent of Initiative 692 was that qualifying "patients with terminal or debilitating illnesses who, in the judgment of their physicians, would benefit from the medical use of marijuana, shall not be found guilty of a crime under state

law," (RCW 69.51A.005), but that nothing in the law "shall be construed to supersede Washington state law prohibiting the acquisition, possession, manufacture, sale or use of marijuana for non-medical purposes" (RCW 69.51A.020).

4. The Washington State Legislature passed ESSSB 5073 in 2011, which provides that a qualifying patient or his/her designated care provider are presumed to be in compliance, and not subject to criminal or legal sanctions, penalties, or consequences, if they possess no more than 15 cannabis plants nor more than 24 ounces of usable cannabis (other qualifications apply).

5. Washington's then Governor vetoed all of the provisions relevant to medical marijuana dispensaries in ESSSB 5073, but left the provisions relating to cultivation of marijuana for medical use by qualified patients individually and in collective gardens.

6. In the Governor's partial veto letter dated April 29, 2011, she stated that cooperative medical marijuana organizations should be exempted from state criminal penalties "conditioned on compliance with local government location and health and safety specifications" (page 3), creating a need to balance the interests of federal law, Washington medical marijuana patients, and the health, safety, and welfare of the community.

7. RCW 69.51A.0002 permitted qualifying patients "to create and participate in collective gardens for the purpose of producing, processing, transporting, and delivering cannabis for medical use," provided no more than ten qualifying patients participate, a collective garden does not contain more than 15 plants per patient up to a total of 45 plants per garden, and the garden does not contain more than 24 ounces of useable cannabis per patient and up to a total of 72 ounces of useable cannabis.

8. Under RCW 69.51A.060(1), it is a class 3 civil infraction to display medical cannabis in a manner or place which is open to view of the general public, which would include growing plants.

9. RCW 69.51A.130 allows local jurisdictions to adopt zoning requirements, business license requirements, health and

safety requirements, and impose business taxes on the production, processing or dispensing of cannabis or cannabis products.

10. The City adopted Ordinance _____, imposing a moratorium on medical marijuana dispensaries and collective gardens.

11. The City Council is aware Ordinance _____ will expire on September ____, 2013, ending the moratorium on the particular activities.

12. The Council has studied the land use and other secondary impacts of cultivation of cannabis for medical use by individuals and in collective gardens, and has now drafted a zoning ordinance to address these impacts.

13. The SEPA Responsible Official issued a threshold decision for this draft ordinance on _____, 2013, which was/was not appealed.

14. On _____, 2013, the Planning Agency/Commission held a public hearing on the draft zoning ordinance.

15. The Planning Agency/Commission recommended approval of the draft zoning ordinance to the Council.

16. After giving public notice, on _____, 2013, the Council considered the draft zoning ordinance during its regular meeting.

NOW THEREFORE, the City Council of the City of _____ does ordain as follows:

SECTION I: Formal Repeal of Moratorium. Ordinance _____, moratorium on medical cannabis dispensaries and for medical cannabis collective gardens is hereby repealed.

SECTION II: Codification. A new chapter is hereby added to Title 17 of the Municipal Code, which shall read as follows:

MEDICAL CANNABIS

Sections:

- _____.10 Findings.
- _____.20 Definitions.
- _____.30 Applicability.
- _____.40 Restrictions on Medical Cannabis for Personal Use.
- _____.50 Restrictions on Collective Gardens.
- _____.60 Violations.

_____.10 Findings. The Council adopts all of the "whereas" sections of this Ordinance as findings to support this Chapter, as well as the following:

A. Through its amendment/adoption of chapter RCW 69.51A, the State of Washington has found there is medical evidence to show some patients with terminal or debilitating medical conditions benefit from the medical use of cannabis.

B. The State of Washington has determined that qualifying patients with terminal or debilitating medical conditions, who, in the judgment of their health care professionals, may benefit from the medical use of cannabis, shall not be arrested, prosecuted, or subject to other criminal sanctions or civil consequences under state law, based solely on their medical use of cannabis, notwithstanding any other provision of law.

C. Nothing in this chapter shall be construed to supersede Washington state law prohibiting or regulating the acquisition, possession, manufacture, sale or use of cannabis for nonmedical purposes. Nothing in this chapter 25___ shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion for nonmedical purposes of cannabis disbursed for medical purposes.

D. Cannabis plants, whether grown indoors or outdoors, especially as they mature prior to harvest, may produce a distinctive odor that may be detectable far beyond property boundaries.

E. Where cannabis plants have been grown outdoors in other states, local authorities have received a significant number of

formal complaints of odor that may be detectable far beyond property boundaries.

F. Cannabis, whether grown for medicinal purposes or diverted to the black market, may be sold for thousands of dollars per pound.

G. The strong smell of cannabis may create an attractive nuisance, alerting persons to the location of the valuable plants, and creating a risk of burglary, robbery, and armed robbery.

H. Cannabis that is grown indoors may require excessive use of electricity which may overload standard electrical systems, creating an unreasonable risk of fire.

I. The ability of qualified patients to cultivate cannabis in collective gardens for medical purposes does not confer upon them the right to create or maintain a public nuisance. No more than forty-five (45) cannabis plants are allowed on any one legal parcel, which should keep the complaints regarding odor and the risks of fire and crime to a minimum.

J. Pursuant to RCW 69.51A.130, no civil or criminal liability may be imposed by any court on cities, towns, or counties or other municipalities and their officers and employees for actions taken in good faith under this chapter and within the scope of their assigned duties.

 .20 Definitions. For purposes of this chapter, the following definitions apply:

A. "Cannabis" means all parts of the plant *Cannabis*, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. For the purposes of this ordinance, "cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted therefrom, fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. The term "cannabis" includes cannabis products and useable cannabis.

B. "Cannabis products" means products that contain cannabis or cannabis extracts, have a measurable THC concentration greater than three-tenths of one percent, and are intended for human consumption or application, including, but not limited to, edible products, tinctures, and lotions. The term "cannabis products" does not include useable cannabis. The definition of "cannabis products" as a measurement of THC concentration only applies to the provisions of this ordinance and shall not be considered applicable to any criminal laws related to marijuana or cannabis.

C. "Church" means a structure or leased portion of a structure, which is used primarily for religious worship and related religious activities.

D. "Collective Garden" means those gardens authorized under RCW 69.51A.085, which allows qualifying patients to assume responsibility for acquiring and supplying the resources required to produce and process cannabis for medical use such as, for example, a location for a collective garden; equipment, supplies, and labor necessary to plant, grow, and harvest cannabis; cannabis plants, seeds, and cuttings; and equipment, supplies, and labor necessary for proper construction, plumbing, wiring, and ventilation of a garden of cannabis plants (as limited below). Qualifying patients may create and participate in collective gardens for the purpose of producing, processing, transporting and delivering cannabis for medical use subject to the following conditions:

(1) No more than ten qualifying patients may participate in a single collective garden at any time;

(2) A collective garden may contain no more than fifteen plants per patient up to a total of forty-five plants;

(3) A collective garden may contain no more than twenty-four ounces of usable cannabis per patient up to a total of seventy-two ounces of usable cannabis;

(4) A copy of each qualifying patient's valid documentation or proof of registration with the registry established in state law (now or in the future), including a copy of the patient's proof of identity, must be available at all times on the premises of the collective garden; and

(5) No usable cannabis from the collective garden may be delivered to anyone other than one of the qualifying patients participating in the collective garden.

E. "Cultivation" means the planting, growing, harvesting, drying or processing of marijuana plants or any part thereof.

F. "Designated care provider" means a person who:

(1) Is eighteen years of age or older;

(2) Has been designated in ((writing)) a written document signed and dated by a qualifying patient to serve as a designated provider under this ordinance and RCW 69.51A; and

(3) Is in compliance with the terms and conditions set forth in RCW 69.51A.040., a qualifying patient may be the designated provider for another qualifying patient and be in possession of both patients' cannabis at the same time.

G. "Indoors" means within a fully enclosed and secure structure that complies with the State Building Code, as adopted by the City, that has a complete roof enclosure supported by connecting walls extending from the ground to the roof, and a foundation, slab, or equivalent base to which the floor is securely attached. The structure must be secure against unauthorized entry, accessible only through one or more lockable doors, and constructed of solid materials that cannot easily be broken through, such as 2" by 4" or thicker studs overlain with 3/8" or thicker plywood or equivalent materials. Plastic sheeting, regardless of gauge, or similar products do not satisfy this requirement.

H. "Legal parcel" means a parcel of land for which one legal title exists. Where contiguous legal parcels are under common ownership or control, such legal parcels shall be counted as a single parcel for purposes of this ordinance.

I. "Medical (or medicinal) use of cannabis" means the manufacture, production, processing, possession, transportation, delivery, ingestion, application, or administration of cannabis for the exclusive benefit of a qualifying patient in the treatment of his or her terminal or debilitating medical condition.

J. "Outdoors" means any location that is not "indoors" within a fully enclosed and secure structure as defined herein.

K. "Person" means an individual or an entity.

L. "Personally identifiable information" means any information that includes, but is not limited to, data that uniquely identify, distinguish, or trace a person's identity, such as the person's name, or address, either alone or when combined with other sources, that establish the person is a qualifying patient or designated provider.

M. "Plant" means an organism having at least three distinguishable and distinct leaves, each leaf being at least three centimeters in diameter, and a readily observable root formation consisting of at least two separate and distinct roots, each being at least two centimeters in length. Multiple stalks emanating from the same root ball or root system shall be considered part of the same single plant.

N. "Process" means to handle or process cannabis in preparation for medical use.

O. "Produce" means to plant, grow, or harvest cannabis for medical use.

P. "Public place" includes streets and alleys of incorporated cities and towns; state or county or township highways or roads; buildings and grounds used for school purposes; public dance halls and grounds adjacent thereto; premises where goods and services are offered to the public for retail sale; public buildings, public meeting halls, lobbies, halls and dining rooms of hotels, restaurants, theaters, stores, garages, and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, buses, ferries, and other public conveyances of all kinds and character, and the depots, stops, and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, or playgrounds; and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

Q. "Qualifying patient" means a person who:

1. Is a patient of a health care professional;
2. Has been diagnosed by that health care professional as having a terminal or debilitating medical condition;
3. Is a resident of the state of Washington at the time of such diagnosis;
4. Has been advised by that health care professional about the risks and benefits of the medical use of cannabis;
5. Has been advised by that health care professional that he or she may benefit from the medical use of cannabis; and
6. Is otherwise in compliance with the terms and conditions established in chapter RCW 69.51A.

The term "qualifying patient" does not include a person who is actively being supervised for a criminal conviction by a corrections agency or department that has determined the terms of this ordinance and RCW 69.51A are inconsistent with and contrary to his or her supervision and all related processes and procedures related to that supervision.

R. "Residential treatment facility" means a facility providing for treatment of drug and alcohol dependency.

S. "School" means an institution of learning for minors, whether public or private, offering regular course of instruction required by the Washington Education Code, or any child or day care facility. This definition includes a nursery school, kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education, but it does not include a vocational or professional institution of higher learning, including a community or junior college, college or university.

T. "Terminal or debilitating medical condition" means:

1. Cancer, human immunodeficiency virus (HIV), multiple sclerosis, epilepsy or other seizure disorder, or spasticity disorders; or

2. Intractable pain, limited for the purpose of this ordinance to mean pain unrelieved by standard medical treatments and medications; or

3. Glaucoma, either acute or chronic, limited for the purpose of this chapter to mean increased intraocular pressure unrelieved by standard treatments and medications; or

4. Crohn's disease with debilitating symptoms unrelieved by standard treatments or medications; or

5. Hepatitis C with debilitating nausea or intractable pain unrelieved by standard treatments or medications; or

6. Diseases, including anorexia, which result in nausea, vomiting, cachexia, appetite loss, cramping, seizures, muscle spasms, or spasticity, when these symptoms are unrelieved by standard treatments or medications; or

7. Any other medical condition duly approved by the Washington state medical quality assurance commission in consultation with the board of osteopathic medicine and surgery as directed in this chapter.

U. "THC concentration" means percent of tetrahydrocannabinol content per weight or volume of useable cannabis or cannabis product.

V. "Useable cannabis" means dried flowers of the *Cannabis* plant having a THC concentration greater than three-tenths of one percent. Useable cannabis excludes stems, stalks, leaves, seeds, and roots. For purposes of this subsection, "dried" means containing less than fifteen percent moisture content by weight. The term "useable cannabis" does not include cannabis products.

W. "Valid documentation" means:

1. A statement signed and dated by a qualifying patient's health care professional written on tamper-resistant paper, which states that, in the health care professional's professional opinion, the patient may benefit from the medical use of cannabis;

2. Proof of identity such as a Washington state driver's license or identicard, as defined in and issued under the provisions of RCW 46.20; and

3. In the case of a designated provider, the signed and dated document valid for one year from the date of signature executed by the qualifying patient who has designated the provider.

X. "Youth-oriented facility" means elementary school, middle school, high school, public park, and any establishment that advertises in a manner that identifies the establishment as catering to or providing services primarily intended for minors, or individuals who regularly patronize, congregate or assemble at the establishment are predominantly minors. This shall not include a day care or preschool facility.

_____.30 **Applicability.** No part of this chapter is intended to or shall be deemed to conflict with federal law, including but not limited to, the Controlled Substances Act, 21 U.S.C. Section 800 *et seq.*, the Uniform Controlled Substances Act (chapter 69.50 RCW) nor to otherwise permit any activity that is prohibited under either Act, or any other local, state or federal law, statute, rule or regulation.

_____.40 **Restrictions on Medical Cannabis for Personal Use.**

A. RCW 69.51A.040 allows an individual qualifying patient or designated provider to cultivate medical cannabis for personal use within his/her private residence, as long as the qualifying patient or designated provider:

1. Possesses no more than fifteen (15) cannabis plants;
2. Possesses no more than twenty-four (24) ounces of usable cannabis;
3. Possesses no more cannabis product than what could reasonably be produced with no more than twenty-four (24) ounces of usable cannabis; or
4. Possesses a combination of usable cannabis and cannabis produce that does not exceed a combination total representing

possession and processing of no more than twenty-four (24) ounces of usable cannabis.

If a person is both a qualifying patient and a designated provider for another patient, RCW 69.51A.040 allows possession of no more than twice the amounts described in subsection (1) of this section, whether the plants, usable cannabis, and cannabis product are possessed individually or in combination between the qualifying patient and his or her designated provider. (This section does not list all of the limitations on such use in RCW 69.51A.040 or chapter 69.51A RCW. This section is only meant to provide sufficient information to distinguish between cultivation of medical cannabis for personal use, as opposed to cultivation of medical cannabis in a Collective Garden, and to establish certain land use restrictions on such cultivation.)

B. Any cultivation of medical cannabis for personal use under chapter 69.51A RCW shall not exceed the following standards:

1. The medical cannabis cultivation area shall not exceed fifty (50) square feet in length and not exceed ten (10) feet in height per residence.

2. Medical cannabis cultivation lighting shall not exceed 1200 watts.

3. Use of gas products (CO2, butane, etc.) for medical cannabis cultivation or processing is prohibited.

4. Medical cannabis cultivation and sale is prohibited as a Home Occupation. Medical marijuana cultivation and sales is not considered an accessory use in residential zones.

5. From a public right of way, there shall be no exterior evidence of medical cannabis cultivation either within or outside the residence.

6. The qualified patient or designated provider shall reside in the residence where the medical cannabis cultivation occurs.

7. The qualified patient or designated provider cultivating cannabis for personal use shall not participate in any Collective

ORDINANCE - 12

3/20/13

DG/le

Garden or other medical cannabis cultivation in any other residential location.

8. The residence shall maintain a kitchen, bathrooms, and primary bedrooms for their intended use and shall not be used primarily for medical cannabis cultivation.

9. The medical cannabis cultivation area shall be in compliance with the current, adopted edition of the Washington State Building Code provisions regarding natural ventilation or mechanical ventilation (or its equivalents).

10. The medical cannabis cultivation area shall not adversely affect the health or safety of the nearby residents by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or wastes.

_____.50 **Collective Gardens.**

A. No Nonconforming Status. Notwithstanding the provisions of Chapter 17.28 (Nonconforming uses and structures), an existing Collective Garden in operation as of the effective date of this Chapter shall be brought into full compliance with the provisions of this Chapter within one year of its effective date.

B. Location Restrictions. Collective Gardens may be established only in the following zoning districts and locations.

1. *Collective Gardens in Outdoor Locations.*

a. Collective Gardens shall not be located outdoors in any zone other than the _____ zoning district.

b. *Separation:* Outdoor Collective Gardens shall not be located:

(i) within _____ feet of a youth-oriented facility, a school, park, church or residential treatment facility.

(ii) outdoors within _____ feet of any occupied legal residential structure located on a separate legal parcel.

2. *Collective Gardens in Indoor Locations.*

(a) Indoor Collective Gardens shall not be located in any zone other than the following:

- (i) Industrial Use Zone (IU);
- (ii) _____; and
- (iii) _____.

3. *Prohibited Areas.* In addition to the above, Collective Gardens shall not be allowed in the following areas:

a. Indoors or outdoors within _____ feet of a youth-oriented facility, a school, a park, or any church or residential treatment facility;

b. Outdoors within _____ feet of any occupied legal residential structure located on a separate legal parcel;

c. Outdoors in a mobile home park within _____ feet of an occupied mobile home;

d. Indoors or outdoors within _____ feet of any other Collective Garden; and

e. In any location where the cannabis plants are visible from the public right of way or publicly traveled private roads.

4. The distance between the above-listed uses and the Collective Garden where the cannabis is being cultivated shall be measured in a straight line from the nearest point on the fence required by this chapter, or if the cannabis is cultivated indoors, from the nearest exterior wall of the building in which the cannabis is cultivated to the nearest boundary line of the property on which the facility, building, or structure or portion of the facility, building, or structure in which the above-listed use occurs is located. The distance in subsection (B)(3)(b) and (B)(3)(c) between the Collective Garden and any residential structure or mobile home shall be measured from the fence required in this chapter to the nearest exterior wall of the residential structure or mobile home.

5. *Accessory Uses.* Collective Gardens, located indoors or outdoors, shall not be allowed as an accessory use.

6. *Home Occupation Use Prohibited.* Collective Gardens, located indoors or outdoors, are prohibited as Home Occupations.

C. Operating Standards.

1. *Indoor or Outdoor Operation.* The following restrictions apply to the operation of Collective Gardens, whether they are located indoors or outdoors.

a. *Odor.* The cultivation of cannabis shall not subject residents of neighboring parcels who are of normal sensitivity to objectionable odors.

b. *Lighting.* All lights used for the cultivation of cannabis shall be shielded and downcast or otherwise positioned in a manner that will not shine light or allow light glare to exceed the boundaries of the parcel upon which they are placed.

c. *Noise.* The cultivation of medical cannabis in a Collective Garden shall not exceed the noise level standards as set forth in chapter ____ of the ____ Municipal Code.

d. *Visibility.* Cannabis shall not be grown or on display in any location where the cannabis plants are visible from the public right of way or a public place.

e. *Signage.* There shall be no exterior signage relating to the Collective Garden.

f. *Gas Prohibited.* The use of gas products (CO2, butane, etc.) for medical cannabis cultivation is prohibited.

g. *Compliance with Codes.* The Collective Garden shall be in compliance with the applicable provisions of the currently adopted edition of the Washington State Building Code.

h. *Nuisance.* The Collective Garden shall not adversely affect the health or safety of the nearby residents by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other adverse impacts, or be hazardous due to use or storage of materials, processes, products or waste.

2. *Outdoor Operation.* In addition to the operation restrictions in subsection C(1) above, the following restrictions apply to Collective Gardens located outdoors:

a. *Lighting.* The use of light assistance for the outdoor cultivation of cannabis shall not exceed a maximum of six hundred (600) watts of lighting capacity per one hundred (100) square feet of growing area.

b. *Fencing.* All cannabis grown outside of any structure or building must be fully enclosed by a secure fence at least six (6) feet in height. The fence must include a lockable gate that is locked at all times when a qualified patient is not in the immediate area. Said fence shall not violate any other ordinance or code provision relating to height and location restrictions and shall not be constructed or covered with plastic or cloth except shade cloth may be used on the inside of the fence.

3. *Indoor Operation.* In addition to the operation restrictions in subsection C(1) above, the following restrictions shall apply to Collective Gardens located indoors:

a. *Limitation on Square Footage Devoted to Collective Garden.* The indoor Collective Garden shall be limited to no more than one hundred (100) contiguous square feet per legal parcel.

b. *Exterior Appearance.* The indoor Collective Garden shall be located in a structure within a fully enclosed and secure structure, as defined in subsection .20[G].

c. *Lighting.* Interior structure lighting, exterior structure lighting, and driveway and/or parking area lighting shall be of sufficient foot-candles and color rendition so as to allow the ready identification of any individual committing a crime on site at a distance of no less than forty feet from the structure.

d. *Security.* Security measures at the Collective Garden shall include, at a minimum, the following:

(i) Robbery and burglary alarm systems which are professionally monitored and maintained in good working condition;

(ii) Exterior lighting that illuminates all exterior entrances;

(iii) Deadbolt locks on all exterior doors; and

(iv) Windows and roof hatches secured with bars on the windows so as to prevent unauthorized entry, and be equipped with latches that may be released quickly from the inside to allow exit in the event of an emergency.

D. *Delivery only among members.* No usable cannabis from the Collective Garden may be delivered to anyone other than one of the qualifying patients participating in the Collective Garden. Collective Garden employees/volunteers or Collective Garden members may not sell any cannabis plants or usable cannabis. Such activities may be prosecuted under the Uniform Controlled Substances Act, Chapter 69.50 RCW.

F. *No on-site sales of paraphernalia.* There shall be no on-site display or sale of paraphernalia used for the use or consumption of medical cannabis at the Collective Garden.

G. *Nuisance.* Nothing in this section (or this Chapter) shall be construed as a limitation on the City's authority to abate any violation which may exist from the cultivation of cannabis plants from any location, indoor or outdoor, including from within a fully enclosed and secure building.

_____.006 Violations.

A. It is a violation of this Chapter for any person owning, leasing, occupying, or having charge or possession of any parcel of land within any unincorporated area of the City to cause or allow such parcel of land to be used for the indoor or outdoor cultivation of marijuana or cannabis plants for medicinal purposes in excess of the limitations set forth herein.

B. The cultivation of more than the number of cannabis plants set forth in this Chapter on one legal parcel, either indoors or outdoors, within the City, regardless of whether the person/s growing the cannabis is/are a "qualified patient," or members of a "collective garden" as defined herein, is hereby prohibited.

C. Any violations of this Chapter may be enforced as set forth in Chapter 17.40 (Enforcement of Zoning Code Violations), or as applicable, the Uniform Controlled Substances Act, Chapter 69.50 RCW. In addition, violations of subsections A and B of this Section are deemed to be a public nuisance and may be abated by the City under the procedures set forth in state law for the abatement of public nuisances.

SECTION III: Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be unconstitutional or unlawful by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

SECTION IV: Corrections by the Clerk-treasurer or Code Reviser. Upon approval of the Mayor and City Attorney, the Clerk-treasurer and the Code Reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors, references to other local, state, or federal laws, codes, rules, or regulations, or ordinance number and section/subsection numbering.

SECTION V: Effective Date. This ordinance shall be effective five days after publication of an approved summary.

PASSED by the _____ Council of _____ this ____ day of _____, 2013.

MAYOR

ATTEST/AUTHENTICATED:

City Clerk

APPROVED AS TO FORM:

City Attorney

ORDINANCE - 18
3/20/13
DG/le

City Attorney

PUBLISHED:

EFFECTIVE DATE:

Marijuana Producers, Processors, and Retailers – Where Will They Be Setting Up Shop?

Posted on March 5, 2013 by Jim Doherty



It's been almost four months since Washington voters passed Initiative 502 and directed our state to take a "new approach" to adult marijuana use: regulate and tax instead of prohibit. Are you, and your community, still in shock? Have some residents been telling you that they "certainly don't want any such businesses locating anywhere in _____!" – while at the same time potential marijuana entrepreneurs are contacting the planning department and searching for prospective locations?

The state Liquor Control Board is working hard at coming up with the basic regulations, but nothing has been issued for public comment yet. We encourage you to visit its I-502 Implementation page to stay current on the rule development process. But do not expect the board to issue regulations that will resolve many of the city and county planning issues presented by I-502.

Have you thought about the distinctions between marijuana producers, processors, and retailers? Initiative 502 delineates three levels for this regulated business. The growers are restricted to growing the plant; the processors are the ones who incorporate the plant product into edibles, liquids, or packaged bud ready for retail; and the retailers are, as expected, the people who run the shops where marijuana products and related paraphernalia are sold.

There is, fortunately, one clear land use provision in initiative 502, found in subsection 8 of section 6:

The state liquor control board shall not issue a license for any premises within one thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older.

That provision applies to marijuana producers, processors, and retailers. So we suggest that each jurisdiction start by having its planning department do a careful job mapping out areas that are specifically excluded from having any marijuana-related businesses. You might be surprised. We talked to one smaller town in eastern Washington that concluded there is no place in town where any marijuana business can legally locate. We suspect that in many jurisdictions there will be limited or even no locations where such businesses can locate.

You really cannot assess your situation until you know, after consideration of the locational restrictions imposed by the initiative, the potential locations for these marijuana-related businesses. Once your city or county has done that mapping and determined where these businesses could potentially locate, there are some obvious questions that need to be addressed, such as: what is the applicable zoning for these areas; in which of these areas might you want to allow these marijuana-related businesses to locate; and will they be allowed as a permitted or as a conditional use?

Marijuana growers. Here's a thorny question: if someone is growing marijuana in an enclosed building (not a greenhouse), is that an agricultural use? At this point we don't know whether the Liquor Control Board will be issuing licenses to many small growers, or to just a few larger growers, or to a mix of both. A state-licensed grower may want to locate in small warehouse in your jurisdiction's commercial or industrially zoned areas – is that

agricultural type use currently allowed? To take the lingering “moral” issue out of the question, consider where your jurisdiction would allow someone to construct greenhouses for flower cultivation. Should outdoor growing or greenhouse cultivation be allowed in all agriculturally zoned areas?

Marijuana processors. What zones in your jurisdiction might be appropriate for marijuana processors? Remember that marijuana will be sold for consumption not only in the raw, smokeable form but also through “marijuana-infused” products, such as baked goods and liquids. For an equivalent business, consider someone who has a business making baked goods or a small chocolates factory. Where in your jurisdiction would you normally allow such a business to locate? People in the food processing business need to meet various state and county health and safety codes. Is there any basis for treating marijuana processing differently than food processing businesses?

Marijuana retailers. (Note that retailers may sell only marijuana, marijuana-infused products, and paraphernalia, and that they may display only a single sign no larger than 1600 square inches, displaying the business name.) Should a jurisdiction allow marijuana retailers to set up shop in any area zoned for retail use (so long as it meets the 1,000-foot exclusion zone requirement)? Might there be different safety concerns for marijuana retailers than for other types of retail businesses? Will the likely clientele be different? How will your community feel about such businesses? These are but a few of the questions you will end up asking.

The Liquor Control Board now estimates that it will have draft regulations for the marijuana producer licenses released for public comment around mid-April. The draft regulations for processors and retailers will come later. It will be a few months between the issuance of draft regulations and when the final regulations will go into effect. This is going to take a while. In the meantime, we suggest that you spend some time thinking about the many zoning issues raised by this new class of business. Will your jurisdiction have sufficient time to adopt local land use regulations? Should your jurisdiction consider interim regulations or a moratorium on accepting applications for such uses?

Before the Liquor Control Board issues a license for a marijuana business, the local jurisdiction – city or county – has an opportunity to file written objections against the applicant or against the proposed location, and the local jurisdiction can request that a hearing be held by the board. See subsection 7 of section 6 of Initiative 502 for details regarding this process.

Local licensing. When a marijuana entrepreneur shows up with a state-issued license for growing, processing, or retailing marijuana, is the city or county required to issue a local business license (assuming that zoning requirements are met)? We think so (though see below). To forestall people applying for business licenses before they obtain a state license, you may want to consider expressly requiring a state license as a condition of issuing a business license.

If marijuana businesses are not prohibited based on the initiative’s locational restrictions, can a jurisdiction prohibit in its zoning code all marijuana businesses, either because of local public sentiment or based on concerns involving the ongoing federal prohibition? This is an issue the initiative does not address and it remains an open question. Your legal counsel should be consulted should your jurisdiction be considering such a course of action.

Be patient with all the uncertainty regarding these issues. This topic will be studied diligently by county prosecutors and city/town attorneys over the coming months. We expect that there will be a wide range of approaches taken to these questions. Nobody has any clear answers – we aren’t in Kansas any more!

[MRSC recently posted a new webpage on “Recreational Marijuana - Initiative 502 Implementation.” Additional materials will be posted there as regulations are adopted by the Liquor Control Board, and as jurisdictions start to adopt local ordinances dealing with the above issues.]

MEMORANDUM

TO: MAYOR AND CITY COUNCIL, City of McCleary
FROM: DANIEL O. GLENN, City Attorney
DATE: March 25, 2013
RE: LEGAL ACTIVITIES as of MARCH 27, 2013 (SUPP.)

THIS DOCUMENT is prepared by the City Attorney for utilization by the City of McCleary and its elected officials and is subject to the attorney-client privileges to the extent not inconsistent with laws relating to public disclosure.

1. **ZONING MATTER**: Mr. Aaland has provided his report on the Public Hearing as well his findings and conclusions as well as his recommendation. Pursuant to the Code's requirement, Ms. Collins will have provided each of you with a copy of that report.

At this stage, the next step is for the Council to decide if it wishes to have a separate public hearing or to move forward to a decision based upon the recorded record of the hearing and the document submitted by Mr. Aaland.

A. If it the former approach, public notice will have to be published as to the date and time upon which you wish to have the hearing.

B. If you feel the record is adequate and no additional public hearing is required, the matter would be set on for consideration by you at your next regular meeting although at that meeting you can change your mind and schedule a public hearing.

Either way, the ultimate decision is yours. The

alternatives include approval, rejection, or partial approval.

I have provided a copy of a draft ordinance to Ms. Collins although for obvious reasons it would not be appropriate for considerations this evening.

For ease of reference, I am setting out the application portion of Section 17.40.130 MMC at the end of this supplemental report.

As always, this is not meant to be all inclusive. If you have any questions or comments, please direct them to me.

DG/le

Section 17.40.130 MMC

C.....Upon receipt of the commission's recommendation, the clerk-treasurer shall place the recommendation upon the agenda for the next regular meeting of the city council for commencement of consideration as set forth in subsection D of this section.

D. Upon receipt of the commission's recommendation on the matter heard by the commission, **the city council shall at the next regular meeting of the council either set a time and place of public hearing thereon and order public notice as herein provided, or, if determines that no additional public hearing is necessary, set the matter on for consideration at its next regular council session. It at the time set for consideration without public hearing, the majority of the council determines it appropriate to schedule a public hearing, such hearing may be scheduled and held as provided for herein. So long as the council determines it has adequate information from the applicant and/or planning commission to make a decision, the council shall take final action within sixty days after the later of (1) any public hearing held by it or (2) the date of the consideration without public hearing. The council may its issue decision by passing an amendatory ordinance, by declining to amend, or by referring the matter back to the planning commission for further consideration.** To the extent required by law, the council

shall issue written findings of fact and conclusions of law in relation to the decision it makes. Written notice of the action take by the city council shall be transmitted by the clerk-treasurer to the planning commission and/or to the applicant, if the matter was initiated by the filing of an application: provided that, for purposes of an appeal, the date of issuance of the council's decision shall be determined as provided in RCW 36.70C.040(4), as now existing or hereafter amended or succeeded.

E. The city council's decision shall be final unless an appeal is timely filed and perfected within ten days of the issuance of the notice of the decision provided for under subsection D or, if applicable, within the time period set forth under the provisions of RCW 36.70C, as now existing or hereafter amended or succeeded.

ORDINANCE NO. _____

**AN ORDINANCE RELATING TO ZONING;
AMENDING SECTION 17.12.010 MMC AND SECTION
17.20.30 MMC; AND PROVIDING SEVERABILITY
AND AN EFFECTIVE DATE.**

R E C I T A L S:

1. Pursuant to the provisions of Title 17 of the Municipal Code, the City has exercised the authority granted under Chapter 35A.63 RCW to undertake planning and zoning of the properties within the City.

2. This year, pursuant to applicable law, at the request of a citizen, the City Council referred to the Planning Agency the matters of amending the provision of Title 17 by (a) the modification of the authorized uses in the C-1 district as set out in Section 17.30.030 and (b) and adding a definition to the Section 17.12.010.

3. An open record public hearing was held on March 6, 2013, by the Hearing Examiner within the scope of his duties as the Planning Agency. All necessary notices had been published. Based upon the material provided to the Examiner,

he has provided Findings, Conclusions, and Recommendation to the Council. A copy of those are attached to this ordinance.

4. The Council has received and considered the record developed by the Planning Agency, as well as its recommendation. The recording of the hearing has been made available to the Council and Mayor.

NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY:

SECTION I:

A. The Council found at its meeting of March 27, 2013, that pursuant to Section 17.40.030[C] MMC, no further public hearing was required and set the matter on for consideration at its meeting of April ____, 2013.

B. The record developed by the Planning Agency is adopted as the record of the Council. Based upon the record received and considered by it, the Council finds that conditions have changed since the adoption of the existing provisions of the Zoning Code. Further, that these changes merit the modifications made by Sections II and III of this Ordinance.

SECTION II: That certain set of definitions contained in Section 17.12.010 MMC and Section 1, Ordinance

709, shall have added to it the following definition, which shall be inserted alphabetically at the time of the next codification of ordinances:

"Contractor office" means a service establishment primarily engaged in general contracting or subcontracting in the building construction trades. These offices are primarily intended to house the administrative functions of a contractor. No external storage of tools, equipment or materials is allowed.

SECTION III: Section 1, Ordinance 709, as last amended by Section 5, Ordinance 737, and §17.20.030 MMC, constituting the chart of permitted uses within the respective zones, shall each be amended to add contractor office as a permitted use in the C-1 Zone.

SECTION IV: Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held to be invalid, the remainder of such code, ordinance or regulation or the application thereof to other persons or circumstances shall not be affected.

SECTION V: Effective Date. This Ordinance shall take effect upon the fifth day following date of publication.

SECTION VI; Corrections by the Clerk-treasurer or Code Reviser. Upon approval of the Mayor and City Attorney, the Clerk-treasurer and the Code Reviser are authorized to

make necessary corrections to this ordinance, including the correction of clerical errors, references to other local, state, or federal laws, codes, rules, or regulations, or ordinance number and section/subsection numbering.

PASSED THIS ____ DAY OF _____, 2013, by the City Council of the City of McCleary, and signed in approval therewith this _____ day of _____, 2013.

CITY OF McCLEARY:

D. GARY DENT, Mayor

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

STATE OF WASHINGTON)
 : ss.
GRAYS HARBOR COUNTY)

I, Wendy Collins, being the duly appointed Clerk-Treasurer of the City of McCleary, do certify that I caused to have published in a newspaper of general circulation in the City of McCleary a true and correct summary of Ordinance Number _____ and that said publication was done in the manner required by law. I further certify that a true and

correct copy of the summary of Ordinance Number _____, as it was published, is on file in the appropriate records of the City of McCleary.

WENDY COLLINS

SIGNED AND SWORN to before me this _____ day of _____, 2013, by Wendy Collins.

NOTARY PUBLIC IN AND FOR THE STATE OF
WASHINGTON, Residing at:
My appointment expires:

STAFF REPORT

To: Mayor Dent
From: Nick Bird, Director of Public Works
Date: March 20, 2013
Re: Current Non-Agenda Activity

Well 2 & 3 Project

The work on this project still suspended, but expected to start again on April 8. During the construction meeting held on the 18th, we confirmed that the Motor Control Center (MCC) that we have been waiting on is still expected to ship on April 3. We are anticipating the arrival of the MCC on April 10. Work beginning on the 8th will allow the Contractor to complete wire placement prior to the arrival and installation of the MCC as well as complete the finish grading around the building. We are anticipating two weeks of electrical work to install the MCC and provide power to all equipment in the treatment building. After power is provided to the equipment in the treatment building we will have the vendors for each piece of equipment fly in to ensure startup of the equipment is completed in accordance with the manufacturer's recommendations. The next construction meeting will be on April 8, where our focus will be on scheduling startup activities for the equipment in the treatment building.

4kV Substation

This item is addressed as an action item this meeting.

Ecology Grant/Loan Program

No status changes have been noted. We have not received an official offer yet, as the funding package is still contingent upon legislative action. Again, when we receive notice, we will convey that notice to Council.

Public Works Phones

We currently utilize Sprint for the Public Works cell phones. Over the last few years, we have had limited utilization of the phones due to the poor cellular service and frustration of carrying two phones. As such, many public works employees use their personal phones for work related phone calls. In an effort to correct both of these deficiencies, the Public Works Department will switch to Verizon, as the Police Department did last year.

Wildcat Creek Aquifer Study's

I have finally had the chance to review the two reports put together for our Wildcat Creek Aquifer by the Horsley Witten Group and Arthur / Pacific Ground Water Group, both in 2008. While they differ in their statements of the number of aquifers, both reports provide very well thought out recommendations. Unfortunately, after a thorough review

of both reports, I was unable to confirm that the City should apply for “Sole Source Designation” as Ms. Franklin stated. For your reference, a summary of the recommendations provided in each report is presented below:

A. Horsley Witten Group

1. Water Level Monitoring [Pg. 16]
 - i. Monitoring wells are in place, but background monitoring has not occurred as frequently as it should be. We will be looking into this in the near future. Additionally, the new well improvements will be incorporating water level monitoring equipment at Well 2 and Well 3.
2. Water Quality Testing (Private Wells) [Pg. 16]
 - i. To our knowledge, this recommendation has not been completed. The recommendation suggests testing shallow wells (less than 30 feet), where our source is drawn from approximately 90 feet. This will be further evaluated in the future.
3. Private Well Protection [Pg. 16]
 - i. The County enforces private well protection, as all residents within the City, specifically above the aquifer are required to connect to City water and sewer.
4. Public Education [Pg. 17]
 - i. Completed with wellhead protection plan update in 2008. Will be revised in 2014 when Water System Plan is updated.
5. Transfer of Development Rights [Pg. 17]
 - i. This is a regulatory strategy that the City and County have implemented. The basic premise is to transfer development from sensitive areas with the intent of limiting potential contaminant sources. This was done via an Interlocal agreement between the City and County prohibiting septic systems above the aquifer and limiting potential contaminant sources developing on the north end of the City.
6. Low Impact Development [Pg. 20]
 - i. This process has been attempted in the City in 2008 and 2009. Unfortunately due to the high groundwater in our jurisdiction, this is not a one size fits all scenario and will require further investigation prior to implementation.
7. New Well Construction [Pg. 24]
 - i. A new well is recommended if nitrogen loading is confirmed in the Water Quality Testing recommendation. A new well should eventually be considered because we currently have no secondary source of supply. If a new well is constructed, it should be constructed in a different location other than where our existing wells are located.

B. Arthur / Pacific Groundwater Group

1. Establish the Wildcat Creek Aquifer Management Area by Interlocal Agreement [Pg. 21]
 - i. Completed in July 2009
2. Designate an Urban Services Area for the City [Pg. 22]
 - i. We have discussed this recommendation previously. Adoption of an “Urban Services Area” is effectively adopting an “Urban Growth Area” or UGA for short. In doing this we will need to move towards planning as Growth Management Act (GMA) counties plan. As a reminder, Grays Harbor County does not plan under GMA, so we are leading a charge that very few have considered.
3. Investigate the feasibility of establishing a backup wellfield [Pg. 22]
 - i. As identified previously, in the event a new well is constructed, it should be located in a different area of the City, or consider an intertie with Elma as a secondary source of supply. No serious attention has been given to this recommendation due to the potential financial impact.
4. Designate the City portion of the wellhead protection area for the City wells as a critical aquifer recharge area [Pg. 23]
 - i. Our current Critical Areas Ordinance, identified in MMC 18.08 loosely addresses this issue as well as our current wellhead protection plan (developed in accordance with WAC 246-290-135). The wellhead protection plan will be revised in 2014 with the Water System Plan update. Additionally, to comply with our Interlocal agreement with the County we will need to revisit our Critical Areas Ordinance in the near future.
5. Revise the City’s wellhead protection area to conform to the ten-year time travel capture zone [Pg. 23]
 - i. As previously stated, the wellhead protection plan was updated in 2008 in conjunction with the 2008 Water System Plan.
6. Revise the City’s Integrated Pest Management program to make it more workable [Pg. 23]
 - i. I am unsure about this recommendation. I presume it has to do with education of the public as it relates to use of synthetic organic chemicals for pest control. I will need to do more research on this topic to verify.
7. Develop a monitoring program to determine whether on-site sewage systems located in the wellhead protection area on Lynch and Larson Roads are contributing contaminants to City wells [Pg. 23]
 - i. Similar to the Horsley Witten recommendation, we would like to have more background testing completed.
8. Reconsider the existing industrial zoning above the aquifer [Pg. 23]
 - i. Has not been reconsidered by the City. This is likely due to the fact that the industrial properties above the aquifer are located

downstream of the wellhead protection area. The area more likely to be of concern would be the commercial lands located within the wellhead protection area and transportation routes through the wellhead protection area.

9. Continue efforts to reduce per capita water consumption [Pg. 23]
 - i. Conservation activities are regularly encouraged. In the next year or so, we would like to recommend an inclining block rate structure for our water rates. An inclining block rate structure encourages conservation activities as the more water a residence uses, the higher the rate charge is. This is also beneficial from the customer's standpoint as they have much more control over their water bill.

Again, after reviewing all recommendations, and summarizing them herein, the topic of sole source designation was not encountered. This topic is discussed in the Arthur / Pacific Groundwater Group report, specifically on Page 11 (for your reference, a copy of which follows this report). The basic nature of the program is to hand the proverbial keys to development over to the US Environmental Protection Agency for their regulation of land use above the aquifer. After checking with the Department of Health, it is their understanding that not one public agency in the State of Washington has gone through this program. To answer the basic question that was asked, "Why hasn't the City designated the aquifer as a sole source aquifer?" one needs to review the introduction of the Chapter, which is right above this topic, "*All such programs require detailed applications, considerable funding, and appear to be more complicated than needed for present management of the Wildcat Creek Aquifer.*"

2nd Street Intersection (repeat)

No new information has been discovered on funding opportunities. We will continue the search as necessary to address the sight distance concerns presented to Council in 2012. In an effort to increase our opportunity for success when funding becomes available, it may be prudent to utilize Gray & Osborne to lay out a conceptual site plan. Please let us know if this is something you would like to see.

Water Rates (last repeat)

As this topic was not discussed at the last meeting, it is being left for reference in the event this information is needed.

Rate History

- This topic starts in mid 2007, when the City solicited proposals from firms to complete a water rate study.
- In late 2007, the City selected FCS to complete the rate study work.
- As the Water System Plan was getting wrapped up, the study was placed on hold until the Water System Plan was completed.

- The Capital Improvement Plan outlined in the Water System Plan included a variety of system deficiencies that needed to be addressed.
- In 2008, the Water System Plan was finalized. Work on the rate study continued from September to December.
- In December 2008, FCS presented the Rate Study findings to the Finance Committee, then Council. Five rate options were presented to the Finance Committee. The Committee then narrowed it down to two options for the Council to consider. The first included a higher base rate and overage amount, with the base rate including 1000 cubic feet (CF). The second option included a lower base rate and overage amount with the base rate including 500 CF. Both options included a 22% increase for 5 years. The second option was chosen by Council.
- December 10, 2008 the City Council adopted Resolution 578, setting the rates and the associated 22% increase that would affect the rates through the beginning of 2013.
- In 2009 and 2010, base rates were increased accurately but the overage amount (consumption above 500 CF) was not increased.
- In January 2011, it was discovered that the overage amount had not been increased accordingly. This was presented to the Council for consideration. Council determined that the overage amount currently being billed would be the starting point for the increase, instead of increasing the rates to the calculated amount for 2011; this was done by adopting Resolution 623. This resolution also included language for rate modifications after 2013, which would be 3% or based on the Consumer Price Index (CPI), whichever is higher.
- Since January 2011, base and overage rates have increased at 22% in accordance with Resolution 623.

As the primary driver for the rate model was capital improvements, a summary of improvements completed or where funds have been allocated are shown below.

Funded Projects To Date

- Well No. 2 and No. 3 Pre-Design Report
- Well No. 2 Improvements
- Well No. 3 Improvements
- Water Rights Transfer
- 150,000 Gallon Reservoir Interior Painting
- 500,000 Gallon Reservoir Interior Painting
- Iron and Manganese Treatment System
- Meter Reading / Billing Software and Equipment

When using the 2008 costs shown in the Water System Plan, these projects account for approximately 60% of the work planned through 2014. As is typical, inflation has the ability to change this value dramatically. Cost data has not been compiled on the funded projects, but can be if Council is interested.

At this time, the only significant items remaining from the initial Capital Improvement Plan are water main replacements to increase fire flow in certain areas throughout the City. This work has yet to be planned.

Hopefully this information provides sufficient detail to the Council to understand how and why we have arrived at the current rates. Please note that, in the future, we may want to consider revising the rate schedule to put more of emphasis on consumption instead of the base rate, similar to electricity. Utilizing this approach will give the customers more control over their bill as well as promote conservation of our existing resources.

Part 2 – Regulatory Alternatives

Introduction

Several state and federal statutes address the protection and management of groundwater resources, especially for communities without a practical alternative drinking water source. All such programs require detailed applications, considerable funding, and appear to be more complicated than needed for present management of the Wildcat Creek Aquifer.

Sole Source Aquifer Protection Program

The federal Safe Drinking Water Act authorizes the U. S. Environmental Protection Agency to designate aquifers that are the sole or principal source of drinking water for an area. To meet the criteria for designation, a sole source aquifer must supply at least 50 percent of the drinking water to persons living over the aquifer, and there can be no feasible alternate source of drinking water. Once designated, EPA can review proposed projects that are to receive federal funds and that could contaminate the aquifer. The EPA Sole Source designation is also referred to in several state statutes as justification for applying a state program.

Washington State Statutes and Programs

The Water Resources Act of 1971

Chapter 90.54.140 of the Revised Code of Washington singles out sole sources and is referenced in several Department of Ecology groundwater programs:

The legislature hereby declares that the protection of groundwater aquifers which are the sole drinking water source for a given jurisdiction shall be of the uppermost priority of the state department of ecology, department of social and health services, and all local government agencies with jurisdiction over such areas. In administration of programs related to the disposal of wastes and other practices which may impact such water quality, the department of ecology, department of social and health services, and such affected local agencies shall explore all possible measures for the protection of the aquifer, including any appropriate incentives, penalties, or other measures designed to bring about practices which provide for the least impact on the quality of the groundwater.

Regulation of Public Groundwaters Act, Chapter 90.44 RCW

Excerpts from RCW 90.44.400, Groundwater Management Areas:

(1) This legislation is enacted for the purpose of identifying groundwater management procedures that are consistent with both local needs and state water resource policies and management objectives; including the protection of water quality, assurance of quantity, and efficient management of water resources to meet future needs. In recognition of existing water rights and the need to manage groundwater aquifers for future use, the department of ecology shall, by rule, establish standards, criteria, and a process for the designation of

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 21, 2013
Re: Council Electronics

After our discussion last meeting, we have focused on migrating to iPad's for Council use. There are a few options that we would like you to consider.

1. Wi-Fi Only

- a. This is the entry level option. If we purchase the wi-fi only equipment, we will not have the ability to upgrade to a network enabled system (through a cellular carrier) without purchasing new equipment.
- b. Installation of a wi-fi network at City Hall would be recommended to be installed to increase functionality. The network could be installed for as little as \$300, which would be additive to the total cost of the upgrade.
- c. Utilization of a wi-fi network outside City Hall would be the user's responsibility.
- d. No monthly cost is required for this package.
- e. The total maximum cost of this equipment upgrade is approximately $\$4,900 + \$300 = \$5,200$.

2. Network Enabled (AT&T through State Contract)

- a. This is a mid range option. If the network enabled equipment is purchased, we can downgrade to wi-fi only if chosen and reactivate network enabled if chosen without purchasing new equipment.
- b. Installation of a wi-fi network at City Hall would be recommended to be installed as AT&T does not have a strong network in McCleary yet. Construction improvements are planned, but we are at the mercy of AT&T.
- c. Utilization of a wi-fi network is optional outside of City Hall. When in other areas of the state/country, AT&T has great service speed.
- d. A monthly cost of \$39.99 plus applicable taxes is required for this package. The total monthly cost is approximately \$350 for all users. This translates to an annual cost of approximately \$4,200.
- e. The total maximum cost of this equipment upgrade is approximately $\$5,200 + \$300 = \$5,500$.

3. Network Enabled (Verizon through State Contract)

- a. Similar to Option 2, this is a mid range option that can be downgraded and upgraded as necessary without purchasing new equipment.
- b. Installation of a wi-fi network is not required as network service speeds in McCleary are similar to that of a wi-fi network.
- c. Verizon has great coverage throughout the state/country. As a result, utilization of a wi-fi network is not likely necessary.
- d. A monthly cost of \$39.99 plus applicable taxes is required for this package. The total monthly cost is approximately \$350 for all users. This translates to an annual cost of approximately \$4,200.
- e. The total maximum cost of this equipment upgrade is approximately **\$6,100**.

4. Summary

Option	Wi-Fi Necessary	Coverage	Monthly Cost	Annual Cost	Startup Cost
Wi-Fi Only	Yes	Poor	\$0	\$0	\$5,200
Network Enabled (AT&T)	Recommended	Average	~\$350 / month	~\$4,200 / year	\$5,500
Network Enabled (Verizon)	No	Excellent	~\$350 / month	~\$4,200 / year	\$6,100

Action Requested:

Please identify the preferred option so that staff may proceed with procurement.

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 21, 2013
Re: Snow and Ice Control

Minor revisions to the policy have been made since it was last presented to you.

1. The route up to the former hospital has been changed from a Priority 1 route to a Priority 2 route, as the facility is no longer a 24 hour emergency care facility.
2. Definition of "cleared" has been revised.
3. Reference to the WSDOT Snow and Ice Plan has been included in the list of references.
4. Effective Date has been revised to March 28, 2013, presuming approval at the March 27, 2013 Council Meeting.

Please note that we have remained silent on the parked vehicles and sidewalk issues presented in the February Staff Report as no recommendations to include these items have been provided. Additionally, Councilmember Schiller is concerned about the tort liability of including these items in our policy.

Action Requested:

In accordance with Ordinance 779, Council approval is required to implement this plan. Please consider approving the attached Snow and Ice Control Policy.



City of McCleary
Home of the McCleary Bear Festival

SNOW AND ICE CONTROL POLICY

Effective Date: 03/28/13
Revision Date: N/A

Project #: A12-16
Prepared By: NDB

1. **REFERENCES**

- 1.1. Priority Routes Map (Figure 1)
- 1.2. Ordinance No. 779
- 1.3. WSDOT Maintenance Manual – Chapter 7 Snow and Ice Control
- 1.4. WSDOT Snow and Ice Plan

2. **PRIORITIES**

- 2.1. A prioritized system of roadway plowing is established and identified on the Priority Routes Map.
- 2.2. Snow plowing operations will be initiated in the following manner unless it is readily apparent that changing weather conditions will not warrant plowing.
 - 2.2.1. **Priority 1 Routes** – Priority 1 Routes are the top priority for snow and ice control, which includes access in and out of the city and to emergency facilities. Work continues on Priority 1 Routes until they are cleared when the snow depth exceeds one (1) inch.
 - 2.2.2. **Priority 2 Routes** – Priority 2 Routes are secondary roadways including access to educational facilities, the downtown business district, and areas of regular medical aid calls. After Priority 1 Routes are cleared, work moves to Priority 2 Routes. Work continues on Priority 2 Routes until they are cleared.
 - 2.2.3. **Local Access and Residential Roads** – After Priority 1 and 2 Routes are cleared, local access and residential roads shall be cleared. Local access and residential roads are not typically cleared as overtime tasks. The Director of Public Works or his designee may choose to clear these roads utilizing overtime at their discretion.
- 2.3. When Conditions are favorable for ice formation on roadways or when notified by Grays Harbor Dispatch, sand is applied to the road surface. Initial sanding operations prioritize hills, intersections, and bridges on Priority 1 and 2 Routes. Anti-icing chemicals are not currently used by the City.
- 2.4. Typical activities begin when there is one inch (1-inch) or more of snow on the Priority 1 Routes. When an event warranting plowing occurs, Priority 1 Routes are addressed within the first 0 – 36 hours. Priority 2 Routes are addressed within 72 hours of the initial event. If another event occurs during the first 72 hours, crews will return to the Priority 1 Routes.

3. EQUIPMENT

- 3.1. Snow and ice equipment is inspected, calibrated and ready to mount on trucks by November 1st. Sand stockpile shall be maintained at the wastewater treatment plant. Stockpile quantity shall be regularly monitored to ensure adequate sand volume is on hand November 1st – January 31st.

4. PERSONNEL

- 4.1. All employees in Teamsters Bargaining Unit are subject to call for snow control duties in accordance with the applicable collective bargaining agreement.
- 4.2. During single event occurrences, crews will endeavor to work a maximum of twelve (12) continuous hours.
- 4.3. During prolonged snow removal activities, operations will be split into two shifts. Shift hours will be from 8 AM to 8 PM and from 8 PM to 8 AM.

5. DRIVEWAYS AND PRIVATE ROADS

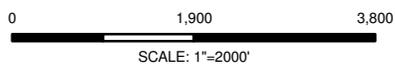
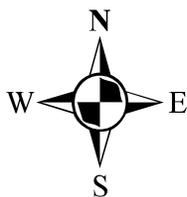
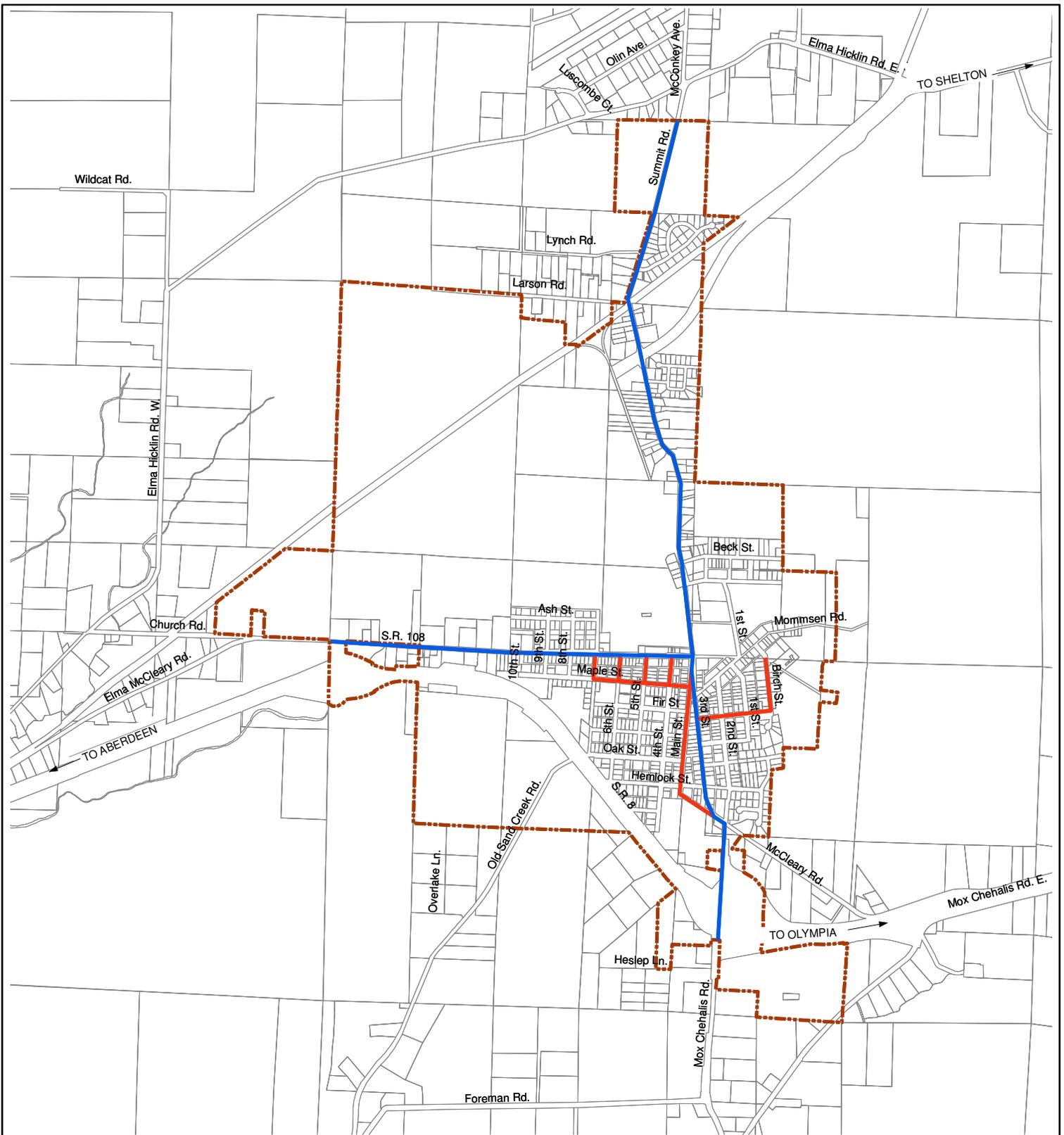
- 5.1. Public Works does not remove snow from driveways or private roads, including portions of driveways and private roads in City owned right-of-way. Snow is removed from emergency and federal agency approaches or driveways.
- 5.2. The streets will be plowed to the edge of the traveled lane. Plowing operations may obstruct driveways and private road approaches. These access points shall be the resident's responsibility to clear.

6. ITEMS WITHIN THE RIGHT-OF-WAY

- 6.1. Items located within the City right-of-way are the owner's responsibility to maintain and repair if damaged, except when damage occurs by direct contact with the snow removal vehicles or equipment.
- 6.2. A repair for damage caused by indirect contact is the owner's responsibility. This includes damage caused by the force of snow plowed by snow removal equipment or by sand during sand application.

7. DEFINITIONS

- 7.1. The term "cleared" indicates that snow has been removed from the travel lanes. It does not indicate bare pavement. There may be compact snow and ice on roads that are "cleared". When practical, snow is also removed from the shoulder area to provide capacity for additional snow and to provide adequate drainage areas for melting snow. Plowed snow may be placed in a variety of locations, including but not limited to roadway shoulders, into roadway ditches, or into roadway planting areas.



Legend

- PRIORITY 1 ROUTE
- PRIORITY 2 ROUTE
- CITY LIMITS
- PARCELS

CITY OF McCLEARY

FIGURE 1

PRIORITY ROUTE MAP



Gray & Osborne, Inc.

CONSULTING ENGINEERS

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 20, 2013
Re: Surplus Transformers

In November we adopted Resolution 650, declaring certain transformers surplus and providing for the disposal of these surplus transformers. In accordance with Resolution 650, which states the disposal is subject to the Council's approval prior to any agreement to sell being final, we are presenting the disposal alternatives, with a recommendation provided below.

We have discussed disposal of surplus material with two companies, Transformer Technologies (Salem, OR) and T&R Electric (Colman, SD). Generally, companies charge for disposal of PCB laden transformers (over 50 parts per million [PPM]) and pay for non PCB contaminated transformers (under 50 PPM). Only Transformer Technologies will dispose of the PCB laden transformers, so by default, they will get 5 of our surplus transformers.

Transformer Technologies proposed two options: 1) pay the City \$2,361 to dispose of all transformers or 2) charge the City \$1,480 to dispose of the PCB contaminated transformers.

T&R Electric proposed to pay the City \$5.00 / kVA. The total amount T&R would pay the City is \$4,800.

Staff Recommendation:

It is most cost effective to utilize Transformer Technologies for the PCB contaminated transformers and T&R for disposing the remaining transformers. In this scenario, total disposal translates to the City being paid \$3,320.

Action Requested:

Please consider approving disposing of surplus material as recommended by staff.

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: February 6, 2013
Re: 4kV Transformer Procurement

If you recall, the City advertised a bid solicitation for purchasing a transformer at the 4kV substation. Three bid packages were opened at 4:00 PM (local time) on March 14, 2013. An additional bid package was received the following morning, but has not been considered as it was received after the scheduled bid opening. Another potential bidder requested an extension, but was denied, as three bidders had already met the deadline.

A bid tabulation has been provided following this staff report for your reference. As you will note, the bids received are significantly higher than the estimated amount. We believe this is due to the fact that we were expecting to purchase a used transformer, but only new and rewind transformers were submitted. You will also note that all three suppliers had various difficulties meeting the specification.

Also note, in accordance with RCW 35.23.352, Council has the authority to reject any or all bids and to make further calls for bids in the same manner as the original call.

Staff Recommendation:

The most recent analysis of the transformer indicated that the combustible gas concern is decreasing and not being retained in the transformer, however, the unit still meets criteria that warrant its replacement and it is still prudent that we have a spare unit for the 4kV facility.

Action Requested:

Please consider rejecting all bids and have staff re-advertise the material procurement package.

City of McCleary
1250 KVA, 69000-2400/4160 Volt Single-Phase Transformer (New, Rewound, or Used)

Bidder		Engineers Estimate		Solomon Corp.		HD Supply Power Sol.		Virginia Transformer	
Bidder Address		Amount		103 West Main Street Solomon, KS 67480 5% Cashiers Check		9151 SE McBrod Portland, OR 97222 5% Bid Bond		220 Glade View Drive Roanoke, VA 24012 5% Bid Bond	
No. Item	Quantity	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
1	1 EA	\$ 20,000.00	\$ 20,000.00	\$ 39,500.00	\$ 39,500.00	\$ 64,474.00	\$ 64,474.00	\$ 73,754.00	\$ 73,754.00
Transformer									
Subtotal			\$ 20,000.00		\$ 39,500.00		\$ 64,474.00		\$ 73,754.00
Sales Tax @ 8.4%			\$ 1,680.00		\$ 3,318.00		\$ 5,415.82		\$ 6,195.34
Total Material Cost			\$ 21,680.00		\$ 42,818.00		\$ 69,889.82		\$ 79,949.34
New / Used / Rewound			Used		Rewound		New		New
Delivery (Average # Weeks)			17		9		25		13
Cost Includes Transport and Assembly			Yes		No		Yes		Yes
Height (in) - 10% Tolerance			144		141		144		144
Width (in) - 10% Tolerance			55		48		58		84
Depth (in) - 10% Tolerance			55		72		60		104

Sealed bids were opened at the City of McCleary, 100 South Third Street, McCleary, Washington 98557 on Wednesday, March 14, 2013, at 4:00 p.m. (local time).

I hereby certify that, to the best of my knowledge, the above tabulations are true and correct transcriptions of the unit prices and total amounts bid.


Nicholas D. Bird, P.E.

- Denotes outside bid specification tolerance

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 20, 2013
Re: Microsoft Purchase Agreement

In order to purchase Microsoft products through the Department of Enterprise Services (DES) and in order to receive the discount the State receives, we need to execute the attached agreement. This agreement does not obligate us to purchase anything through DES, but it provides the avenue in the event it is needed.

After doing some research, we may be able to purchase Microsoft products even cheaper than at the State rate. The evaluation is still in the preliminary stage, but will be presented for your consideration in the near future.

Staff Recommendation:

Since there is no cost to complete the purchase agreement with DES, other than the ink necessary to fill it out, we recommend completing the purchase agreement in the event we need to use it.

Action Requested:

Please consider authorization of the Microsoft Purchase Agreement with DES.

Please return to:
DES Technology Brokering Services
P.O. Box 42453, Olympia, WA 98504-2453
FAX: (360) 753-1673

MICROSOFT® PRODUCTS PURCHASE AGREEMENT

This Agreement is entered into by and between the Department of Enterprise Services (“DES”), an agency of Washington State, and _____ (“Customer”), a Washington State agency or political subdivision or public benefit nonprofit corporation. “Customer” includes all its members, officers, agents, contractors, representatives or employees.

This Agreement is one of three agreements that set forth Customer’s rights and obligations with respect to purchasing Microsoft products. The other two agreements are the Microsoft Select agreement (“Select”) and the Enterprise agreement (“EA”), as amended, between the Microsoft Licensing, GP (“Microsoft” or “MS”) and DES. In addition, Microsoft’s Product Use Rights (“PUR”) document provides general use rights and restrictions for all MS products.

All Customers purchasing MS products will execute this Agreement, including the attached Agency Coordinator (required) and Authorized Purchaser (optional) forms. Customers purchasing any MS product under the Select agreement will also sign the Select Enrollment forms. Customers purchasing MS products under the Enterprise agreement will also sign the Enterprise Enrollment forms.

In consideration for the right to purchase MS products at deeply discounted prices negotiated by DES, Customer agrees as follows:

1. Customer will submit all Select and EA Enrollment forms and all purchase orders for MS products directly to DES.
2. Customer will comply with its obligations and the restrictions set forth in Customer’s Enrollment Form(s).
3. Customer understands and acknowledges that Select and EA are not for personal/consulting services or any MS products with less than Level D pricing.
4. Upon DES’ request, Customer shall promptly submit all purchase orders required and, if applicable, EA True Up orders and Update Statements as required **prior** to the anniversary date of Customer’s enrollment. Customer's failure to submit any such documents shall be grounds, at the option of DES, for termination of this Agreement and/or Customer’s rights to purchase MS products through DES.
5. The purchase price is **nonrefundable**. Under Select, Customer pays for the product in full at time of purchase and has the option of paying for Software Assurance (“SA”) in full at time of purchase or in three (3) annual payments. Under EA, Customer pays for products and SA in three (3) annual payments. DES will invoice either the full payment or the first annual payment to Customer as of the Enrollment effective date or time of purchase. Second and third annual payments will be invoiced on the anniversary date of the underlying Microsoft agreement, not on the anniversary date of purchase. Customer is responsible for providing properly executed orders for annual payments when requested by DES. Under EA, the True-Up price listed for products is a **one-time-only** payment.
6. Customer agrees to pay DES in a timely fashion the agreed-upon price for all products and services received by Customer. Customer's failure to pay any such amount promptly when due shall be

grounds, at the option of DES, for termination of this Agreement and/or Customer's rights to purchase MS products through DES.

The undersigned certifies that s/he has read, understands and agrees to the provisions herein and has the authority to bind Customer to a legal contract.

Approved

State of Washington
Department of Enterprise Services

Approved

Customer

Signature

Nick Fuchs

Print or Type Name

Infrastructure and Support Manager

Title

Date

Signature

Print or Type Name

Title

Date

**THIS DOCUMENT APPROVED AS TO FORM BY THE ATTORNEY GENERAL'S OFFICE –
SIGNATURE ON FILE**

AGENCY COORDINATOR (required)

The individual(s) listed below has read and understands the obligations set forth in the attached **Microsoft Products Purchase Agreement**, and will be responsible for coordinating all activity for Microsoft (“MS”) products between Customer and DES. The MS Agency Coordinator(s) is responsible for the accurate accounting of all of Customer’s MS products purchased from DES.

This form, once properly completed and returned to DES, will enable the MS Agency Coordinator(s) to purchase MS products by any means authorized by Customer. An MS Agency Coordinator may authorize other personnel within Customer’s organization to purchase MS products from DES by means of a properly executed **Microsoft Products Authorized Purchaser** form. However, the purchase of MS products by personnel other than an MS Agency Coordinator in no way relieves an MS Agency Coordinator of his/her responsibility to accurately account for all MS products purchased from DES.

Customer is responsible for maintaining the accuracy of the MS Agency Coordinators’ contact information provided to DES. Updated contact information can be emailed or faxed to DES by the person who has executed the **Microsoft Products Purchase Agreement**.

CUSTOMER NAME: _____ (required)

DES Customer Agency/ Sub-Agency Number: _____ (required)

Signature of the person who executed the “**Microsoft Products Purchase Agreement**” on behalf of Customer:

_____ (required)

(Required) MICROSOFT AGENCY COORDINATOR	(Optional) BACKUP MICROSOFT AGENCY COORDINATOR
<i>Name:</i> _____	<i>Name:</i> _____
<i>Telephone Number:</i> _____	<i>Telephone Number:</i> _____
<i>Mailing Address:</i> _____	<i>Mailing Address:</i> _____
<i>Street Address:</i> _____	<i>Street Address:</i> _____
<i>City/Zip:</i> _____	<i>City/Zip:</i> _____
<i>Mail Stop:</i> _____	<i>Mail Stop:</i> _____
<i>Fax Number:</i> _____	<i>Fax Number:</i> _____
<i>Email</i> _____	<i>Email:</i> _____
<i>Signature:</i> _____	<i>Signature:</i> _____

AUTHORIZED PURCHASER (optional)

This form is optional and is to be completed only after Customer has appointed an **Agency Coordinator** for purchasing Microsoft Products.

Having provided the signature of the MS Agency Coordinator in the space provided, the individual listed below will be authorized to purchase MS software products from DES by any means authorized by Customer. As a MS Products Authorized Purchaser (“MS Authorized Purchaser”), it is the responsibility of the individual identified below to report all new purchases of MS software products to the MS Agency Coordinator to ensure that an accurate count of all products purchased can be maintained by Customer.

CUSTOMER NAME: *(please print)* _____ **(required)**

DES Customer Agency/ Sub-Agency Number: _____ **(required)**

Name of Microsoft Agency Coordinator: *(please print)* _____ **(required)**

Signature of Microsoft Agency Coordinator: _____ **(required)**

MICROSOFT AUTHORIZED PURCHASER	
<i>Name:</i>	_____
<i>Telephone Number:</i>	_____
<i>Mailing Address:</i>	_____
<i>Street Address:</i>	_____
<i>City/Zip:</i>	_____
<i>Mail Stop:</i>	_____
<i>Fax Number:</i>	_____
<i>Email:</i>	_____
<i>Signature:</i>	_____

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 20, 2013
Re: Power Rates Information

Attached you will find a fact sheet I received recently regarding the power and transmission rates set by BPA.

The bottom line is that power rate increases are planned to be increased approximately 9.6 percent and transmission rates are planned to be increased approximately 13 percent. This is significantly higher than the anticipated 6.8 percent increase assumed in December. At this stage, this information is not final, and the actual increase will vary from utility to utility. Once we know more, we will be sure to convey that information as well.

Staff Recommendation:

None at this time.

Action Requested:

None at this time.



Fact Sheet

March 2013

BPA setting agency rates for fiscal years 2014–2015

The agency has proposed increases of 9.6 percent for wholesale priority firm power rates and 13 percent for transmission rates.

One of the major ways the Bonneville Power Administration differs from other government agencies is that it is self-funding. BPA operates as a power utility that must recover its costs with revenues it earns from selling the products and services it provides through its power and transmission systems.

Rate cases are not about the overall costs of BPA's programs and services, which are determined in an earlier process called the Integrated Program Review, but about how those and other costs will be recovered from BPA's customers.

The rate setting process began in November 2012 when BPA issued its initial rate proposal. Those documents contained proposed methodologies for determining rates and the rate schedules that result from them, both of which can be challenged by rate case parties. The final record of decision, which includes final rates, will be released in late July 2013. BPA will request approval from the Federal Energy Regulatory Commission for the rates to be in effect for two years beginning Oct. 1, 2013.

Retail rates

Because BPA serves a host of utilities with varied load shapes, resource mixes, distribution expenses and other costs, it is impossible to provide an across-the-board comparison of how a change in BPA's wholesale rates would affect the rates of a typical residential electricity consumer. Also, the local utility may choose to absorb some or all of the change in rates if it has sufficient financial reserves. That said, we have generally observed that any change in the wholesale power rate to a full requirements utility would cost the typical household about half of the rate change, as a percentage, experienced by its utility. The impact of BPA's transmission rates is generally much smaller than the power rate impact, closer to one-tenth of the rate change experienced by the utility.

Initial rate proposal

In 2014–2015, BPA's costs will increase by about 6 percent, primarily driven by necessary maintenance on the hydroelectric system and required improvements at the Columbia Generating Station nuclear plant. Another major contributing factor is a reduction in BPA's surplus market revenue due to the prolonged economic slump and the negative impact of natural gas prices on electricity markets. The agency has been able to offset some of that decline in revenue and limit the impact on rates with savings gained through recent debt refinancing.



POWER

The four different rate schedules for the sale of federal power are Priority Firm, New Resource Firm Power, Industrial Firm Power, and Firm Power Products and Services. The vast majority of power sales are made at the Priority Firm (PF) rate. A rate schedule for General Transfer Agreement Service charges is also included in the proposal.

The **Priority Firm Power rate includes the PF Public rate** for the sale of firm requirements power to load following and Slice/block customers, and the PF Exchange rate that applies to sales under the Residential Exchange Program.

Our initial proposal PF public rates for Slice and load following purchases are increasing at an average of 9.6 percent over current rates. This accounts for the increase in the PF Tier 1 rate, and puts Slice and load following purchases on a comparable basis. Taken separately, the Slice increase is 10.3 percent while the load following increase is 9.0 percent. To calculate these increases, we put Slice and load following purchasers on a common basis by attributing a value to the surplus power that is expected to be sold to Slice purchasers. The imputed value of the surplus power is equivalent to what is included in rates for non-Slice purchasers.

The **New Resource Firm Power (NR-14) rate** is for firm power sales to the new large single loads of preference customers and to investor-owned utilities consistent with power sales contracts. Because BPA does not expect new large single loads during the rate period, it is forecasting no sales at the NR rate. However, the proposed NR-14 rate is \$73.58 per megawatt hour (MWh), which is an increase of 5.8 percent over the NR-12. Provisions are being added to the NR rate to allow a load following customer that is serving a new large single load with nonfederal resources to pay for load following services.

The **Industrial Firm Power (IP-14) rate** is for sales to two direct-service industrial customers. It is \$38.99 per

MWh, an increase of 7.4 percent over the IP-12 rate. The industrial rates change by about the same dollar per MWh amount as PF rates, but, because the current IP is higher than PF, the IP percentage increase is smaller than for PF. The rate case assumes 312 average megawatts of sales to the DSIs. The final rates will be based on the newly signed contracts with the two industrial customers.

The **Firm Power Products and Services Rate (FPS-14)** is negotiated between BPA and the purchasers. No changes are proposed to the FPS-14 rate schedule.

There are two **General Transfer Agreement Service (GTA-14)** charges: the delivery charge and the operating reserves charge. The GTA-14 delivery charge applies to customers who purchase federal power that is delivered using nonfederal low-voltage transmission facilities. The rate is being lowered to \$0.818 per kilowatt per month, but the billing determinant is being changed from the hour of the month that the BPA transmission system peaks to the hour that the customer load peaks. Generally, affected customers will see small changes on their power bill. For the first time, the GTA delivery charge is proposed to be based on nonfederal low-voltage costs, not the Transmission Services delivery charge for use of federal low-voltage facilities.

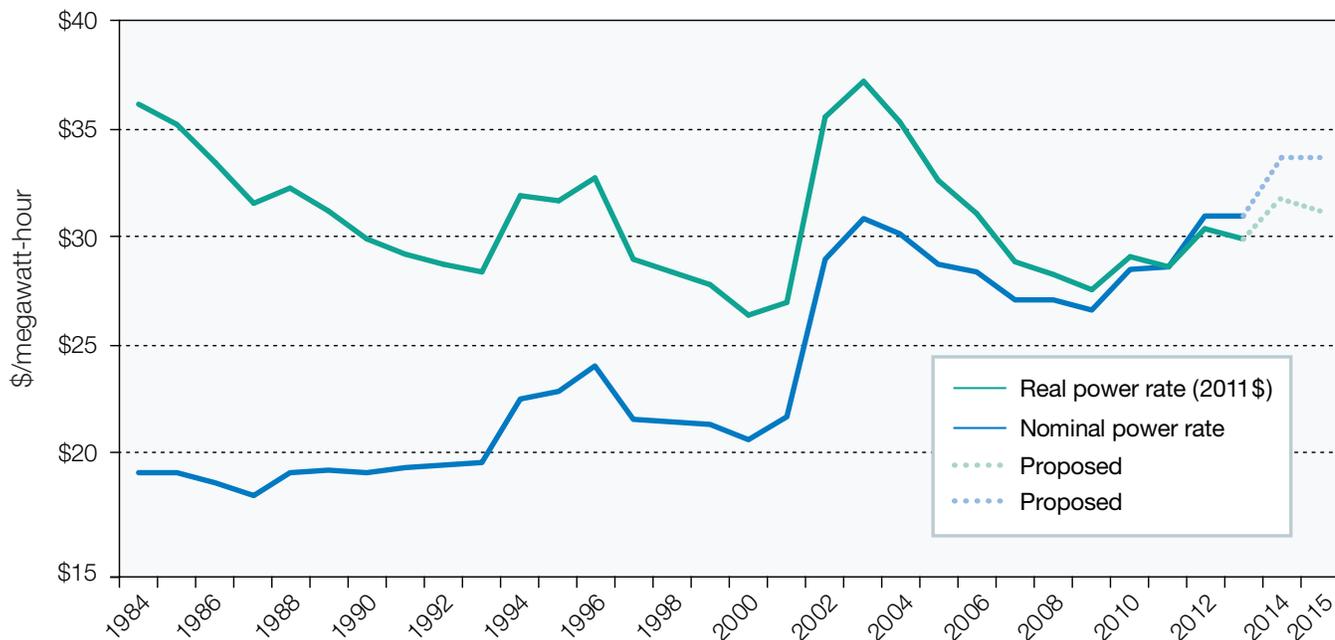
In addition, an operating reserve rate is proposed to charge transfer customers for operating reserves under certain circumstances when the Federal Energy Regulatory Commission approves the proposed reliability standard of the Western Electricity Coordinating Council.

Risk

In the initial proposal, we continue to rely on two sources of available financial liquidity that can be tapped, if needed, to pay Power Services' financial obligations. That liquidity is \$750 million in short-term borrowing from the U.S. Treasury and financial reserves. The Cost Recovery Adjustment Clause (CRAC) allows us to replenish these liquidity tools.

Historical priority firm power rates

FY 1984–2015



BPA's wholesale power rates, adjusted for inflation as shown in the green line above, have declined over the past decade.

The initial proposal includes a forecast of a 12 percent probability of a CRAC in FY 2014. Whether a CRAC will occur in FY 2014 is dependent entirely on net revenues during the 2013 fiscal year. The probability and size of a CRAC will go up and down with forecast streamflows and secondary revenue forecasts for FY 2013.

TRANSMISSION

BPA is proposing an average transmission rate increase of 13 percent. The primary drivers are a growing construction program driven by the need to repair and replace aging infrastructure and increased spending on mandatory compliance and security requirements.

The proposed increase would affect transmission customers differently: The network rate would increase 10 percent, and the point-to-point rate would increase 18 percent. These impacts were calculated under a proposed change in the cost allocation that more closely tracks the way BPA plans its system. This proposal resulted from a cost allocation evaluation that parties agreed BPA would conduct in the BP-12

Transmission Settlement. Isolating the effect of the proposed cost allocation changes, the point-to-point rate increases approximately 1.5 percent and the network rate decreases 5.9 percent.

In the last rate case, the agency was able to avoid an increase by applying reserves to offset some planned expenses, but it was acknowledged at that time that those transmission rates would not be sufficient to cover the agency's rising costs much longer.

Other transmission services

BPA will also set rates for the ancillary and control area services it provides, such as managing the imbalance between scheduled and actual transmission use. Transmission provides these services with generation inputs — a portion of Federal Columbia River Power System capacity and energy. BPA forecasts the amount of generation inputs needed, determines the cost at which Transmission buys these services from Power and proposes transmission rates to recover these costs.

The portion of available FCRPS capacity for balancing is limited, and BPA expects it will need to purchase nonfederal reserve capacity in FY 2014 and FY 2015. Therefore, BPA is proposing a methodology to assign these costs to the customers responsible for the need to purchase. These costs will be assigned under the Variable Energy Resources Balancing Service rate.

Among other changes, BPA is proposing to offer a “full service” VERBS option for customers who choose to purchase it. Currently, BPA offers variable energy resources at 99.5 percent service level, meaning the agency carries enough reserves to balance transmission schedules 99.5 percent of the time. When there are not enough reserves, BPA calls on wind generators to either reduce their generation or curtail their transmission schedules to actual generation. Under the full service option, BPA would purchase additional reserves for participating customers to avoid this requirement.

Oversupply

BPA proposed a rate to recover costs incurred under the Oversupply Management Protocol through Sept. 30, 2015. The proposal was to collect 50 percent

of the costs from power customers and 50 percent from those generators that elect to be compensated for displacement under the protocol.

FERC issued an order on Dec. 20, 2012, in which it indicated BPA's oversupply rate proposal did not provide comparable rates under section 211A of the Federal Power Act. As a result, parties agreed to suspend the rate case schedule to discuss how to proceed, and they had informal discussions about alternative cost allocation methodologies. In early March, the OS-14 hearing officer granted a motion to resume the proceeding under a revised schedule. The new schedule provides time for parties to state their positions on proposed cost allocation methodologies and includes workshops to discuss the stated positions. BPA is scheduled to issue a final record of decision on Aug. 28. The agency will then submit the cost allocation methodology to FERC for approval.

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 20, 2013
Re: Zoning Amendment

The Hearing Examiner, Neil Aaland, has conducted the required public hearing on the Zoning Ordinance Amendment presented to you in early February. Attached you will find the report provided by Mr. Aaland and the associated recommendation. A copy of the staff report provided to Mr. Aaland is also included. To summarize, the recommendation is as follows:

1. Add the following definition of “Contractor Office” to MMC 17.20:

“Contractor Office” means a service establishment primarily engaged in general contracting or subcontracting in the building construction trades. These offices are primarily intended to house the administrative functions of a contractor. No external storage of tools, equipment, or materials is allowed.

2. Add “Contractor Office” to the table of land uses in MMC 17.20.030 and provide that this is a permitted use in the C-1 district.

Action Requested:

Please consider requesting Mr. Glenn to prepare the appropriate ordinance to incorporate the recommended revision.

City of McCleary Hearing Examiner
Report and Recommendation

Application: Revise the McCleary Municipal Code (MCC) to add a definition of “contractor office” to MCC 17.12 and add that use to the list of permitted uses in the C-1 zone

Applicant: City of McCleary
100 South 3rd Street
McCleary, WA 98557

SUMMARY OF RECOMMENDATION: Adopt the recommended changes to the McCleary Municipal Code – adding a new definition of “contractor office” and adding that use to the list of permitted uses in the C-1 zone.

SUMMARY OF RECORD:

Public Hearing:

A public hearing was conducted at 3:00 p.m. on March 6, 2013. Present for the city were Neil Aaland, Hearing Examiner, Nick Bird, Public Works Director, and Colin Mercer, Acting Building Official. Mayor Gary Dent was present to observe the hearing. The Examiner summarized the proposal for the record, including the purpose of the hearing and how the hearing process works. Nobody from the public was in attendance; no oral or written testimony was provided by the public.

The Examiner asked Nick Bird if the proposal is to create a new definition of “contractor office” based upon the existing definition of “contractor yard”, but without allowing for outdoor storage. Mr. Bird noted that is the proposal. He has concerns about allowing the definition to include outdoor storage.

The written comments of city staff, together with the staff report and other supporting materials, are incorporated into the record of the hearing.

FINDINGS:

1. MCC Chapter 2.30 establishes the office of the Hearing Examiner and assigns certain responsibilities to the Examiner.
2. MCC Chapter 17.40.130 and ordinance #790 establishes the responsibility and authority of the Hearing Examiner to hear and make recommendations on matters assigned to him by the Mayor and the City Council.
3. The Mayor and the City Council have assigned to the Examiner the responsibility of conducting the required public hearing and making a recommendation to the City Council for a proposal to revise the MMC. The proposal is to add a definition of

“construction office” to the MCC and add this term to the list of allowed uses in the C-1 zone.

4. The Hearing Examiner conducted a public hearing for the proposal on March 6, 2013. No person was in the audience other than city staff.
5. City staff have provided an affidavit certifying that all public notice requirements have been met.
6. Section 17.40.140 of the MCC stipulates the procedure for amending the zoning ordinance. Section A states:

“The City Council may amend the text of the zoning ordinance, including the city of McCleary zoning map, whenever public necessity, convenience, or general welfare require such action and the proposed amendment is consistent with the city of McCleary comprehensive land use plan in accordance with RCW 35.A.63.105.

7. The MCC currently includes this definition of “contractor yards”: ““Contractor yards” means a service establishment primarily engaged in general contracting or subcontracting in the building construction trades. These include administrative offices, workshops, and the indoor or outdoor storage of tools, equipment, materials, and vehicles.”
8. The purpose of the C-1 zone is defined by MMC Section 17.16.040 (D):

“The downtown (C-1) district provides for a wide range of small to medium commercial uses and professional offices concentrated in the historic downtown area of the city. Uses in this district serve the needs of the immediate area as well as tourists to the community. The C-1 district is a compact, intensive activity center that emphasizes pedestrian access to and between businesses.”

9. City staff is generally supportive of the proposal. As discussed during the hearing and in the staff report, city staff recommends a new definition be based on this definition of contractor yards but not allow for exterior storage of tools, equipment, and materials.
10. The McCleary comprehensive land use plan includes the following discussion of the C-1 district:

“The C- district provides for a wide range of small to medium retail businesses, eating and drinking establishments, government activities, and professional offices concentrated in the traditional downtown area of the city. Uses in this district serve the needs of the immediate area as well as tourists to the community. The C-1 District is a compact, intensive activity area that emphasizes pedestrian access to and between businesses...”

11. The State Environmental Policy Act (SEPA) requires a threshold determination to be made for revisions to the comprehensive plan and the UDC. A Determination of Non-Significance (DNS) was issued on February 21, 2013. As allowed under WAC 197-11-340 (2), no comment period was provided. No conditions were attached to this DNS.

CONCLUSIONS:

1. City staff has certified that public notice requirements as stipulated by the MCC have been met.
2. A threshold determination has been properly issued under SEPA. No significant adverse environmental impacts were identified.
3. City staff has expressed concern about the exterior storage of tools, equipment and materials in the C-1 zone. This is a reasonable concern given the general commercial nature of the C-1 zone.
4. The changes to the MCC are consistent with the McCleary Comprehensive Plan (as required by MCC 17.14.130 (A)), if the definition excludes exterior storage of tools, equipment and materials.
5. The changes to the MCC are supported by the record.

RECOMMENDATIONS:

1. Add the following definition of "Contractor Office" to MCC 17.20:

"Contractor office" means a service establishment primarily engaged in general contracting or subcontracting in the building construction trades. These offices are primarily intended to house the administrative functions of a contractor. No external storage of tools, equipment or materials is allowed.
2. Add "Contractor office" to the table of land uses in MCC 17.20.030 and provide that this is a permitted use in the C-1 district.

NOTICE TO APPLICANTS AND INTERESTED PARTIES:

Under section 2.30.100 of the McCleary Municipal Code, any affected person or agency, who or which disagrees with the recommendation of the examiner, may make a written request for reconsideration by the examiner. The request for reconsideration shall be filed with the City Clerk-Treasurer in the form of a letter within fifteen days of the date of this recommendation. The letter shall set forth the specific errors of fact or law that are the basis for the request and the change requested. If the examiner chooses to

reconsider, the examiner may take such further action as the examiner deems proper and may render a revised decision. The response to the request for reconsideration is the final decision of the examiner. Since this is a recommendation and not a final decision, there is no appeal provided.

This report is the recommendation of the Hearing Examiner to the McCleary City Council. The council may approve, reject or modify this recommendation. Interested parties should contact the Clerk-Treasurer concerning action by the City Council.

Dated this 14th day of March, 2013



Neil L. Aaland, AICP
McCleary Hearing Examiner



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

STAFF REPORT

To: Neil Aaland, Hearing Examiner
From: Nick Bird, P.E., Director of Public Works
Date: February 28, 2013
Re: Zoning Amendment

Attached you will find a request provided by various local citizens suggesting a minor change to the existing zoning ordinance. The basic premise of the request is to add a new definition, specifically “Contractor Office”, to McCleary Municipal Code (MMC) 17.12 and to allow “Contractor Office” as a permitted use in the C-1 district in MMC 17.20.

The C-1 district, also called the Downtown district is shown on the attached zoning map. This district is bisected by State Route 108 and 3rd Street. Both State Route 108 and 3rd Street are identified in the Comprehensive Land Use Plan as “City Arterials”, thus indicating a large volume of traffic uses these facilities. These streets are the main thoroughfare into and out of the City.

The purpose of the C-1 zoning district is found in McCleary Municipal Code (MMC) Section 17.16.040(D):

“The downtown (C-1) district provides for a wide range of small to medium commercial uses and professional offices concentrated in the historic downtown area of the city. Uses in this district serve the needs of the immediate area as well as tourists to the community. The C-1 district is a compact, intensive activity center that emphasizes pedestrian access to and between businesses”

The language found in the MMC is a condensed model of the language found in the 2002 Comprehensive Land Use Plan, which is as follows:

“The C-1 District provides for a wide range of small to medium retail businesses, eating and drinking establishments, government activities, and professional offices concentrated in the traditional downtown area of the city. Uses in this district serve the needs of the immediate area as well as tourists to the community. The C-1 District is a compact, intensive activity area that emphasizes pedestrian access to and between businesses. The minimum lot size in the C-1 District is 2,500 square feet.

Staff Report

Mr. Neil Aaland

February 28, 2013

Zoning Amendment

Examples of compatible uses requiring a conditional use permit in the Downtown District may include second story residential housing, housing for the elderly, such as senior apartments, assisted living units, or residential care centers, and other public and semipublic uses.”

When reviewing the language in the Municipal Code, which was adopted in 2004, as well as the 2002 Comprehensive Plan, the request to include “Contractor Office” in the C-1 district seems to blend with the term professional offices used in both documents.

The existing zoning definitions include a “Contractors Yard”, which is permitted in the General Commercial district (C-2), but is not authorized in the C-1 district. The definition of “Contractors Yard” is as follows:

“Contractor yards” means a service establishment primarily engaged in general contracting or subcontracting in the building construction trades. These include administrative offices, workshops, and the indoor or outdoor storage of tools, equipment, materials, and vehicles.”

It is our understanding that this request is to allow establishments engaged in general contracting or subcontracting but would prohibit outdoor storage of tools, equipment, and materials.

Another important item to consider is that a contractor office has been in place and used regularly in the C-1 district since well before the 2002 Comprehensive Plan. The owner of that establishment has signed the attached petition.

Concerns / Safety Hazards / Mitigation Measures

As this is not a project action, safety hazards and mitigation measures have not been addressed, as these will be addressed during project actions.

Staff is concerned with the language used in the event this request is recommended to Council for authorization. Strict prohibition of exterior storage must be considered to maintain the image and intent of the C-1 district.

Recommendation

After considering all of the above issues, specifically the fact that an office consistent with this request has been used in this district since before the Comprehensive Plan was adopted, and no complaints have resulted, staff is recommending that the request be considered by the Hearing Examiner and City Council for adoption.

Staff Report

Mr. Neil Aaland

February 28, 2013

Zoning Amendment

Attachments:

1. City zoning map
2. Zoning Amendment Petition
3. SEPA Checklist
4. SEPA Decision

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 20, 2013
Re: Water Meter Purchase

We budgeted to replace 50 water meters in 2013. The total amount budgeted is \$8,000. This total amount is above the material bid threshold of \$7,500, which means we would need to pay the paper to run an advertisement for the material procurement, similar to what we are doing for the transformer procurement. We only use Sensus meters in our distribution system, as they are significantly more reliable than other brands in the market. In addition, by utilizing one meter type, we are able to streamline our operational needs by stocking parts for only one brand instead of having multiple parts for multiple meters.

Unfortunately, Sensus meters are only supplied by Ferguson Water Works in Washington, Oregon, and Idaho. This means that if we pay for an advertisement Ferguson Water Works will be the only bidder. To minimize the cost and delay, we are hoping that Council will consider authorization of a sole source bid approach via resolution, which Mr. Glenn has prepared.

Additional information on the meters is provided following this report

Action Requested:

Please consider adopting the resolution provided by Mr. Glenn on this subject.

Nick Bird

From: Todd Baun
Sent: Tuesday, March 05, 2013 11:18 AM
To: Nick Bird
Subject: Sensus Water Meters
Attachments: 5.8 - 1 iPERL System (DS-W-IPL-00-0110-03-A).pdf

Nick,

We need to replace the 1" meters in our system. We currently have 10- 1" water meters. I would like to use the money (\$8000.00) in the budget that we have allotted for 50 water meters to purchase the 10- 1" meters and also purchase an additional 32-5/8x3/4" meters. The price difference between the 2 sizes of meters is the reason why we are not getting all 50 of the meters that are in the budget. The price for new 1" meters is 230.50 and 5/8x3/4" meter is 160.00.

The meters that we currently use, the Sensus SR meter, is no longer in production. So, the City will be using the Sensus iPerl meter for meters under 1". These meters are compatible with our current AMR system and we will order them with an Itron endpoint for quick/clean AMR installation. For more information about the new meters, I have attached Data sheet.

Ferguson Water works is the only company in Washington/Oregon/Idaho that carries Sensus water meters. We currently use the Tumwater branch for orders and lead time for meters is about 4 weeks.

Todd Baun
Public Facilities Manager
City of McCleary
360-495-3667 ext. 123
360-470-1422
toddb@cityofmcclary.com

www.cityofmcclary.com

iPERL™ Water Management System

Electromagnetic Flow Measurement System

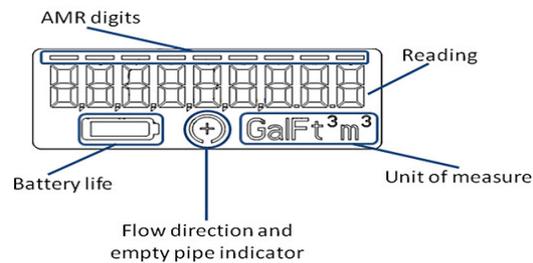
Description

5/8" (DN 15mm), 3/4" (DN 20mm) and 1" (DN 25mm) Sizes

With no moving parts, the Sensus iPERL water management system is based on innovative electromagnetic flow measurement technology. The iPERL system family has an operating range of 0.03 gpm (0.007 m³/hr) @ 95% minimum to 55 gpm (12.5 m³/hr) @ 100% ± 1.5% registration of actual throughput.



Electronic Register LCD Display



Features

CONFORMANCE TO STANDARDS

The iPERL system far exceeds the most recent revision of ANSI/AWWA Standard C-700 and C-710 for accuracy and pressure loss requirements. All iPERL systems are NSF/ANSI Standard 61 Annex F and G compliant and tested to AWWA standards.

PERFORMANCE

The patented measurement technology of the iPERL system allows enhanced accuracy ranges at both low and high flows and perpetual accuracy over the life of the product over the full measurement range when installed horizontal, vertical or diagonal.

CONSTRUCTION

The iPERL system is an integrated unit that incorporates an electronic register and measuring device encased in an external housing. The measuring device is comprised of a composite alloy flowtube with externally-threaded spud

ends. Embedded in the flowtube are magnetic flow sensors. The all electronic, programmable register is hermetically sealed with a tempered glass cover. The iPERL system has a 20 year life cycle, along with a 20 year battery life guarantee.

ELECTRONIC REGISTER

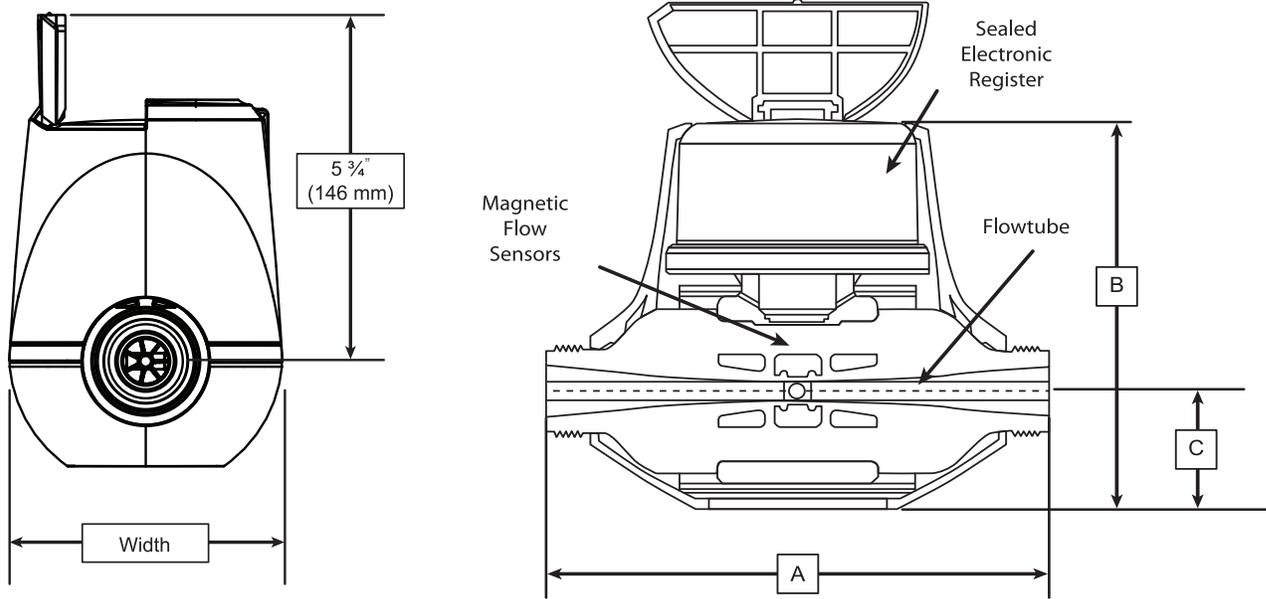
The high resolution 9-digit hermetically sealed electronic register with LCD display was designed to eliminate dirt, lens fogging issues and moisture contamination in pit settings with built in tamper protection. The tempered glass register cover displays readings with the AMR digits highlighted. Direction of flow and units of measure are also easily readable on the register display. The iPERL register features; AMR resolution and unit of measure that are fully programmable, integral customer data logging compatible with UniPro software tools. The large, easy to read display also includes battery life, empty pipe and forward/reverse flow indicators.

TAMPERPROOF FEATURES

The integrated construction of the iPERL system prevents removal of the register to obtain free water. The magnetic tamper and low field alarms will both indicate any attempt to tamper with the magnetic field of the iPERL system.

AMR / AMI SYSTEMS

iPERL systems are compatible with current Sensus AMR/AMI systems.



DIMENSIONS AND NET WEIGHTS

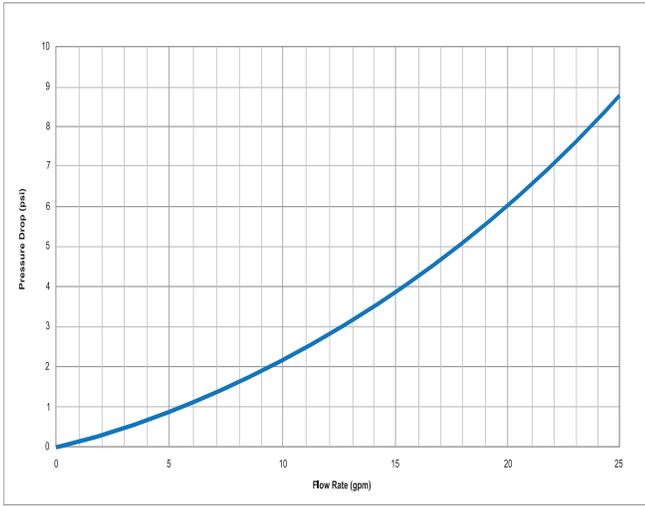
Size	A (lay length)	B	C	Spud Ends	NPSM Thread Size	Width	Net Weight
5/8" (DN 15 mm)	7-1/2" (190 mm)	6-1/10" (155 mm)	1-3/4" (44 mm)	5/8" (15 mm)	3/4" (19 mm)	4-1/2" (114 mm)	3.1 lb. (1.4 kg)
3/4"S (5/8" x 3/4") (DN 20 mm)	7-1/2" (190 mm)	6-1/10" (155 mm)	1-3/4" (44 mm)	3/4" (20 mm)	1" (25 mm)	4-1/2" (114 mm)	3.1 lb. (1.4 kg)
3/4" (DN 20 mm)	9" (229 mm)	6-1/10" (155 mm)	1-3/4" (44 mm)	3/4" (20 mm)	1" (25 mm)	4-1/2" (114 mm)	3.2 lb. (1.5 kg)
1" (DN 25 mm)	10-3/4" (273 mm)	6-1/10" (155 mm)	1-3/4" (44 mm)	1" (25 mm)	1-1/4" (32 mm)	4-1/2" (114 mm)	3.3 lb. (1.6 kg)

SPECIFICATIONS

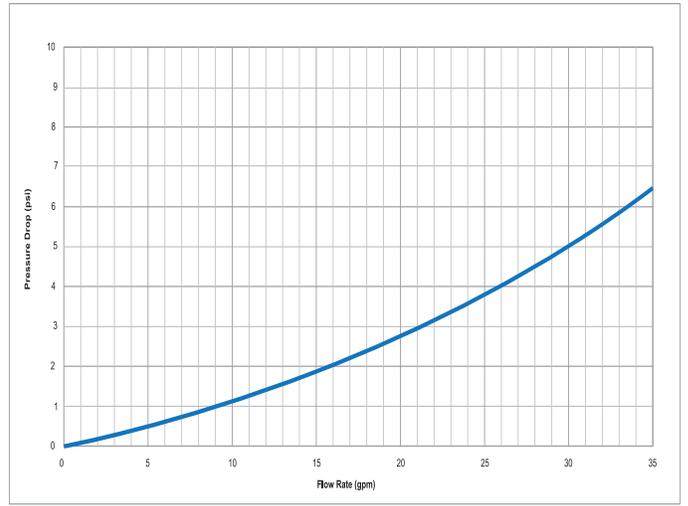
SERVICE	Measurement of potable and reclaim water. Operating temperature range of 33 °F (0.56 °C) - 150 °F (65.6 °C)
NORMAL OPERATING FLOW RANGE (100%±1.5%)	5/8" (DN 15mm) size: 0.11 to 25 gpm (0.02 to 5.7 m³/hr) 3/4" (DN 20mm) size: 0.11 to 35 gpm (0.02 to 8.0 m³/hr) 1" (DN 25mm) size: 0.4 to 55 gpm (0.09 to 12.5 m³/hr)
LOW FLOW REGISTRATION (95% - 101.5%)	5/8" (DN 15mm) size: 0.03 gpm (0.007 m³/h) 3/4" (DN 20mm) size: 0.03 gpm (0.007 m³/h) 1" (DN 25mm) size: 0.11 gpm (0.025 m³/h)
MAXIMUM PRESSURE LOSS	5/8" (DN 15mm) size: 4 psi at 15 gpm (0.3 bar at 3.4 m³/h) 3/4" (DN 20mm) size: 2 psi at 15 gpm (0.1 bar at 3.4 m³/h) 1" (DN 25mm) size: 2 psi at 25 gpm (0.1 bar at 5.7 m³/h)
MAXIMUM OPERATING PRESSURE	200 psi (13.8 bar)
MEASUREMENT TECHNOLOGY	Solid state electromagnetic flow

REGISTER	Hermetically sealed, 9-digit programmable electronic register AMR/AMI compatible iPERL system register programmable using the UniPro programming package
MATERIALS	External housing – Thermal plastic Flowtube – Polyphenylene sulfide alloy Electrode – Silver/silver chloride Register cover – Tempered glass
ALARM DEFAULTS	Alarm Duration – 90 days Leak Duration – 24 hours Datalog Interval – 1 hour Alarm Mask – All alarms reported History Mask – All event types reported

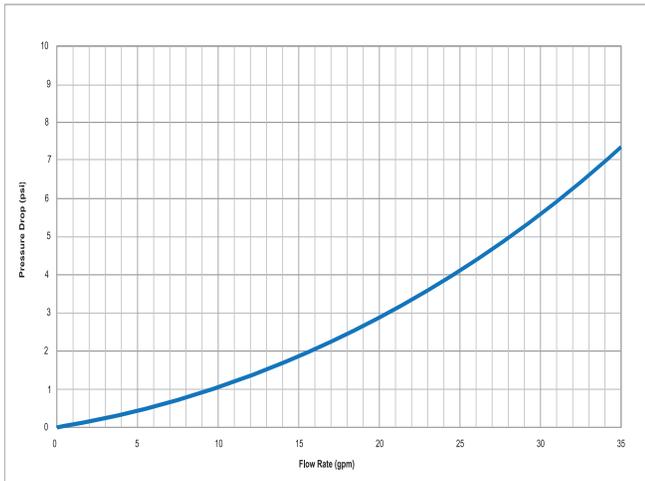
HEADLOSS CURVES



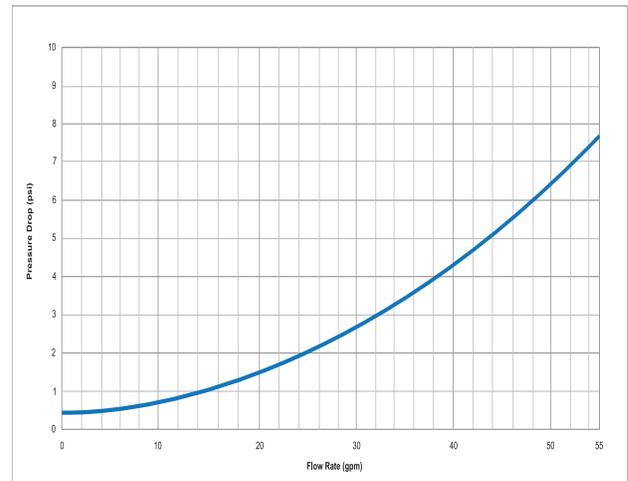
5/8" Headloss Curve



3/4" Short Headloss Curve



3/4" Headloss Curve



1" Headloss Curve

Copyright © 2010 Sensus.

iPERL is a trademark of Sensus USA Inc.

Technology for the iPERL system is licensed from Sentec Limited.

At this time, this issue has been withdrawn from the agenda.

Mayor Dent may bring it up for discussion.

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: March 20, 2013
Re: Luscombe Underground Replacement

On the north end of the City we have had 10 underground faults in a certain section of underground primary since 2010. Each underground fault translates to a power outage for certain north end customers. This section was installed in 1972. Typically underground wire has an expected service life of 20 years. The current interval of failure is approximately once every other month.

We have the materials on hand to replace the failing section (shown on the attached drawing provided by Paul). However, we need to utilize Elcon (our Electrical Engineers) for two tasks prior to beginning this work. The tasks are as follows:

1. Select fuse sizes for installation on the tap circuits at McConkey and Luscombe.
2. Prepare a presentable drawing that can be utilized for a permit application and record drawings after completion of the project.

The total not to exceed amount of \$1,300 is above the previously authorized \$500 limit, thus needs authorization from the Council.

Action Requested:

Please consider authorizing Elcon to complete the scope of work identified by staff for a not to exceed cost of \$1,300.

Nick Bird

From: Mike Unger [munger@elcon.com]
Sent: Thursday, March 21, 2013 8:41 AM
To: Nick Bird
Cc: Paul Nott
Subject: RE: Luscombe underground replacement

Nick,

Elcon proposes a budget of \$1,300 to complete the following services related to the Luscombe Underground Replacement project:

1. Select fuse sizes for installation on the tap circuits at McConkey and Luscombe Street. If possible, the fuses should be sized such that all of the McConkey Lane / Luscombe loop loads can be supplied from either point.
2. Develop a presentable drawing that can be presented to the County to obtain a permit and also used as an as-built record drawing.

Regards, Mike

- -
Michael W. Unger P. E.
Principal Electrical Engineer
Elcon Associates, Inc.
503.644.2490
971.249.1553 (Direct)
503.348.8716 (Cell)
503.644.2911 (Fax)

From: Paul Nott [<mailto:PaulN@cityofmccleary.com>]
Sent: Wednesday, March 06, 2013 3:54 PM
To: Mike Unger
Cc: Charlee Walker
Subject: Luscombe underground replacement

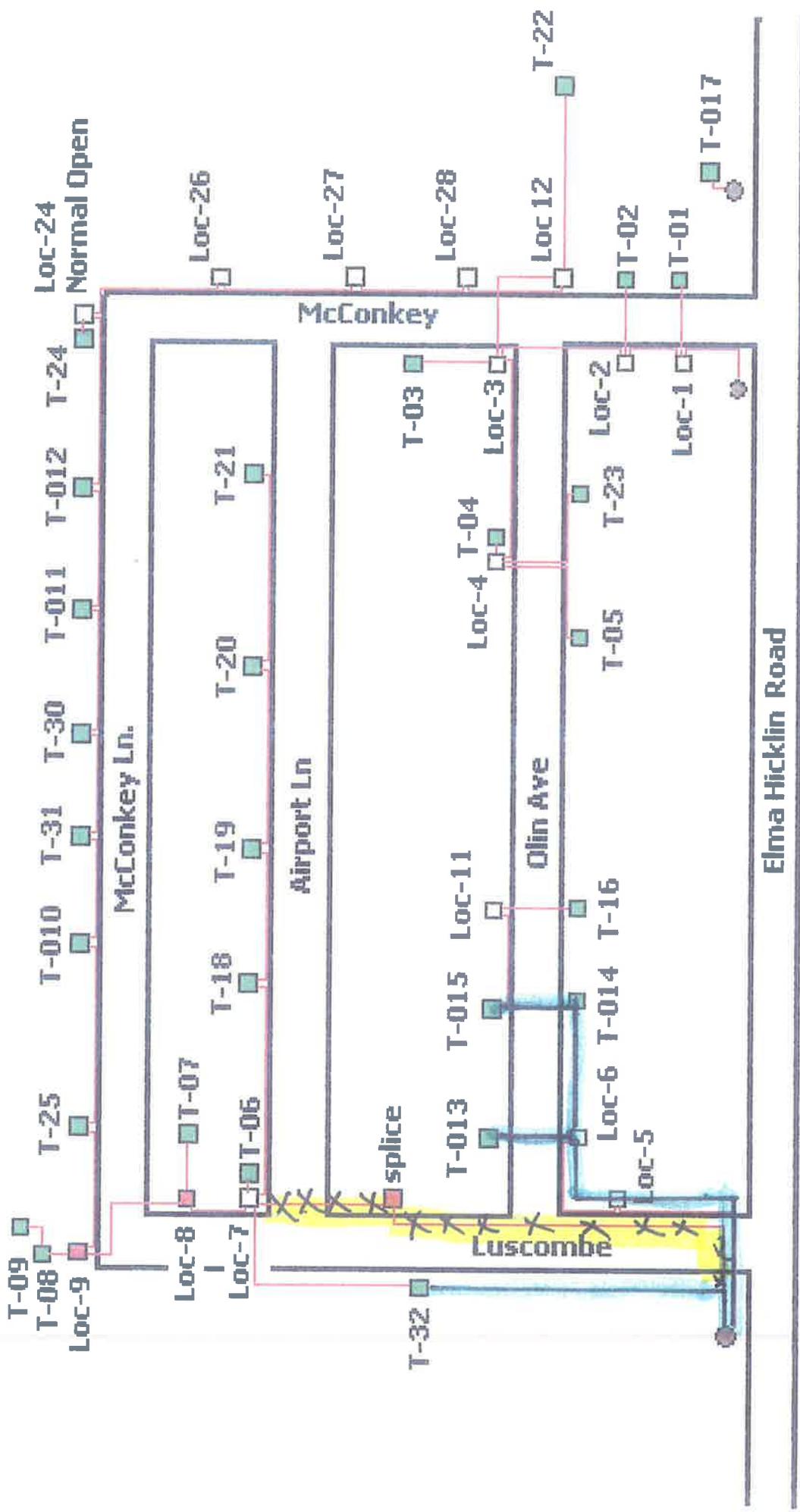
Hi Mike and Charlee,
Hopefully, the attachments will explain what we are trying to do here.
The new conductor is signified in blue, the existing or to be abandoned is red/black.
Basically, we have two phases that feed this development from this point. A phase loops around Luscombe to McConkey Ln then to McConkey and back out to Elma Hicklin (with a normal open at location 24). The other phase only supports T-013 (25kva), T-015 (25kva) and T-014 (50kva).
With that said, what we would like to accomplish is;

Confirm that the fusing and phase selection is correct with that circuit and that we won't have to re locate the normal open in the existing loop with the addition of those three transformers.

Possibly have a presentable drawing to;

- a. provide as a plan for the county permit that we will be applying for.
- b. a drawing that we will be able to utilize as an "as built" of the work we are doing and record the abandoned conductor for future reference.

Thanks for your assistance on this and I look forward to talking to you soon...



— = WIRE TO BE REPLACED
XXXXX = WIRE TO BE ABANDONED

STAFF REPORT

To: Mayor Dent
 From: Nick Bird, P.E., Director of Public Works
 Date: March 25, 2013
 Re: Copiers Northwest

Our 60 month copier lease agreement expires at the end of the month, which means we will lose our copier at the end of the month. We are happy with the service we receive from Copiers Northwest and would like to continue to utilize their services. To continue utilizing their services, we need to initiate another lease agreement. The most cost effective solution is another 60 month copier lease. We have attached the sales order, maintenance agreement, program agreement, and addendum to the lease agreement for your reference. We have also included the pricing sheet for your reference. The summary is as follows:

Base Rental Rate:

	Base Rental Rate (per Month)	Color Copies	B/W Copies
2008 Agreement	\$ 243.40	\$ 0.060500	\$ 0.009680
Proposed Agreement	\$ 195.63	\$ 0.065500	\$ 0.008000
(Savings) / Increase	\$ (47.77)	\$ 0.005000	\$ (0.001680)

Average Consumption Bill (2008 Agreement):

	# Copies	Rate	Cost / Month
Black and White	8000	\$ 0.009680	\$ 77.44
Color	1600	\$ 0.060500	\$ 96.80
Average Monthly Bill (2008 Agreement)			\$ 174.24

Average Consumption Bill (Proposed Agreement):

	# Copies	Rate	Cost / Month
Black and White	8000	\$ 0.008000	\$ 64.00
Color	1600	\$ 0.065500	\$ 104.80
Average Monthly Bill (Proposed Agreement)			\$ 168.80

Total Estimated Annual Cost:

	Annual Base Rental Rate	Annual Average Consumption	Total Annual Cost	Total Life Cycle Cost
2008 Agreement	\$ 2,920.80	\$ 2,090.88	\$ 5,011.68	\$ 25,058.40
Proposed Agreement	\$ 2,347.56	\$ 2,025.60	\$ 4,373.16	\$ 21,865.80

Action Requested:

Please consider authorizing the proposed 60 month program agreement, maintenance agreement, and non-appropriation addendum with Copiers Northwest.

601 Dexter Ave N Seattle, WA 98109
P: (206) 282-1200 F: (206) 282-2010

Sales Order No:
Date: 3/20/2013
Account No:

Bill to: City Of Mccleary
100 S 3rd St
Mccleary, WA 98557
Phone: (360) 495-3667

Ship To: City Of Mccleary
100 S 3rd St
Mccleary, WA 98557
Phone: (360) 495-3667

Colin Mercer ext.111

Account Manager	P.O. Number	Sale Type	Payment Terms	Requested Delivery Week
Debbie Raphael			60 month lease	

Delivery Instructions: CNW will contact customer with specific delivery date info.

Oty	Item Number	Model	Description	Unit Price	Total Amount
1	5560B003AA	iRC5240	imageRUNNER Advance C5240 Base Model		\$195.63
1	3654B007AA	iRC5240	Cassette Feeding Unit-AD2		
1	3660B006AA	iRC5240	External 2/3 Hole Puncher-B2<7>		
1	3675B012AA	iRC5240	Super G3 Fax Board AE2		
1	5587B002AA	iRC5240	Staple Finisher J1 (include Buffer Pass Unit G1)		
1	5592B005AA	iRC5240	PCL Printer Kit-AR1		

60 month Washington State Contract #03706 Lease

TERMS: COPIERS NORTHWEST, INC., (Seller) retains title to all equipment and supplies listed above until purchase price is paid in full. This is a binding and non-cancelable contract. In the event Buyer defaults on payment the Buyer remains liable for this debt and the payment of any legal fees or other cost incurred in any action to collect this debt. Buyer gives Seller security interest in the property purchased in this agreement. Refer to warranty on reverse side. Changes to the original terms on the back side of this Sales Order are not valid unless initialed by an officer of Copiers Northwest.

Subtotal	\$195.63
Delivery	
Sales Tax	Enter Sales Tax
TOTAL	
LESS DEPOSIT	
TOTAL DUE	\$195.63

Customer has completed:

- Lease Return Document Trade In Document No Pickup Associated with Sale

ACCEPTED BY COPIERS NORTHWEST

ACCEPTED BY CUSTOMER

Authorized Signature Required

Authorized Signature Required

Printed Name

Revision 1204a

Printed Name

601 Dexter Ave N Seattle, WA 98109
 P: (206) 282-1200 F: (206) 282-2010
 www.copiersnw.com

Agreement Start Date:
Service Term:
Customer No:
Account Manager:
Purchase Order No:

Bill To: City Of Mccleary
 100 S 3rd St
 Mccleary, WA 98557
Phone: (360) 495-3667

Ship To: City Of Mccleary
 100 S 3rd St
 Mccleary, WA 98557
Phone: (360) 495-3667

Model	Serial No:	Equip Id:	Start Meter	Image Allowance	Overage Charge	Monthly Image Chg.
iRC5240						
Black & White Meter:				0	0.00800	0.00
Color Meter:				0	0.06550	0.00
						Base: 0.00
						TOTAL: 0.00

Meter Contact email: Colinm@cityofmccleary.com
 The customer agrees to provide meter reads at the request of Copiers Northwest, based on the overage billing cycle.

Remarks
 Washington State Contract #03706 includes staples

Base Charge & Overage Billing Cycle:		Agreement Coverage:
Base Billing - Select One: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other*	Overage Billing - Select One: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other*	Select One: <input checked="" type="checkbox"/> Toner inclusive with metered charges - includes , parts, labor, drums, fuser rollers, toner & developer. Paper and/or staples not included. <input type="checkbox"/> Toner exclusive with metered charges - includes labor , parts, drums, and fuser rollers. Paper and/or staples not included. <input type="checkbox"/> Toner exclusive non-metered charges - Includes labor and parts only.

* **Other must be Approved by Contract Billing Group**
 Customer agrees to pay an additional \$9.95 per month per device for Initial Network Install and unlimited IT Service Labor. IT Service Labor covers on-site and phone support for the equipment covered under this Agreement. IT Service Labor and Network Installs are conducted in accordance with the Terms and Conditions set forth in this Agreement and stated herein and on the reverse side of hereof.

Maintenance Agreement Coverage

Copiers Northwest, Inc. (CNW)'s factory trained personnel will render service on the listed equipment during regular business hours in accordance with the terms and conditions set forth on the front and reverse side of this Maintenance Agreement. This Agreement covers emergency calls, as well as routine preventive maintenance calls during normal business hours. Coverage period is for one year unless otherwise specified. This Agreement will automatically renew in increments of one year unless Copiers Northwest is notified in writing 30 days in advance of expiration. This Agreement is non-refundable and non-transferable. This Agreement shall not be effective unless signed by customer and Copiers Northwest, Inc. Contract Management. Changes to the original terms on the back side of this Maintenance Agreement are not valid unless initialed by an officer of Copiers Northwest.

ACCEPTED BY COPIERS NORTHWEST

ACCEPTED BY CUSTOMER

 Authorized Signature Required Branch



 Authorized Signature Required / Date

 Printed Name

 Printed Name / Title

PROGRAM AGREEMENT

Supplier: <u>Copiers Northwest</u> <small>(Full Legal Name)</small>				Customer: <u>City of McCleary</u> <small>(Full Legal Name)</small>			
<u>601 Dexter Ave N.</u> <small>(Street Address)</small>				<u>100 S. 3rd Street</u> <small>(Street Address)</small>			
<u>Seattle</u> <small>(City)</small>		<u>WA</u> <small>(State)</small>		<u>McCleary</u> <small>(City)</small>		<u>WA 98557</u> <small>(State) (Zip) (County)</small>	

Make / Model / Accessories	Serial Number	Rental Payment
1. <u>Canon IRC 5240</u>	_____	<u>\$195.63</u>
2. _____	_____	_____
3. _____	_____	_____
TOTALS:		<u>\$195.63</u>

TRANSACTION TERMS:

Term 60 Months

1 MONTH ADVANCE PAYMENT: \$
(plus applicable taxes)

Equipment Location: _____ City: _____ State: _____ Zip: _____
(if different from Customer address above)

Customer Contact: Colin Mercer Telephone: 360 495-3667 Email: _____

We have written this Agreement in plain language because we want you to understand its terms. Please read your copy of this Agreement carefully and feel free to ask us any questions you may have. The word "Agreement" means this FlexPlan Program Agreement. The words "you" and "your" mean the Customer named above. The words "we," "us", and "our" refer to the Owner named below. The abbreviation "CNW" refers to Copiers Northwest, Inc.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT (INCLUDING THOSE ON THE REVERSE SIDE) SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT. PROVIDED THAT YOU ARE NOT IN DEFAULT UNDER THE AGREEMENT, YOU WILL HAVE THE OPTION TO UPGRADE THE EQUIPMENT INTO A NEW AGREEMENT. THE BALANCE DUE ON THIS AGREEMENT WILL BE REFINANCED INTO A NEW AGREEMENT WITH SUCH BALANCE DETERMINED BY US BUT NOT TO INCLUDE AN EARLY TERMINATION PENALTY. THE UPGRADE REQUEST WILL ALSO BE SUBJECT TO YOU ACQUIRING THE NEW EQUIPMENT FROM COPIERS NORTHWEST, INC. AND SUBJECT TO OUR CREDIT APPROVAL. YOU AGREE THAT THE EQUIPMENT WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

YOU CERTIFY THAT ALL THE INFORMATION GIVEN IN THIS AGREEMENT AND YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS AGREEMENT WAS SIGNED. THIS AGREEMENT IS NOT BINDING UPON US OR EFFECTIVE UNTIL AND UNLESS WE EXECUTE THIS AGREEMENT. THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE WHERE OWNER HAS ACCEPTED AND EXECUTED THIS AGREEMENT. YOU AGREE TO THE JURISDICTION AND VENUE OF FEDERAL AND STATE COURTS LOCATED WHERE THIS AGREEMENT IS ACCEPTED AND EXECUTED BY OWNER.

ACCEPTED BY: _____ <small>(Legal Name)</small>	CUSTOMER: <u>City of McCleary</u> <small>(Legal Name)</small>
BY: _____ <small>(Signature of Authorized Signer)</small>	BY: X _____ <small>(Signature of Authorized Signer)</small>
TITLE: _____ <small>(Print Name and Title)</small>	TITLE: _____ <small>(Print Name and Title)</small>
DATE: _____	DATE: _____ FED TAX ID#: _____

UNCONDITIONAL GUARANTY

In consideration of Owner entering into the above Agreement in reliance on this guaranty, the undersigned, together and separately, unconditionally and irrevocably guarantee to Owner, its successors and assigns, the prompt payment and performance of all obligations under this Agreement. We agree that (a) this is a guaranty of payment and not of collection, and that Owner can proceed directly against us without disposing of any security or seeking to collect from Customer, (b) we waive all defenses and notices, including those of protest, presentment and demand, (c) Owner may renew, extend or otherwise change the terms of the Agreement without notice to us and we will be bound by such changes and (d) we will pay all of Owner's costs of enforcement and collection. This guaranty survives the bankruptcy of Customer and binds our administrators, successors and assigns. Our obligations under this guaranty continue even if Customer becomes insolvent or bankrupt or is discharged from bankruptcy and we agree not to seek to be repaid by Customer in the event we must pay Owner. **THIS GUARANTY WILL BE GOVERNED BY THE SAME STATE LAW AS THE AGREEMENT. WE AGREE TO JURISDICTION AND VENUE IN THE STATE AND FEDERAL COURTS IN THE SAME STATE AND COUNTY.**

PERSONAL: By: _____, Individually Address: _____ Social Security Number: _____ Witness: _____	PERSONAL: By: _____, Individually Address: _____ Social Security Number: _____ Witness: _____
---	---

NON-APPROPRIATION ADDENDUM TO LEASE NO. _____

BETWEEN

Wells Fargo Financial Leasing, Inc

AS "LESSOR"

AND

City of McCleary

AS "LESSEE"

DATE OF LEASE: _____

If Lessee requests from its legislative body of funding authority funds to be paid to Lessor under this Lease and,

1. Notwithstanding the making of such request in accordance with appropriate procedures, such legislative body or funding authority does not appropriate funds to be paid to Lessor in the next occurring renewal term; and
2. Such non-appropriation did not result from any act or failure to act of Lessee; and
3. Lessee has exhausted all funds legally available for obligations under the Lease; and
4. There is no other legal procedure by which payment can be made to Lessor; then

Lessee may, upon prior written notice to Lessor effective 60 days after the giving of such notice or upon the exhaustion of the funding authorized for the then current appropriation period, whichever is later, return the equipment to Lessor at Lessee's expense and thereupon be released from its obligation to make any further rental payments to Lessor, provided:

- (a) Lessor has received a written opinion from Lessee's counsel verifying items 1 through 4 above: and
- (b) the equipment is returned to lessor in compliance with the terms of the Lease; and
- (c) the notice is accompanied by payment of all amounts then due to Lessor under this Lease; and
- (d) Lessee does not directly or indirectly purchase, lease or in any way acquire any services or equipment which in whole or part are essentially the same services or equipment supplied or provided hereunder, for the balance of the appropriation period following Lessee's exercise of its termination rights provided herein and also for the next following appropriation period.

Lessor's remedies following such termination shall be to retain all sums paid hereunder by Lessee including any advance rental payments and security deposit, take possession of the equipment, and/or sell, dispose of, hold, use or lease the equipment as Lessor in its sole discretion may desire, without any duty to account to Lessee.

Lessee agrees that the terms and conditions of this Lease and this Addendum conform with the terms and conditions of any purchase order, bid or other specifications issued regarding the equipment covered by the Lease or, if they do not conform, that the terms and conditions of this Lease and this Addendum shall prevail over any conflicting terms of a purchase order bid or other specifications. Lessee verifies that the Lease is a valid and binding obligation of the Lessee and that Lessee has consulted with its legal counsel and confirmed that the terms of the Lease are not violative of any applicable state or federal law.

This Addendum is hereby made a part of and incorporated into the Lease referred to above as of this _____ Day _____ of 20 13.

City of McCleary

(Lessee)

Wells Fargo Financial Leasing, Inc.

(Lessor)

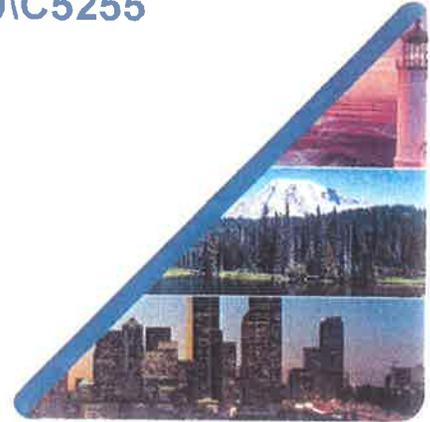
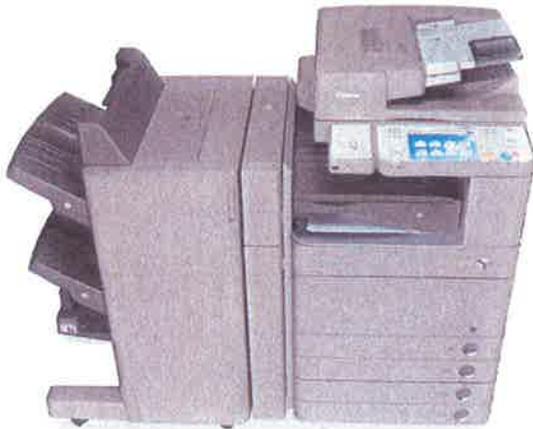
By _____

By _____

Title _____

Title _____

imageRUNNER ADVANCE C5235\C5240\C5250\C5255



Features:

- Copy/Print/Send/Store
- Color/Black and White
- Print up to 55 ppm (BW), 51 ppm (Color); Letter
- Up to 12" x 18"
- 5,000-sheet maximum capacity
- Hard Disk Drive Lock and Erase, IPsec

The imageRUNNER ADVANCE C5200 Series transforms workflow from a series of individual processes to an integrated flow of shared information. A beautifully compact communications hub, this Series can drive your organization to new levels of performance and productivity. From every point of view, these models are simply advanced.

An exceptionally intuitive, simple-to-use interface puts access to all functions right at your fingertips, whether at the device or at your desktop.

Mobile:

Even on the go, you're in control. Print from a laptop, tablet, or smartphone to an imageRUNNER ADVANCE system.

Cloud-Enabled:

A simple touch of a button on the user interface lets you access, scan to, or print directly from, the cloud.

Products:

Contract Number: 3706

imageRUNNER ADVANCE C5235\C5240\C5250\C5255

Description	Item Number	MSRP	Contract Price	Year Lease			Monthly Payments			
				36	48	60	24	36	48	60
imageRUNNER ADVANCE C5235 Base Model <2>	5561B003AA	\$11,970	\$4,838	\$142.24	\$119.50	\$97.24	\$222.55	\$154.82	\$120.95	\$101.60
imageRUNNER ADVANCE C5240 Base Model <2>	5560B003AA	\$13,020	\$5,700	\$167.58	\$140.79	\$114.57	\$262.20	\$182.40	\$142.50	\$119.70
imageRUNNER ADVANCE C5250 Base Model <1>	5559B003AA	\$17,850	\$6,600	\$194.04	\$163.02	\$132.66	\$303.60	\$211.20	\$165.00	\$138.60
imageRUNNER ADVANCE C5255 Base Model <1>	5558B003AA	\$19,425	\$7,350	\$216.09	\$181.55	\$147.74	\$338.10	\$235.20	\$183.75	\$154.35

<1> Ships standard with 2 x 550-sheet Paper Cassettes, UFR II Printing, Color Universal Send with PDF High Compression, Searchable PDF/XPS, OOXML (Scan to Word and PPT), Access Management System, HDD Data Erase, IP Sec, Single Pass Duplexing Automatic Docu

<2> Ships standard with 2 x 550-sheet Paper Cassettes, UFR II Printing, Color Universal Send with PDF High Compression, Searchable PDF/XPS, OOXML (Scan to Word and PPT), Access Management System, HDD Data Erase, IP Sec, Duplexing Automatic Document Feeder,

Accessories:

imageRUNNER ADVANCE C5235\C5240\C5250\C5255

Description	Item Number	MSRP	Contract Price	Year Lease			Monthly Payments			
				36	48	60	24	36	48	60
Cassette Feeding Unit-AD2	3654B007AA	\$1,523	\$975	\$28.67	\$24.08	\$19.60	\$44.85	\$31.20	\$24.38	\$20.48
Cabinet Type-B1	4364B003AA	\$300	\$73	\$2.15	\$1.80	\$1.47	\$3.36	\$2.34	\$1.83	\$1.53
Paper Deck Unit-B2	3655B004AA	\$2,205	\$1,054	\$30.99	\$26.03	\$21.19	\$48.48	\$33.73	\$26.35	\$22.13
Inner 2way Tray-F1	3661B001AB	\$105	\$50	\$1.47	\$1.24	\$1.01	\$2.30	\$1.60	\$1.25	\$1.05
Inner Finisher-E1	5589B001AA	\$1,260	\$788	\$23.17	\$19.46	\$15.84	\$36.25	\$25.22	\$19.70	\$16.55
Inner Finisher Additional Tray-A1 (Option for Inner Finisher-D1)	3662B001AB	\$210	\$130	\$3.82	\$3.21	\$2.61	\$5.98	\$4.16	\$3.25	\$2.73
Staple Finisher-J1 (include Buffer Pass Unit-G1)	5587B002AA	\$2,835	\$1,800	\$52.92	\$44.46	\$36.18	\$82.80	\$57.60	\$45.00	\$37.80
Booklet Finisher-J1 (include Buffer Pass Unit-G1)	5588B002AA	\$4,200	\$2,363	\$69.47	\$58.37	\$47.50	\$108.70	\$75.62	\$59.08	\$49.62
External 2/3 Hole Puncher-B2	3660B006AA	\$893	\$394	\$11.58	\$9.73	\$7.92	\$18.12	\$12.61	\$9.85	\$8.27
FL Cassette-AG1	3663B001AA	\$116	\$81	\$2.38	\$2.00	\$1.63	\$3.73	\$2.59	\$2.03	\$1.70
FL Cassette-AH1	3664B001AA	\$116	\$81	\$2.38	\$2.00	\$1.63	\$3.73	\$2.59	\$2.03	\$1.70
Envelope Feeder Attachment-D1	3665B001AB	\$210	\$113	\$3.32	\$2.79	\$2.27	\$5.20	\$3.62	\$2.83	\$2.37
Tab Feeding Attachment Kit-B1	6793A004AA	\$168	\$104	\$3.06	\$2.57	\$2.09	\$4.78	\$3.33	\$2.60	\$2.18
Copy Tray-J1	8815A001AB	\$47	\$31	\$0.91	\$0.77	\$0.62	\$1.43	\$0.99	\$0.78	\$0.65
Utility Tray-A2	3723B002AA	\$63	\$39	\$1.15	\$0.96	\$0.78	\$1.79	\$1.25	\$0.98	\$0.82
USB Keyboard (Cherry)	1266V426	\$110	\$85	\$2.50	\$2.10	\$1.71	\$3.91	\$2.72	\$2.13	\$1.79
Key Switch Unit-A2	8203A002AA	\$44	\$30	\$0.88	\$0.74	\$0.60	\$1.38	\$0.96	\$0.75	\$0.63
Copy Card Reader Attachment Kit-B3	3684B003AA	\$84	\$30	\$0.88	\$0.74	\$0.60	\$1.38	\$0.96	\$0.75	\$0.63
Copy Card Reader-F1	4784B001AA	\$315	\$233	\$6.85	\$5.76	\$4.68	\$10.72	\$7.46	\$5.83	\$4.89
Canon Card Set-A1 (1-30)	4781B001AA	\$158	\$77	\$2.26	\$1.90	\$1.55	\$3.54	\$2.46	\$1.93	\$1.62
Canon Card Set-A2 (31-100)	4781B002AA	\$347	\$168	\$4.94	\$4.15	\$3.38	\$7.73	\$5.38	\$4.20	\$3.53
Canon Card Set-A3 (101-200)	4781B003AA	\$462	\$224	\$6.59	\$5.53	\$4.50	\$10.30	\$7.17	\$5.60	\$4.70
Canon Card Set-A4 (201-300)	4781B004AA	\$462	\$222	\$6.52	\$5.48	\$4.46	\$10.20	\$7.10	\$5.54	\$4.66
Canon Card Set-A5 (301-500)	4781B005AA	\$935	\$561	\$16.49	\$13.86	\$11.28	\$25.81	\$17.95	\$14.03	\$11.78
Canon Card Set-A6 (501-1000)	4781B006AA	\$2,352	\$1,411	\$41.49	\$34.86	\$28.37	\$64.92	\$45.16	\$35.28	\$29.64
Braille Label Kit-F1	7518A004AA	\$35	\$30	\$0.88	\$0.74	\$0.60	\$1.38	\$0.96	\$0.75	\$0.63
ADF Access Handle-A1	1095B001AA	\$146	\$113	\$3.32	\$2.79	\$2.27	\$5.20	\$3.62	\$2.83	\$2.37
Copy Control Interface Kit-A1	3726B001AA	\$53	\$33	\$0.97	\$0.82	\$0.66	\$1.52	\$1.06	\$0.83	\$0.69
Convenience Stapler-B1	1727V838	\$300	\$170	\$5.00	\$4.20	\$3.42	\$7.82	\$5.44	\$4.25	\$3.57
Universal Keyboard Stand-A1	2212V477	\$250	\$155	\$4.56	\$3.83	\$3.12	\$7.13	\$4.96	\$3.88	\$3.26
Card Reader Assembly for Universal Keyboard Stand	2212V478	\$60	\$37	\$1.09	\$0.92	\$0.75	\$1.71	\$1.19	\$0.93	\$0.78
PCL Printer Kit-AR1	5592B005AA	\$840	\$432	\$12.70	\$10.67	\$8.68	\$19.87	\$13.82	\$10.80	\$9.07
PCL International Font Set-A1	4821B003AA	\$473	\$260	\$7.64	\$6.42	\$5.22	\$11.95	\$8.32	\$6.50	\$5.46
PS Printer Kit-AR1	5593B005AA	\$1,260	\$585	\$17.20	\$14.45	\$11.76	\$26.91	\$18.72	\$14.63	\$12.29
Direct Print Kit (for PDF/XPS)-H1e	3674B004AA	\$578	\$358	\$10.53	\$8.84	\$7.20	\$16.47	\$11.46	\$8.95	\$7.52
Encrypted Secure Print-D1e	1337B011AA	\$473	\$250	\$7.35	\$6.18	\$5.03	\$11.50	\$8.00	\$6.25	\$5.25
Barcode Printing Kit-D1e	3999B004AA	\$840	\$450	\$13.23	\$11.12	\$9.05	\$20.70	\$14.40	\$11.25	\$9.45
Web Access Software-H1e	2738B007AA	\$240	\$130	\$3.81	\$3.20	\$2.60	\$5.96	\$4.15	\$3.24	\$2.72
Universal Send Advanced Feature Set-F1 e	3405B016AA	\$516	\$418	\$12.29	\$10.32	\$8.40	\$19.23	\$13.37	\$10.45	\$8.78
Universal Send Security Feature Set-D1e	3406B006AA	\$945	\$619	\$18.20	\$15.29	\$12.44	\$28.47	\$19.81	\$15.48	\$13.00
Universal Send Digital User Signature Kit-C1e	1326B013AA	\$1,050	\$563	\$16.55	\$13.91	\$11.32	\$25.90	\$18.02	\$14.08	\$11.82
Authorized Send Kit V5.0 (1 License)	4164BE36AA	\$1,100	\$600	\$17.64	\$14.82	\$12.06	\$27.60	\$19.20	\$15.00	\$12.60
Authorized Send Kit V5.0 (10 Licenses)	4164BE37AA	\$10,500	\$5,700	\$167.58	\$140.79	\$114.57	\$262.20	\$182.40	\$142.50	\$119.70
Authorized Send Kit V5.0 (100 Licenses)	4164BE38AA	\$105,000	\$57,000	\$1,675.80	\$1,407.90	\$1,145.70	\$2,622.00	\$1,824.00	\$1,425.00	\$1,197.00

Accessories:

imageRUNNER ADVANCE C5235\C5240\C5250\C5255

Description	Item Number	MSRP	Contract Price	Year Lease			Monthly Payments			
				36	48	60	24	36	48	60
Super G3 FAX Board-AE2	3675B012AA	\$840	\$432	\$12.70	\$10.67	\$8.68	\$19.87	\$13.82	\$10.80	\$9.07
Super G3 2nd Line Fax Board-AE1	3676B002AA	\$525	\$300	\$8.82	\$7.41	\$6.03	\$13.80	\$9.60	\$7.50	\$6.30
Super G3 3rd/4th Line Fax Board-AE1	3677B002AA	\$1,050	\$500	\$14.70	\$12.35	\$10.05	\$23.00	\$16.00	\$12.50	\$10.50
Remote FAX Kit-A1e	3679B005AA	\$420	\$228	\$6.70	\$5.63	\$4.58	\$10.49	\$7.30	\$5.70	\$4.79
Secure Watermark-B1e	1082B010AA	\$1,050	\$676	\$19.87	\$16.70	\$13.59	\$31.10	\$21.63	\$16.90	\$14.20
USB Device Port-E1	5594B001AA	\$210	\$130	\$3.82	\$3.21	\$2.61	\$5.98	\$4.16	\$3.25	\$2.73
Multimedia Reader/Writer-A2	3721B002AA	\$630	\$390	\$11.47	\$9.63	\$7.84	\$17.94	\$12.48	\$9.75	\$8.19
Additional memory Type D (512MB)	5595B001AA	\$263	\$150	\$4.41	\$3.71	\$3.02	\$6.90	\$4.80	\$3.75	\$3.15
Document Scan Lock Kit-B1	3840B007AA	\$2,625	\$1,625	\$47.78	\$40.14	\$32.66	\$74.75	\$52.00	\$40.63	\$34.13
HDD Data Encryption and Mirroring Kit-C1	3718B002AA	\$525	\$300	\$8.82	\$7.41	\$6.03	\$13.80	\$9.60	\$7.50	\$6.30
Removable HDD Kit-AC1	3715B001AA	\$1,050	\$650	\$19.11	\$16.06	\$13.07	\$29.90	\$20.80	\$16.25	\$13.65
2.5inch/160GB HDD-G1	5596B001BA	\$368	\$228	\$6.71	\$5.64	\$4.59	\$10.50	\$7.30	\$5.70	\$4.79
2.5inch/1TB HDD-H1	5597B001AA	\$1,365	\$846	\$24.88	\$20.90	\$17.01	\$38.93	\$27.08	\$21.16	\$17.77
Voice Guidance Kit-F2	3681B003AA	\$840	\$450	\$13.23	\$11.12	\$9.05	\$20.70	\$14.40	\$11.25	\$9.45
Voice Operation Kit-C2	3682B004AB	\$1,890	\$900	\$26.46	\$22.23	\$18.09	\$41.40	\$28.80	\$22.50	\$18.90
Remote Operator's Software Kit-B1e	4001B004AA	\$315	\$188	\$5.53	\$4.64	\$3.78	\$8.65	\$6.02	\$4.70	\$3.95
Universal Login Manager - 1 Device License	3575B258AA	\$390	\$293	\$8.60	\$7.22	\$5.88	\$13.46	\$9.36	\$7.31	\$6.14
Universal Login Manager - 5 Device License	3575B328AA	\$1,925	\$1,444	\$42.45	\$35.66	\$29.02	\$66.41	\$46.20	\$36.09	\$30.32
Universal Login Manager - 10 Device License	3575B259AA	\$3,806	\$2,855	\$83.92	\$70.51	\$57.38	\$131.31	\$91.34	\$71.36	\$59.94
MiCard PLUS	3575B353AA	\$250	\$188	\$5.51	\$4.63	\$3.77	\$8.63	\$6.00	\$4.69	\$3.94
imagePASS-B2	5348B001AA	\$4,950	\$3,218	\$94.61	\$79.48	\$64.68	\$148.03	\$102.98	\$80.45	\$67.58
Hot Folder v3.0 (for imagePASS-B2)	0123B004AA	\$980	\$775	\$22.79	\$19.14	\$15.58	\$35.65	\$24.80	\$19.38	\$16.28
Productivity Package (for imagePASS-B2)	7752A025AA	\$8,000	\$4,875	\$143.33	\$120.41	\$97.99	\$224.25	\$156.00	\$121.88	\$102.38
SeeSequence Impose	6596A035AA	\$2,450	\$2,013	\$59.18	\$49.72	\$40.46	\$92.60	\$64.42	\$50.33	\$42.27
SeeSequence Compose	2351B003AA	\$1,100	\$715	\$21.02	\$17.66	\$14.37	\$32.89	\$22.88	\$17.88	\$15.02
SeeSequence Suite	6596A037AA	\$3,000	\$1,950	\$57.33	\$48.17	\$39.20	\$89.70	\$62.40	\$48.75	\$40.95
Removable Hard Disk Drive Kit-B1	0134B003AA	\$1,950	\$1,500	\$44.10	\$37.05	\$30.15	\$69.00	\$48.00	\$37.50	\$31.50
Graphic Arts Package, Premium Edition V2.3 (for ColorPASS-GX400)	7752A028AA	\$6,200	\$4,875	\$143.33	\$120.41	\$97.99	\$224.25	\$156.00	\$121.88	\$102.38
X-Rite Eye-One Color Spectrophotometer	8002A004AB	\$1,300	\$1,080	\$31.75	\$26.68	\$21.71	\$49.68	\$34.56	\$27.00	\$22.68
Integrated Interface & Stand-A1	1099V652	\$3,150	\$2,150	\$63.21	\$53.11	\$43.22	\$98.90	\$68.80	\$53.75	\$45.15
imageRUNNER ADVANCE Desktop V3.0 1L with 3 yrs Software Maintenance	4140B397AA	\$340	\$221	\$6.50	\$5.46	\$4.44	\$10.17	\$7.07	\$5.53	\$4.64
imageRUNNER ADVANCE Desktop V3.0 5L with 3 yrs Software Maintenance	4140B398AA	\$1,400	\$910	\$26.75	\$22.48	\$18.29	\$41.86	\$29.12	\$22.75	\$19.11
imageRUNNER ADVANCE Desktop V3.0 20L with 3 yrs Software Maintenance	4140B399AA	\$4,000	\$2,600	\$76.44	\$64.22	\$52.26	\$119.60	\$83.20	\$65.00	\$54.60
Workflow Composer w/ MEAP Connectors V2.2 1L (1 to 4 licenses)	4165B073AA	\$1,000	\$650	\$19.11	\$16.06	\$13.07	\$29.90	\$20.80	\$16.25	\$13.65
Workflow Composer w/ MEAP Connectors V2.2 1L (5 to 19 licenses)	4165B074AA	\$800	\$520	\$15.29	\$12.84	\$10.45	\$23.92	\$16.64	\$13.00	\$10.92
Workflow Composer w/ MEAP Connectors V2.2 1L (20 or more licenses)	4165B075AA	\$750	\$488	\$14.33	\$12.04	\$9.80	\$22.43	\$15.60	\$12.19	\$10.24
MEAP Connector for SharePoint Server v1.0.5 (1 Device) e	4165B036AB	\$900	\$585	\$17.20	\$14.45	\$11.76	\$26.91	\$18.72	\$14.63	\$12.29
imageWARE Document Server V2.0E 1L with 3 yrs Software Maintenance	4143B039AB	\$2,800	\$1,820	\$53.51	\$44.95	\$36.58	\$83.72	\$58.24	\$45.50	\$38.22
Client Access License for imageWARE Document Server v2.0 5CAL	4143B046AB	\$550	\$330	\$9.70	\$8.15	\$6.63	\$15.18	\$10.56	\$8.25	\$6.93
Client Access License for imageWARE Document Server v2.0 20CAL	4143B047AB	\$1,800	\$1,080	\$31.75	\$26.68	\$21.71	\$49.68	\$34.56	\$27.00	\$22.68
Client Access License for imageWARE Document Server v2.0 100CAL	4143B048AB	\$5,000	\$3,000	\$88.20	\$74.10	\$60.30	\$138.00	\$96.00	\$75.00	\$63.00

Accessories:

imageRUNNER ADVANCE C5235\C5240\C5250\C5255

Description	Item Number	MSRP	Contract Price	Year Lease			Monthly Payments			
				36	48	60	24	36	48	60
imageWARE Document Server 1L 1 yr Software Maintenance Extension	7494A696AA	\$400	\$260	\$7.64	\$6.42	\$5.23	\$11.96	\$8.32	\$6.50	\$5.46
imageWARE Document Server V1.1 1L & DT 5L 1 yr Software Maintenance Extension	7494A766AA	\$600	\$360	\$10.58	\$8.89	\$7.24	\$16.56	\$11.52	\$9.00	\$7.56
imageRUNNER ADVANCE Desktop 1L 1yr Maint Extension	7494A752AA	\$60	\$36	\$1.06	\$0.89	\$0.72	\$1.66	\$1.15	\$0.90	\$0.76
imageRUNNER ADVANCE Desktop 5L 1 yr Software Maintenance Extension	7494A689AA	\$200	\$120	\$3.53	\$2.96	\$2.41	\$5.52	\$3.84	\$3.00	\$2.52
imageRUNNER ADVANCE Desktop 20L 1yr Maint Extension	7494A751AA	\$500	\$300	\$8.82	\$7.41	\$6.03	\$13.80	\$9.60	\$7.50	\$6.30
imageWARE Scan Manager DS V1.1E 1L with 3 yrs Software Maintenance	7494A698AB	\$2,400	\$1,560	\$45.86	\$38.53	\$31.36	\$71.76	\$49.92	\$39.00	\$32.76
imageWARE Scan Manager DS V1.0/1.1 EFS 1L 1 yr Software Maintenance Extension	7494A699AA	\$350	\$228	\$6.69	\$5.62	\$4.57	\$10.47	\$7.28	\$5.69	\$4.78

Services:

imageRUNNER ADVANCE C5235\C5240\C5250\C5255

R5235\5245	
Network Connection Fee	\$150.00
ESP Digital QC Power Filter/Surge Protector	\$105.00
B/W Service & Supplies	0.0080
Color Service & Supplies	0.0655
R5250\5255	
Network Connection Fee	\$150.00
ESP Digital QC Power Filter/Surge Protector	\$105.00
B/W Service & Supplies	0.0080
Color Service & Supplies	0.0470

RESOLUTION NO. _____

A RESOLUTION RELATING TO PUBLIC SERVICES;
ESTABLISHING AND CONFIRMING FEES IN RELATION
TO CONNECTION TO THE CITY'S UTILITY SYSTEMS;
REPEALING RESOLUTION 580; AND PROVIDING FOR
EFFECTIVE DATES.

R E C I T A L S:

1. Pursuant to the applicable provisions of the Municipal Code, the Council and Mayor may set by written resolution fees and rates to be charged for specified City provided services and provide for certain mechanisms in relation to the adjustment thereof.

2. The necessity of the continued collection of the authorized levels of fees and rates and the mechanisms for their adjustment has been confirmed by the Mayor and Council during the most recent review of the financial affairs of the City. Those fees and rates were set out in Resolution 580.

3. The fees and rates set in the following sections are the same as set out in Resolution 580. Pursuant to the provisions of that resolution, the actual fee amount which is current payable has been adjusted on an annual basis as required. The fees for 2013 are set forth in the following schedules.

4. The Mayor and Council have received certain recommendations in relation to the time period set out in Section III.A allowing for a more extended period of inactivity. Rather than amending only that section, so as to insure ease of reference, the Council is repealing Resolution 580 and ratifying the CPI adjustments as well as setting forth certain fees authorized pursuant to Ordinance _____.

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

SECTION I: On and after the effective date of this resolution, the following overall connection fee (OCF) to be paid by a party seeking to obtain connection to the City's water and sewer utility shall be as set forth herein.

A. As to properties within the corporate limits of the City at the time of the submission of the request for connection, the following connection fees shall be required prior to connection to the utility in question.

1. Single family residence: As to a single family residence, a base overall connection fee, hereinafter referred to for convenience by the acronym BOCF, shall apply for a connection requiring service for no more than an equivalent residential unit (ERU):

a. As to a water connection, the sum of \$4,029.00.

b. As to a sewer connection, the sum of \$5,159.00.

2. Non-single-family water and sewer connections: As to such connections, the following provisions shall apply:

a. Multi-family: An overall connection fee (OCF) determined by multiplying the base overall connection fee (BOCF) for the connection requested by a figure representing the equivalent residential units, the applicable ERU figure being derived by application of the standards set forth in the applicable adopted planning document or plan.

b. Commercial Connections: The BOCF for the utility connection sought shall be applicable: PROVIDED THAT, in the event the City Administrator determines the utilization of the utility will exceed an ERU, the OCF shall be determined by the Administrator as a product of the BOCF multiplied by the ERU derived by application of the standards set forth in the applicable adopted planning document or plan.

c. Industrial: Shall be calculated and established by the Administrator based upon the BOCF of the utility connection sought multiplied by the number of ERU represented by the utilization for the applicant property derived by application of the standards set forth in the applicable adopted planning document or plan.

B. As to properties outside of the corporate limits at the time of the submission of the completed application, the following connection fees shall apply:

1. Single family residence: As to a single family residence, a base overall connection fee, hereinafter referred to for convenience by the acronym BOCF, shall apply for a connection requiring service for no more than an equivalent residential unit (ERU):

a. As to a water connection, the sum of \$4,895.00.

b. As to a sewer connection, the sum of \$7,338.00.

2. Non-single-family water and sewer connections: As to such connections, the following provisions shall apply:

a. Multi-family: An overall connection fee (OCF) determined by multiplying the base overall connection fee (BOCF) for the connection requested by a figure representing the equivalent residential units, the applicable ERU figure being derived by application of the standards set forth in the applicable adopted planning document or plan.

b. Commercial Connections: The BOCF for the utility connection sought shall be applicable: PROVIDED THAT, in the event the City Administrator determines the utilization of the utility will exceed an ERU, the OCF shall be determined by the Administrator as a product of the BOCF multiplied by the ERU

derived by application of the standards set forth in the applicable adopted planning document or plan.

c. Industrial: Shall be calculated and established by the Administrator based upon the BOCF of the utility connection sought multiplied by the number of ERU represented by the utilization for the applicant property derived by application of the standards set forth in the applicable adopted planning document or plan.

SECTION II: Labor & material costs: The cost for the City's provision of the necessary labor and materials to achieve the physical connection to the system shall be in addition to the fee set forth in Section I. These shall be such figures as are established in the schedule issued by the Administrator, who is hereby authorized to establish and maintain such schedule. These schedules shall reflect the then existing current material costs and current City labor costs, as determined on the 1st day of January of each calendar year and subject to adjustment on the 1st day of July of each calendar year.

SECTION III: Changes in existing connections:

A. Subject to the responsibility to pay any fees established by subsection B (required as a result of more extensive use of the property or change of use), an applicant seeking service to a property which is being served as of the

date of the application and/or has been served by the utility from which service is sought within the six months immediately preceding the date upon which application was filed shall not be required to pay the reactivation or abandonment fees authorized by Section 13.24.070 MMC.

B. The following provisions shall apply to an application which will either result (1) in a change of use through increased consumption, or (2) an increase in the number of residential, commercial, industrial, or business equivalency units actually served by the particular utility connection as contrasted with existing use.

1. The City shall calculate the connection fee which would be charged if the applicant was seeking connection for the current actual utilization, as well as the connection fee which would be charged for the proposed use. The calculations shall be done as if the applicant was making a request for initial connection to the utility system. In the event that the figure for a proposed use exceeds the figure determined for the existing use, this differential shall be paid to the City.

2. Payment of the amount determined pursuant to this Section shall be required whether the increased use is [1] as a result of the replacement of an existing structure or structures with a new structure or new structures, [2] as the result of the

remodeling of an existing structure or structures, [3] the placement of an additional structure upon the served property, or [4] any combination thereof.

C. For purposes of applicable Ordinances and Resolutions, a property shall be deemed to have been served or be being served by the utility in question so long as there is or has been, within the period established in Section I, an active account maintained with the City for which billings were rendered as a result of the actual utilization upon the subject property of the utility in question.

SECTION IV: Adjustment:

To reflect the effect of inflation, commencing with the year 2014, the monetary figures established pursuant to the provisions of this resolution shall be increased, as of the date of the commencement of each calendar year, as follows.

The adjustment shall be the greater of (1) three percent (3%) or (2) the monetary amount which is the result of the following calculation:

A. Methodology of Calculation: The then existing connection fee multiplied by a figure established as the average of the Seattle-Tacoma-Bremerton Area Bi-Monthly Index CPI-U (June compared with June) and the US All City Average CPI-U for the same period. [Example: S-T-B Area Bi-monthly Index CPI-U is 3.5%

and the US All City Average CPI-U for that period is 2.5%. The multiplier to be utilized is 3.0%.

B. Principals of application:

1. The average for the CPI multiplier, if not an even 1/10th of a percent, shall be rounded upward to the nearest 1/10th of a percent.

2. The resulting product of the calculation carried out pursuant to §A shall be rounded up or down to the nearest dollar.

SECTION V:

A. The fee to be paid for reactivation of a utility service shall be as follows [Service not active for more than six months and less than five years prior to date of application to recommence.]:

- | | |
|-------------------|----------|
| 1. Water Service: | \$200.00 |
| 2. Sewer Service: | \$250.00 |

B. The fee to be paid to recommence provision of utility service to a connection deemed to have been abandoned [Service not active for five years or more prior to date of application to recommence.]:

- | | |
|-------------------|----------|
| 1. Water Service: | \$525.00 |
| 2. Sewer Service: | \$650.00 |

SECTION VI: The provisions of this resolution, including rate structure, shall be effective as of 12:01 a.m.

upon the day following adoption hereof: PROVIDED THAT, any completed application meeting the qualifications for submission to the City and on file in the Office of the Clerk-treasurer prior to adoption of this resolution shall be processed under existing provisions.

SECTION VII: Resolution 580 shall be repealed as of the effective date of this resolution, subject to the continued efficacy of the rates as set forth in Section V: PROVIDED THAT, such repeal shall not effect any billing or obligation for services received prior to that date under the terms of that resolution.

PASSED THIS _____ DAY OF _____, 2013, by the City Council of the City of McCleary, and signed in authentication thereof this _____ day of _____, 2013.

CITY OF McCLEARY:

D. GARY DENT, Mayor

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

RESOLUTION -B- 9
03/20/2013
DG/le

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

DANIEL O. GLENN, City Attorney

RESOLUTION -B- 10
03/20/2013
DG/le

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

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING SOLE SOURCE ACQUISITION OF CERTAIN METER READING EQUIPMENT, MAKING FINDINGS IN RELATION THERETO, DIRECTING CERTAIN ACTIONS BY THE DIRECTOR OF PUBLIC WORKS, AND RESERVING THE AUTHORITY TO MAKE THE FINAL PURCHASE DECISION IN RELATION THERETO.

R E C I T A L S:

1. The City of McCleary maintains a water distribution system.
2. Within the course of its prior activities, the City has acquired equipment and undertaken training and utilization in relation to certain equipment associated with the installed meters to facilitate automatic reading of the meters. The equipment in question has been found to be fully satisfactory in its operation and performance.
3. Similar equipment is now needed for installation upon additional meters and the replacement of certain other meters.
4. The City is now anticipating acquiring this equipment.

5. The Mayor and Council have received from the Public Works Director a recommendation that it undertake a sole source acquisition process for the following reasons:

A. The comparable apparatus currently possessed by the Department has served the purpose well.

B. By maintaining consistency within the Department's operations as to metering and monitoring apparatus, among the benefits obtained are the following:

(1) Potentiality of error is reduced by the consistency of training and operation.

(2) To a certain degree, the City may utilize existing equipment, as well as provide an interchangeability of existing parts, supplies, and accessories.

(3) The City has written confirmation from Sensus, Inc., the manufacturer, that there is only one source in the Northwest from which the equipment may be acquired.

5. It has been and continues to be the desire and intention of the Mayor and Council to utilize the public bidding process to enhance the value received by the citizens but, under the circumstances of this particular matter, it is recognized as being appropriate to make a specific designation.

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 recommendations and factual statements made by the Director of Public Works, as set forth above and as contained within his oral and written reports to the Council and Mayor, shall be and are hereby adopted as Findings of Fact.

SECTION II: The City, by and through the Director, is hereby authorized to undertake negotiation with such sources as may possibly provide those items of equipment more fully described upon Exhibit #1, it being found there is no reasonable equivalent which would fully satisfy the conditions referenced above.

SECTION III: Upon completion of the negotiation process, the Director shall submit a written report to the Council and Mayor as to the contacts made and the results thereof and shall further make a recommendation as to the actual matter of purchase. Upon receiving such information, the information provided shall be reviewed and the decision as to whether or not to go forward with the purchase shall be made at that time by formal action of the Council.

PASSED THIS _____ DAY OF _____, 2013, by the City Council of the City of McCleary, and signed in authentication thereof this _____ day of _____, 2013.

CITY OF McCLEARY:

D. GARY DENT, Mayor

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

RESOLUTION -A- 4
3/20/2013
DG/le

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

ORDINANCE NO. _____

AN ORDINANCE RELATING TO GOVERNMENTAL OPERATION, ADDING A NEW SECTION TO CHAPTER 13.24 MMM, REPEALING SECTION 13.04.070 MMC, AND SECTION 7, ORDINANCE 519, PROVIDING AN EFFECTIVE DATE AND SEVERABILITY.

R E C I T A L S:

1. The matter of what procedure to apply in the event a connection becomes inactive through non-use has been brought to the Council and Mayor.

2. The recommendation of the Director of Public Works and Clerk-treasurer is to create a two tier system treating such connections appropriately.

3. It is found appropriate to implement an amendment to the applicable code section to establish a process which is felt to be more equitable.

NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS BY THE CITY COUNCIL OF THE CITY OF McCLEARY:

SECTION I: There shall be added to Chapter 13.24 a new section to read as follows:

Any water or sewer connection remaining unused for a period of more than six months, but less than five years, shall be deemed to be inactive and shall not be reactivated until such reactivation fee as may be established by written resolution of

the Council is paid. Any connection remaining unused for five years or more is deemed abandoned and a connection shall not be reactivated until a new application has been submitted and approved and such abandonment fee as may be established by written resolution of the Council has been paid. Where such reconnection or reactivation requires new construction from the property lines to the main, the installation of a different service size, or other construction activity by the City to achieve such reactivation, but in the same location, the fee for such service shall be such amount as may be established by written resolution.

SECTION II: Section 13.04.070 MMC and Section 7, Ordinance 519 are repealed as of the effective date of this ordinance: PROVIDED THAT, such repeal shall not affect any obligation of a utility customer which may have arisen under the provisions of that section prior to the date of repeal.

SECTION III: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases had been declared invalid or unconstitutional, and if for any reason this Ordinance

should be declared invalid or unconstitutional, then the original ordinance or ordinances shall be in full force and effect.

SECTION IV: This Ordinance shall take effect upon the fifth day following date of publication of a synopsis thereof. Its provisions shall be applicable to any application for reactivation which has not been completed prior to the date of passage of the ordinance.

PASSED THIS _____ DAY OF _____, 2013, by the City Council of the City of McCleary, and signed in approval therewith this _____ day of _____, 2013.

CITY OF McCLEARY:

D. GARY DENT, Mayor

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

STATE OF WASHINGTON)
 : ss.
GRAYS HARBOR COUNTY)

I, WENDY COLLINS, being the duly appointed Clerk-Treasurer of the City of McCleary, do certify that I caused to have published in a newspaper of general circulation in the City of McCleary a true and correct summary of Ordinance Number _____ and that said publication was done in the manner

required by law. I further certify that a true and correct copy of the summary of Ordinance Number _____, as it was published, is on file in the appropriate records of the City of McCleary.

WENDY COLLINS

SIGNED AND SWORN to before me this _____ day of _____, 2013, by WENDY COLLINS.

NOTARY PUBLIC IN AND FOR THE STATE OF
WASHINGTON, Residing at:
My appointment expires: