



McCleary City Council

PROPOSED AGENDA

May 11, 2011

7:00 Council Meeting

Flag Salute
Roll Call
Minutes (Tab A)
Public Comment
Mayor's Report/Comments

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

Old Business: REP Settlement (Tab E)
 Float Shed (Tab F)

New Business: Substation Progress Estimate #2 (Tab G)
 RCO / Beerbower Park ADA Path (Tab H)
 2010 Annual Financial Report (Tab I)

Ordinances:

Resolutions: Claims & Warrants Resolution (Tab J)

Vouchers
Mayor/Council Comments
Public Comment
Executive Session
Adjournment

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

Please Turn Off Cell Phones -- Thank You

CITY OF MCCLEARY
Regular City Council Meeting
Wednesday, April 13, 2011

REGULAR MEETING	Called to order by Mayor Dent.
FLAG SALUTE	The meeting was called to order at 7:00 PM with the Flag Salute.
ROLL CALL	Councilmember's Boling, Geer, Lant, Schiller, and Ator. All present.
ABSENT	None.
STAFF PRESENT	Present at the meeting were Dan Glenn, Wendy Collins, Nick Bird, George Crumb, and Jennie Reed.
MINUTES APPROVED	It was moved by Councilmember Boling, seconded by Councilmember Geer to approve the minutes as written. Motion Carried.
PUBLIC COMMENT	Helen Lake asked how the fraud audit was going and Mayor Dent responded by saying they are still working on it and have been finding various discrepancies. The State Auditor's Office is short-staffed right now but they are working at finalizing our audit.
GUEST SPEAKER	Grays Harbor County Commissioner Casey spoke regarding the Residential Exchange Program.
RESIDENTIAL EXCHANGE PROGRAM SETTLEMENT AGREEMENT	This was discussed at a previous meeting. If the Council decides to not take action, the answer will be considered a "no" vote. It was moved by Councilmember Lant, seconded by Councilmember Ator to NOT sign the settlement agreement for the Residential Exchange Program. Motion Carried.
MAYOR'S REPORT	The Department of Corrections rated one of our sites in the top three, with no disqualifying factors. The DOC recently moved the Maple Lane site to third place, which bumped McCleary to fourth place taking us out of the running. Mayor Dent is very disappointed with this decision.
CITY ATTORNEY REPORT	Mr. Glenn will prepare a draft resolution to address paying invoices during the summer schedule when the Council will only be meeting once a month. He will bring it to the next meeting.
DEPARTMENT OF CORRECTIONS GENERAL CONTRACT	It was moved by Councilmember Lant, seconded by Councilmember Boling to authorize the Mayor to sign a contract with the Department of Corrections for general services. Motion Carried.
ACCOUNTING SOFTWARE	City Clerk Collins informed the Council that the City received one bid, which was from BIAS Software. The package included all the modules requested and with substantial discounts. Councilmember Schiller requested to hold off until he could contact BIAS to ask some questions regarding the software's compatibility with GIS and future module and maintenance options. He also asked about the amount of users in the quote. He wanted to make sure we are purchasing enough users/licenses to cover the employees.
SUBSTATION PROGRESS ESTIMATE NO. 1	The substation contractor, KVA, has completed the work at the 7th and Ash substation and we should be receiving a written report documenting the findings as contractually required. It was moved by Councilmember Geer, seconded by Councilmember Ator to authorize the Mayor to pay Progress Estimate No. 1 in the amount of \$43,329.77 and the amount to be deposited in the Retainage Account is \$2,095.25. Motion Carried.
RESOLUTION NO. 627	It was moved by Councilmember Ator, seconded by Councilmember Schiller to adopt Resolution No. 627 relating to the utilization of certain municipal facilities, establishing fees; and repealing Resolution number 625 and any other resolution in conflict therewith. Motion Carried.
TECHNOLOGY SERVICES RFP	It was moved by Councilmember Lant, seconded by Councilmember Geer to issue a Request for Proposal for Informational Technology Services. Motion Carried.

SUMMER COUNCIL MEETING SCHEDULE	The Council agreed to meet the second Wednesday of the month for the months of June, July, and August 2011.
PUBLIC COMMENT	<p>Councilmember Geer asked about the park scheduling included in Resolution 627. He suggested using a notice board out front of the City where team schedules could be posted. Dan Glenn is concerned about the lack of regulations for park usage. He will check with the City of Montesano on how they monitor their parks.</p> <p>Councilmember Schiller stated he was in the audience when the previous administration approved the current software and he wants to make sure this time around when we approve the purchase of new software that we actually get what is best for the City and what meets our needs for the fairest price. This is why he is being cautious during the approval process.</p>
APPROVAL OF VOUCHERS	It was moved by Councilmember Boling, seconded by Councilmember Ator to approve the vouchers. Motion carried.
EXECUTIVE SESSION	None.
ADJOURNMENT	It was moved by Councilmember Ator seconded by Councilmember Geer to adjourn the meeting. The next meeting will be held on April 13, 2011 at 7:00 PM. Motion Carried.

MEMORANDUM

TO: MAYOR AND CITY COUNCIL, City of McCleary
FROM: DANIEL O. GLENN, City Attorney
DATE: May 6, 2011
RE: LEGAL ACTIVITIES as of MAY 11, 2011

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. **CANNABIS DISPENSARY**: As you are aware, the matter of the regulation of these operations has been a matter of some political import for the last few months. (Based upon contacts I have had with Ms. Gatlin, you likely will have read an extended article about this matter in *The Vidette*.) Further, the City received a request from a person asking that it basically confirm a dispensary would be allowed. Ms. Collins provided that notification to Chief Crumb and myself. Thereafter the Chief and I discussed the situation and, to my knowledge, we did not respond since the area is grey under state law, but clear under federal law, the answer is no.

In any event, I can indicate I have had extended contact with Sheriff Whelan, Lt. Porter, and Undersheriff Scott on the general matter. Is it my understanding the Sheriff will be sending a letter to the individual who gave the notice to us, as well as apparently all of the other cities in the County, indicating that, under existing preemptive law, such operations are illegal.

As it turned out, the Governor vetoed a great number of the sections of the bill which was adopted by both houses of the Legislature. However, a variety of sections were left alone and thus will go into effect 90 days after the end of the session. (As you are aware, our State's Governor has an ability that the President of the United States does not. She or he can veto parts of a bill and then approve the remainder of the bill. The President has an all or nothing type of veto.) Of course, we are

now in process of reviewing the portions of the bill which were approved as to their effect upon the cities. Also, we must await the end of the Special Session since at least one legislator has brought the matter back up, even though it was called to deal with the budget. According to the news media, they are considering a bill which would basically pass the regulatory "buck" to the cities and counties as to these dispensaries. The most recent story (Friday) indicates the Governor is supportive of that bill. I find that ironic in that her concern about the potential risk of federal criminal sanctions for state employees if they become involved in licensing such dispensaries is apparently less present if the employees are county or city employees.

2. **PARKS REGULATORY ORDINANCE:** Mr. Bird and Ms. Collins have reviewed the draft. Nick has provided me with a memorandum providing me thoughts and suggestions to which I have responded. To confirm one matter, while the recommendation is to repeal Chapter 2.36 of the Municipal Code, since I do not believe there has been a Board of Park Commissioners for an extended period of time, there is the intention of integrating the provisions of this ordinance with those of Chapter 12.16 of the Code. This chapter fits nicely in terms of coordinating actions and providing discretion in a variety of areas.

Nick did raise the issue of allowed advertising in the Park. As I noted to him, such allowance can raise a number of issues. On one hand, the positive is generation of revenue. The other hand is the matter of regulation and the role of the 1st Amendment in public areas. If the Council and Mayor would like to see a draft resolution dealing with this area, I can provide it. I will pattern it after the resolution I prepared for Montesano which allows advertising at Vessey Field.

In any event, after you have completed your review, please direct any questions or suggestions to me.

3. **WASHINGTON ASSOCIATION OF MUNICIPAL ATTORNEYS CONFERENCE:** I can report that attendance at the conference was useful. Among the topics presented at the conference were presentations on municipal water rights, the handling of nuisances to a point of finalization, as well, and the current status of the "cannabis" dispensary issue, which I have discussed in a prior section. Of course, that situation changed a bit when the Governor vetoed many sections of the bill enacted by the Legislature. While attending such conferences can raise concern in one's mind since often when an issue is discussed you discover an assumption was incorrect, the concern is far outweighed by the learning.

4. **FLOOD AUTHORITY**: I am certain you are only too aware of the surprising actions of the Commissioners of Thurston and Grays Harbor Counties in relation to the implementing of a separate agency in association with the Chehalis Tribe. Obviously, it has the affect of removing the active role in decision making from Lewis County and the cities of the two counties. (For whatever reason, perhaps our distance from the Chehalis River, to my knowledge McCleary was never given the opportunity to be a member.) Further, it puts the Tribe in the interesting position of a being a member, but reserving its "sovereign rights" in terms of involvement. It is my impression the one clear "winner" in this situation is the Tribe which was concerned about having it be viewed as giving up any of its special rights and privileges in terms of being bound by a decision of a board.

Based upon discussions, I did obtain a copy of the notice of special meeting issued by your county commissioners. It was issued at 8:23 a.m. on the morning before the 8:30 a.m. meeting at which the action was taken. Thus, it met the requirements of the Open Pubic Meetings Act. The area about which I have basic concern is how, in the absence of meetings involving commissioners, could a draft agreement of this nature be developed which was so complete as to be subject to final approval at the first meeting at which it was raised? As you are aware, the OPMA judicial decisions have made clear that a meeting/action can occur through email exchanges and does not have to involve personal presence. It will be interesting to see how it all shakes down.

From McCleary's standpoint, the greatest likely impact would be the fact that either entity, if implemented, may impose taxes upon the entire area which would likely include McCleary.

5. **BILL PAYMENT RESOLUTION**: Following the reference in the prior Council Report, I have provided a draft resolution which would authorize the payment of the City's bills if there is a gap between Council Meetings which is greater than normal. As you will note, there is a reporting requirement included so that you are made aware of each bill paid under the authority of the resolution. Also included is the ability to revoke the payment which obviously works best only if the creditor is a continuing provisioner of goods or services to the City.

I can indicate that Elma has had this protocol in place for years, basically since the drafts were prepared back in 1995. There have been no problems arising from its implementation.

6. **MANDATORY SOLID WASTE DISPOSAL REQUIREMENT**: Last week Mr. Bird received an inquiry about the basis of the

mandatory solid waste system. Since he could find nothing in the Municipal Code, he gave me a call on the matter. This was not the first time the issue had been raised. Based upon digging done pursuant to the prior queries, I directed him to an uncodified ordinance, specifically Ordinance #58. (Please note that this ordinance predates the involvement of either Mayor Dent or myself in McCleary's municipal affairs.)

So, if it exists, why am I raising it to you? The short answer when I reviewed that ordinance some years ago, my perception was that it needed updating. Thus, in 2001 I prepared a proposed ordinance updating the various elements which had changed. Those included the fact that McCleary had opted to move from classification as a town to an OMC city and recycling had become much more of a factor. As with the bill paying resolution, for whatever reason it does not appear the ordinance was ever adopted.

I would recommend the Mayor and Council take a look at updating the Ordinance. If you would like, I can provide you with an updated version of the 2001 updating ordinance. Then, you can update the update of the update. (Semantics can be interesting.) In any event, I would appreciate your direction.

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

DG/le

STAFF REPORT

To: Mayor Dent
From: Nick Bird, Director of Public Works
Date: May 2, 2011
Re: Current Non-Agenda Activity

Power Outage – 4/30/11

As I am sure you are aware, the City of McCleary experienced a city wide outage Friday April 30, 2011 at 4:00 PM. This was a result of a failure occurring at the substation south of Elma, which BPA feeds Grays Harbor PUD and ultimately the City of McCleary. As fortune would have it, power was restored at approximately 5:00 PM. During this outage, we were uncertain how long we would not have power. At approximately 4:30 PM, we began the work scheduled for that evening with the intent to have the work completed before power was restored. When power was restored at 5:00, we had to make a decision; put everything back into place and shut the system down at 11:00 PM, or continue pushing forward.

We chose to conduct the work, with the goal of restoring power before midnight that night. The goal was to efficiently use staff time, minimize business impacts, and most importantly allow residences with electricity as their sole source of heat to heat their homes after power was restored. With the diligent effort of our crew and the assistance of KVA, power was restored shortly after 9:00 PM.

Again, we apologize for any inconvenience that this outage may have caused.

Conservation Program

The Conservation Program was initiated on April 1, 2011. Over the first month, despite our expectations, we only received two applications. As a result, we are currently evaluating additional options to add to the program to increase the benefits and use of the program. Again, if you have not had a chance to review the program, please take a few moments to visit our website (www.cityofmcclary.com) and click on the “Conservation Program” tab to see how you may benefit from the program.

E-Mail

As a result of the power outage our email system was down on Monday. After a few minor hiccups, the system was restored late Monday afternoon.

Sam’s Canal

The SEPA for the removal of sediment in Sam’s Canal has been drafted and is currently being reviewed in house prior to proceeding with the SEPA process. Once the SEPA

process is complete we will submit the JARPA, hopefully with the intent of completing the work this summer.

One-Way Street Direction Change

After a brief discussion with Mr. Bolender, the McCleary School District Superintendent, our suspicion was confirmed that the street in question was indeed the one-way alley on the north-east side of the school. Mr. Bolender also indicated that the School District intends to expand parking on the north side of the school, and at that point in time, the official request to change the direction will be provided to the City.

STAFF REPORT

To: Mayor Gary Dent
 From: Mick Schlenker Building Official
 Date: May 5, 2011
 Ref: April Staff Report

Building Permit Activity

	Current	Fees	Total 2011		Project
			YTD	Fees	Valuation
Customer Service	71		359		
Building Permits Issued	1	\$136.50		\$1,174.00	\$3,000.00
Nuisance Letters	3				
Inspections Performed	25				
Plan Reviews	1				
Stop Work Issued	1				
City Projects	1				
Complaints	4				
Demo Permits	0				
Court Issues	0				
Fire Projects	0				
Cars	1				
Abatements	0				
Elma Inspections	0				
Montesano	0				
Total	<u>108</u>	<u>\$136.50</u>	<u>359</u>	<u>\$1,174.00</u>	\$27,962.00

Summit II

No Activity

McCleary School

No Activity

Cedar Heights

No Activity

Conservation Program

Added Ductless Heat Pumps to project inspections

Float Shed

Completed update of review per 2009 IBC codes

3rd Street Strip Mall

Completed new address for all business and enformend GHC and Post Office

Office Projects

Filing
 Archives

Public Relations
 Engineer Meetings

Email correspondence

STAFF REPORT

To: Mayor Dent
From: Colin Mercer Webmaster
Date: May 2, 2011
Re: April Website & Help Desk



Re-Occurring Website Activities

Council Agenda/Packet posted online.
Council Minutes posted online.

New Website Activity

Added a FAQ to the website regarding the conservation program.
Research on offering Ductless Heat Pumps for the conservation program.
Post power outage notice and map on the website home page and calendar.

Additional Tasks

Post IT RFP in the newspapers and distribute to prospective applicants.
Computer support for BIAS software installation.
Produce door hangers and mailers for the Power Outage #2.
Update 2011 fee schedule after Resolution 627 was passed.

Help Desk Activity

Month	Number of Incidents Reported	Staff Reported / Closed / Open	Citizen Reported / Closed / Open
February	9	3 / 3 / 5	6 / 6 / 9
March	15	2 / 5 / 2	13 / 9 / 13
April	12	3 / 8 / 2	9 / 9 / 13
May			

Conservation Program

Month	Applications Received	Conservation Permits Issued	Rebates Paid This Month	Total Rebates Paid To Date
April	2	1	\$70.00	\$70.00
May				

Website Traffic

April 1, 2011 through April 30, 2011

Page Views by Section		
Section	Page Views	Percent of Total
Default Page	2100	26.99%
Events Calendar	1483	19.06%
Conservation Program	461	5.92%
Home Page	344	4.42%
City Departments	308	3.96%
Agendas and Minutes	308	3.96%
City Jobs	263	3.38%
Utilities	206	2.65%
Code, Ordinances & Standards	199	2.56%
Mayor and Council	168	2.16%
Police	166	2.13%
Search Results	142	1.82%
Public Facilities	129	1.66%
Light & Power	115	1.48%
Administration	113	1.45%
Bear Festival	97	1.25%
Chamber of Commerce	96	1.23%
Helpful Links	91	1.17%
City Photos	87	1.12%
FAQ's Page	86	1.11%
Previous Years Council Minutes	81	1.04%
Water / Wastewater	80	1.03%
Development Services / Building	59	0.76%
Planning Department	59	0.76%
Fire	58	0.75%
Municipal Court	56	0.72%
2008-11 Budget	55	0.71%
Previous Years Council Agendas	51	0.66%
Flood Photos 2009	45	0.58%
Tell Us What You Think!	45	0.58%
Interlocal Agreements	44	0.57%
65th Anniversary Photos	37	0.48%
Bear Festival Photos	34	0.44%
Park Project Photos	31	0.4%
Christmas Photos 2007	31	0.4%
City Staff	26	0.33%
Community Center	18	0.23%
Surveys & Questionnaires	10	0.13%
TOTAL	7782	100%

STAFF REPORT

To: Mayor Dent
From: Paul Nott, Light & Power
Date: May 2, 2011
Re: March / April Report



	Monthly Statistics;	YTD Totals;
New Services;	0	0
System Outages;	9	11
Pole Replacements;	0	0
Maintenance Work Orders;	10	16
Billable Work Orders;	1	1

The last 2 months have been pretty busy for Light and Power.

We had 3 non scheduled outages and 6 scheduled outages. The three non scheduled outages consisted of an underground fault, bad transformer, and a city wide outage that occurred last Friday. The 6 planned outages all were in regards to the substation maintenance that we have been performing and some metering issues with some of our commercial customers.

The maintenance work at the 12KV 7th and Simpson substation went according to schedule. All the testing on the LTC came out great and new oil was installed. There were issues however with the processing of the transformer oil. The transformer oil contained a small amount of silicone. Apparently, silicone slows the process of processing the oil. To meet the timeline of re-energizing the substation within 24 hours as planned, KVA wasn't able to process the oil according to plan. There were concerns as to how thorough the processing went. Fortunately, after receiving the post outage DGA results it appears that the method that was utilized was effective. We will be taking more DGA's this month and also in June to monitor the dissolved gases in the transformer which will now allow us to "see" just what's going on inside the transformer.

Another issue that was identified with the transformer was that it has GE Type U primary bushings. These bushings will need to be replaced. We are currently getting prices and coordinating the replacement of these bushings.

The planned outage at the 4KV, 7th and Maple substation didn't quite go as scheduled. The scheduled time for the outage was 11:00 PM Friday night. As you all are aware, at 4:00 PM Friday GHPUD had a lightning arrestor fail at the Elma substation which caused a power outage for pretty much all of East County. At the time of the event I contacted the PUD and they were still investigating the source of their problem. I was advised that it could be a minimum of two to four hours in duration. At that time we (the City) discussed going forward with our maintenance early and "take advantage" of the non-scheduled outage. Our thoughts were that why wait for the PUD to make their

repairs which could take multiple hours, re energize and then have another outage at 11:00 as planned. We decided to go forward with our work. At the time we had our sub off-line, grounds installed, and were proceeding to start on the removal of the regulators, the PUD contacted me to confirm we were “in the clear” and that they were ready to “come hot” to McCleary. We advised them that we were in the clear and they heated up the City’s 12KV substation. Due to the efforts of the PUD Substation Crews and East County Crews their outage was kept to only 1 hour. This also presented another decision to the City. One; put our 4KV sub back together, re-energize and stick to the planned outage at 11:00. Or two; continue with the work we had started. We chose to proceed with the work already in progress. This decision in my opinion actually worked in everybody’s favor other than the timing. We removed and re-installed the new regulators and had the substation and our customers energized by 9:00 that evening.

Now that the substation work has been completed and hopefully the DGA results show that there are no problems in the 12KV transformer we should be back to business as usual with pole replacements and proceeding with the cut-over.

We are still in a holding pattern on the AMR meters and I anticipate changing out more this coming month.

We recently received the dual meter socket adapter. It has already been utilized many times. It has proven to be a great visual aid in customer inquiries as to the accuracy of their meter. How the unit works is; we plug this adapter into the customers meter base and we can plug in their meter next to another tested and known correct meter. They work in series together to compare the customers meter to the tested meter. We leave it with the customer and they are able to monitor both meters along with us. At this time we have had no meters that are out of the 2% + or - accuracy guidelines established by the City’s Ordinance 13.16.290.

That’s about all I got...

As always if you have any questions feel free to contact us...

To: Mayor Dent
From: Vern Merryman, Water/Wastewater
Date: May 2011
Re: Council Report

The wastewater treatment plant heat pump has failed. Several companies have been notified about the failure and were asked if they would be interested in estimating for repair or replacement of the unit. Replacement could be up to \$7,000.00. Repair could be as high as \$5,000.00. Once we have written responses (estimates) from a minimum of 3 companies that have shown interest in the project we will move forward with our options.

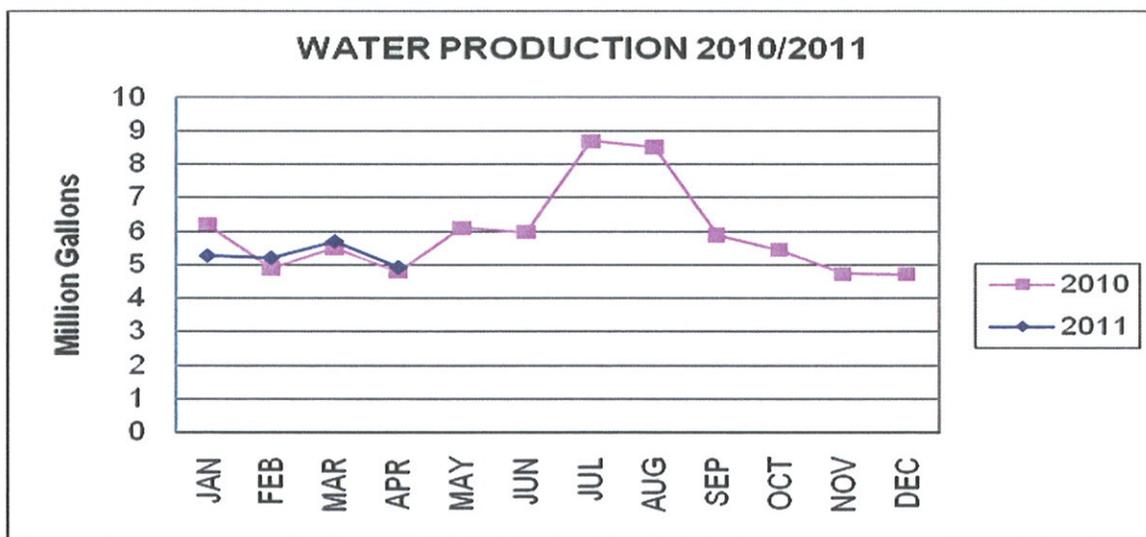
At the beginning of May we began our annual temperature recording of Wildcat Creek upstream and downstream of our effluent discharge point as required in our discharge permit. This will last until the end of September. The recording devices will then be pulled and the information will be downloaded and reported to DOE.

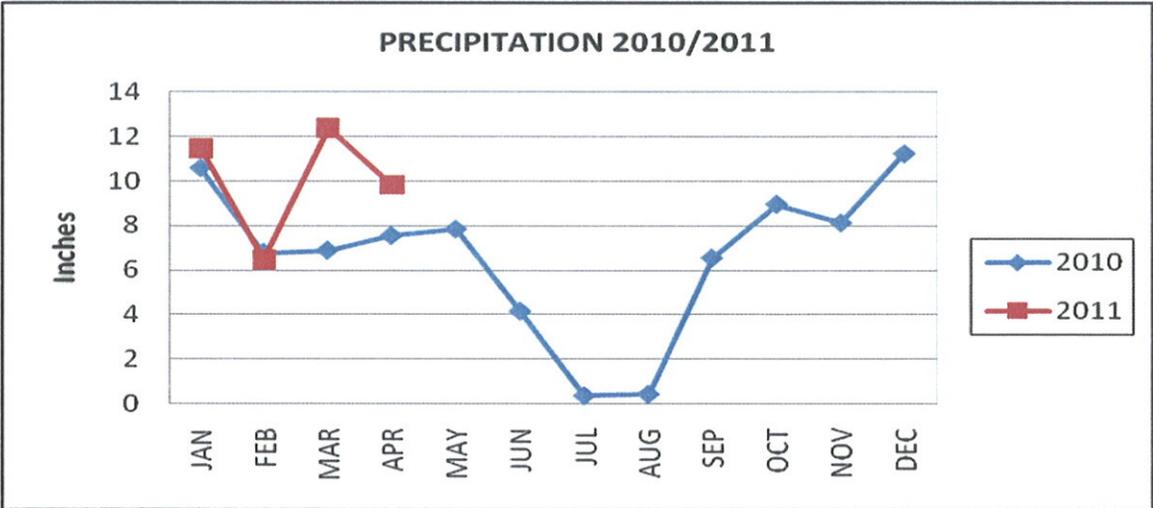
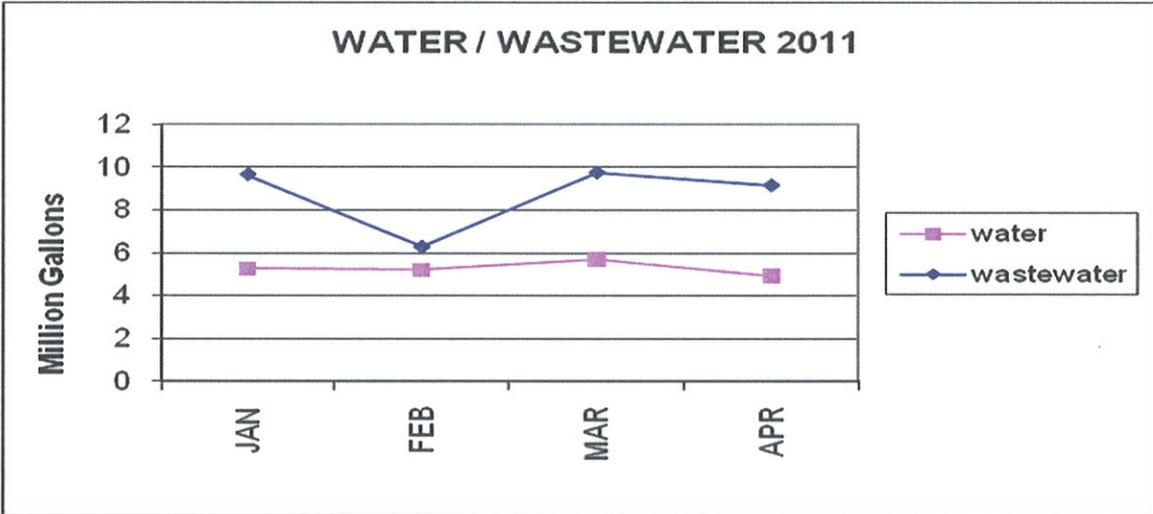
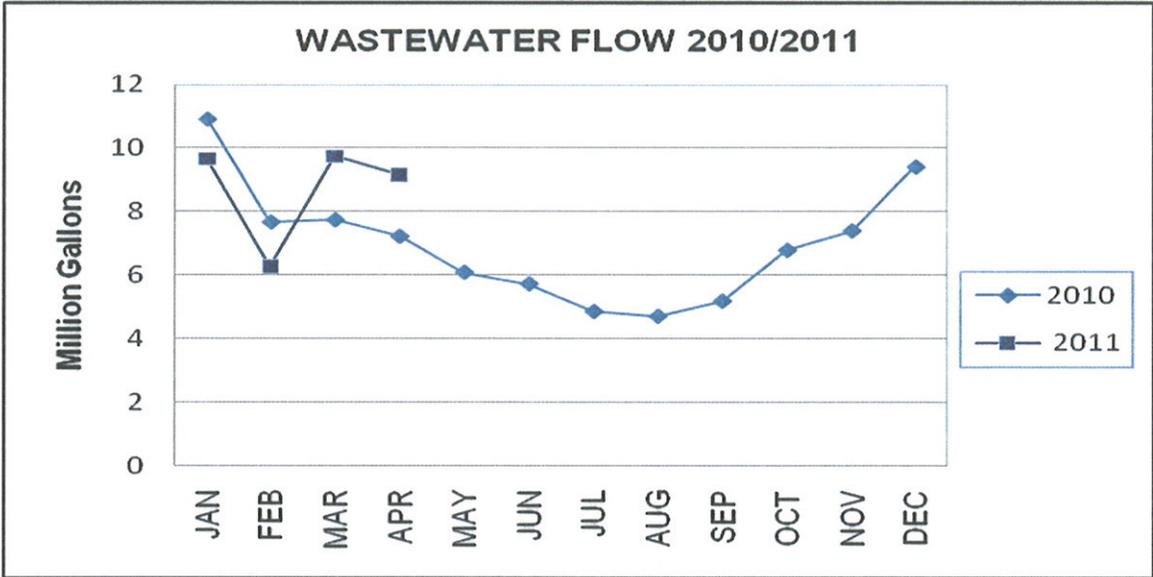
Water production is as expected with no major problems to report. Two water complaints were received, one before flushing and one after flushing.

April precipitation came in at 9.8 inches. This puts us over 40 inches so far this year.

Biosolid production for April was 1.9 dry tons dewatered from 90,943 gallons of liquid digester sludge.

Charts for water production, waste flow and precipitation follow.





STAFF REPORT

To: Mayor Dent
From: George M. Crumb, Chief of Police
Date: May 5, 2011
RE: Report for May 11, Council Meeting

SUMMARY OF POLICE INCIDENTS / ACTIVITIES:

The below listed information are calls or contacts received by McCleary Police Officers either generated by Grays Harbor County dispatch 911 service, citizen reports or call in, or other officer generated incidents:

*729 incident histories reported.
*22 Infractions and Criminal Incidents. 6 mandatory court appearances.

Total Citation Bail amount of \$4409

.05 Speeding.
.01 Speeding in School Zone
.01 DWLS (Driving While license Suspended/Revoked
.03 Theft 3rd
.01 Disorderly Conduct
.01 Violation of Protection Order
.02 No Valid Operator's License without ID
.01 Failure to Renew Registration (-2MO)
.03 Failure to wear safety belt.
.02 Insurance violation
.01 Vehicle Prowl
.01 Resisting Arrest
.01 Expired Tabs (-2MO)

Discussion: Open

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Council Members Present: ALL.... Mr. Ator, Mr. Boling, Mr. Geer, Mr. Lant,
Mr.Shiller.

Mayor Dent: Present / Not Present _____

Officer Reporting: Chief Crumb _____

STAFF REPORT

To: Mayor Dent
CC: Ron Pittman, Chief
From: Paul Nott, Assistant Chief
Date: May 5, 2011
Re: March / April Fire Department Report



	Monthly Statistics;	YTD Totals;
Actual Structure Fires:	0	1
Fire Calls:	2	4
Rescue/EMS assists:	3	6
Motor Vehicle Collisions:	2	8
Hazardous Material Response:	1	1
Service Calls:	1	2
False Alarms:	2	2

The last two months have been relatively slow. We've only had 11 fire calls total.

At this time there are no major issues to report.

Firefighter Odd DeBakker just completed his EMT training and after he passes his National EMT test and his Grays Harbor protocol test he will be a certified EMT. Congratulations and thanks for your personal efforts to complete this task Odd.

We have three other firefighters Donny Sanders, Eric Cohen and Jason Keel that have just begun their first responder training. Best of luck fellers...

It should be noted that both of these trainings are taken on, above and beyond the normal trainings that the firefighters are required to perform and entails numerous personal hours to complete. Thanks to all of you for your dedication.

We would like to welcome our newest Firefighter to the McCleary Fire Department, Mike Madison. Welcome aboard.

There were no firefighter injuries or safety concerns to report from the Safety Officer.

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: May 2, 2011
Re: Residential Exchange Program

As was anticipated, the 91% threshold of the COUs was not reached. I believe approximately 80% of the THWM (Transition Period High Water Mark) load had approved the Agreement we discussed in April. On Friday April 22, I received notice that the Agreement has been revised by representatives of both parties. The Revised Agreement incorporates by reference all of the terms of the previous Agreement EXCEPT that it changes the THWM (signatory) threshold to 75 percent, the date for signing the Revised Agreement to June 3, 2011, and BPA's notification deadline to June 6, 2011.

I have attached a copy of the Revised Agreement and the Testimony explaining the reason for the changes made to the Agreement. I have not included the original agreement in this report to conserve paper. If you would like another copy of the Agreement, please let me know.

Action Requested:

Please discuss this item and collectively decide if the City of McCleary is to execute the settlement agreement or not, again. This decision must be made no later than the May 25, 2011 Council Meeting.

REVISED REP SETTLEMENT AGREEMENT

This Revised REP Settlement Agreement (“Revised REP Settlement Agreement”) is entered into by and among the Bonneville Power Administration (“BPA”) and the undersigned investor-owned utilities, state public utility commissions, Citizens’ Utility Board of Oregon, consumer-owned utilities, consumer-owned utility associations, and other BPA power customers:

1. As used in paragraphs 2, 3, and 4 herein, the term “Document” means that certain document entitled “REP Settlement Agreement” and identified as Contract No. 11PB-12322, which has also been marked as REP-12-E-BPA-11 in the BPA’s REP-12 proceeding, together with all exhibits thereto.

2. Section 1.2.2 of the Document, “Conditions Precedent to Initial Obligations,” is hereby revised as follows:

(a) the phrase “April 15, 2011” in item (i) of Section 1.2.2 is revised to “June 3, 2011”;

(b) the phrase “91 percent” in item (i) of Section 1.2.2 is revised to “75 percent”;
and

(c) the phrase “April 25, 2011” in item (ii) of Section 1.2.2 is revised to “June 6, 2011”;

and no other provision of the Document is revised hereby.

3. The Document, as revised as described in the preceding paragraph, is incorporated into this Revised REP Settlement Agreement by reference, as if set forth fully herein.

4. Each signatory represents that he or she is authorized to enter into this Revised REP Settlement Agreement on behalf of the party hereto for whom he or she signs. For the convenience of the parties hereto, this Revised REP Settlement Agreement may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts together constituting the same agreement. If the Administrator executes this Revised REP Settlement Agreement as specified in section 1.4 of the Document as revised and incorporated herein, BPA will promptly deliver to each party hereto a conformed copy of this Revised REP Settlement Agreement in the form of the Document as revised hereby and dated as of the date on which the Administrator executes this Revised REP Settlement Agreement. Each signatory authorizes BPA to reflect such signatory’s conformed signature on the signature pages of such conformed copy.

5. The conformed copy as described in paragraph 4 hereof will, for all purposes, constitute the "REP Settlement Agreement," and will be binding on the parties hereto according to its terms.

FULL NAME OF PARTY

(Print / Type)

By _____

Title _____

Name _____
(Print / Type)

Date _____

TESTIMONY OF

Jorge Carrasco, Tom DeBoer, Marc Hellman, Larry La Bolle, John Prescott, John Saven,
and Brian Skeahan

SUBJECT OF TESTIMONY: Proposal of Revised REP Settlement Agreement

1 *Q. Please state your names and qualifications.*

2 A. My name is Jorge Carrasco, and my qualifications are set forth in REP-12-Q-SE-01.

3 A. My name is Tom DeBoer, and my qualifications are set forth in REP-12-Q-JP04-
4 05.

5 A. My name is Marc Hellman, and my qualifications, as corrected, are set forth in
6 REP-12-Q-JP05-01-E01.

7 A. My name is Larry La Bolle, and my qualifications are set forth in REP-12-Q-JP04-
8 01.

9 A. My name is John Prescott, and my qualifications are set forth in REP-12-Q-PN-
10 02.

11 A. My name is John Saven, and my qualifications are set forth in REP-12-Q-NR-01.

12 A. My name is Brian Skeahan, and my qualifications are set forth in REP-12-Q-CO-01.

13 *Q. On whose behalf are you providing testimony?*

14 A. We are providing testimony on behalf the "COU Group," which consists of
15 Northwest Requirements Utilities; Public Utility District No. 1 of Cowlitz
16 County, Washington; Eugene Water & Electric Board; Public Utility District No.
17 1 of Benton County, Washington; the Public Power Council, The City of Seattle,
18 Public Utility District No. 1 of Snohomish County, Washington; the City of

REP-12-E-JP05-02

Page 1

Witnesses: Jorge Carrasco, Tom DeBoer, Marc Hellman, Larry La Bolle, John
Prescott, John Saven, and Brian Skeahan

1 Tacoma; and Pacific Northwest Generating Cooperative and its Members; and the
2 “IOU Group,” which consists of Avista Corporation; Idaho Power Company;
3 PacifiCorp; Portland General Electric Company; Puget Sound Energy, Inc.; the
4 Idaho Public Utilities Commission; and the Public Utility Commission of
5 Oregon.¹

6 These organizations have been jointly designated as Joint Party 5, and are referred
7 to together in this testimony as the “Regional Parties.” The COU Group
8 represents the majority of BPA’s preference customers, both in terms of numbers
9 of entities and amount of load served by BPA. The IOU Group, together with
10 NorthWestern Energy, includes all of the region’s investor-owned utilities. The
11 Regional Parties serve more than 90% of the electric load in the Pacific
12 Northwest² (using that term as it is defined in the Pacific Northwest Electric
13 Power Planning and Conservation Act, 16 U.S.C. § 839 *et seq.*)

14 *Q. What is the purpose of this testimony?*

15 *A.* The purpose of this testimony is to describe proposed technical revisions to the
16 “REP Settlement Agreement,” which has been identified as Contract No. 11PB-
17 12322, and has also been marked as REP-12-E-BPA-11 in this proceeding. These
18 technical revisions have been proposed by the Regional Parties and are attached to
19 this testimony as Exhibit A (the “Revised REP Settlement Agreement”).

¹ NorthWestern Energy, the Citizens’ Utility Board of Oregon, and the Washington Utilities and Transportation Commission, though not parties to this proceeding, also support this testimony.

² References in this testimony to the amount of load served by the Regional Parties include the load served by NorthWestern Energy.

- 1 *Q. Please describe the Revised REP Settlement Agreement.*
- 2 A. The Revised REP Settlement Agreement incorporates the REP Settlement
3 Agreement in its entirety (including all exhibits), except for making three
4 revisions to the section entitled “Conditions Precedent to Initial Obligations.”
- 5 *Q. How does the Revised REP Settlement Agreement revise the REP Settlement*
6 *Agreement?*
- 7 A. The Revised REP Settlement Agreement would revise section 1.2.2 of the REP
8 Settlement Agreement so that (a) the date by which those wishing to become
9 parties to the settlement must deliver signatures to BPA would be June 3, 2011,
10 rather than April 15, 2011; (b) the minimum aggregate Transition High Water
11 Mark percentage of COUs delivering signatures would be 75%, rather than 91%;
12 and (c) the date by which BPA must give notice with respect to the conditions
13 described in item (i) of section 1.2.2 would be June 6, 2011, rather than April 25,
14 2011.
- 15 *Q. Why have the Regional Parties decided to revise section 1.2.2 of the REP*
16 *Settlement Agreement?*
- 17 A. When BPA announced, on April 15, 2011, that it had obtained signatures of
18 COUs with an aggregate Transition High Water Mark percentage of 81.5%
19 (which was lower than the threshold specified in Section 1.2.2 of the REP
20 Settlement Agreement in its current form), the Regional Parties met to evaluate
21 whether there was a way to still move forward with the REP Settlement

1 Agreement, given that there was such broad regional consensus supporting the
2 REP Settlement Agreement.

3 *Q. Why do the Regional Parties propose to set the threshold COU Transition High*
4 *Water Mark percentage at 75%?*

5 A. The COU Group is confident that, even in the short time between now and June 3,
6 2011, its members can secure signatures from a substantial majority of BPA's
7 public power customers – more than enough to reach the 75% threshold. All of
8 the Regional Parties are optimistic that the actual percentage could be
9 significantly higher than 75%. While we had hoped to achieve a level of COU
10 participation closer to 91% by the initial signature deadline of April 15, 2011, we
11 consider it remarkable that, when viewed on a regional scale, we have achieved
12 the level of support we now have. We consider this threshold to reflect broad-
13 based support by BPA's public power customers and, when combined with the
14 IOUs, public utility commissions, and Citizens' Utility Board, to demonstrate
15 broad-based regional support.

16 *Q. Why is this remarkable?*

17 A. We cannot recall any other circumstance in which the public and private utilities
18 serving more than 90% of the regional load have come together in a common
19 cause. This is one of the reasons we believe so strongly that we are doing the
20 right thing. We also hope to change the dynamic for those COUs that might elect
21 not to join the settlement. The COU Group is confident that the settlement will be
22 supported by at least the 75% COU threshold. As a result, the COUs that may

1 have initially taken no action, or actively opposed the settlement, may want to
2 now reconsider. No longer will their actions have the potential to frustrate the
3 will of the vast majority of BPA's customers to move forward with the settlement.
4 If a minority of COUs chooses to oppose the settlement in court, the
5 preponderance of COUs, having entered into the Revised REP Settlement
6 Agreement, will support and defend it.

7 *Q. Why do the Regional Parties support this approach?*

8 A. The Regional Parties have believed from the outset of this proceeding, and
9 continue to believe, that the REP Settlement Agreement is a reasonable
10 compromise that serves the interests of all customers in the region. We think this
11 opportunity for regional peace is too important to let it slip away.

12 *Q. Does this conclude your testimony?*

13 A. Yes, it does.

EXHIBIT A

REVISED REP SETTLEMENT AGREEMENT

This Revised REP Settlement Agreement ("Revised REP Settlement Agreement") is entered into by and among the Bonneville Power Administration ("BPA") and the undersigned investor-owned utilities, state public utility commissions, Citizens' Utility Board of Oregon, consumer-owned utilities, consumer-owned utility associations, and other BPA power customers:

1. As used in paragraphs 2, 3, and 4 herein, the term "Document" means that certain document entitled "REP Settlement Agreement" and identified as Contract No. 11PB-12322, which has also been marked as REP-12-E-BPA-11 in the BPA's REP-12 proceeding, together with all exhibits thereto.

2. Section 1.2.2 of the Document, "Conditions Precedent to Initial Obligations," is hereby revised as follows:

- (a) the phrase "April 15, 2011" in item (i) of Section 1.2.2 is revised to "June 3, 2011";
- (b) the phrase "91 percent" in item (i) of Section 1.2.2 is revised to "75 percent"; and
- (c) the phrase "April 25, 2011" in item (ii) of Section 1.2.2 is revised to "June 6, 2011";

and no other provision of the Document is revised hereby.

3. The Document, as revised as described in the preceding paragraph, is incorporated into this Revised REP Settlement Agreement by reference, as if set forth fully herein.

4. Each signatory represents that he or she is authorized to enter into this Revised REP Settlement Agreement on behalf of the party hereto for whom he or she signs. For the convenience of the parties hereto, this Revised REP Settlement Agreement may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts together constituting the same agreement. If the Administrator executes this Revised REP Settlement Agreement as specified in section 1.4 of the Document as revised and incorporated herein, BPA will promptly deliver to each party hereto a conformed copy of this Revised REP Settlement Agreement in the form of the Document as revised hereby and dated as of the date on which the Administrator executes this Revised REP Settlement Agreement. Each signatory authorizes BPA to reflect such signatory's conformed signature on the signature pages of such conformed copy.

5. The conformed copy as described in paragraph 4 hereof will, for all purposes, constitute the "REP Settlement Agreement," and will be binding on the parties hereto according to its terms.

[Signature blocks]

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: May 4, 2011
Re: Float Shed

As was requested, we have continued the Float Shed evaluation to develop hard costs for the options previously presented to Council.

Remove and Replace Roofing System

For this option the existing roofing system would be removed and a new roofing system would be installed. The primary component that needed further consideration was, "does the structure need to be completely brought up to code if we replace the roofing system". According to the 2009 IBC, this is a code interpretation that the Building Official must answer. Based on the memo dated 4/28, it appears that when improving the structure, various components of the structure must be improved to meet the current code. A copy of this memo is provided following this report.

Using this direction, we had a Structural Engineer from Gray & Osborne provide a planning level cost estimate for replacement of the roofing system. The estimated construction cost to remove the existing roofing system, demo the lean-to in the back, install a truss package, install plywood sheathing, metal roofing, and hardiplank siding on the gable ends and exterior of the structure, as well as provide the appropriate structural improvements to meet the code is approximately \$111,000. Some cost savings may be achieved if we use City forces or the Community Work Crew to demolish the lean-to in the back and install T1-11 siding on just the gable ends. With these modifications, the estimated construction cost is approximately \$88,000. Additionally, design costs, which include a structural evaluation to ensure compliance with the building code is anticipated to be approximately \$19,000. Detailed estimates are provided following this report.

Based on the above information, the total estimated project cost for removal and replacement of the existing roofing system is projected to range from \$107,000 to \$130,000.

Demolition of the Structure

For this option the existing structure and associated lean-to would be demolished and the site backfilled with gravel. We have looked at three alternatives for this option; demolish the structure with the Community Work Crew (CWC) using 100 yard dumpsters for disposal, demolish the structure with the Community Work Crew and recycling the concrete with the remaining waste disposed of in 40 yard dumpsters, and using a small works contractor to demolish the structure and restore the site.

The dumpster costs and fees were provided by Lemay, Inc. We contacted multiple recycling companies regarding recycling wood and concrete debris; however, the companies we contacted would not accept wood debris. We also contacted Christianson Inc. to obtain a planning level estimate if we were to use the small works roster.

The planning level project costs for each demolition alternative vary as shown below (rounded up to the nearest hundred dollars):

- Alternative 1 – CWC with Lemay 100-YD Dumpster for all Waste\$18,500
- Alternative 2 – CWC with Recycling Concrete\$18,100
- Alternative 3 – Small Works Contract.....\$19,800

Detailed estimates have for each alternative have been provided following the report. We still have some concern using the Community Work Crew to demolish the structure, as the proximity of the adjacent home raises the risk associated with conducting demolition activities. In the event we use the CWC to demolish the structure, we will be accepting the liability, which was the primary reason for proposing the use of a small works contractor back in February.

Wild Card

The original structure was constructed in the late 1960's. We were unable to locate any additional records of improvements after the original construction. The reason this is a concern is because during the 60's and 70's the use of asbestos was common in roofing materials for durability and as a flame retardant. In addition to the time period, the flat roofing system also increases our risk of having asbestos containing materials (ACM), as hot mop coatings commonly included asbestos fibers. Additionally, the use of lead based paint was also prevalent during this time period.

This is a serious concern both from the health and safety standpoint as well as the regulatory stand point. Both demolition and exterior structural modifications (removing and replacing the roofing system) require a permit through the Olympic Region Clean Air Agency (ORCAA). As part of the ORCAA requirements, a good faith survey must be conducted by a certified Asbestos Hazardous Emergency Response Act (AHERA) Building Inspector. We do not have any estimates to perform this work yet, but we have contacted a few companies capable of performing this work and are in the process of obtaining estimates. We anticipate that this cost will be in the range of \$500 to \$700.

In the event we have a positive sample of either material, abatement and disposal costs must be added to the total project estimate. We have contacted Lemay regarding disposal of asbestos containing materials, which is \$79 per cubic yard, must be double bagged, and they must receive a copy of the ORCAA permit indicating no asbestos present. Products with lead based coatings can be landfilled (disposed of in the dumpsters) if the material passes the TCLP test (documentation is required). Unfortunately the CWC does not do abatement work, however we have obtained additional points of contact within the Corrections Department that are trained in the removal of asbestos and lead.

Once we have obtained the good faith survey, we will have a better understanding of what additional impacts may be.

Action Requested:

Please use this information in conjunction with the information provided in the February 9, 2011 Council Packet to evaluate both the cost and non-cost factors. A specific decision or direction is not necessary until the good faith survey has been completed.

Date: April 28, 2011
Ref: Float Shed Remodel

Nick,

Here are some of the factors that would come into play as a result of replacing the roof system, which is a significant structural change to the building, so the project would have to meet the IBC 2009:

1. The existing building at this time has an 8" thick slab, without a footing for support and unknown rebar placement or size of rebar. That could only be determined by a licensed, portable radiation Company certified to do such test. The IBC/IRC states a minimum footing for this type of building w/ 12' walls should be no less than 18" in height x 12" thick mono pour. The inside slab pour is also unknown for thickness or rebar without some type of drilling or radiation.

Section R403 Footings/table R403.1

2. Next we have to look at the lateral/vertical loads when they reach a 12' height to the roof top plates. This building would now have to comply with the current 2009 code for Existing Structures, to include:

1. PT mudsill
2. 5/8" anchor bolts w/3"x3"x7/32" square washers
3. Wall bracing and shear design w/4'x8' shear panels @ 25'
4. Brace wall panels in Seismic D to begin no more than 8' from ends
5. Vertical studs shall be 2"x6" up to max of 24" width, w/double plate line and 8' vertical height
6. Fire blocking required @ 10' height
7. Rafters/truss anchors required @ all ends to top plates
8. Will need to upgrade header size for openings
9. Max 10# Ld with 25# max dead Ld for roof sheathing
10. Upgrade of windows/door
11. Roof drainage
12. Chimney removal (not stable)
13. Certified AHERA Inspector for hazard material (roof)

14. What possible damage will be caused by old roof top plate removal

3. These specifications can be found in sections:

A. IBC 2009 Chapter 3401, 3402, 3404

B. IBC 2009 Chapter 1805

C. IRC 2009 Chapter R403

D. IRC 2006 Significant Changes to the IRC Code Chapters R319, R320, R401, R403

If a square footage cost is needed, w/o Engr. Design I can supply that also.
Proof read and let me know if anything else is needed!

Mick Schlenker
Building Official
City of McCleary
360 495-3667 ext 114

Client: CITY OF McCLEARY Developed By: PG
 Project Name: FLOAT SHED VER 1 Checked By: _____
 G&O Job No: _____ Date: April 29, 2011
 Subject: STRUCTURAL COST ESTIMATE

Summary

LUMP SUM	Direct Costs				Indirect Costs	Subtotal
	Material	Labor	Equipment	Labor Burden	Project overhead	
\$15,500.00	\$43,532.00	\$18,173.80	\$6,228.00	0%	12% \$10,012.06	\$93,445.86
Other Costs:						
Profit	Bond		Contingency	Subtotal	Sales Tax	Total
0%	0%		10%		8.4%	
\$0.00	\$0.00		\$9,344.59	\$102,790.44	\$8,634.40	\$111,424.84

NOTE: THIS SUMMARY SHEET IS PLANNING LEVEL COST

* The above cost assumes no hazardous materials is present. Samples should be taken prior to demolition.

FLOAT SHED

Client: CITY OF McCLEARY		Developed By: PG										
Project Name: FLOAT SHED VER 1		Checked By:										
G&O Job No:		Date: April 29, 2011										
Subject: STRUCTURAL COST ESTIMATE		Unit Cost (\$)										
Item Description	Width (FT)	Height (FT)	Length (FT)	Number of Items	Quantity	Unit	LUMP SUM	Material	Labor	Equipment	Subtotal	Total Item Cost (\$)
FLOAT SHED												
DEMO ROOF	48.00	1.00	58.00	1.00	2,784.00	SF			4.00	2.00	6.00	16,704.00
DEMO ADDITIONAL COVERED AREA				1.00	5,000.00	LS	5,000					5,000.00
METAL ROOFING				1.00	2,576.00	SF		3.50	0.50		4.00	10,304.00
PLYWOOD SHEATHING				1.00	2,576.00	SF		1.00	0.80		1.80	4,636.80
ROOF TRUSSES	40.00	1.00	50.00	1.00	2,000.00	SF		2.83	0.85	0.33	4.01	8,020.00
HARDI SIDING ENDS	1.00	13.00	40.00	2.00	1,040.00	SF		4.50	0.85		5.35	5,564.00
SIDES	1.00	13.00	50.00	2.00	1,300.00	SF		4.50	0.85		5.35	6,955.00
FND. WALL FOOTING	0.67	2.50	180.00	1.00	12.00	CY		750.00			750.00	9,000.00
EXCAVATE AND BACKFILL FOOTING	2.00	0.66	180.00	1.00	9.00	CY		750.00			750.00	6,750.00
MISC. SIEMIC RETROFIT				1.00	6,000.00	LS	6,000					6,000.00
				1.00	4,500.00	LS	4,500					4,500.00

15,500 43,532.00 18,173.80 6,228.00 Total Cost: 83,433.80

Client:	<u>CITY OF McCLEARY</u>	Developed By:	<u>PG</u>
Project Name:	<u>FLOAT SHED VER.2</u>	Checked By:	<u></u>
G&O Job No:	<u></u>	Date:	<u>April 29, 2011</u>
Subject:	<u>STRUCTURAL COST ESTIMATE</u>		

Summary

LUMP SUM	Direct Costs				Indirect Costs	Subtotal
	Material	Labor	Equipment	Labor Burden	Project overhead	
\$10,500.00	\$33,002.00	\$16,184.80	\$6,228.00		12% \$7,909.78	\$73,824.58
	Other Costs:					
Profit		Bond	Contingency	Subtotal	Sales Tax	Total
\$0.00		\$0.00	10% \$7,382.46	\$81,207.03	8.4% \$6,821.39	\$88,028.42

NOTE: THIS SUMMARY SHEET IS PLANNING LEVEL COST

* The above cost assumes no hazardous material is present. Samples should be taken prior to demolition.

FLOAT SHED

Client: CITY OF McCLEARY
 Project Name: FLOAT SHED VER.2
 G&O Job No:
 Subject: STRUCTURAL COST ESTIMATE

Developed By: PG
 Checked By:
 Date: April 29, 2011

Item Description	Width (FT)	Height (FT)	Length (FT)	Number of Items	Quantity	Unit	LUMP SUM	Unit Cost (\$)			Total Item Cost (\$)
								Material	Labor	Equipment	
FLOAT SHED											
DEMO ROOF	48.00	1.00	58.00	1.00	2,784.00	SF		4.00	2.00	6.00	16,704.00
METAL ROOFING				1.00	2,576.00	SF		0.50		4.00	10,304.00
PLYWOOD SHEATHING				1.00	2,576.00	SF		0.80		1.80	4,636.80
ROOF TRUSSES	40.00	1.00	50.00	1.00	2,000.00	SF		0.85	0.33	4.01	8,020.00
FND. WALL	0.67	2.50	180.00	1.00	12.00	CY		750.00		750.00	9,000.00
FOOTING	2.00	0.66	180.00	1.00	9.00	CY		750.00		750.00	6,750.00
EXCAVATE AND BACKFILL FOOTING				1.00	6,000.00	LS	6,000				6,000.00
MISC. SIESMIC RETROFIT				1.00	4,500.00	LS	4,500				4,500.00

10,500 33,002.00 16,184.80 6,228.00 Total Cost: 65,914.80

EXHIBIT "B"

**ENGINEERING SERVICES
SCOPE AND ESTIMATED COST**

City of McCleary - Float Shed

Tasks	Principal Hours	Project Manager Hours	Structural Eng. Hours	CADD Tech. Hours
1 Evaluate Structural Alternatives		0.5	1.5	4
2 Design Calculations			16	
3 Preliminary Plans and Specs		0.5	40	80
4 QAQC	1	1	1	
5 Final Plans and Specs	1	1	12	13
Hour Estimate:	2	3	70.5	97
Estimated Hourly Rates:	\$56	\$46	\$46	\$28
Direct Labor Cost	\$112	\$138	\$3,243	\$2,716

Subtotal Direct Labor: \$6,209
 Indirect Costs (171%): \$10,617.39
 Total Labor Cost: \$16,826
 Fee (15%): \$2,524
 Subtotal Labor & Fees: \$19,350
 Direct Non-Salary Cost:
 Mileage & Expenses (Mileage @ \$0.50/mile) \$60

TOTAL ESTIMATED COST: \$19,410

City of McCleary
Float Shed Demolition

Alternative 1 - CWC with Lemay 100-YD Dumpster for All Waste
May 4, 2011

<u>No.</u>	<u>Item</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1	Community Work Crew	360 hrs	\$ 2.00 / hr	\$ 720.00
2	Excavator Rental (JD 120 Min.), Fuel & Del.	2 Day	\$ 750.00 / Day	\$ 1,500.00
3	100-YD Dumpster incl. Haul & Wt.	5 EA	\$ 2,000.00 / EA	\$ 10,000.00
4	Gravel Backfill	90 TN	\$ 10.95 / TN	\$ 985.50
5	Misc. Tools & Safety Eq. for CWC	1 LS	\$ 1,000.00 / LS	\$ 1,000.00
Project Subtotal.....				\$ 14,205.50
Contingency (20%).....				\$ 2,841.10
Sales Tax (8.4%).....				\$ 1,431.91
Planning Level Project Total.....				\$ 18,478.51

*Note: Does not include potential hazardous material testing and disposal

City of McCleary
Float Shed Demolition

Alternative 2 - CWC with Recycling Concrete; Remainder into Lemay 40-YD Dumpster
May 4, 2011

<u>No.</u>	<u>Item</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1	Community Work Crew	360 HR	\$ 2.00 / HR	\$ 720.00
2	40-yd Dumpster Delivery	1 EA	\$ 130.20 / EA	\$ 130.20
3	40-yd Dumpster Pickup (Wt. Limited)	13 EA	\$ 184.00 / EA	\$ 2,392.00
4	40-yd Dumpster Weight	90 TN	\$ 85.25 / TN	\$ 7,672.50
5	40-yd Dumpster Daily Rental	5 Day	\$ 6.50 / Day	\$ 32.50
6	Concrete Recycle Fee	100 TN	\$ 4.50 / TN	\$ 450.00
7	Concrete Rec. Trucking	4 HR	\$ 120.00 / HR	\$ 480.00
6	Gravel Backfill	90 TN	\$ 10.95 / TN	\$ 985.50
8	Misc. Tools & Safety Eq. for CWC	1 LS	\$ 1,000.00 / LS	\$ 1,000.00
Project Subtotal.....				\$ 13,862.70
Contingency (20%).....				\$ 2,772.54
Sales Tax (8.4%).....				\$ 1,397.36
Planning Level Project Total.....				\$ 18,032.60

*Note: Does not include potential hazardous material testing and disposal

City of McCleary
Float Shed Demolition

Alternative 3 - Small Works Contractor

May 4, 2011

<u>No.</u>	<u>Item</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Amount</u>
1	Mobilization	1 LS	\$ 1,500.00 / LS	\$ 1,500.00
2	Demolition	2000 SF	\$ 5.50 / SF	\$ 11,000.00
3	Gravel Restoration	90 TN	\$ 30.00 / TN	\$ 2,700.00
	Project Subtotal.....			\$ 15,200.00
	Contingency (20%).....			\$ 3,040.00
	Sales Tax (8.4%).....			\$ 1,532.16
	Planning Level Project Total.....			\$ 19,772.16

*Note: Does not include potential hazardous material testing and disposal

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: May 2, 2011
Re: Substation Progress Estimate No. 2

The substation contractor, KVA, has completed the 95% of the work at the 7th and Maple substation. During commissioning, it was discovered that one of the new panels on the refurbished regulator that regulate the step increase/decrease was not functioning. This panel was taken back to their shop for testing and repair. KVA will likely repair or supply a new panel for this regulator by the end of the month. Additionally, test reports will be provided to the City once the project is complete. The total amount now due the contractor and the amount to be deposited in the retainage account are as follows:

<u>Amount Now Due</u>	<u>Amount to be Deposited in Retainage Account</u>	<u>Total Retainage Amount</u>
\$33,768.53	\$1,632.91	\$3,728.16

Action Requested:

Authorize the Mayor to pay Progress Estimate No. 2. The amount to be paid is \$33,768.53 and the amount to be deposited in the Retainage Account is \$1,632.91.

PROGRESS ESTIMATE NO. 2

May 2, 2011

CITY OF McCLEARY
GRAYS HARBOR COUNTY
WASHINGTON

PROGRESS ESTIMATE PERIOD:
APRIL 1, 2011 TO APRIL 30, 2011

PROJECT:
CITY OF McCLEARY
SUBSTATION INSPECTION AND REPAIR PROJECT
CN2011-02

CONTRACTOR:
KVA ELECTRIC, INC.
25829 JIM CREEK ROAD
ARLINGTON, WA 98223

NO.	DESCRIPTION	BID ITEMS			QUANTITIES		PROJECT COSTS		ESTIMATED PERCENT OF PROJECT COMPLETION
		QUANTITY	UNIT	UNIT PRICE	TOTAL TO DATE	TOTAL THIS PERIOD	AMOUNT TO DATE	AMOUNT THIS PERIOD	

BASE BID

1	7TH AND MAPLE SUBSTATION	1	LS	\$ 34,377.00	95%	95%	\$ 32,658.15	\$ 32,658.15	95%
2	7TH AND ASH SUBSTATION	1	LS	\$ 41,905.00	100%	0%	\$ 41,905.00	\$ -	100%

CHANGE ORDERS

TOTAL EARNED TO DATE							\$ 74,563.15	\$ 32,658.15	
SALES TAX						8.4%	\$ 6,263.30	\$ 2,743.28	
TOTAL WITH SALES TAX							\$ 80,826.45	\$ 35,401.43	
LESS 5% RETAINED (BEFORE TAX)							\$ 3,728.16	\$ 1,632.91	
TOTAL EARNED TO DATE LESS RETAINAGE							\$ 77,098.30		

CONTRACT AMOUNT (Incl. Sales Tax)	\$82,689.69
CONTRACT PERCENTAGE TO DATE	98%

TOTAL PAYMENT NOW DUE: \$ 33,768.53

I HEREBY CERTIFY THE ABOVE ESTIMATE IS A TRUE AND CORRECT STATEMENT OF THE WORK PERFORMED UNDER THIS CONTRACT

NICHOLAS D. BIRD, P.E.
CITY OF McCLEARY
DIRECTOR OF PUBLIC WORKS

SUMMARY AND DISTRIBUTION OF PAYMENTS

PAY EST. NO.	PROGRESS ESTIMATE PRIOD DATES	TOTL EARNED PER PERIOD	SALES TAX RATE	SALES TAX AMOUNT	MATERIALS ON HAND	RETAINAGE (5%)	TOTAL PAYMENT
1	MARCH 17, 2011 TO MARCH 31, 2011	\$ 41,905.00	8.4%	\$ 3,520.02	\$ -	\$ 2,095.25	\$ 43,329.77
2	APRIL 1, 2011 TO APRIL 30, 2011	\$ 32,658.15	8.4%	\$ 2,743.28	\$ -	\$ 1,632.91	\$ 33,768.53
Total		\$ 74,563.15		\$ 6,263.30		\$ 3,728.16	\$ 77,098.30

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: May 5, 2011
Re: RCO / Beerbower Park ADA Path

In 2008 the City accepted a matching grant (50% of project cost; maximum of approximately \$60,000 reimbursed). As we have previously indicated, there is one last piece that must be completed prior to closing out the project. The City must construct an ADA accessible path from the parking areas to the softball field. A preliminary layout has been provided as Attachment "A".

To date, we been reimbursed all but approximately \$6,000. To receive that entire amount, we must conduct \$12,000 worth of improvements.

The project must be completed by the end of June, but we are still in the process of laying out the grades for the path. Once the grades have been established, we will begin the work. At this point in time we would like you to consider the path material. We have three options for finish material; asphalt, concrete, and gravel. For the purpose of this evaluation, we have only considered asphalt and concrete as the use of gravel for an accessible path is a maintenance nightmare.

Based on the preliminary layout, the common labor will include tree removal, clearing and grubbing, disposal of waste material, subgrade preparation, and installation of one catch basin. The total internalized cost (City Crew doing the work) of the common labor is approximately \$8,500.

The total path area is approximately 5,600 square feet (8 foot sidewalk with concrete or asphalt surfacing under and around the bleacher area). This translates to approximately 79 tons of asphalt or 77 cubic yards of concrete and approximately 175 tons of subgrade material (4" CSTC under either option). As part of the subgrade preparation, equipment must be rented to conduct the work. An out of pocket cost of approximately \$1,000 (without sales tax) has been allocated to cover the rental and fuel expenses for an excavator and roller. An out of pocket expense of approximately \$1,900 (without sales tax) has been allocated for purchase and delivery of the subgrade material. The only item left to consider is the surfacing material.

ASPHALT

We have contacted three companies to provide quotes for material supply and installation of approximately 80 tons of asphalt. The quotes were for \$105, \$107, and \$148 per ton. Therefore, the installed cost, using the \$105/TN quote with 79 TN, is \$8,295 (without sales tax). The total project cost using asphalt surfacing is shown in Table 1.

Table 1
Estimated Construction Cost for HMA Path

<u>DESCRIPTION</u>	<u>COST</u>	<u>PAYMENT METHOD</u>
Common Work (Labor)	\$8,500.00	Internalized
Total Internalized	\$8,500.00	Internalized
Rental Equipment	\$1,000.00	Expense
Subgrade Material.....	\$1,800.00	Expense
Supply and Installation Of HMA.....	\$8,295.00	Expense
Sales Tax (8.4% of Expense Rounded to \$10)	\$950.00	Expense
Total Expense (Out of Pocket).....	\$12,145.00	Expense
Total Project Cost (Internalized + Expense)...\$20,645.00		

CONCRETE

For this option, we have two components that must be evaluated, labor and materials. The approximate cost of concrete per cubic yard is roughly \$80/CY. Thus, the total material cost, using 77 CY, is approximately \$6,160 (without sales tax). Fortunately or unfortunately, depending on your point of view, the material cost of the concrete is only \$2135 less than the installed cost of asphalt. This is a factor because the prevailing wage of a concrete worker is approximately \$40/hr, which means there is only 53 man hours available to match the asphalt price. The estimated labor for using contract forces is approximately \$6,000, which puts the total cost of the concrete installation at \$12,200 (without sales tax). When this was discovered, we considered completing the work in house (internalizing the cost). Based on the crew's estimation, pouring and finishing the path could take up to a week and a half. Using a 6 person crew, this translates to an internalized cost of approximately \$19,000. We would also need additional material for concrete forms; a placeholder of \$1,000 has been inserted to cover material or rental of forms. The total project cost using concrete surfacing is shown in Table 2.

Table 2
Estimated Construction Cost for Concrete Path

<u>DESCRIPTION</u>	<u>COST</u>	<u>PAYMENT METHOD</u>
Common Work (Labor)	\$8,500.00	Internalized
Concrete Form, Pour, and Finishing (Labor).....	\$19,000.00	Internalized
Total Internalized	\$27,500.00	Internalized
Rental Equipment / Form Material	\$2,000.00	Expense
Subgrade Material.....	\$1,900.00	Expense
Supply and Installation Of HMA.....	\$6,160.00	Expense
Sales Tax (8.4% of Expense Rounded to \$10)	\$850.00	Expense
Total Expense (Out of Pocket).....	\$10,910.00	Expense
Total Project Cost (Internalized + Expense)...\$38,410.00		

SUMMARY

Tables 1 and 2 identify the total out of pocket cost and total project cost, which are summarized below in Table 3.

**Table 3
Financial Summary of Alternatives**

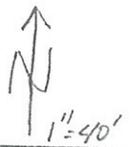
Estimated Construction Cost for Alternative	Out of Pocket Cost	Total Project Cost
Estimated Construction Cost for HMA Path	\$ 12,145.00	\$ 20,645.00
Estimated Construction Cost for Concrete Path	\$ 10,910.00	\$ 38,410.00

As can be seen in Table 3, there is an anticipated out of pocket savings if we are to construct a Concrete Path. We only anticipate approximately \$6,000 grant funding to accommodate this work. This means our net impact to the park fund will be approximately \$4,900 to \$6,200, depending on the material chosen.

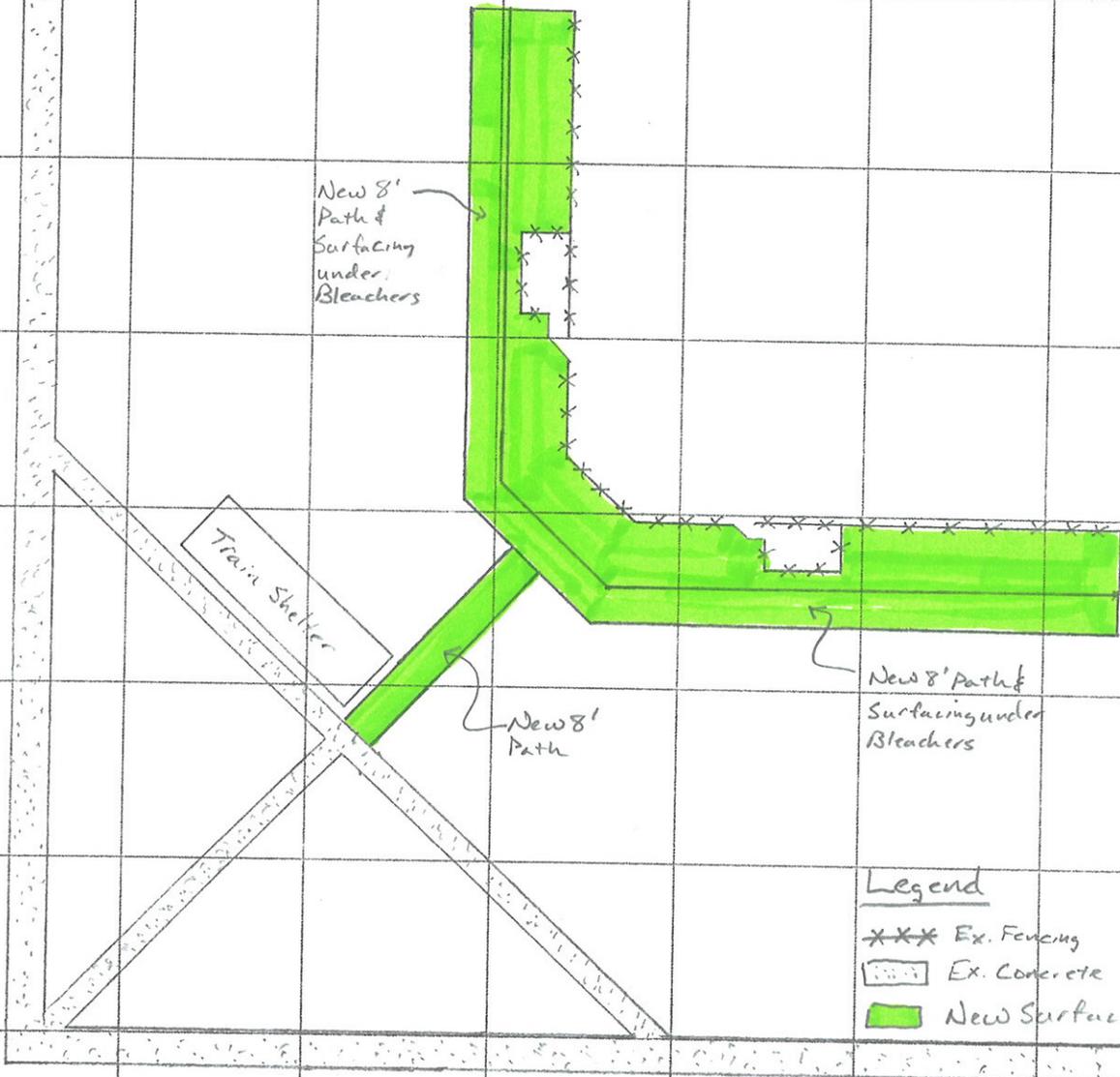
Action Requested:

Please review the information provided, as well as non-cost factors such as appearance, and let us know which surfacing alternative is the preferred alternative.

Attachment "A"



Simpson Ave. (SR 108)



Legend

- *** Ex. Fencing
- Ex. Concrete
- New Surface

Scale: 1" = 40'

Drawn By: NB

Date: 5/5/11

Checked By:

Eng.

Measure:

Drawing # 1

Project: Park Trail Design

City of McCleary
 100 S. 3rd Street McCleary WA 98557
 360-495-3667

Project # D2011-01

STAFF REPORT

To: Mayor Dent
From: Wendy Collins, Clerk-Treasurer
Date: May 5, 2011
Re: Annual Financial Report for 2010

Each year the City is required to submit an annual report to the State Auditor's Office on the yearly financial activity. The report must include beginning balances, expenditures, revenues, loans, grants, and the end of the year compensated absences for all employees. The report is a key component that the Auditor uses when conducting their annual audit.

The State Auditor's Office updates their requirements yearly, which makes the completion of this report very challenging.

Action Requested:

Please authorize the Mayor to approve and authorize the City Clerk to submit to the State Auditor's Office the attached 2010 Annual Financial Report.

RESOLUTION NO. _____

A RESOLUTION RELATING TO CLAIMS AND WARRANTS UNDER CERTAIN TIME CIRCUMSTANCES; SUPPLEMENTING THE PROVISIONS OF RESOLUTION 563; ESTABLISHING PROTOCOLS IN RELATION THERETO; AND ESTABLISHING REPORTING REQUIREMENTS.

R E C I T A L S:

1. The City Council, under normal procedures, reviews and audits all claims and warrants submitted for payment. Pursuant to Resolution 563, a protocol for normal review of warrants and claims by the Finance Committee was established.

2. Under certain circumstances arising from the time gap between meetings of the Council, claims and warrants may become due and subject to payment during the interim between Council Meetings.

3. The Council wishes to establish a process providing for the payment of such claims and warrants.

4. The Council has previously put in place a variety of policies relating to employment, public contracts, public purchasing, and disbursement of monies so as to maintain internal control. It now wishes to do so in relation to payment of bills during certain periods between meetings of the Council.

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

SECTION I: In such circumstances as may result from there being more than **three** weeks between any regularly scheduled Council Meetings, the procedure established in the following section shall govern the payment of claims and warrants.

SECTION II: When more than **three** weeks pass between Council sessions, the Mayor and Clerk-Treasurer of the City shall be authorized to issue checks and warrants for payment of the lawful obligations of the City which are received within that time period without the pre-approval of the Council, but are not required to do so. Such action shall be subject to the following conditions:

A. Either the Mayor or the Mayor Pro Tem, in the event of the absence of the Mayor, and the Clerk-Treasurer shall sign the checks or warrants to be issued. A bond shall be maintained as required by R.C.W. 42.24.180.

B. The claims and warrants paid pursuant to the provisions of Subparagraph A shall be reviewed and either approved or rejected by the City Council at its next regularly scheduled and held public meeting.

C. In the event that a claim which has been paid pursuant to the authority granted in subparagraph A is disapproved by the Council, then the Clerk-Treasurer and elected official signing the check or warrant shall recognize these

payments as receivables of the City and pursue collection with all reasonable dispatch until the monies have either been recaptured or the payment has been approved by the Council.

D. No checks or warrants relating to the settlement of litigation nor in an amount greater than \$ _____ to any single payee shall be issued pursuant to the authority granted in this Resolution.

SECTION III: This resolution shall be deemed to supplement the provisions of Resolution 563, the provisions of which shall continue to govern normal processing of claims for payment of moneys. When applicable, its provisions are for the benefit of the City only and their utilization shall be solely in the discretion of the Mayor or Mayor pro tem, as the case may be.

PASSED THIS _____ DAY OF _____, 2011, by the City Council of the City of McCleary, and signed in authentication thereof this _____ day of _____, 2011.

CITY OF McCLEARY:

D. GARY DENT, Mayor

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney