



# McCleary City Council Agenda

**February 28th, 2018 6:30 PM**

**Flag Salute**

**Roll Call:** \_\_\_ Pos. 1- Orffer, \_\_\_ Pos. 2-Huff , \_\_\_ Pos. 3- Heller, \_\_\_ Pos. 4- Blankenship, \_\_\_ Pos. 5- Iversen

**6:00 PM-RCW 42.30.140[4][b]**

Exutive Session	<input type="checkbox"/>
Mayor Comments	<input type="checkbox"/>
Public Comment	<input type="checkbox"/>
Minutes	<input type="checkbox"/>
Approval of Vouchers	<input type="checkbox"/>

**Tab A Feb 14th**

Staff Reports	<input type="checkbox"/>
	<input type="checkbox"/>

**Tab B Dan Glenn**  
**Tab C Todd Baun**

Old Business	<input type="checkbox"/>
	<input type="checkbox"/>

**Tab D Net Metering**  
**Tab E Draft Economic Comprehesive Plan**

New Business	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>

**Tab F Transportation Benefit District Information**  
**Tab G Water System Plan Budget Increase request**  
**Tab H Reservoir Inspection Bid**

**Ordinances**

**Resolutions**

**Mayor/Council Comments**

Workshop 6:00 March 14th- Maufactured Homes

**Public Comments**

**Executive Session**

**Adjournment or Recess Meeting**

**Previously Tabled Items**

CAO Update

**Please turn off Cell Phones- Thank you**

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

The City of McCleary is an equal opportunity provider and employer.

La ciudad de McCleary as un proveedor de igualdad de oportunidades y el empleador

**TAB - A**

**CITY OF MCCLEARY**  
**Regular City Council Meeting and Council Workshop**  
**Wednesday, February 14, 2018**

ROLL CALL AND FLAG SALUTE	Councilmembers Orffer, Huff (by telephone), Heller, Blankenship and Iversen were in attendance.
ABSENT	None.
STAFF PRESENT	Present at the meeting were Director of Public Works Todd Baun, Clerk-Treasurer Wendy Collins, Police Chief Steve Blumer, Officer Randy Bunch and Attorney's Dan Glenn and Sharon English.
PUBLIC HEARING	None.
EXECUTIVE SESSION	Mayor Schiller called for an Executive Session to start at 6:34 pm for thirty minutes to discuss labor contracts per RCW 42.30.140 [4] [b]. The Executive Session ended at 7:04 pm.
MINUTES APPROVED	<b>It was moved by Councilmember Huff, seconded by Councilmember Heller to approve the minutes from the meetings held on January 24, 2018. Motion Carried 5-0.</b>
VOUCHERS	Accounts Payable checks approved were 43825- 43968, including EFT's, in the amount of \$61,622.39.  Payroll checks approved were 43771 - 43905, including EFT's, in the amount of \$189,651.98.  Bank reconciliation for January 2018.  <b>It was moved by Councilmember Orffer, seconded by Councilmember Blankenship to approve the vouchers. Motion Carried 5-0.</b>
PUBLIC COMMENTS	None.
MAYOR COMMENTS	None.
CITY ATTORNEY REPORT	Dan Glenn provided a written report for the Council.
DIRECTOR OF PUBLIC WORKS REPORT	Todd Baun reported on February 2nd, they were alerted of low water pressure on Simpson Avenue. The crew found a completely ruptured 4" plastic water main on Maple Street, near the Treatment Plant.
WESTERN PUBLIC AGENCIES GROUP (WPAG)	WPAG (Western Public Agencies Group) is a group that Todd recently attended a meeting with. They are a group that was formed in 1980, which is an association of Washington and Oregon public utilities that is involved with Bonneville rate proceedings, litigation and policy review issues. They discuss changes BPA plans to make and provide updated information to help the public utilities stay informed with what might affect them. Todd would like to join the group so he can attend the meetings, stay informed and receive information as a member. <b>It was moved by Councilmember Iversen, seconded by Councilmember Orffer to authorize the Mayor to sign the WPAG Contract. Motion Carried 5-0.</b>
INFORMATION TECHNOLOGY (IT) SERVICES	The City has only received one proposal for IT services by the closing date. JD Tech Solutions, LLC., is a new company owned by an individual that went out on his own to start his own business. At this time, he is a one-man business. <b>It was moved by Councilmember Orffer, seconded by Councilmember Iversen to authorize the Mayor to sign the IT Services Contract with JD Tech Solutions, LLC, and add in section II,B,5, f, a, i, a) to read one (1) hour emergency response, and section II,B,5, f, a, i, b) read two (2) hour critical response time and for the contract to go into effect February 15, 2018 and to evaluate the service in approximately 90-days and/or by the first meeting in May. Motion Carried 5-0.</b>
3RD STREET PROJECT LOCAL AGENCY AGREEMENT	<b>It was moved by Councilmember Orffer, seconded by Councilmember Heller to authorize the Mayor to sign the WSDOT Local Agency Agreement Supplement, which adds the construction phase. Motion Carried 5-0.</b>

DRAFT MOBILE HOME CODE  
UPDATE

Tabled. Todd Baun asked for the Council to schedule a workshop to discuss the mobile home code update. It was agreed to meet on March 14th at 6:00 pm before the City Council meeting.

Councilmember Orffer asked about the status of the sidewalk issue in her neighborhood. Dan Glenn has been in contact with Doyce Draght and she indicated the delay has been due to the weather. Ms. Draght requested a proposal from Rognlin's, which she has received, and is now waiting for dry weather to perform the work.

PUBLIC COMMENT

Mayor Schiller reported the Department of Retirement audited the City after many years. It has been well over twelve years. They audited records going back to the 1980's. They had some findings, which are the same things they have found in most cities they audit. Most of the errors have been corrected. The website is not the easiest to use and assistance is limited. The Department of Retirement stated they believe they need to do more to train and help employers understand the requirements and assist in accurate reporting.

EXECUTIVE SESSION

None.

MEETING ADJOURNED

**It was moved by Councilmember Huff, seconded by Councilmember Iversen to adjourn the meeting at 7:44 pm. The next meeting will be Wednesday, February 28, 2018 at 6:30 pm. Motion Carried 5-0.**

*Approved by Mayor Brent Schiller and Clerk-Treasurer Wendy Collins.*

**TAB - B**

**MEMORANDUM**

TO: MAYOR AND CITY COUNCIL, City of McCleary  
FROM: DANIEL O. GLENN, City Attorney  
DATE: February 23, 2018  
RE: LEGAL ACTIVITIES as of FEBRUARY 28<sup>TH</sup>, 2018

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. **SIX P.M. MEETING**: As was true two weeks ago it is my understanding that you will be meeting at 6:00 to discuss labor negotiations with bargaining units. As of the time of the preparation of this Report I am uncertain if the Mayor is intending to call a special meeting and then recess that meeting to go into what is characterized as a closed meeting or simply going to give notice of the fact that a closed meeting will be held at that time, date and place.

What is characterized as a closed meeting is not an executive session under Section 42.30.110 of the Open Public Meetings Act which specifically does not allow executive sessions for such purposes. However, the Legislature in 42.30.110[g] after saying you can not discuss such matters in an executive session goes on to "recognize" that you can do so under the provisions of RCW 42.30.140[4] which by its language, makes such session excluded from the Act. For easy access, the applicable language remains as follows:

"If any provision of this chapter conflicts with the provisions of any other statute, the provisions of

this chapter shall control: **PROVIDED, That this chapter shall not apply to:**

(4)(a) Collective bargaining sessions with employee organizations, including contract negotiations, grievance meetings, and discussions relating to the interpretation or application of a labor agreement; or **(b) that portion of a meeting during which the governing body is planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress.**

2. **DEVELOPMENT INCENTIVES:** As of the time of the preparation of this Report, I continue to review what alternatives would be available in this area in addition to the deferred connection fee approach utilized by cities such as Auburn. Based upon a discussion it appears that Hoquiam is considering an approach as to connection fees which is broader than the concept of allowing an individual to purchase a "package" of a number of utility connections at a discounted price.

The approach being considered by the Hoquiam Council is to eliminate what is characterized as the "water and sewer capital facilities charge" for meters one inch or less and reduce the charge for meters greater than that by seventy percent. Before the City should consider such an approach, I am certain that Todd will agree with me that an appropriate review be undertaken as to how comparable in terms of rationale Hoquiam's charge is to the City's and also both the long term and short term impact upon the utilities of such a reduction/elimination.

2. **SOLAR NET METERING ORDINANCE:** It is my anticipation that prior to this evening's meeting you will have been provided the initial draft of this ordinance. Its implementation is mandated as the result of the Legislature's action nearly twenty years ago in which the adopted the

provisions codified as RCW 80.60. The rationale is set forth in three findings made in Section 80.60.010 which are as follows:

"The legislature finds that it is in the public interest to:

- (1) Encourage private investment in renewable energy resources;
- (2) Stimulate the economic growth of this state; and
- (3) Enhance the continued diversification of the energy resources used in this state."

Until last year there had been no requests to allow connection of private solar power generating systems to the City's system. However, upon submission of the request to allow such connection, the City is required to move forward. In reviewing the ordinances of the other cities upon which our draft will be based, it appears that they may have added additional requirements. Also, it appears that they have set a limit upon the amount of such connections. It is also that after a full review, Mr. Nott will recommend additional provisions. The chapter allows such additions but appears to require a public hearing on the limitation aspect. The hearing requirement and the limits upon the City's ability to add additional requirements, such as insurance, are set out in two subsections of RCW 80.60.040 which provide as follows:

"(2) The commission, in the case of an electrical company, or the appropriate governing body, in the case of other electric utilities, after appropriate notice and opportunity for comment, may adopt by regulation additional safety, power quality, and interconnection requirements for customer-generators, **including limitations on the number of customer generators and total capacity of net metering systems that may be interconnected to any distribution feeder line, circuit, or network that the commission or governing body determines are necessary to protect public safety and system reliability.**



(3) An electric utility **may not require a customer-generator whose net metering system meets the standards in subsections (1) and (2) of this section to comply with additional safety or performance standards, perform or pay for additional tests, or purchase additional liability insurance.** However, an electric utility shall not be liable directly or indirectly for permitting or continuing to allow an attachment of a net metering system, or for the acts or omissions of the customer-generator that cause loss or injury, including death, to any third party."

The bottom line is that the goal will be to set out an ordinance which meets the State's mandates but also protects the City's investment in the general system.

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

DG/le

**TAB - C**

**STAFF REPORT**

To: Mayor Schiller  
From: Todd Baun, Director of Public Works  
Date: February 23, 2018  
Re: Current Non-Agenda Activity

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**Snow Plowing and Sanding of Roads**

With this weather the past week, we have been plowing snow and sanding roads. The public works crew is doing our best at keeping the roads in a safe of condition despite the inclement weather.

**Tree Trimming**

Light and Power and the Public Works crew are trimming several overgrown trees back from our right of ways. You will notice a difference in the area of S. 4<sup>th</sup> and W. Hemlock St.

**TAB - D**

## STAFF REPORT

To: Mayor Schiller  
From: Todd Baun, Director of Public Works  
Date: February 23, 2018  
Re: Net Metering

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Net Metering is a program for customers who generate their own electricity and it measures the difference between the amount of electricity the customer buys from the utility and the amount of electricity the customer produces using your own generation system.

Dan should have a draft for council review at this meeting.

### **Action Requested:**

None at this time. This is for information only and will be discussed and action asked for at a later council meeting.

**TAB - E**

# MCCLEARY WASHINGTON



## *Economic Development Comprehensive Plan*

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Public Review Draft – December 20, 2017

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A Building Communities™  
Strategic Plan



Project Supported by:



# McCleary, Washington Economic Development Comprehensive Plan

## Public Review Draft

Prepared by



Building Communities, Inc.  
2101 Main St., Ste 202 Baker City, Oregon 97814  
(928) 814-3710 | [www.BuildingCommunities.us](http://www.BuildingCommunities.us)



## About This Planning Project

The leaders and residents of McCleary have a sense that their community should be making progress given its proximity to Olympia and being a gateway point to the Olympic National Park and the Pacific Ocean. And yet, the population of the community has remained relatively the same for decades.

Recent changes in leadership have positioned the community to work to envision and enact its desired future, and yet no comprehensive plan for community and economic development exist.

Despite the lack of community and economic development strategic planning, the community has “done its homework” with respect to infrastructure planning and community facilities planning. Such planning, combined with utilities systems (power, water and sewer) sets the stage for growth. But the question remained: what should McCleary focus upon to diversify its economy and improve its overall quality of life?

With this situation in place, Public Works Director Todd Baun applied for a grant from the State of Washington Department of Commerce Community Economic Revitalization Board (CERB) program. The grant was a slight methodology-departure for CERB, as the typical grant is more focused upon the feasibility of community projects, rather than strategic plans for the community at large.

The City of McCleary engaged Building Communities, Inc. to not only perform economic development strategic planning services (referred to as the City of McCleary Comprehensive Plan), but also to assist with plan implementation with grant writing services.

### PROJECT SUPPORT TEAM

**Brent Schiller, Mayor**

**Todd Baun, Public Works Director**

**Wendy Collins, City Clerk/Treasurer**

### FUNDING AGENCIES

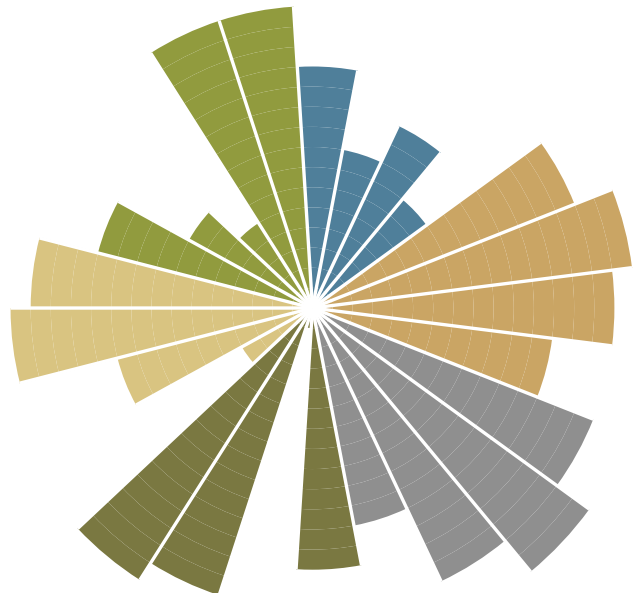
**State of Washington**

**Department of Commerce**

**Community Economic Revitalization Board  
(CERB)**

**City of McCleary**

[www.CityofMcCleary.com](http://www.CityofMcCleary.com)



## Plan Director

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**Todd Baun**  
*Director of Public Works  
City of McCleary*

## Steering Committee Members

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**Ben Blankenship**  
*Councilmember  
City of McCleary*

**Steve Blumer**  
*Police Chief  
City of McCleary*

**Teneille Carpenter**  
*School Board Member  
McCleary Elementary School*

**Dan Casler**  
*Superintendent  
McCleary Elementary School*

**Evert Challstedt**  
*Owner  
Old McCleary Hotel*

**Wendy Collins**  
*City Clerk/Treasurer  
City of McCleary*

**Carri Comer**  
*WA St. Dept. of Health*

**Wes Cormier**  
*Grays Harbor County Commissioner  
District 1*

**Joy Iversen**  
*Radiologist  
Summit Pacific Medical Center*

**Karen Keinenberger**  
*McCleary Library*

**Doug Krikava**  
*Maintenance Supervisor  
WSDOT*

**Christopher Miller**  
*Standards Program Manager  
Department of Labor and Industries*

**Brittany Moonan**  
*Fraud Analyst*

**Paul Morrison**  
*Public Works  
Planning Assistant  
City of McCleary*

**Monica Reeves**  
*M.ED., LMHCA, DMHP  
DSHS Division of Behavioral Health & Recovery*

**Christy Reynolds**  
*Realtor  
Reynolds Real Estate*

**Ryan Reynolds**  
*Realtor  
Reynolds Real Estate*

**Dustin Richey**  
*Councilmember  
City of McCleary*

**Chantol Sego**  
*Freelance Wedding & Event Planner*

**Brent Schiller**  
*Mayor  
City of McCleary*

**Andrea Watts**  
*Freelance Science Writer/Forest Manager*

## Plan Facilitators

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**Brian Cole & Kimberly Janeway**  
*Building Communities, Inc.*

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# Executive Summary

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# Executive Summary

## Our Community and Vision

Now is the time for McCleary to take charge of its future. For one reason or another, the population of McCleary has remained stagnant for decades. Despite its location near the interstate system and between the Seattle Metropolitan Area and the coast, McCleary has yet to take proactive measures to diversify its economy and improve its quality of life. Until now.

McCleary, Washington



In two days in late September 2017, two dozen of McCleary's finest got together and decided to change their world. They considered a full plate of 25 strategies and unlimited Quality-of-Life Initiatives, and decided to divvy up tasks and get the job done. No longer would McCleary allow the world to pass them by. It is time to take charge.

Once a company town, McCleary now sees the value-added forest products industry as a base from which to build upon. In addition to selecting Value-added Forest Products as a strategy—a strategy that scored the highest of the 25 based upon the odds of successful implementation—community leaders selected 11 additional strategies and 18 Quality-of-Life Initiatives in order to diversify the economy and improve the local quality of life.

For McCleary, door manufacturing and Bear Festivals will just be the beginning. Being on the route to the coast with proximity to the forest and an emerging first-class outdoor recreational vehicle park, McCleary is about to become known.

At 8:30 am on Thursday, September 28, the Steering Committee met for the very first time. Everyone was heartened to find so many people in the community that were willing to give of their time and talent to make McCleary a better place. By 8:30 the next morning, the Committee hardly needed a facilitator for the planning process. McCleary was already beginning to take the first steps to envision and enact a better future.

Perhaps it is the work of the current and past owners of the Old McCleary Hotel that best exemplifies the position that McCleary is in today. The Old McCleary Hotel stands because of the dedicated care of people who love McCleary.

Likewise, McCleary stands today because many people care and want to see a better day. Beginning in the fourth quarter of 2017, growth and new activity is set to begin. Just as the Hotel will soon see its next chapter in its storied life, McCleary is embarking on a very positive future.

## Scope of Plan

The purpose of this Comprehensive Plan is to guide the community and economic development activities of the City of McCleary for the next five years—and maybe more. This Plan contains 12 Economic Diversification

This strategic planning document is the first of two parts. A companion document, the Plan Implementation Workbook, details the Action Steps and Tasks intended to implement this Strategic Plan.

Strategies and 18 Quality-of-Life Initiatives designed to improve the local economy and to bolster the livability of McCleary.

This Plan should not be confused with a Land Use Plan, but rather, the direction set forth in this Plan should guide future land use planning decisions for the City of McCleary. The planning for and utilization of land should be considered a “resource” or “input” not unlike human capital, financial capital and technical capital will serve to implement the plan.

This planning document is accompanied by the Action Planner Tracker which is a “living document” designed to identify, implement and track the specific action steps that are being taken to implement both the Strategies and Initiatives.

## Looking to the Future

The City of McCleary sees the Fall of 2017 as the ideal time to begin to develop and implement this Plan. Plan Week was a first-of-its-generation type meeting in McCleary. Such a convening to envision and enact the future of McCleary has not been done on such a scale in decades.

The City recognizes that it is very rural, and it needs to rely on its base of volunteers in order to complete much of the planning. The City also looks for assistance in plan implementation from Greater Grays Harbor, Inc. Greater Grays Harbor has been a long-term supporter of the City of McCleary, and this Plan serves to focus the specific community and economic development activities of Greater Grays Harbor in supporting McCleary over the next five years.

It is the desire of the City of McCleary to always look back to September of 2017 as the starting point for launching a new vision for the town that has staying power. McCleary envisions a much brighter future as a result of the work that was initiated here.

McCleary will be made a better place through the implementation of the following Strategies and Initiatives, which were identified as common focus areas by the Steering Committee.

## Community and Economic Development Strategies

- Attracting Funding
- Business Recruitment
- Business Retention and Expansion
- Downtown Development
- Education Development
- Energy Development
- Entrepreneurial Development
- Environmental Restoration
- Infrastructure Development
- Local/Regional Tourism
- Pass-through Visitor Services
- Value-added Forest Products

## Quality-of-Life Initiatives (For Action)

- Accessing the Capitol Forest
- Add STEM-related Classes to Schools
- Adopt-a-Road Program
- Capitalizing on the Nearby ORV Park
- Child Care
- Community Beautification
- Cultural and Community Events

- Encouraging Outdoor Activity
- Higher Education Satellite Campus
- Increased Use of School District Real Estate
- Increased Use of the Community Center
- Increasing McCleary Visibility
- Relocation and Expansion of Beerbower Park
- Rezone and Add Commerce Around Beerbower Park
- RV Park Development
- School District Tree Growing and Planting Project
- Sidewalk Improvement Project

#### **Quality-of-Life Initiatives “Honorable Mentions”**

- Affordable Housing/Apartments
- Aging in Place
- Availability of Housing for “Downsizing”
- Branding McCleary
- Development of a Sports Complex
- House Exterior Cleanup
- Increased Hours at the Library
- Public Swimming Pool
- Youth Activities



Section 1:

# Plan Week Results

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# Plan Week Results

## Overview

To gather the information from which to begin formulating McCleary's strategic plan, the Steering Committee participated in a multi-session planning process called Plan Week, which is outlined in detail in Appendix F. During these sessions, the Steering Committee considered 25 specific community and economic development strategies and a community-generated list of initiatives to improve McCleary's quality of life. The community at large was also invited to consider and provide input about these same strategies and initiatives. At the conclusion of Plan Week, the Steering Committee selected the following strategies for implementation in McCleary:

- Attracting Funding
- Business Recruitment
- Business Retention and Expansion
- Downtown Development
- Education Development
- Energy Development
- Entrepreneurial Development
- Environmental Restoration
- Infrastructure Development
- Local/Regional Tourism
- Pass-through Visitor Services
- Value-added Forest Products

In addition, these *Quality-of-life Initiatives* were selected for advancement:

- Accessing the Capitol Forest
- Add STEM-related Classes to Schools
- Adopt-a-Road Program
- Capitalizing on the Nearby ORV Park
- Child Care
- Community Beautification
- Cultural and Community Events
- Encouraging Outdoor Activity
- Higher Education Satellite Campus
- Increased Use of School District Real Estate
- Increased Use of the Community Center
- Increasing McCleary Visibility
- Relocation and Expansion of Beerbower Park
- Rezone and Add Commerce Around Beerbower Park
- RV Park Development
- School District Tree Growing and Planting Project
- Sidewalk Improvement Project

## Strategy Selection Process

As mentioned briefly in Section 1, the McCleary Steering Committee participated in an objective assessment of the most viable economic development strategies for a given community—the *Key Success Factor Analysis*. Using this rating and scoring system, the Steering Committee considered a host of strategy-specific *Key Success Factors*, rating McCleary’s comparative advantage for each factor, relative to communities of a similar size.

Each of the *Key Success Factors* was scored on a scale of ‘A’ to ‘E’. Where the Steering Committee determined that McCleary has a significant comparative advantage relative to its competition, that factor was scored an ‘A’. Where a particular Key Success Factor was determined to be relatively absent in McCleary, it was given a score of ‘E’. Intermediate scores from ‘B’ to ‘D’ were given for factors in the middle of the range.

The scores provided by the Steering Committee were then integrated with each of the 25 strategies on a weighted basis. The result is the *Prioritized Strategy Report* to the right, which presents all 25 strategies, ranked by Building Communities according to the likelihood of successful implementation.

This initial *Prioritized Strategy Report* provided the Steering Committee with a solid foundation from which it could begin considering which of the 25 strategies the community should ultimately pursue. As the Building Communities approach recognizes that making wise choices in representative government requires not only capable leaders but an involved citizenry, the views of the community were also sought, in order that the collective voice of the community could be heard and given weight in the decision-making process. This began in the *Voice of the Community Meeting* in which the community at large was asked whether or not it would like to see the community advance each of the 25 strategies, and whether or not it believes the community could successfully do so.

### Prioritized Strategy Report

STRATEGY	SCORE	STRATEGY GROUP
Value-added Forest Products	84	Value-added
Environmental Restoration	80	Sector-specific
Pass-through Visitor Services	79	Tourism
Value-added Agriculture	76	Value-added
Health Care Expansion	76	Community Development
Attracting Government Jobs	76	Other
Value-added Fisheries	75	Value-added
Attracting Funding	75	Other
Logistics Centers	73	Sector-specific
Local/Regional Tourism	73	Tourism
Energy Development	72	Sector-specific
Bedroom Community Development	68	Community Development
Destination Tourism	63	Tourism
Business Recruitment	60	General Business
Leading-edge Development	59	Sector-specific
Infrastructure Development	56	Other
Value-added Mining	55	Value-added
Business Cultivation	48	General Business
Education Development	48	Community Development
Business Retention and Expansion	40	General Business
Entrepreneurial Development	35	General Business
Attracting Retirees	35	Other
Attracting Lone Eagles	23	Other
Downtown Development	18	Community Development
Cultural Tourism	6	Tourism

The results of the *Voice of the Community Meeting* were then weighed, factored and combined with the results of the *Key Success Factor Analysis* to produce the *Enhanced Strategy Report*. This report provided the Steering Committee with a more complete view about the desires and confidence level of both leaders and citizens with respect to each of the 25 potential strategies. This information, along with the *Prioritized Strategy Report*, served as the foundation for the final strategy selection process.

The findings of the *Community Organizer Assessment* also factor into the implementation of the Plan. These findings are presented in a separate section of this plan, and provide additional insight for the implementation stage of the planning process. Recommendations in the *Community Organizer Assessment* will help the community to refine and increase its capacity to work together and succeed as it begins implementing the strategic plan.

With these various analyses and assessments in place, the Steering Committee's task was to choose the strategies which the community would ultimately advance. Consideration of the *Prioritized Strategy Report* yielded an initial selection of the "most viable" strategies. Ultimately, the Steering Committee selected 12 Strategies. The Steering Committee was very deliberate about which strategies they selected, as there was great energy and enthusiasm about creating an ambitious plan while still recognizing that much of the implementation effort would have to be done by volunteers (primarily, themselves).

### Enhanced Strategy Report

STRATEGY	SCORE	WANT	CAN	STRATEGY GROUP
✓ Attracting Funding	275	100%	100%	Other
✓ Value-added Forest Products	266	96%	95%	Value-added
✓ Business Recruitment	260	100%	100%	General Business
✓ Local/Regional Tourism	259	100%	93%	Tourism
Health Care Expansion	240	88%	94%	Community
✓ Pass-through Visitor Services	237	89%	90%	Tourism
✓ Business Retention and Expansion	228	94%	100%	General Business
✓ Infrastructure Development	212	86%	92%	Other
Attracting Lone Eagles	209	93%	100%	Other
✓ Entrepreneurial Development	207	94%	92%	General Business
✓ Environmental Restoration	180	81%	69%	Sector-specific
Value-added Agriculture	178	76%	75%	Value-added
✓ Downtown Development	178	95%	85%	Community
Attracting Retirees	171	76%	92%	Other
✓ Education Development	164	78%	80%	Community
Bedroom Community Development	146	59%	80%	Community
Business Cultivation	142	80%	67%	General Business
Attracting Government Jobs	100	62%	50%	Other
Leading-edge Development	83	65%	47%	Sector-specific
Destination Tourism	73	65%	40%	Tourism
Logistics Centers	33	42%	38%	Sector-specific
Value-added Fisheries	33	41%	38%	Value-added
✓ Energy Development	28	38%	40%	Sector-specific
Value-added Mining	-99	6%	17%	Value-added
Cultural Tourism	-128	20%	13%	Tourism

#### Key

✓ = Selected Strategy

**Score** = Total Score which adds the *Prioritized Strategy Report* score to the findings of the *Voice of the Community Session* ("Does the community want to implement the strategy," and "Does the community think that the strategy could be successfully implemented?")

**Want** = The percentage of the *Voice of the Community* attendees desiring to implement the strategy

**Can** = The percentage of the *Voice of the Community* attendees that believe this strategy can be successfully implemented

**Strategy Group** = One of six types of strategies

## Importance of Recommendations

The Building Communities methodology results in two types of recommendations: 1) *Essential Action Steps* associated with the selected community and economic development strategies and *Quality-of-life Initiatives*; and 2) organizational capacity recommendations generated by the *Community Organizer Assessment*.

Combined, these two elements generate a substantial number of recommendations and actions the community should take in order to successfully implement its selected strategies.

However, the results of the *Community Organizer Assessment* should be seen as supporting recommendations. In other words, it is the *Essential Action Steps* that should be the primary focus, with the recommendations provided through the *Community Organizer Assessment* viewed more as a “tune-up” for the assigned organizations—and the community as a whole—to get the work done. The recommendations of the Community Organizer follow the Selected Strategies section of this plan.

**IMPLEMENTING RECOMMENDATIONS**

**Essential Action Steps**  
Primary Focus

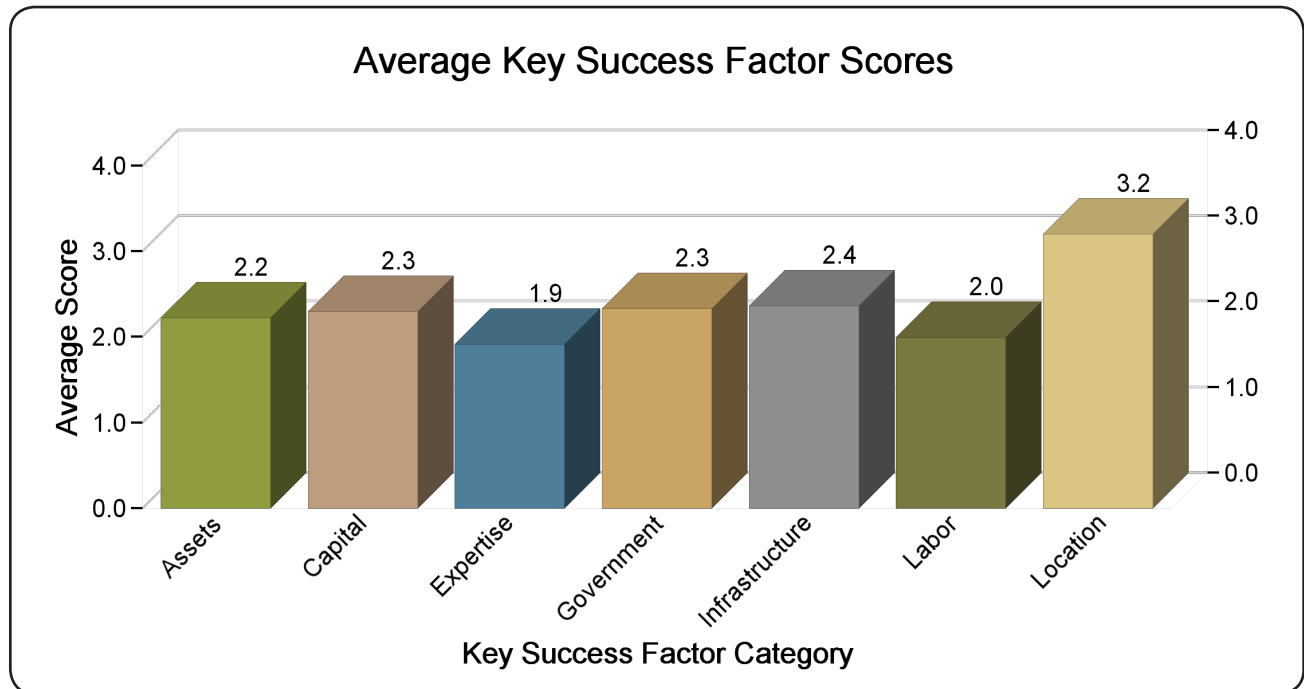
**Community Organizer Assessment**  
Secondary Focus

While it is recommended that the Steering Committee review the *Essential Action Steps* on a monthly (or more frequent) basis, it may only be necessary to review the *Community Organizer Assessment* recommendations on a quarterly or semi-annual basis.

## SWOT Analysis

### Overall SWOT Summary

The Building Communities economic development strategic planning approach does not utilize a conventional strengths, weaknesses, opportunities and threats (SWOT) analysis as a starting point for the process. Instead, it presents *Key Success Factors* for community and economic development. The local assessment of the relative comparative advantage of each of the *Key Success Factors*, in effect, yields a SWOT analysis based on these seven categories:



- Assets
- Capital
- Expertise
- Government
- Infrastructure
- Labor
- Location

The table below presents a brief description of each category and the average score of the community in each of those categories.

Six of the seven Key Success Factor Categories scored in the “average” to “slightly above average” range, while the Location category scored substantially above average.

Key Success Factor Categories		AVG SCORE
Assets	Industry-specific or activity-specific conditions or dynamics critical to certain strategies.	2.2
Capital	Business debt and equity funding as well as consistent funding for development organizations to succeed.	2.3
Expertise	The skills, connections and abilities of local professionals.	1.9
Government	The citizenry and government agencies/committees, whose decisions and opinions shape the community's actions.	2.3
Infrastructure	The land, buildings and infrastructure necessary to advance many of the business development strategies.	2.4
Labor	The labor force of a community.	2.0
Location	The relative proximity of the community to the marketplace.	3.2
Scores reflect the community's relative capacity in each category on a scale from 0 to 4.		

## Assets

The “Assets” category generally presents *Key Success Factors* unique to particular strategies. For example, the “availability of energy resources” is a unique Key Success Factor to the Energy Development strategy.

Assets	
Financially sound existing health care facility	4
Local recreational and visitor attractions	4
Proximity and access to forests and forest products	4
Proximity to nationally recognized attractions	4
Proximity to travel routes	4
Proximity to urban population and workforce centers	4
Insulation from industrial business annoyances	4
Accurate, long-term analysis of infrastructure needs and costs	3
Availability of energy resources	3
Desirable climate	3
Proximity to fisheries commodities	3
Proximity to large volumes of agricultural commodities	3
Sufficient local entrepreneurial base	2
Quality residential neighborhoods	1
Available, desirable housing	1
Existence of recreational amenities	1
Proximity to raw materials and minerals	1
Existing or prospective cultural attraction	0
Expandable educational institution	0
High availability of urban services	0
Recognizable central business district/downtown	0
Sufficient base of local businesses	0

Of the 22 Asset Key Success Factors, 12 of them score as a comparative advantage. This serves to either significantly “favor” or “disfavor” about half of the strategies.

## Capital

Access to—and consistent availability of—capital is significant in two general respects. First, businesses must be able to secure sufficient debt and/or equity capital for their formation, operations, retention and expansion. Second, development organizations must have reliable sources of funding in order to regularly engage in activities consistent with their mission.

For businesses, access to capital is the lifeblood of the business itself. For small businesses that can demonstrate loan repayment capability, programs to provide such capital can be very traditional (bank and credit union lending), or they can be government-supported loan, loan guarantee or credit enhancement measures designed to supplement traditional lending.

For development organizations, reliable funding is necessary so the board and staff can engage primarily in activities consistent with the organizational mission, rather than regularly chasing funding sources for the preservation of the organization itself.

Capital	
Ability to secure long-term contracts for forest materials	3
Ability to secure power-purchase agreements	3
Access to small business financing	3
Access to large-scale capital	3
Access to long-term infrastructure loans and grants	3
Availability of appropriated funds	3
Dedicated local financial resources for staffing recruiters	3
Competitive recruitment incentives	1
Local funding for downtown development	1
Sufficient marketing, promotion, or public relations budget	0

Seven of the 10 Capital Key Success Factors are Comparative Advantages, but all seven of them scored a '3.' Therefore, this particular category of KSFs is without any "significant comparative advantages." The two KSF weaknesses of most significance relate to the lack of funding for Downtown Development, Community Development, and Tourism promotion efforts.



## Expertise

In this information age, it should be no surprise that one of the broadest and most important categories of *Key Success Factors* is expertise. The successful implementation of virtually every strategy requires expertise from a broad array of professionals in any community.

Not only must sufficient expertise be possessed by the individuals on the front lines of community and business development, but such capability is also important in various professional sectors of the local economy, for the advancement of targeted tourism and downtown development strategies and in the professionals backing up the front-line community and business developers (city managers, public works directors, county commissioners, etc.).

Expertise	
Competent, strategic-minded hospital and health-care executives	4
Ability to build a team comprised of energy-development experts	3
Ability to successfully market materials	3
Ability to understand industry trends and opportunities	3
Capable, experienced economic development professionals	3
Cooperation of economic development staff and educational community	3
Existing excellence in local health care	3
Local ability to identify and advance a funding proposal	3
Relationship with site selectors	3
Relative sophistication in coordinating and marketing local events	3
Team approach to infrastructure finance	3
Ability to compete in a global market	2
Ability to identify product and service gaps	2
Ability to network and attend relevant trade shows	2
Dedicated business coaching staff	1
Staff focused on attracting retirees and/or lone eagles	1
Support from local education professionals at all levels	1
Supportive post-secondary education training program	1
Cultural development and advocacy organization	0
Downtown organization and staff	0
Implementation of national Main Street Four-Point Approach™	0
Sophisticated tourism development & promotion	0
Sophisticated use of the internet for marketing	0

The Expertise category is split right down the middle. About half of the Expertise KSFs are strengths and the other half are weaknesses.

## Government

Increasingly people argue that “if only government would get out of the way” our communities and businesses would thrive. In reality, however, it is through government (federal, state and especially local) that key strategies are envisioned, defined and implemented.

Governmental bodies not only establish policies and funding programs, but establish cultures and attitudes that are either pro-development or anti-development. Strong collaboration between government and the private and volunteer sectors is an essential ingredient for success.

Government	
Local government support	4
Community acceptance of the visitor industry	3
Favorable state policies with respect to office locations	3
Projected growth in government budgets	3
Strong community support	3
Strong state and/or federal legislative delegation	3
Support for attracting retirees	3
Support from local businesses	3
Local policies and ordinances supporting quality neighborhood development	3
Local pro-business climate	2
Strong relations between economic development organization and local businesses	2
Active engagement of downtown building and business owners	1
Local focus on revenues from visitors	1
Supportive state energy policies and incentives	1
Community support for needed infrastructure rate increases	0

The Government category scores relatively high. Nine of the 15 Key Success Factors are favorable while only one of them scores as a significant comparative disadvantage.

## Infrastructure

In order for communities to be attractive and appropriate for the implementation of many strategies, they must possess sufficient land, infrastructure, buildings and housing. Building Communities uses the term infrastructure in a very broad sense in this context (beyond just sewer, water and power facilities).

Infrastructure	
Availability of industrial-zoned land for industrial park development	4
Availability of brownfield sites	3
Availability of land for business prospects	3
Availability of local infrastructure	3
Excess water and sewer infrastructure capacity	3
Land/Buildings/Campus for education development	3
Proximity to transmission lines with excess capacity	3
Availability of local buildings	2
Adequate housing for labor force	1
Adequate telecommunications infrastructure	1
High-speed internet	0

Seven of the 11 infrastructure Key Success Factors are favorable led by the availability of land for Industrial Park Development. The most challenging factor for Infrastructure Development relates to the need to improve high-speed internet and broadband telecommunications.

## Labor

It takes a deeper bench than simply the “experts” to successfully implement many strategies. The availability and skills of the local labor force are critical to the implementation of many strategies.

Labor	
Local, available, low-skill labor pool	3
Local, available, high-skill labor pool	1

In general, McCleary does offer available low-skill labor but current and new businesses that would need a high-skill labor pool might find a challenge.

## Location

The location of the community is of great significance to many strategies. For example, communities strategically located to provide access to markets have a comparative advantage versus relatively isolated communities.

Location	
Proximity and access to markets	4
Strategic location for distribution centers	4
Advantageous location for government or education expansion	3
Prospect of an expanded geographic market for health care	3
Proximity to scheduled air service	2

Four of the Five Key Success Factors related to location are favorable. McCleary’s location near the interstate freeway system and proximity to health care and education offerings makes this the strongest of the seven KSF categories.

Section 2:

# Selected Strategies

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**Attracting Funding**

**Business Recruitment**

**Business Retention and Expansion**

**Downtown Development**

**Education Development**

**Energy Development**

**Entrepreneurial Development**

**Environmental Restoration**

**Infrastructure Development**

**Local/Regional Tourism**

**Pass-through Visitor Services**

**Value-added Forest Products**

## Selected Strategies

### McCleary's Selected Strategies

Ultimately, the Steering Committee recommended the advancement of 12 strategies to enhance the economic condition and overall quality of life for McCleary. Ten of the 12 Strategies were assigned "Strategy Leads," enabling these ten to move forward at the initial implementation stage of the plan. Energy Development and Entrepreneurial Development were put on hold for the beginning of the implementation phase.

On the following pages, each strategy is listed and described. In addition, the overall objective of the strategy is presented as well as the strategy-specific results of the *Key Success Factor Analysis*.

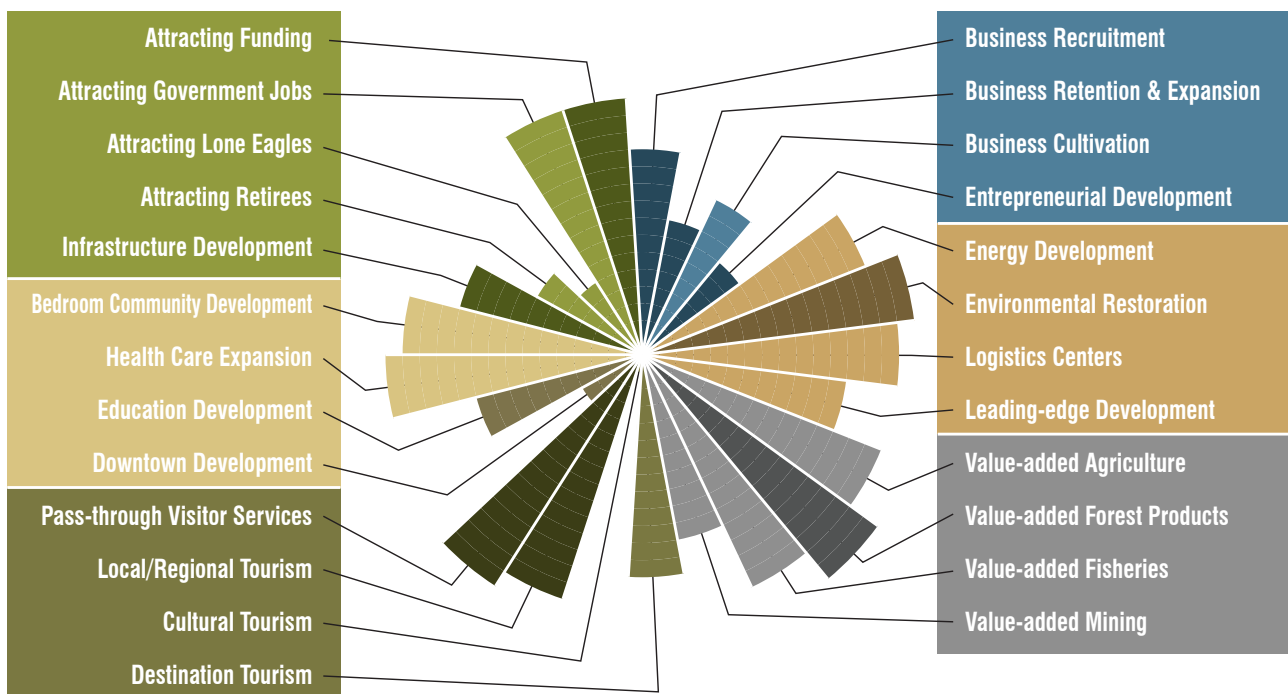
Two figures are shown on top of each strategy's page—"Score" and "Rank."

**Score** - This represents each strategy's overall score on a basis of 100 points, and is the result of the Steering Committee's collective responses to the *Key Success Factor Analysis* in the first session of Plan Week. A score of 75 or higher indicates a strategy that is highly recommended for advancement. A score of 60 to 74 indicates a strategy that should be seriously considered for advancement. A score below 60 indicates that there likely exist serious impediments to successful implementation of the strategy.

**Rank** - This represents the position of each strategy among all the strategies, based on its score.

The strategies selected by the McCleary Steering Committee are:

- Attracting Funding
- Business Recruitment
- Business Retention and Expansion
- Downtown Development
- Education Development
- Energy Development
- Entrepreneurial Development
- Environmental Restoration
- Infrastructure Development
- Local/Regional Tourism
- Pass-through Visitor Services
- Value-added Forest Products



Strategies not selected include:

- Attracting Government Jobs
- Attracting Lone Eagles
- Attracting Retirees
- Bedroom Community Development
- Business Cultivation
- Cultural Tourism
- Destination Tourism
- Health Care Expansion
- Leading-edge Development
- Logistics Centers
- Value-added Agriculture
- Value-added Fisheries
- Value-added Mining

In general, the Strategies that were selected were the ones that had the highest desirability by both the Steering Committee and the attendees of the Voice of the Community session. In other words, the strategies were more likely to be selected on the basis of “desire” than “perceived feasibility.”

That being said, there was one strategy that was highly desired that was not selected: Health Care Expansion. The general thinking of the Steering Committee was that the local health care facility has been successful with its expansion, and additional expansion measures are underway regardless of the activity by the Steering Committee and community. As such, in effect, Health Care Expansion is being “implemented.”

## Recommendations for Implementation

McCleary formed a 25-member Steering Committee which is highly engaged and committed to the development and implementation of this plan. Over the course of the next year, the Steering Committee will be assisted by Building Communities to help identify and implement the action steps necessary to successfully advance strategies and initiatives and ultimately complete projects.

In general, the Steering Committee should meet monthly and hear reports from its members about the progress in advancing the *Essential Action Steps* for each strategy.

In addition to the monthly meeting, the Steering Committee should hold a meeting approximately every nine months to consider every Essential Action Step in a systematic fashion. For each step: 1) completion of the step should be noted; 2) progress should be noted; 3) if needed, efforts to restart the effort should be planned; or 4) the particular step should be recognized as no longer relevant. This systematic approach will ensure that nothing falls through the cracks during strategy implementation.



# Attracting Funding

RANK: 8

SCORE: 75

## Objectives of Strategy Implementation

McCleary recognizes that the successful implementation of 11 other strategies and 18 Quality-of-Life Initiatives will require more available funding than McCleary—municipal government plus local contributions—can provide. As such, the Steering Committee selected Attracting Funding as a strategy.

At least two of the Steering Committee members—Todd Baun and Carri Comer—have been successful at securing foundation and/or government funding for community priorities.

The combination of local grant writing skills with a very specific strategic plan that identifies community priorities sets the stage to posture the community very competitively for funding. In addition, Building Communities will aid with grant writing for the early implementation of this plan. McCleary, therefore, is poised for success with grant writing.

## Strategy Summary

Communities can create jobs and improve their overall quality of life through either a onetime or consistent approach of attracting government appropriations and grants.

Hundreds of state and federal agencies manage grant programming and/or legislative earmarks (funding directives) which can be utilized to complete projects for a wide variety of purposes. States or localities with congressman/legislators participating on powerful appropriations committees are particularly well positioned to benefit from this strategy.

While the vast majority of such funding either goes to formula-based entitlement programs or for competitive grant processes, a small percentage of the funding is directed by state and federal appropriators, thus bypassing the formula or competitive approach.

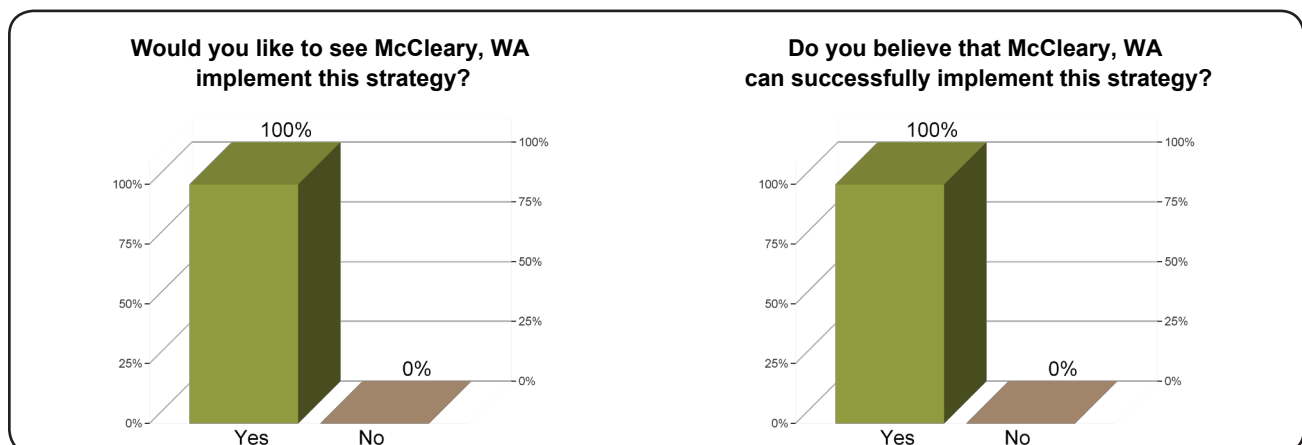
Often maligned as “pork barrel spending”, this strategy may face local opposition by individuals that are principled against such redistribution of government funding.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on:

- whether or not they wanted to see McCleary, WA implement this strategy, and
- whether or not they believed McCleary could successfully implement it.

Below is a summary of community responses:



## Findings from the Key Success Factor Analysis

McCleary is well suited to implement this strategy based upon four key strengths. First, the community does have a demonstrated track record of preparing successful grant applications. Two members of the Steering Committee are experienced in this regard. In addition, Building

Communities will be available during the first year to assist with grant writing. Second, although funding may be less available than previous years, there are still funding sources available and the community knows how to target and reach such funders. Third, McCleary is supported by a relatively strong state and federal delegation. Finally, the fact that McCleary supports community and economic development activities paves the way for grant proposals.

KEY SUCCESS FACTOR	SCORE
Availability of appropriated funds	3
Local ability to identify and advance a funding proposal	3
Strong community support	3
Strong state and/or federal legislative delegation	3

### Key Success Factor Report - Attracting Funding

STRENGTHS TO BUILD UPON	
<p style="text-align: center;"><b>Major Comparative Advantages</b></p> <hr/> <p style="text-align: center;">No Entries</p>	<p style="text-align: center;"><b>Slight Comparative Advantages</b></p> <hr/> <p style="text-align: center;">Availability of appropriated funds Local ability to identify and advance a funding proposal Strong community support Strong state and/or federal legislative delegation</p>
CHALLENGES TO OVERCOME	
<p style="text-align: center;"><b>Slight Comparative Disadvantages</b></p> <hr/> <p style="text-align: center;">No Entries</p>	<p style="text-align: center;"><b>Major Comparative Disadvantages</b></p> <hr/> <p style="text-align: center;">No Entries</p>





# Business Recruitment

RANK: 14

SCORE: 60

## Objectives of Strategy Implementation

Business Recruitment received near unanimous support from all Steering Committee members as well as attendees of the Voice of the Community meeting. Participants in the strategic planning process are hungry for the creation of new jobs to diversify the economy.

To be successful, the Steering Committee will need to refine its target in terms of the types and/or industries of businesses to pursue. Business Recruitment can be one of the most expensive and sophisticated strategies, and requires focus, professional presentation of proposals, and perseverance.

The Steering Committee believes that successfully recruiting new business activity will also assist in the successful implementation of other selected strategies. For example, Downtown Development, Local/Regional Tourism and Pass-through Visitor Services all presume that existing business activity is taking place in McCleary. Successfully recruiting new businesses, therefore, complements the implementation of the full strategic plan.

## Strategy Summary

Perhaps the most widely recognized economic development strategy is business recruitment, which is the act of proactively soliciting existing businesses located out-of-region to expand or relocate into a community.

Business recruitment can be very advantageous for local communities desiring to establish new jobs, focus on family wage jobs, expand the local tax base—and generally enhance community vitality.

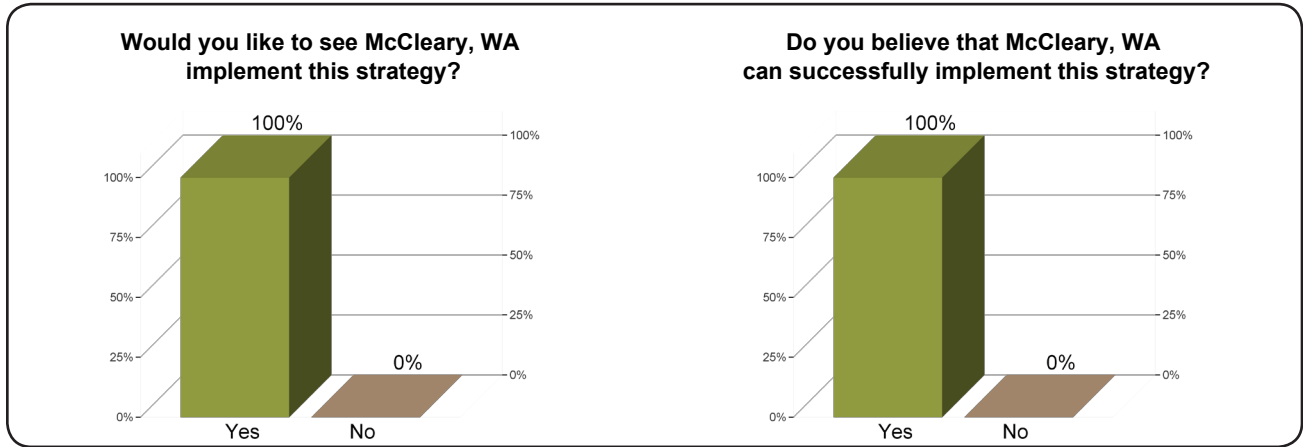
However, business recruitment can have drawbacks. Communities that do not have the desire or infrastructure capacity for growth may view business recruitment negatively.

Communities that rely on business recruitment as a substantial component of their economic development strategy should view their effort as a long-term endeavor. Frequently, communities can go months (even years) without tangible results. This does not necessarily mean their efforts are poorly planned or executed. The fact is, there are far more communities chasing new businesses than there are businesses looking for new communities.

Business recruitment activity can also be costly. Advertising, public relations, attendance at industry trade shows, website development and maintenance, and informational and promotional materials are expensive.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:



## Findings from the Key Success Factor Analysis

The top two factors supporting successful business recruitment relate to McCleary’s strong local government support and its proximity and access to markets. Other strengths include the ability to collaborate with Greater Grays Harbor, the experience of Greater Grays Harbor in working with corporate site selectors, the availability of land for business prospects, and the availability of local infrastructure. Key challenges to overcome include the availability of high-skill labor, and the current use of the internet for marketing.

KEY SUCCESS FACTOR	SCORE
Proximity and access to markets	4
Local government support	4
Access to large-scale capital	3
Dedicated local financial resources for staffing recruiters	3
Capable, experienced economic development professionals	3
Relationship with site selectors	3
Availability of land for business prospects	3
Strong community support	3
Support from local businesses	3
Local, available, low-skill labor pool	3
Availability of local infrastructure	3
Proximity to scheduled air service	2
Ability to compete in a global market	2
Ability to network and attend relevant trade shows	2
Availability of local buildings	2
Competitive recruitment incentives	1
Local, available, high-skill labor pool	1
Sophisticated use of the internet for marketing	0

## Key Success Factor Report - Business Recruitment

STRENGTHS TO BUILD UPON	
<p><b>Major Comparative Advantages</b></p> <p>Proximity and access to markets Local government support</p>	<p><b>Slight Comparative Advantages</b></p> <p>Access to large-scale capital Dedicated local financial resources for staffing recruiters Capable, experienced economic development professionals Relationship with site selectors Availability of land for business prospects Strong community support Support from local businesses Local, available, low-skill labor pool Availability of local infrastructure</p>
CHALLENGES TO OVERCOME	
<p><b>Slight Comparative Disadvantages</b></p> <p>Competitive recruitment incentives Local, available, high-skill labor pool</p>	<p><b>Major Comparative Disadvantages</b></p> <p>Sophisticated use of the internet for marketing</p>



# Business Retention & Expansion

RANK: 20

SCORE: 40

## Objectives of Strategy Implementation

McCleary desires to support its existing base of businesses by conducting a Business Retention and Expansion campaign. Maintaining the existing business base, and working proactively to identify and facilitate business expansion opportunities is a priority for McCleary.

This strategy presents an opportunity to become more proactive and coordinated with Greater Grays Harbor as a partner in this effort. Greater Grays Harbor has business development professionals with experience in supporting existing and start-up businesses, and is familiar with many business resources to assist with workforce training, business finance, business planning and other networking opportunities.

McCleary should identify a subset of its existing business base, develop an outreach survey, schedule and conduct meetings with business leaders, and then routinely follow-up on specific priorities identified by participating businesses.

## Strategy Summary

It is widely agreed by most economic development professionals that opportunities for job retention and job expansion with existing companies exceed the number of opportunities for recruiting new businesses to their communities.

Communities can employ a variety of approaches to foster the expansion of existing companies. One of these methods is to conduct a Business Retention & Expansion (BR&E) program. The BR&E approach utilizes a systematic outreach to existing companies to identify their needs, challenges and opportunities. Several programs are available that can be adapted for the specific needs of a particular community.

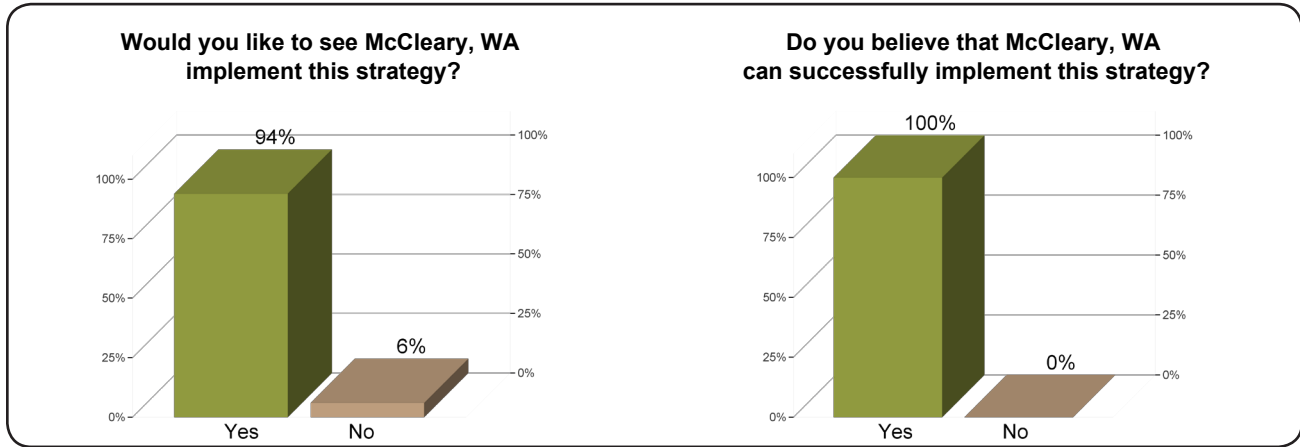
Benefits of the BR&E approach include:

- Identifying opportunities to encourage the expansion of new companies;
- Identifying opportunities to avert pending job losses or business closures;
- Ability to take a community-wide approach to addressing business needs;
- A systematic way to collect information;
- Ability to immediately identify solutions for businesses;
- Opportunity to engage civic groups or volunteers to partner in the work;
- Building good public relations for municipalities and economic development organizations; and
- Identifying vendor and subcontractor business networking opportunities.

By meeting the needs of existing businesses, the stage is also better set for successful business recruitment efforts. Potential new businesses to a new community may investigate the satisfaction of existing businesses, and base a portion of their business location decision on such satisfaction levels.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:



## Findings from the Key Success Factor Analysis

McCleary can build upon five strengths to implement Business Retention and Expansion activities. These strengths relate to the availability of small business financing, the availability of local land and infrastructure, the experience of the team at Greater Grays Harbor and the availability of low-skill labor. The challenges to overcome relate to the lack of high-skill labor and the fact that there are not that many businesses to retain and expand in the community. Nonetheless, targeting and supporting the existing business base can pay dividends.

KEY SUCCESS FACTOR	SCORE
Access to small business financing	3
Capable, experienced economic development professionals	3
Availability of land for business prospects	3
Local, available, low-skill labor pool	3
Availability of local infrastructure	3
Ability to compete in a global market	2
Strong relations between economic development organization and local	2
Local pro-business climate	2
Availability of local buildings	2
Support from local education professionals at all levels	1
Local, available, high-skill labor pool	1
Sufficient base of local businesses	0

## Key Success Factor Report - Business Retention and Expansion

STRENGTHS TO BUILD UPON					
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #c4c09d;"> <th style="text-align: center; padding: 5px;">Major Comparative Advantages</th> </tr> </thead> <tbody> <tr style="background-color: #c4c09d;"> <td style="text-align: center; padding: 10px;">No Entries</td> </tr> </tbody> </table>	Major Comparative Advantages	No Entries	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #e6e3d9;"> <th style="text-align: center; padding: 5px;">Slight Comparative Advantages</th> </tr> </thead> <tbody> <tr style="background-color: #e6e3d9;"> <td style="text-align: center; padding: 10px;">                     Access to small business financing                      Capable, experienced economic development professionals                      Availability of land for business prospects                      Local, available, low-skill labor pool                      Availability of local infrastructure                 </td> </tr> </tbody> </table>	Slight Comparative Advantages	Access to small business financing Capable, experienced economic development professionals Availability of land for business prospects Local, available, low-skill labor pool Availability of local infrastructure
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Slight Comparative Disadvantages					
Support from local education professionals at all levels Local, available, high-skill labor pool					
Major Comparative Disadvantages					
Sufficient base of local businesses					



# Downtown Development

RANK: 24

SCORE: 18

## Objectives of Strategy Implementation

Members of the Steering Committee generally recognize that McCleary does not have a traditional downtown. That being said, a Downtown Development strategy was selected in order to build a sense of place, and to establish a central business district that is recognizable, serves the local population, and contributes to other strategies such as Pass-through Visitor Services.

McCleary should examine the tenants of the Main Street Approach as developed and provided by the National Main Street Center. All four of the core activities—organization, promotion, economic restructuring and design—should be considered in the implementation of the Downtown Development strategy.

McCleary should also consult with the Washington State Main Street Program for advice on steps to create a downtown development organization. Although McCleary may ultimately decide not to follow through on all the goals and objectives of the National Main Street Center, such outreach will undoubtedly provide valuable initial direction.

The Downtown Development Strategy can dovetail with the Business Recruitment strategy. One of the Downtown Development priorities should be “economic restructuring.” Economic restructuring is the process of identifying the optimal mix of retail, commercial and professional services in a central business district. Where such gaps can be filled, business recruitment activities might be utilized in order to generate new business activity.

The Downtown Development strategy can also support key projects and events in McCleary such as the annual Bear Festival. The central business district is the “stage” for such community events, and by creating a more attractive and vital downtown, existing and potential new event activities will be supported.

## Strategy Summary

Most communities have a central business district commonly referred to as their “downtown”. Frequently, this area is recognized as the community’s business center, and can become the emotional heart of the community.

The National Trust for Historic Preservation created the National Main Street Center approach which recognizes a four-point method for downtown advocacy:

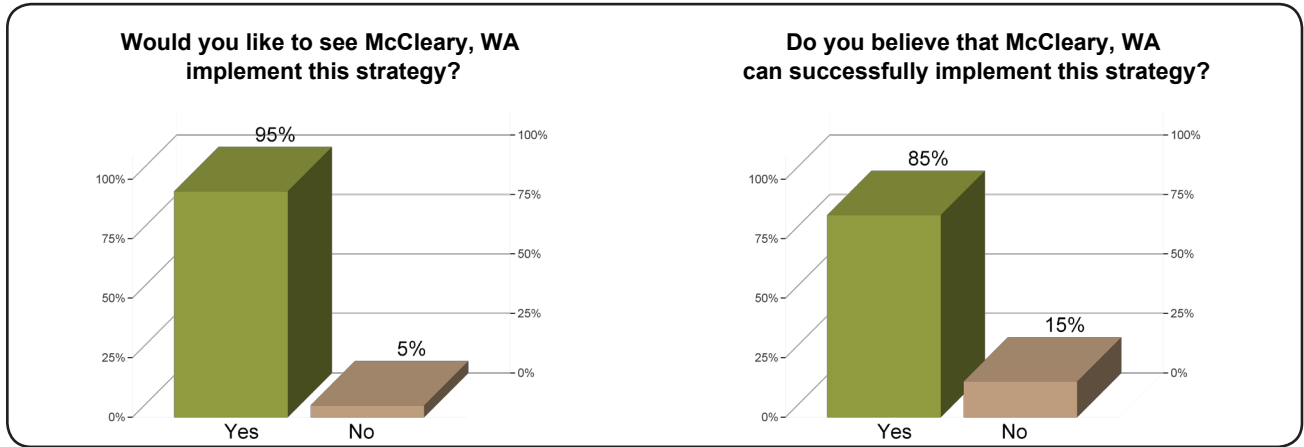
- Organization (volunteers, staffing, board of directors)
- Promotion (events, public relations, advertising)
- Design (building and amenity stabilization, preservation, beautification)
- Economic Restructuring (supporting existing businesses; promoting new businesses)

Often ignored is the large employment centers represented by downtowns. While most downtown business activity is in response to serving other businesses and residents, it still represents a vital economic sector for most communities.

By capitalizing on the four-point approach described above, jobs are created, communities have increased vitality, and a sense of pride and optimism is maintained.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:



## Findings from the Key Success Factor Analysis

Only one of the six Key Success Factors are positive for the implementation of a Downtown Development strategy. The support that this project will receive from local government is a strong plus. The five challenges relate to the lack of active engagement by downtown building and business owners, the lack of local funding for downtown development, the fact that there is no staffing for downtown development activities, the lack of familiarity with the Main Street Four Point Approach™ and the lack of a downtown recognizable central business district.

KEY SUCCESS FACTOR	SCORE
Local government support	4
Local funding for downtown development	1
Active engagement of downtown building and business owners	1
Recognizable central business district/downtown	0
Downtown organization and staff	0
Implementation of national Main Street Four-Point Approach™	0

## Key Success Factor Report - Downtown Development

STRENGTHS TO BUILD UPON	
<b>Major Comparative Advantages</b> Local government support	<b>Slight Comparative Advantages</b> No Entries
CHALLENGES TO OVERCOME	
<b>Slight Comparative Disadvantages</b> Local funding for downtown development Active engagement of downtown building and business owners	<b>Major Comparative Disadvantages</b> Recognizable central business district/downtown Downtown organization and staff Implementation of national Main Street Four-Point Approach™





# Education Development

RANK: 19

SCORE: 48

## Objectives of Strategy Implementation

Education Development was selected as a strategy recognizing that McCleary would like to benefit from more post-secondary educational activity. Noting that other communities, such as Elma, have educational facilities and programming in their small, rural community, McCleary would like to carve out its own niche in this realm.

One opportunity might be to collaborate with Evergreen State College. The Steering Committee recognizes that there is a tremendous amount of talent at Evergreen State College, and discussions about either general classes or a specific educational niche for the community might create a win/win situation. A similar conversation could take place with Grays Harbor College. Implementation of this Strategy could take a more modest form with a smaller-scale establishment of higher education resources being placed at the school and/or the community center.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:

### Strategy Summary

The provision of educational services, especially in rural communities, comprises a significant portion of the overall economy of a community. Communities that are home to community colleges, and especially four-year higher education institutions, benefit from an even higher percentage of economic impact derived from provision of educational services.

More and more, the ability to derive a family-wage is dependent upon educational attainment. As such, counties, states and regions that have a more educated population tend to compete better in the 21st century marketplace.

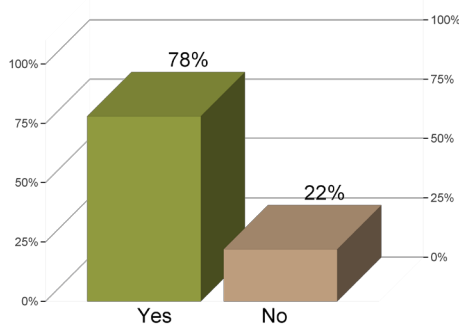
The combination of these two dynamics may inspire a community to develop an Education Development Strategy.

By developing a community development—and a political—strategy to create or enhance provision of educational services at all levels, communities can derive economic benefit. Wages associated with the delivery of educational services tend to meet family-wage levels.

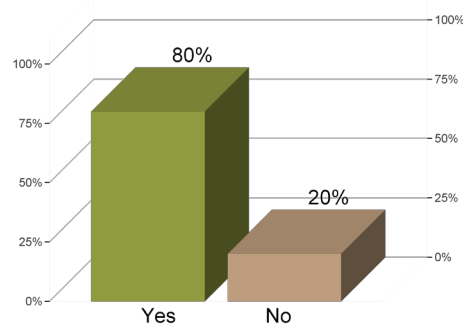
Such a strategy might simply entail the augmentation or expansion of existing post-secondary educational services. Alternatively, a strategy could be more ambitious such as the creation of an institute dedicated to researching and resolving emerging issues or perhaps the establishment of a four-year educational institution.

Communities desiring to pursue an Education Development Strategy must be cognizant of the budget dynamics and emerging educational trends associated with the educational institution they are trying to attract/expand.

**Would you like to see McCleary, WA implement this strategy?**



**Do you believe that McCleary, WA can successfully implement this strategy?**



## Findings from the Key Success Factor Analysis

Four of the five Key Success Factors for the implementation of an Education Development strategy are positive. These strengths include support from local government, McCleary’s excellent location near post-secondary educational institutions, the cooperation of economic development staff with the community and the availability of land for such development. The challenge will be the identification of an existing education institution that will want to expand into the community.

KEY SUCCESS FACTOR	SCORE
Local government support	4
Advantageous location for government or education expansion	3
Cooperation of economic development staff and educational community	3
Land/Buildings/Campus for education development	3
Expandable educational institution	0

### Key Success Factor Report - Education Development

STRENGTHS TO BUILD UPON	
<p><b>Major Comparative Advantages</b></p> <p>Local government support</p>	<p><b>Slight Comparative Advantages</b></p> <p>Advantageous location for government or education expansion Cooperation of economic development staff and educational community Land/Buildings/Campus for education development</p>
CHALLENGES TO OVERCOME	
<p><b>Slight Comparative Disadvantages</b></p> <p>No Entries</p>	<p><b>Major Comparative Disadvantages</b></p> <p>Expandable educational institution</p>



# Energy Development

RANK: 11

SCORE: 72

## Objectives of Strategy Implementation

McCleary believes that it may have a significant opportunity in the energy development sector by capitalizing on its proximity to existing natural gas and transmission infrastructure.

McCleary has relative sophistication in the realm of energy development in that the municipality operates its own electric utility. Power is purchased from the Bonneville Power Administration and then resold to its market area. Because of this, the City has expertise and relationships in energy development.

McCleary has great proximity to natural gas pipelines and high-voltage electrical distribution which would be critical for the production and transmission of locally-generated electricity.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:

## Strategy Summary

The current and forecasted shortages in energy resources, and more specifically renewable energy resources, present communities with an opportunity to recruit or locally establish new energy production facilities.

Renewable energy options include wind, solar, biomass, bio-energy, geothermal, and hydropower.

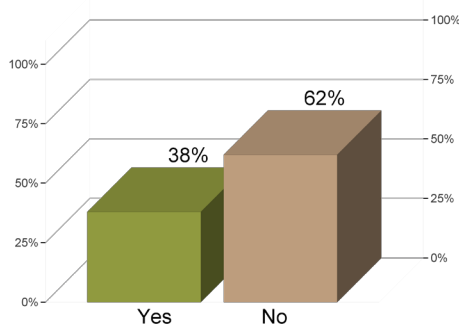
Both the federal government and many states have approved new policies and incentives to foster the development of the renewable energy industry.

While larger, established companies may have an edge in capitalizing on many of these business opportunities, viable start-up options exist based upon proximity to renewable energy supplies and local market demand.

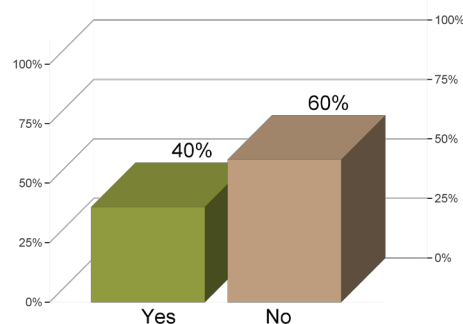
For many states and communities, traditional non-renewable energy development and production using coal, oil or natural gas has significant potential. In these cases, proximity to the energy resource is not only necessary, but can become the catalyst in creating a local industry with or without significant local community advocacy.

America's commitment to energy independence is generally seen as dependent upon all forms of energy development—both renewable and non-renewable. At the same time, increasing emphasis on energy conservation--efficiency through green building practices and retrofitting is becoming a more common element in public policy supporting that development.

**Would you like to see McCleary, WA implement this strategy?**



**Do you believe that McCleary, WA can successfully implement this strategy?**



## Findings from the Key Success Factor Analysis

Seven of the eight Key Success Factors related to Energy Development are positive. The knowledge of the City staff in managing its own utility, combined with proximity to infrastructure, creates significant opportunities. In addition, McCleary could build a team of energy-development experts to analyze advances in specific projects.

KEY SUCCESS FACTOR	SCORE
Local government support	4
Availability of energy resources	3
Access to large-scale capital	3
Ability to secure power-purchase agreements	3
Ability to build a team comprised of energy-development experts	3
Proximity to transmission lines with excess capacity	3
Capable, experienced economic development professionals	3
Supportive state energy policies and incentives	1

### Key Success Factor Report - Energy Development

STRENGTHS TO BUILD UPON	
<p><b>Major Comparative Advantages</b></p> <p>Local government support</p>	<p><b>Slight Comparative Advantages</b></p> <p>Availability of energy resources</p> <p>Access to large-scale capital</p> <p>Ability to secure power-purchase agreements</p> <p>Ability to build a team comprised of energy-development experts</p> <p>Proximity to transmission lines with excess capacity</p> <p>Capable, experienced economic development professionals</p>
CHALLENGES TO OVERCOME	
<p><b>Slight Comparative Disadvantages</b></p> <p>Supportive state energy policies and incentives</p>	<p><b>Major Comparative Disadvantages</b></p> <p>No Entries</p>



# Entrepreneurial Development

RANK: 21

SCORE: 35

## Objectives of Strategy Implementation

McCleary selected Entrepreneurial Development in order to foster the ideas and business opportunities of its local population.

Similar to Business Recruitment, the Entrepreneurial Development strategy offers an opportunity to work with the expertise of Greater Grays Harbor to identify would-be entrepreneurs, and then to connect such individuals to the type of workforce training, business planning, business finance, and other technical expertise available in the region.

While the community does not foresee an opportunity to hire in-house business coaching, networking with other entities, including the Small Business Development Center, could transform local ideas into local jobs.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:

## Strategy Summary

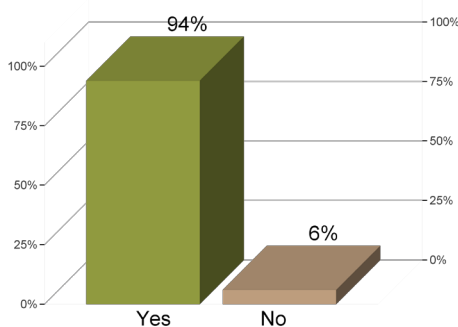
Small businesses represent over 99% of all employers in the United States. People establish businesses based on unique skills, passion or a perceived market opportunity.

Frequently missing in a community-based economic development strategy is a concerted approach to facilitating the start-up and growth of entrepreneurial ventures.

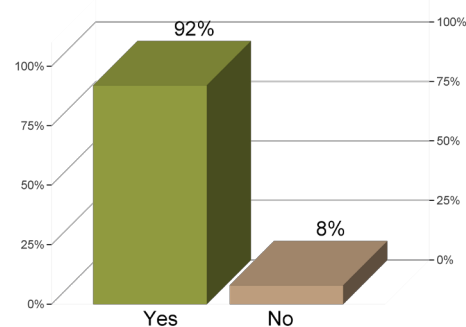
Often referred to as microenterprise development, some programming exists to assist businesses with access to capital, resources for labor force improvement, business coaching and/or partnerships with local educational institutions.

One approach used by several communities in the United States is Enterprise Facilitation® advanced by the Sirolli Institute. Ernesto Sirolli presents the Trinity of Management approach that recognizes that individuals have passions (and therefore business ability) either with their product/service or marketing their product/service or financial management. Sirolli asserts that no one individual possesses all three skills/passions and very few possess two of the three skills/passions. Enterprise Facilitation engages an Enterprise Facilitator advised by a local board to respond to the passion and interests of local entrepreneurs to facilitate their successful establishment and expansion.

**Would you like to see McCleary, WA implement this strategy?**



**Do you believe that McCleary, WA can successfully implement this strategy?**



## Findings from the Key Success Factor Analysis

While an Entrepreneurial Development strategy will benefit from access to small business financing, the lack of high-speed internet and the lack of dedicated business coaching staff will be obstacles to overcome.

KEY SUCCESS FACTOR	SCORE
Access to small business financing	3
Sufficient local entrepreneurial base	2
Local pro-business climate	2
Dedicated business coaching staff	1
Supportive post-secondary education training program	1
High-speed internet	0

### Key Success Factor Report - Entrepreneurial Development

STRENGTHS TO BUILD UPON	
<b>Major Comparative Advantages</b> <hr/> No Entries	<b>Slight Comparative Advantages</b> <hr/> Access to small business financing
CHALLENGES TO OVERCOME	
<b>Slight Comparative Disadvantages</b> <hr/> Dedicated business coaching staff Supportive post-secondary education training program	<b>Major Comparative Disadvantages</b> <hr/> High-speed internet



# Environmental Restoration

RANK: 2

SCORE: 80

## Objectives of Strategy Implementation

One specific opportunity primarily led to the selection of Environmental Restoration as a strategy for McCleary.

Opposite City Hall on the main intersection in McCleary, the former site of a gas station has sat derelict in a highly-visible part of town. City officials have had communications with the Washington Department of Ecology related to potential environment contamination under the site, but to date no one has taken the initiative to fully investigate the extent of such environmental problems. One concern has been that any investigation that would happen to identify the certainty of such environmental contamination would then lead to other mitigation requirements that the City or others might not be able to afford.

During Plan Week, information was shared about brownfield cleanup programs funded by the U.S. Environmental Protection Agency that might be able to offset the environmental remediation activities that would be required.

The Steering Committee recognizes the valuable business development activity that could develop at this intersection, and it would contribute to the successful implementation of many of the other selected strategies.

## Strategy Summary

Communities have the opportunity to “turn lemons into lemonade” by focusing on derelict industrial buildings and sites for redevelopment.

Frequently, communities may have industrial sites from a bygone era that are not currently in use. These sites relate to natural resource-based extraction industries that may have utilized chemicals or compounds that have left the industrial land unusable for future use without first completing clean-up activities.

The benefits of this strategy are twofold: 1) jobs can be created initially by clean-up activities; and 2) the residual industrial site becomes available for promotion and development thus creating jobs in the long-term.

First and foremost, communities must have an eligible site for an environmental restoration strategy. One or more former industrial sites that have environmental contamination preventing future redevelopment are essential to advance this strategy. These sites are frequently referred to as brownfield sites.

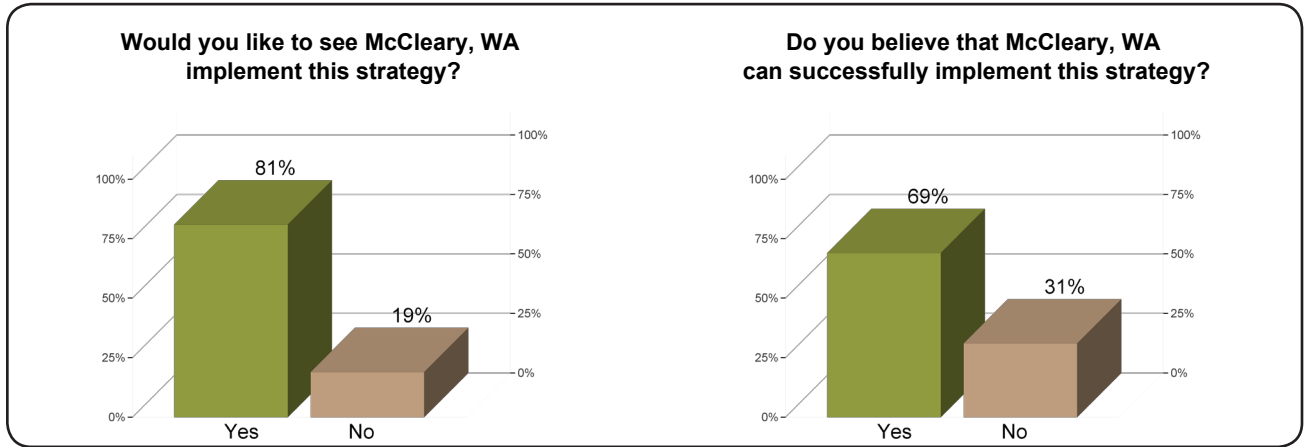
A community must then mobilize itself by first assessing the condition of the property, and then developing a specific action plan to remediate the environmental problem.

Of critical importance is the formation of a local team that can network with state and/or federal contacts to attract the funding necessary to assess and address the environmental problem.

Finally, communities must have the local sophistication to redevelop and market the restored site for future use.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:



## Findings from the Key Success Factor Analysis

All of the Key Success Factors for Environmental Restoration are positive. In addition to local government support, this strategy is benefitted by the availability of a brownfield site and the strength of state and federal delegation members that can support accessing funding for such improvements.

KEY SUCCESS FACTOR	SCORE
Local government support	4
Capable, experienced economic development professionals	3
Availability of brownfield sites	3
Strong state and/or federal legislative delegation	3
Access to large-scale capital	3

## Key Success Factor Report - Environmental Restoration

STRENGTHS TO BUILD UPON	
<p><b>Major Comparative Advantages</b></p> <hr/> <p>Local government support</p>	<p><b>Slight Comparative Advantages</b></p> <hr/> <p>Capable, experienced economic development professionals</p> <p>Availability of brownfield sites</p> <p>Strong state and/or federal legislative delegation</p> <p>Access to large-scale capital</p>
CHALLENGES TO OVERCOME	
<p><b>Slight Comparative Disadvantages</b></p> <hr/> <p>No Entries</p>	<p><b>Major Comparative Disadvantages</b></p> <hr/> <p>No Entries</p>





# Infrastructure Development

RANK: 16

SCORE: 56

## Objectives of Strategy Implementation

The City selected Infrastructure Development recognizing that its existing municipal water and sewer systems have excess capacity. One specific opportunity would be to extend sewer and waterline connectivity to the large, vacant industrial parcel in the community.

The development of such infrastructure would not only create short-term construction jobs, but it would make the industrial land more marketable and immediately-developable to businesses that might consider McCleary as a result of its Business Recruitment strategy activities.

At a minimum, the initial implementation of this strategy would give the community more certainty as to the extent of the problem, the probable cost of the solution, and the availability of funding programs to offset environmental remediation costs.

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:

### Strategy Summary

The term infrastructure describes all of the basic utilities and public services needed by communities and businesses. Infrastructure includes, but is not limited to, power, water, sewer, storm sewer, street/roads, and telecommunications.

Although “infrastructure development” is an economic development strategy, it is typically viewed of a means-to-an-end in terms of providing the necessary input for other strategies to be successful.

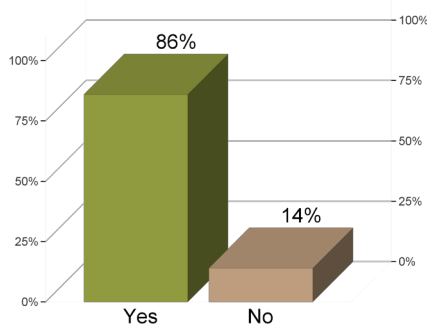
Infrastructure development is considered an economic development strategy in-and-of-itself in that it is a long-term commitment toward the betterment of communities and the businesses that they support.

Communities need to examine the infrastructure requirements both of their current residents, as well as their projection of future residential, commercial, and industrial demands.

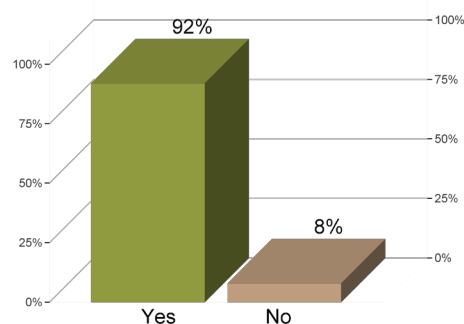
The federal government, and most state governments, provide long-term, low-interest debt financing to advance eligible infrastructure projects. At times, particularly when immediate job creation opportunities arise, grant funding is available for infrastructure development.

Communities pursuing an infrastructure development strategy should strategically assess their needs, and engineer solutions consistent with long-term projections.

**Would you like to see McCleary, WA implement this strategy?**



**Do you believe that McCleary, WA can successfully implement this strategy?**



## Findings from the Key Success Factor Analysis

Three of the four Key Success Factors for infrastructure development are positive. The community has an excellent understanding of its infrastructure needs and costs, and is aware of the availability of government loans and grants to support such development. The only negative Key Success Factor, the lack of community support for infrastructure rate increases, would become a factor if government infrastructure funding programs were to require the City of McCleary to contribute its own funding for such infrastructure projects.

KEY SUCCESS FACTOR	SCORE
Accurate, long-term analysis of infrastructure needs and costs	3
Access to long-term infrastructure loans and grants	3
Team approach to infrastructure finance	3
Community support for needed infrastructure rate increases	0

### Key Success Factor Report - Infrastructure Development

STRENGTHS TO BUILD UPON	
<p><b>Major Comparative Advantages</b></p> <hr/> <p>No Entries</p>	<p><b>Slight Comparative Advantages</b></p> <hr/> <p>Accurate, long-term analysis of infrastructure needs and costs</p> <p>Access to long-term infrastructure loans and grants</p> <p>Team approach to infrastructure finance</p>
CHALLENGES TO OVERCOME	
<p><b>Slight Comparative Disadvantages</b></p> <hr/> <p>No Entries</p>	<p><b>Major Comparative Disadvantages</b></p> <hr/> <p>Community support for needed infrastructure rate increases</p>



# Local/Regional Tourism

RANK: 10

SCORE: 73

## Objectives of Strategy Implementation

McCleary is known for the Bear Festival. Members of the Steering Committee considered the many benefits of adding additional events and activities in the community. Scheduled annual events such as running, biking, motorcycles or other activities would not only contribute to the economy, but add to the vibrancy of the community.

Recognizing the limitation of local staffing to coordinate the events, Steering Committee members discussed reaching out to individuals and organizations that might coordinate such events externally from the community, yet utilize the community as the base for such positive activity and economic development. A second way to address the need for volunteerism is the community's effort to explore internships and activities that would meet high school senior community service requirements.

## Strategy Summary

While most communities do not have a destination attraction in their backyard, they may have sufficient recreational or historical amenities that can draw visitors within a one-day drive and thus stimulate the local economy.

Many communities have successful weekend events designed to celebrate the community's history and/or culture. These events have potential to draw people from a county or two away.

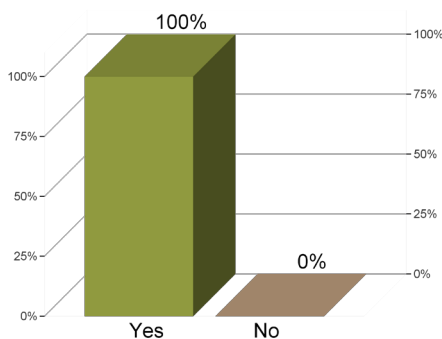
By investing in the local tourism "product" and marketing efforts, tourism expenditures can be maximized.

Communities should understand that employing a local/regional tourism strategy is not an economic panacea. Such a strategy can have a modest economic impact, however, and bolster community pride.

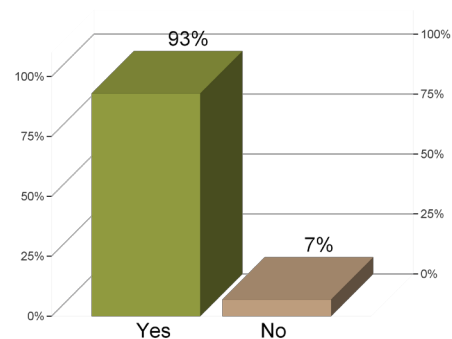
## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:

**Would you like to see McCleary, WA implement this strategy?**



**Do you believe that McCleary, WA can successfully implement this strategy?**



## Findings from the Key Success Factor Analysis

The Local/Regional Tourism strategy has three positive Key Success Factors, including the availability of nearby recreational and visitor attractions, the expertise of the community in promoting the Bear Festival, and strong community support for economic development activities. The one major negative factor, the lack of funding for marketing and promotion, would need to be overcome.

KEY SUCCESS FACTOR	SCORE
Local recreational and visitor attractions	4
Relative sophistication in coordinating and marketing local events	3
Strong community support	3
Sufficient marketing, promotion, or public relations budget	0

### Key Success Factor Report - Local/Regional Tourism

STRENGTHS TO BUILD UPON	
<p><b>Major Comparative Advantages</b></p> <p>Local recreational and visitor attractions</p>	<p><b>Slight Comparative Advantages</b></p> <p>Relative sophistication in coordinating and marketing local events Strong community support</p>
CHALLENGES TO OVERCOME	
<p><b>Slight Comparative Disadvantages</b></p> <p>No Entries</p>	<p><b>Major Comparative Disadvantages</b></p> <p>Sufficient marketing, promotion, or public relations budget</p>



# Pass-through Visitor Services

RANK: 3

SCORE: 79

## Objectives of Strategy Implementation

McCleary is on the primary route between the Seattle/Tacoma metropolitan area and the Pacific Ocean/Olympic National Park. Unfortunately for McCleary, most of the motorists are passing through—or even bypassing McCleary—without stopping by for food, gas, or other visitor conveniences.

Increasingly, communities on the Olympic Peninsula are recognizing their location on the Olympic Peninsula Loop and desiring to take a more regional, coordinated approach to promoting the region as a visitor destination. Aberdeen, for example, has made it a priority to develop the Discovery Center which they plan as the front door to the peninsula wonderland.

McCleary can participate as a part of a larger regional area to promote the scenic byway, and perhaps to create large-scale, professional freeway signage that would increase the visibility of McCleary as “the real front door” to the Olympic Peninsula. This may provide a local business with an opportunity to sell Discovery or Park access passes.

This strategy also offers the Old McCleary Hotel increased visibility and even an opportunity for new development and job creation. The existing owners of the Hotel have lovingly maintained, promoted and operated the historic hotel for decades, and desire to see the Hotel continue to benefit the community, and to inform locals and visitors alike of the history of the Hotel and community. Potential future investors in the Hotel can recognize that tourism is a key element of the local economic development strategic plan, and be assured that their investment is in conformance with the future direction of McCleary.

One specific opportunity discussed by the Steering Committee would be to inform McMenamins of the development opportunity in McCleary. With investment and additional historic preservation, up to 24 rooms could be developed within the hotel, as well as other dining and events opportunities.

## Strategy Summary

Depending on a community's proximity to major interstates, highways, scenic byways, and other significant travel routes, communities can enjoy the benefits of non-destination visitor expenditures.

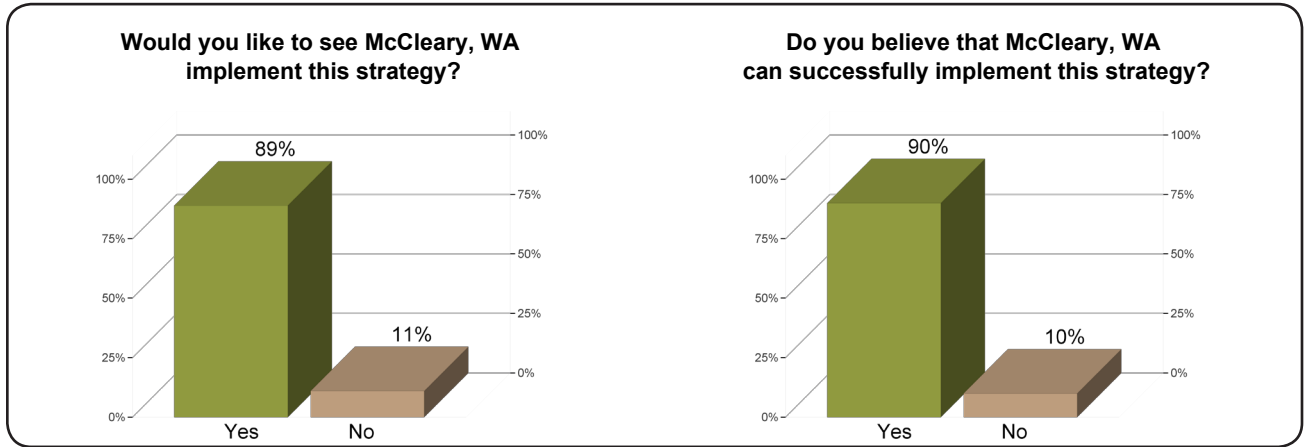
Travel expenditures can be categorized as destination travel expenditures or pass-through travel expenditures. Unlike destination travel, pass-through travel simply represents the activity that a traveler conducts on the way to their destination. These expenditures are typically fuel, meals, and sometimes lodging.

Generally, these expenditures happen regardless of efforts made by local communities. Certain targeted efforts, however, can have a modest impact on pass-through visitor expenditure patterns:

- Signage on travel routes (freeways, highways, etc.)
- Community entrance beautification efforts
- Low-frequency AM Radio transmitters
- Hospitality training educating front-line workers about local visitor destinations

## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:



## Findings from the Key Success Factor Analysis

McCleary’s proximity to travel routes is a positive Key Success Factor for the Pass-through Visitor Services strategy. Focusing the local business community on the benefits of capitalizing upon this strategy is a key challenge.

KEY SUCCESS FACTOR	SCORE
Proximity to travel routes	4
Local, available, low-skill labor pool	3
Local focus on revenues from visitors	1
Local, available, high-skill labor pool	1

## Key Success Factor Report - Pass-through Visitor Services

STRENGTHS TO BUILD UPON	
<b>Major Comparative Advantages</b> Proximity to travel routes	<b>Slight Comparative Advantages</b> Local, available, low-skill labor pool
CHALLENGES TO OVERCOME	
<b>Slight Comparative Disadvantages</b> Local focus on revenues from visitors Local, available, high-skill labor pool	<b>Major Comparative Disadvantages</b> No Entries



# Value-added Forest Products

RANK: 1

SCORE: 84

## Objectives of Strategy Implementation

Value-added Forest Products recognizes that the forest products industry has been at the foundation of the economy of McCleary since Day One. Generations of employees working to fabricate doors have decades of woodworking experience creating a knowledgeable and motivated community sector in support of this strategy.

Changes in management at Simpson Door Company will require the community to be proactive in its discussions with the company to find win/win opportunities for direct and/or indirect job creation. Supporting the company's operations and looking for spin-off opportunities could be at the heart of this strategy's implementation.

## Strategy Summary

A variety of products can be produced from our federal, state, and private forests. Most commonly, lumber is produced from timber. Additionally, forests produce other potential products including fuel for biomass energy, hardwood for furniture manufacturing and flooring, and miscellaneous forest products such as mushrooms.

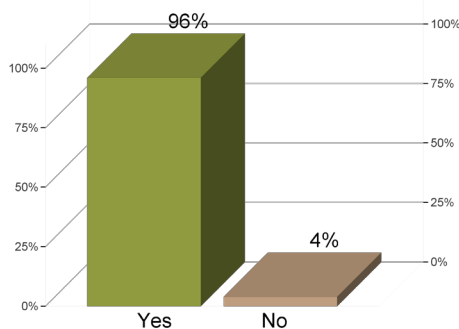
Policy changes on federal forests over the past 20 years have reduced the availability of the timber supply, causing the lumber production industry to be more centralized amongst fewer large-scale companies. Replacing these mill jobs with new jobs in a related industry can be an attractive strategy for communities.

In addition, the nation's increasing demand for renewable energy is increasingly making biomass-to-energy plants economically viable.

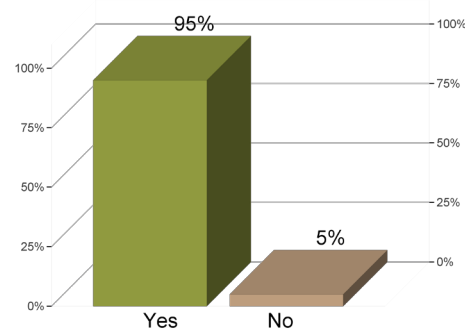
## Voice of the Community Survey Results

During the Voice of the Community Meeting the community at large was asked to weigh in on 1) whether or not they wanted to see McCleary implement this strategy and 2) whether or not they believed McCleary could successfully implement it. Below is a summary of community responses:

**Would you like to see McCleary, WA implement this strategy?**



**Do you believe that McCleary, WA can successfully implement this strategy?**



## Findings from the Key Success Factor Analysis

Nine of the 11 Key Success Factors for Value-added Forest Products are positive. Clearly, Grays Harbor County has access to the forest and proximity to international markets. This has been a long-standing Key Success Factor that has developed the industry for decades. Other important Key Success Factors relate to the ability to secure long-term contracts for forest materials, the availability of land and infrastructure, and the availability of a low-skill labor force. The lack of a high-skill labor force could be a challenge for certain projects related to this strategy.

KEY SUCCESS FACTOR	SCORE
Proximity and access to forests and forest products	4
Proximity and access to markets	4
Access to large-scale capital	3
Ability to secure long-term contracts for forest materials	3
Ability to successfully market materials	3
Ability to understand industry trends and opportunities	3
Availability of land for business prospects	3
Local, available, low-skill labor pool	3
Availability of local infrastructure	3
Availability of local buildings	2
Local, available, high-skill labor pool	1

### Key Success Factor Report - Value-added Forest Products

STRENGTHS TO BUILD UPON	
<p style="text-align: center;"><b>Major Comparative Advantages</b></p> <hr/> <p style="text-align: center;">Proximity and access to forests and forest products Proximity and access to markets</p>	<p style="text-align: center;"><b>Slight Comparative Advantages</b></p> <hr/> <p style="text-align: center;">Access to large-scale capital Ability to secure long-term contracts for forest materials Ability to successfully market materials Ability to understand industry trends and opportunities Availability of land for business prospects Local, available, low-skill labor pool Availability of local infrastructure</p>
CHALLENGES TO OVERCOME	
<p style="text-align: center;"><b>Slight Comparative Disadvantages</b></p> <hr/> <p style="text-align: center;">Local, available, high-skill labor pool</p>	<p style="text-align: center;"><b>Major Comparative Disadvantages</b></p> <hr/> <p style="text-align: center;">No Entries</p>



Section 3:

# Quality-of-Life Initiatives

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# Quality-of-Life Initiatives

## Background

For most communities, economic development is not just about creating jobs. Many communities are recognizing that they must take proactive measures to sustain and improve the quality of life for their residents and future generations.

Building Communities approaches this by asking Steering Committee members and *Voice of the Community Meeting* attendees the following question: “What is impacting the quality of life in your community?”

Invariably, a thoughtful discussion ensues. Typically, between 10-40 issues are identified. Where logical and convenient, many of the issues/projects are then combined into manageable efforts that could be handled by the community in order to improve its quality of life.

Ultimately, the Steering Committee discusses all of the potential *Quality-of-Life Initiatives* and selects a subset of such initiatives for implementation.

## Initiatives Selected by McCleary

Ultimately, McCleary selected 18 *Quality-of-life Initiatives* for implementation. Below is a brief description of each of these selected initiatives.

### Accessing the Capitol State Forest

McCleary is surrounded by the forest, and very proximate to the Capitol State Forest. People that want to visit McCleary and go on day hikes would enjoy the connectivity between a localized trail system and the larger state asset.

### Add STEM-related Classes to the Schools

Increasingly, science, technology, engineering and math skills are essential to compete in the 21st century work place. McCleary desires that the school districts in McCleary and Elma increase their provision of STEM classes. Discussion of robotics and drone technology were a focus of the Steering Committee. It is recognized that programming through the Pacific Science Center might be worth looking into.

### Adopt-a-Road Program

Similar to how the Washington State Department of Transportation operates an Adopt-a-Highway program, the City would like to inspire additional litter cleanup and beautification efforts along City streets. Scheduled “litter pick up parties” would contribute to community beautification and pride. The community is also exploring the development of an ecology club at the school which could support this project as well as the implementation of the STEM initiative.

### Capitalizing on the Nearby ORV Park

For years, McCleary has hoped to capitalize on its proximity of the nearby (within four miles) Off-Road Vehicle (ORV) Park. In recent years, the park has come under new ownership, and is being developed and promoted to a higher standard. McCleary is the ideal location for individuals using the ORV Park to benefit from community services. Creating an ORV trail that directly connects the park to the City would be the ultimate asset.

### **Child Care**

The community desires to take proactive measures to increase the local provision of affordable child care. The lack of child care services is not simply an inconvenience to local families. It also impacts the local labor force and the ability of families to earn family-wage incomes.

### **Community Beautification**

Steering Committee members expressed a desire to give McCleary a fresh, clean look. The implementation of this strategic plan should usher in an era of community pride, and the most outward reflection of such pride will come from how the community looks. This might relate to improving the exterior of high-profile buildings, streetscape improvements and other visible investments. The planned sidewalk improvement project in 2018 will complement and launch the community beautification effort.

### **Cultural and Community Events**

McCleary could benefit from a series of cultural and/or community events that would be targeted to the local population. Such activities could include partnering with the local schools, operating a children's theater, conducting a bubble run or obstacle course, and community races (5k/10k).

### **Encouraging Outdoor Activity**

McCleary would like to develop assets and facilities that encourage outdoor recreational activity within the community. The development of bike paths, walking paths and nature trails could connect to the school and/or the existing or possibly-relocated Beerbower Park, creating a tremendous community access.

### **Higher Education Satellite Campus**

Implementation activities for this Quality-of-Life Initiative are included in the Education Development strategy.

### **Increased Use of Community Center**

McCleary has an attractive, well-maintained Community Center that is not receiving the frequency of use that it could. The Community Center could be utilized as a youth center, providing a place for movies, games and other social activities.

### **Increased Use of School District Real Estate**

Everyone recognizes the K-8 school as a great asset for the community. This Initiative would identify ways to use the unused and under-used school property to support economic and business development as well as higher education and resources for kids and families.

### **Increasing McCleary Visibility**

McCleary is too hidden. For example, people can enjoy the nearby ORV Park and never know that they are near a community that can provide gas, groceries, and other conveniences. An effort to increase the visibility of McCleary to the passing travelers should be conducted. Recommendation: Combine this with Pass-through Visitor Services.

### **Relocation and Expansion of Beerbower Park**

One of the more visionary ideas during Plan Week was discussion about possible relocation and expansion of Beerbower Park. Not only would this allow for a broader recreational opportunity, but it could be connected into the concept of developing a sports complex. Furthermore, it would make commercial land available at a highly-visible, high-traffic location in the community. Given limited opportunities for other commercial

development, such commercial land could be valuable and highly developable.

### **Rezone and Add Commerce Around Beerbower Park**

With limited opportunities for commercial development, the area in and around the existing Beerbower Park location is ideal for such commercial development. Future zoning activity should take this into consideration.

### **RV Park Development**

McCleary may be a prime location for RV Park development. A simple drive-by analysis of area RV Parks concludes that such parks are at or near full occupancy, and there is an existing and growing market for such a development. With proximity to the ORV Park and the Capitol Forest, McCleary is centrally located for such a development.

### **School District Tree Growing and Planting Project**

Education and community beautification could come together by working with a local school district(s) to grow trees that could then be planted throughout the community.

### **Sidewalk Improvement Project**

The City of McCleary is in the state funding queue for improvements to its sidewalks on S. 3rd street. The sidewalk improvement project is funded and scheduled, and will take place. Steering Committee members expressed the desire to extend this sidewalk improvement project to the north and the west in future phases. The sidewalk system could be connected to the trail system to provide a complete trail network.

## **“Honorable Mention”**

The following Initiatives were discussed and are important to the City of McCleary.

Despite their importance, the Steering Committee needed to prioritize their effort. These Initiatives were deemed worthy of mention, but they did not rise to the level of proactive implementation.

### **Aging in Place**

Like most rural communities, the average age of a resident in McCleary is older than it used to be. A coordinated effort to increase supports for the aging population is a priority. Supporting residents so that they can stay in their homes rather than moving to a more expensive, less convenient location would benefit many.

### **Branding McCleary**

Considerable discussion by the Steering Committee focused upon the success of Leavenworth, Washington in redeveloping their community as a theme town. Although seriously considered, ultimately the Steering Committee voted to recognize this as a potential future activity of the community.

### **Youth Activities**

Many of the quality-of-life discussions and comments during Plan Week related to supporting youth. It is widely recognized that communities that offer after-school programming and local activities for youth have fewer cases of youth vandalism, delinquency or other negative impacts. One opportunity would be to better utilize and program the Community Center for such activity.

### **Development of a Sports Complex**

A sports complex inclusive of both outdoor fields and indoor facilities would provide a location for both

youth and adults to enjoy activities, fitness and other positive social gatherings.

### **Affordable Housing/Apartments**

McCleary is in need of affordable apartments that would support the portion of the population not willing or able to purchase their own homes. One of the first steps would be to address the zoning code in order to allow such development.

### **Public Swimming Pool**

One of the specific activities to benefit local youth—as well as the entire general public—would be to build and operate a public swimming pool. Because such swimming pools typically must be subsidized, a source of ongoing financial support would be required. Nonetheless, this is a priority for consideration for McCleary.

### **Increased Hours at the Library**

It is widely agreed by the Steering Committee that increased hours at the local library would be a positive development for the community.

### **House Exterior Cleanup**

Although not rising to the level of a proactive initiative, the Steering Committee largely recognized that many of the houses and yards throughout the community would benefit by a cleanup/beautification effort.

### **Availability of Housing for “Downsizing”**

McCleary simply does not have many homes that are available and attractive for an aging population that is looking to “downsize.” Smaller homes with more manageable yards are needed for this population sector.

Section 4:

# **Civic Condition Assessment Results**

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## Civic Condition Assessment Results

### Overview

During Session Three of Plan Week, the Steering Committee completed the Civic Condition Assessment. Civic Condition is defined by Building Communities as the “quality and intent of a community’s civic dialogue.” That is, what is the purpose of the community’s most engaged citizens as they discuss matters central to the community’s social and economic direction?

Building Communities finds that there are four stages of civic condition: apathy, argumentative, action and alliance. Each of these stages then predict the reaction of community members to the planning and implementation phase of this project.

- Apathy Communities tend to be driven by affiliation-oriented civic leaders. People interrelate civically primarily for the experience of socializing.
- Argumentative Communities are dominated by leaders who strive to maintain and enhance their authority. While the civics of the community may have the flavor of teamwork and cooperation, the underlying motivation is the control of the community agenda.
- Action Communities are characterized by a drive to achieve projects and address issues. An achievement ethic stimulates the actions of the community.
- Alliance Communities orient themselves with the holistic advancement of the entire community, and are primarily motivated by the possibility of actualizing the community’s ultimate potential.

Reactions to the Planning & Implementation Process		
Civic Condition	Planning Phase	Implementation Phase
Apathy	Engaging, Positive	Disengaged, Disinterested
Argumentative	Regimented, Controlled	Selective, Forced
Action	Engaging, Productive	Collaborative, Effective
Alliance	Studios, Complete	Deliberate, Purposeful

During the session, Steering Committee members were asked to find the best response to a series of 20 questions that yield clues with respect to the community’s civic condition. Electronic response cards (i.e. “clickers”) were used, and the most frequent response to each of the 20 questions leads to the table below.

Civic Condition for McCleary			
Apathy	Argumentative	Action	Alliance
4	5	9	2

The numbers above show that the greatest frequency of response was that representing an **Action Community**. With nine of the 20 responses consistent with that of an Action Community, McCleary’s path to progress is well paved as described in the following table.

Stage	Actions to Develop and Implement Strategic Plan
<p><b>Apathy Stage.</b> Communities at the Apathy Stage are characterized by having little, if any, drive amongst their civic leaders (elected and non-elected). Perhaps the simplest test is: “How many people wake up on a Saturday morning thinking about civic projects that are being advanced by the community?” While many communities have paid staff charged with advancing community development projects, are there individuals who are self-motivated to advance the project beyond any professional requirements?</p> <p>Apathy Stage communities are characterized by the lack of vision and drive for community achievements. The community may be largely composed of impressive individuals with other worthy values related to family and their religion but not those with a civic focus. These communities typically assume or decide that they cannot control their destiny, that state and federal government serves only as a regulator rather than a partner and that any attempts to change that philosophy will be doomed to failure.</p>	<p>The primary motivation for Apathy Stage leaders and volunteers is association. That is, such community members simply want to affiliate with one another in a social context.</p> <p>The challenge for achievement-oriented professionals and volunteers is to gain serious commitment to the community. While people may show up to the planning process, especially if there is good opportunity to socialize, the key is to get people to dedicate themselves in the long-term.</p> <p>Recommended actions:</p> <ul style="list-style-type: none"> <li>• Select a small number of strategies and initiatives to include in the plan</li> <li>• Carefully select dates and times that Steering Committee members find most convenient for meetings</li> <li>• Provide snacks or rewards at the meetings</li> <li>• Celebrate small victories as the plan is being implemented</li> <li>• Be on the lookout for and reinforce new members who might want to make targeted commitments (specific projects or initiatives)</li> </ul>
<p><b>Argumentative Stage.</b> Argumentative Stage communities move significantly forward on the willingness continuum but generally have not advanced on the <i>ability continuum</i>.</p> <p>Argumentative Stage communities are characterized by a group of civic leaders who do have goals and dreams for their community. These communities, however, generally lack both the <i>professional capability</i> and the <i>unity</i> to carry these dreams forward.</p> <p><i>Professional capability</i> refers to a community’s investment in an individual and/or organization that serves as an advocate. Although the individual need not be a paid professional, communities generally find this necessary in order create the stability needed for long-term advocacy.</p> <p>Unity refers to the community’s acceptance of the individual development projects being advanced. A lack of unity creates a dynamic in which the greatest obstacles to project advancement are created within the community itself.</p> <p>Argumentative Stage communities frequently create a “lose-lose” dynamic.</p>	<p>Argumentative Stage community leaders are typified by their behind-the-scenes power plays designed to carry out their personal agendas.</p> <p>This stage presents the greatest challenge to professionals and volunteers simply looking to improve their community. It is sometimes difficult for such altruistic volunteers to understand the gamesmanship that such power-grabbing people have, as it is so different from their own.</p> <p>Recommended actions:</p> <ul style="list-style-type: none"> <li>• Co-opt one or more of the good ol’ boys into the process by offering them power on one or more of the plan’s priorities</li> <li>• Withhold publicity on key projects or initiatives until such efforts are beyond being vulnerable to attack or subversion</li> <li>• Invite power players to ceremonies and ribbon-cuttings; share the credit (even if undeserved)</li> <li>• If possible, facilitate the desires of authority-seekers to serve on out-of-town boards and commissions</li> </ul>



Stage	Actions to Develop and Implement Strategic Plan
<p><b>Action Stage.</b> Action Stage communities are characterized by a track record of consistently identifying and advancing development projects. These communities have a high level of willingness and a high level of ability. They typically have a sense of overall direction whereby they can immediately identify whether or not proposed projects are consistent with that direction. Projects that are inconsistent are typically discarded. The balance are usually embraced and advanced.</p> <p>Like Argumentative Stage communities, however, Action Stage communities are still faced with limited resources. While there are, at times, opportunities for collaboration among projects in Action Stage communities, typically the agenda becomes so large that competition for available technical and financial resources becomes a limiting factor. As such, Action Stage communities sometimes face a “win-lose” situation.</p>	<p>Action Stage communities generally have an army of professionals and (especially) volunteers dedicated to achieving all that is possible for their community.</p> <p>The Action Stage setting is perfect for both planning and implementing the desired future of the community. People serving on Steering Committees will be right at home in their achievement-seeking environment.</p> <p>Recommended actions:</p> <ul style="list-style-type: none"> <li>• Invite a broad array of interests to the planning process</li> <li>• Acknowledge and include existing projects and initiatives when developing the strategic plan</li> <li>• Proactively promote the planning and implementation process to the community</li> <li>• Ensure that implementation steps are broadly assigned in order to capture full implementation potential</li> <li>• Use the planning process to broaden public awareness of the many strategies, initiatives and projects of the community</li> </ul>
<p><b>Alliance Stage.</b> Alliance Stage communities take the ultimate step on the ability continuum. These communities are not only willing but are completely able to advance their development agenda. Like Action Stage communities, Alliance communities are skilled at envisioning, defining and advancing development projects. They have a record of success which reinforces a “we will succeed at this—it is only a matter of time” approach.</p> <p>Alliance Stage communities make a paradigm shift from project orientation to community orientation. That is, it is simply not enough to succeed with advancing community development projects—it is necessary to examine how each of these projects serves larger community goals.</p>	<p>Alliance Stage communities are very rare. They have leaders who work to successfully elevate their Action Stage capabilities to actualize and sustain long-term progress.</p> <p>While this stage should be the “ultimate level” of civic condition, there are some unique challenges to the planning and implementation stage, as such communities can at times become preoccupied with process over results.</p> <p>Recommended actions:</p> <ul style="list-style-type: none"> <li>• Ensure that strategies and initiatives include action steps and assigned implementers</li> <li>• Be wary of analysis paralysis (studying ideas to death)</li> <li>• If certain strategies and initiatives seem to be falling victim to debate and study, consider advancing doable elements of such efforts</li> </ul>

Section 5:

# Community Organizer Results

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# Community Organizer Results

## Overview

Prior to *Plan Week*, McCleary considered the *Community Organizer Assessment*. This assessment focuses upon the capacity of the community to successfully implement community and economic development initiatives.

Up to 142 questions related to 66 capacity factors are considered by community leaders and development staff. Just as there are 88 *Key Success Factors* that shape what communities should do in terms of strategy selection, these 66 capacity factors inform the community of how it can implement the plan. Forty-two of the capacity factors relate to business development capacity, while the remaining 24 capacity factors are specific to community development.

The analysis of capacity is intended to be comprehensive (considering all relevant capacity factors), objective (specific, factual considerations) and expeditious (the *Community Organizer Assessment* session takes less than two hours and yields an instantaneous report).

The *Community Organizer Assessment* has two ultimate functions:

- Informs steering committee members of capacity implications during the plan implementation phase of the work
- Advises the community of the current and potential business and community development capacity in order to implement the plan

## Preliminary Community Organizer Report

The City of McCleary does not have the personnel nor financial resources to operate its own Community and Economic Development Office. For this reason, the City contracts with Greater Grays Harbor for community and economic development assistance.

It is recommended that this relationship between the City of McCleary and Greater Grays Harbor continue. Furthermore, this Comprehensive Plan serves to prioritize the specific community and economic development activities Greater Grays Harbor can take to support the City.

This report is the findings of the Community Organizer Assessment session conducted on Wednesday, August 23, 2017 at McCleary City Hall. During that session, the following participants answered a series of questions designed to identify the current and desired level of capacity for plan implementation: Todd Baun, Director of Public Works; Wendy Collins, Clerk-Treasurer; Steve Blumer, Police Chief; Paul Morrison, Public Works Planning Assistant; Dru Garson, Greater Grays Harbor Chief Executive Officer; and Doug Minkle, MPA Candidate 2018 at the Evans School of Public Policy and Governance at the University of Washington.

The findings below were considered during Plan Week, the more intense part of the Comprehensive Planning process held on September 28-29, 2017.

# Business Development Capacity

## 1 - Business Development Strategy

### 1a. Priority of Business Development in Community's Strategic Plan

The community is currently engaged in a strategic planning effort. High priority is given to business development and specific business development objectives are clearly identified.

### 1b. Interest in Business Development Activity

The community has a high level of interest in business development activity and is moderately interested in seeing its population grow.

### 1c. Appropriateness of Business Development Activities

After considering existing “uncontrollable factors” (e.g., community location, available labor force, access to markets, available infrastructure, business climate), the community still has moderate business development potential. In spite of this, however, the community is only somewhat focused on its most promising business development priorities.

### 1d. Foundation of Support for and from Existing Businesses

The community has not conducted a business retention and expansion outreach effort in the recent past.

### 1e. Business Climate

The perception among local businesses is that the overall business climate in the community could be improved. Two specific areas related to business climate include: 1) the need for improved signage from the highway directing people into McCleary, and 2) utility rates are too high.

## 2. Local Staff and Team Development

### 2a. Focused Business Development Organization

The City of McCleary counts on Greater Grays Harbor to be its primary business development organization. Greater Grays Harbor, however, has not been able to implement the community's outlined business development priorities with much regularity. It is expected that the completion of this Comprehensive Plan, with the engagement with Greater Grays Harbor, will fully address this matter.

### 2b. Business Development Organization Stability

As a membership organization, Greater Grays Harbor does require its Board and Staff to conduct fundraising efforts to sustain the organization. Although there are funding challenges, Greater Grays Harbor is a stable and reliable partner to the City.

### 2c. Frequency of Meetings

Greater Grays Harbor holds meetings on at least a monthly basis and holds subcommittee meetings on a regular basis.

## **2d. Business Development Staff**

Greater Grays Harbor has professional staff that is highly skilled, well-connected and which is experienced in carrying out business development activities.

## **2e. Business Development Training**

The staff has received effective, professional business development training and participates in such training on a regular basis.

## **2f. Administrative Support Staff**

Greater Grays Harbor has sufficient administrative support.

## **2g. Volunteer Training**

Community volunteers, including current organization board members, have received relevant business development training. Leadership Grays Harbor provides beneficial training to community volunteers and leaders.

# **3. Industrial Land and Infrastructure**

## **3a. Availability of Industrially Zoned Land**

The community has land that is sufficient in size and configuration to accommodate business development priorities.

## **3b. Potential for Land**

The community has additional existing land that could be zoned and developed as industrial land and the community is motivated to take measures to add new land to its industrial land inventory.

## **3c. Public Control of Land**

The community does not have public control over the price and availability of its industrial land, but the owner of the majority of industrial land is motivated to sell. The final price of the land should remain competitive during final negotiations. Two land owners control the entirety of the industrial land in McCleary. The developable land near the freeway (highway) is primarily intended for commercial development.

## **3d. Environmental Considerations**

The community is somewhat confident that its industrial land is environmentally safe and clean, but currently has no documentation to support this conclusion.

## **3e. Land Price**

The price of the community's industrial land is about average, as compared to other communities.

## **3f. Availability of Buildings**

The community does not have existing industrial buildings for sale.

### **3g. Basic Infrastructure**

The industrial land is generally served by basic infrastructure.

### **3h. Access Infrastructure—Roads**

The industrial land site is served by an existing paved street.

### **3i. Access Infrastructure—Interstate Access**

The industrial land site is within five minutes of an interstate highway system.

### **3j. Access Infrastructure—Barging Service**

The industrial land site is not adjacent to a body of water on which goods are transported via barge.

### **3k. Access Infrastructure—Rail Access**

The industrial land site is served by a rail spur.

### **3l. Access Infrastructure—Air Service**

The industrial land site is not within 40 miles of scheduled air service. The nearest scheduled air service is the SeaTac International Airport.

### **3m. Access Infrastructure—Telecommunications Service**

Telecommunications infrastructure is provided by CenturyLink, Wave Broadband, Comcast/Xfinity, AT&T and the Grays Harbor PUD. In addition, community leadership is aware of power purchasing agreements with the Bonneville Power Administration (BPA).

### **3n. Special Infrastructure**

The community is generally aware of additional, specialized infrastructure requirements which may be important for particular business development prospects (e.g., broadband telecommunications, high volumes of low-cost power, immediate proximity to an international airport, etc.) and can meet such specialized infrastructure requirements.

### **3o. Land/Target Compatibility**

The community understands the specific land requirements of the types of businesses most likely to locate in the community and is confident that it could meet such land requirements.

## **4. Targeted Industries**

### **4a. Import Substitution Analysis**

The community has not conducted an import substitution analysis within the last four years, but could likely determine viable import substitution possibilities with some accuracy even without such a study.

### **4b. Economic Clusters Analysis**

Pacific Mountain Workforce Development Council conducted an economic clusters analysis that is relevant to the City of McCleary. Six specific strategies were identified.

#### **4c. Targeted Industry Analysis**

The Economic Clusters Analysis referenced above also provided information with respect to prospective targeted industries.

### **5. Marketing**

#### **5a. Marketing Track Record**

The community does not have a very successful business development marketing track record.

#### **5b. Professional Marketing Advice**

The community has not engaged a professional business development marketing firm within the last year.

#### **5c. Diversification of Marketing Techniques**

The community does not currently utilize a very wide variety of marketing tools to achieve its business development objectives. (e.g., cold calling, direct mail, search-engine marketing, trade shows, etc.)

#### **5d. Financial Resources**

The annual marketing budget for Greater Grays Harbor is approximately \$20,000.

#### **5e. Internet Presence**

The community does not have a website dedicated to promoting business development.

#### **5f. Community Profile**

The community does not have a “community profile” document developed for use in business recruitment efforts.

### **6. Prospect and Lead Management**

#### **6a. Professional Community Response**

Greater Grays Harbor responds to business development leads for the City of McCleary. Such response is typically conducted within three days, ultimately putting together an information package custom-tailored to the inquiring business’s needs.

#### **6b. Availability to Travel**

Greater Grays Harbor regularly sends representatives to meet with business development prospects and close deals.

### **7. Closing the Deal**

#### **7a. Deal Making Experience**

Greater Grays Harbor has successfully negotiated and closed at least one business development deal in McCleary within the last four years. This was assistance with the health clinic project.

### **7b. Experience with Incentives**

Greater Grays Harbor has a good relationship with state business development officers and is currently aware of available business development incentives and/or resources, in addition to being able to competitively package such incentives in the final stages of business development deals.

### **7c. A Winning Attitude**

The community generally exudes a “winning attitude” with regard to its business development prospects.

### **7d. Community Sophistication**

The community would rely on outside legal expertise in order to develop agreements and contracts to close business development deals.

### **7e. Project/Contract Monitoring**

The community is currently able to monitor its business development deals to ensure contractual compliance over time.



# Community Development Capacity

## 1. Experience with Strategic Planning

### 1a. History of Strategic Planning Activity

Although the community has not historically completed a community and economic development strategic plan, the process right now to complete the Comprehensive Plan will generate such a road map for the future of McCleary.

## 2. Project and Issue Development

### 2a. Identification of Specific Community Development Priorities

The community is currently engaged in a strategic planning process which will identify specific community development priorities and projects.

### 2b. Identification of Regional Strategic Issues

The community is aware of strategic regional issues which are expected to impact the community, but it is not currently involved in the advancement or resolution of any of these issues. The specific issues impacting Grays Harbor County relate to the impact of gophers in Thurston County, the Hirst Decision (impacting water rights in Snohomish County), the Elma Medical Center (an increase of 100 jobs) and the Residential Treatment Facility (repurposing of the historic hospital).

### 2c. Large-scale Project Advocacy

The community has not successfully advanced a large-scale community development project within the last four years. The community does not use advocacy groups to advance such projects.

### 2d. Coordinating Projects with State and Federal Processes

The community has not participated in any state or federally coordinated project funding processes.

## 3. Organizational Capacity

### 3a. Organizational Connectedness

The community does not have an organization in place to advance community development priorities.

### 4. Capable, Effective Staffing

This section of the assessment was skipped because of the response immediately above in 3. Organizational Capacity. Because McCleary does not have a community development organization, there is no staffing to evaluate.

## **5. Civic Volunteerism**

### **5a. Opportunities for Service**

Civic volunteerism is widely encouraged in the community, although opportunities for service by citizens on boards and commissions, or in ad-hoc project groups, is limited. Specific examples of community volunteer service relate to volunteers on the Planning Commission and the Civil Service Committee.

### **5b. Celebration of Volunteerism**

The community regularly recognizes civic volunteerism, such as during annual Chamber of Commerce banquets or other similar events.

## **6. Community Attitude**

### **6a. Proactive versus Reactive Communities**

The community is generally reactive to community development opportunities, and does not have a list of community development priorities. This deficiency will be addressed in this Comprehensive Plan.

### **6b. Viewing the Glass Half Full**

The community generally views its community development posture and opportunities as a glass “half full.”

## **7. Maintaining the “Community” as the Goal**

### **7a. Commitment to Strategic Direction**

A commitment to a strategic direction will be generated by developing this Comprehensive Plan.

# Appendices

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**Prioritized Strategy Report**  
**Recommended Strategies Report**  
**Strategies by Group**  
**Alphabetical Listing of Strategies**  
**Key Success Factor Report**  
**Planning Methodology**

## Appendix A

## Prioritized Strategy Report

STRATEGY	SCORE	WANT	CAN	STRATEGY GROUP
Value-added Forest Products	84	96%	95%	Value-added
Environmental Restoration	80	81%	69%	Sector-specific
Pass-through Visitor Services	79	89%	90%	Tourism
Value-added Agriculture	76	76%	75%	Value-added
Health Care Expansion	76	88%	94%	Community Development
Attracting Government Jobs	76	62%	50%	Other
Value-added Fisheries	75	41%	38%	Value-added
Attracting Funding	75	100%	100%	Other
Logistics Centers	73	42%	38%	Sector-specific
Local/Regional Tourism	73	100%	93%	Tourism
Energy Development	72	38%	40%	Sector-specific
Bedroom Community Development	68	59%	80%	Community Development
Destination Tourism	63	65%	40%	Tourism
Business Recruitment	60	100%	100%	General Business
Leading-edge Development	59	65%	47%	Sector-specific
Infrastructure Development	56	86%	92%	Other
Value-added Mining	55	6%	17%	Value-added
Business Cultivation	48	80%	67%	General Business
Education Development	48	78%	80%	Community Development
Business Retention and Expansion	40	94%	100%	General Business
Entrepreneurial Development	35	94%	92%	General Business
Attracting Retirees	35	76%	92%	Other
Attracting Lone Eagles	23	93%	100%	Other
Downtown Development	18	95%	85%	Community Development
Cultural Tourism	6	20%	13%	Tourism

## Appendix B

### Recommended Strategies Report

To aid communities in determining which community and economic development strategies are most viable for them, Building Communities answers three questions using input gathered from the community:

- What should we do?
- What do we want to do?
- What can we do?

The “Recommended Strategies Report” is based on the findings of the *Key Success Factor* (KSF) Analysis and answers the question “What should we do?”

In the KSF analysis, the steering committee considered McCleary’s comparative advantage relative to a host of specific factors in categories such as community assets, public- and private-sector expertise, access to funding, etc. Responses were run through Building Communities’ strategy-selection algorithm which returned a rank-based list of strategies—the Prioritized Strategy Report—from which the recommendations below are drawn. Recommendation thresholds used in the Prioritized Strategy Report are:

**Recommended** (score of 75 and above) - It is highly recommended that these strategies be considered for implementation:

- Value-added Forest Products
- Environmental Restoration
- Pass-through Visitor Services
- Value-added Agriculture
- Health Care Expansion
- Attracting Government Jobs
- Value-added Fisheries
- Attracting Funding

**Borderline** (score between 60 and 74) - These strategies may be pursued with a degree of confidence, although existing obstacles may make successful implementation more challenging:

- Logistics Centers
- Local/Regional Tourism
- Energy Development
- Bedroom Community Development
- Destination Tourism
- Business Recruitment

**Challenging** (score under 60) - Serious impediments exist which are likely to make successful implementation of these strategies very difficult:

- Leading-edge Development
- Infrastructure Development
- Value-added Mining
- Business Cultivation
- Education Development
- Business Retention and Expansion
- Entrepreneurial Development
- Attracting Retirees

- Attracting Lone Eagles
- Downtown Development
- Cultural Tourism

As indicated, these recommendations are viewed in reference to the question, “What should we do?” Strategies are not selected on the basis of these recommendations alone, but are determined after considering the other two questions as well. Material examined and data gathered in the Voice of the Community and *Community Organizer Assessment* sessions of Plan Week were also considered before final selection of strategies took place.

## Appendix C

## Strategies by Group

GROUP	STRATEGY	SCORE
<b>General Business</b>	Business Recruitment	60
	Business Retention and Expansion	40
	Business Cultivation	48
	Entrepreneurial Development	35
<b>Sector-Specific</b>	Energy Development	72
	Environmental Restoration	80
	Logistics Centers	73
	Leading-edge Development	59
<b>Value-added</b>	Value-added Agriculture	76
	Value-added Forest Products	84
	Value-added Fisheries	75
	Value-added Mining	55
<b>Community Development</b>	Destination Tourism	63
	Cultural Tourism	6
	Local/Regional Tourism	73
	Pass-through Visitor Services	79
<b>Tourism</b>	Downtown Development	18
	Education Development	48
	Health Care Expansion	76
	Bedroom Community Development	68
<b>Other</b>	Infrastructure Development	56
	Attracting Retirees	35
	Attracting Lone Eagles	23
	Attracting Government Jobs	76
	Attracting Funding	75

## Appendix D

## Alphabetical Listing of Strategies

STRATEGY	SCORE	STRATEGY GROUP
Attracting Funding	75	Other
Attracting Government Jobs	76	Other
Attracting Lone Eagles	23	Other
Attracting Retirees	35	Other
Bedroom Community Development	68	Community Development
Business Cultivation	48	General Business
Business Recruitment	60	General Business
Business Retention and Expansion	40	General Business
Cultural Tourism	6	Tourism
Destination Tourism	63	Tourism
Downtown Development	18	Community Development
Education Development	48	Community Development
Energy Development	72	Sector-specific
Entrepreneurial Development	35	General Business
Environmental Restoration	80	Sector-specific
Health Care Expansion	76	Community Development
Infrastructure Development	56	Other
Leading-edge Development	59	Sector-specific
Local/Regional Tourism	73	Tourism
Logistics Centers	73	Sector-specific
Pass-through Visitor Services	79	Tourism
Value-added Agriculture	76	Value-added
Value-added Fisheries	75	Value-added
Value-added Forest Products	84	Value-added
Value-added Mining	55	Value-added



## Appendix E

### Key Success Factors Report

#### Key Success Factors with a Score of “4” - Major Comparative Advantage:

- Financially sound existing health care facility
- Local recreational and visitor attractions
- Proximity and access to forests and forest products
- Proximity to nationally recognized attractions
- Proximity to travel routes
- Proximity to urban population and workforce centers
- Insulation from industrial business annoyances
- Competent, strategic-minded hospital and health-care executives
- Local government support
- Availability of industrial-zoned land for industrial park development
- Proximity and access to markets
- Strategic location for distribution centers

#### Key Success Factors with a Score of “3” - Slight Comparative Advantage:

- Accurate, long-term analysis of infrastructure needs and costs
- Availability of energy resources
- Desirable climate
- Proximity to fisheries commodities
- Proximity to large volumes of agricultural commodities
- Ability to secure long-term contracts for forest materials
- Ability to secure power-purchase agreements
- Access to small business financing
- Access to large-scale capital
- Access to long-term infrastructure loans and grants
- Availability of appropriated funds
- Dedicated local financial resources for staffing recruiters
- Ability to build a team comprised of energy-development experts
- Ability to successfully market materials
- Ability to understand industry trends and opportunities
- Capable, experienced economic development professionals
- Cooperation of economic development staff and educational community
- Existing excellence in local health care
- Local ability to identify and advance a funding proposal
- Relationship with site selectors
- Relative sophistication in coordinating and marketing local events
- Team approach to infrastructure finance
- Community acceptance of the visitor industry
- Favorable state policies with respect to office locations
- Projected growth in government budgets
- Strong community support
- Strong state and/or federal legislative delegation
- Support for attracting retirees
- Support from local businesses
- Local policies and ordinances supporting quality neighborhood development
- Availability of brownfield sites

- Availability of land for business prospects
- Availability of local infrastructure
- Excess water and sewer infrastructure capacity
- Land/Buildings/Campus for education development
- Proximity to transmission lines with excess capacity
- Local, available, low-skill labor pool
- Advantageous location for government or education expansion
- Prospect of an expanded geographic market for health care

### **Key Success Factors with a Score of “2” - Average:**

- Sufficient local entrepreneurial base
- Ability to compete in a global market
- Ability to identify product and service gaps
- Ability to network and attend relevant trade shows
- Local pro-business climate
- Strong relations between economic development organization and local businesses
- Availability of local buildings
- Proximity to scheduled air service

### **Key Success Factors with a Score of “1” - Slight Comparative Disadvantage:**

- Quality residential neighborhoods
- Available, desirable housing
- Existence of recreational amenities
- Proximity to raw materials and minerals
- Competitive recruitment incentives
- Local funding for downtown development
- Dedicated business coaching staff
- Staff focused on attracting retirees and/or lone eagles
- Support from local education professionals at all levels
- Supportive post-secondary education training program
- Active engagement of downtown building and business owners
- Local focus on revenues from visitors
- Supportive state energy policies and incentives
- Adequate housing for labor force
- Adequate telecommunications infrastructure
- Local, available, high-skill labor pool

### **Key Success Factors with a Score of “0” - Major Comparative Disadvantage:**

- Existing or prospective cultural attraction
- Expandable educational institution
- High availability of urban services
- Recognizable central business district/downtown
- Sufficient base of local businesses
- Sufficient marketing, promotion, or public relations budget
- Cultural development and advocacy organization
- Downtown organization and staff
- Implementation of national Main Street Four-Point Approach™
- Sophisticated tourism development & promotion
- Sophisticated use of the internet for marketing
- Community support for needed infrastructure rate increases
- High-speed internet

## Appendix F

### Planning Methodology

In order to maximize community participation in the planning process, and to quickly transition the community to plan implementation, McCleary engaged Building Communities to employ its unique strategic planning methodology in the development of this plan. The Building Communities approach to strategic planning bypasses traditionally used planning and research components—such as lengthy demographic studies, which often add little to a plan in terms of usefulness over time and focuses instead on the development of action-oriented projects and initiatives. The Building Communities planning approach is objective, comprehensive and expeditious.

- **Objective:** Communities select community and economic development strategies and initiatives based on a logical analysis of the factors most relevant to community advancement
- **Comprehensive:** Communities consider a host of possible strategies and initiatives to improve local economic conditions, and to sustain and advance overall quality of life
- **Expeditious:** The process is fast-paced (typically 13 hours total) and excludes discussion unrelated to the development and implementation of the strategic plan

#### Vision and Mission

The development of vision and mission statements has long been “standard procedure” in traditional community and economic development strategic planning processes. These statements are crafted to inspire, convey core values, and to indicate the direction communities desire to head as they implement their plans. These are all important ingredients in any strategic plan. In the Building Communities planning methodology, vision and mission statements assume a different form. In fact, vision and mission statements *appear* to be absent in the planning process and final plan, at least as traditionally seen. But they are anything *but* missing.

The Building Communities methodology recognizes that communities embrace similar values, missions, objectives and visions for the future—leadership, integrity, health, quality services, safe environments, responsible use of resources, economic growth and quality living, to name a few. Fully recognizing that these values and ideals are both common to, and important in, nearly all communities (if not all!), the Building Communities methodology integrates vision and mission statements seamlessly into the strategic plan, both expanding their content and application, and making them unique to the community.

As part of the Building Communities planning approach, McCleary’s vision—“*what we aim to become based on who and where we are*”—is presented in a lengthier format than just a sentence or two. It is found under the header “Our Community and Vision” in the *Executive Summary*. The plan itself can also be considered an extension of McCleary’s vision—a palpable manifestation of its values and desires—while the strategies and initiatives which constitute the bulk of the plan define McCleary’s mission—“*what we want to do to enact our vision.*”

Defining a community’s vision and mission is at the core of the Building Communities planning approach. For McCleary, these elements emerged as participants were guided through a planning process that had two over arching objectives—improving local economic conditions and enhancing quality of life in the community.

## Objectives of Methodology

The Building Communities approach is firmly grounded in the belief that the objectives of community and economic development strategic planning (like the values and aims of visions and missions) are also common among communities—*improving economic condition* and *enhancing quality of life*. These two high-level objectives can be directly related, indirectly related, or almost completely insulated from one another, depending on the development projects being pursued by the community. For example, development of value-added projects offers the potential for significant improvement to a community’s economic condition, but may only indirectly improve the quality of life enjoyed by its citizens. In like manner, strategic positioning as a bedroom community can dramatically improve general community conditions for residents in the form of residential amenities and aesthetic elements, but may only indirectly contribute to the economy. And some initiatives, such as well-developed tourism campaigns, may result in enhancements to both quality of life and the local economy.

The relationship between these two objectives works in both directions. That is, while improvements in one category may have a positive effect on the other, neglect in one—or overemphasis on it—may have a drag-down effect on the other. In order to maximize the benefit of community projects and initiatives, the Building Communities methodology emphasized analysis and planning in both of these categories during the planning process.

## Major Components of Planning Approach

The Building Communities planning approach brings together three important components to produce a strategic plan—people, analysis and action. These components were carefully combined and organized for McCleary in order to minimize time spent on relatively fruitless planning activities, while maximizing the power that each of the components brings to the process:

- **People:** The Plan Director, Plan Facilitator, Building Communities Support Staff, Steering Committee—and the Community at large
- **Analysis and Action:** Plan Week, which included these analyses and action-assignment sessions:
  - Community Organizer Assessment (conducted prior to Plan Week)
  - Key Success Factor Analysis
  - Quality-of-Life Initiatives (QOLIs) Session
  - Civic Condition Assessment
  - Voice of the Community Meeting
  - Strategy & QOLIs Selection Session
  - Assigning Essential Action Steps
  - Elevator Speech Session

## The People

This strategic plan is a road map to better the individual and collective lives of its people. As such, the Building Communities methodology places high value on involvement of the people. In fact, perhaps more than any other strategic planning process currently in use, the Building Communities approach invites—*no, requires!*—community members themselves to do the analyses and evaluations, determine the strategic projects and initiatives to be pursued, develop the content which constitutes the “meat” of the completed strategic plan and conduct follow-up activities to ensure that it is implemented, with Building Communities guiding the process.

Contrast this to traditional approaches in which often “detached” hired consultants do most or all of the analyses, interpret local conditions, write the plan, and community members accept the resulting plan as “their own.” Though this is the common formula, it in many cases leads to strategic plans being little more

than expensive dust collectors. This is no future, and the Building Communities methodology does not use this model.

The Building Communities methodology employed the services of the following people:

- **Plan Director:** Todd Baun, Director of Public Works - Serves as the liaison between Building Communities and McCleary; oversees community outreach efforts; assists in creating the Steering Committee; coordinates all planning and implementation efforts over the life of the plan.
- **Plan Facilitator:** Brian Cole, Building Communities Inc. - Deploys the Building Communities Strategic Planning methodology, tools and software; provides guidance and assistance to the Plan Director; conducts planning, analysis and content-development sessions; delivers the plan in its various drafts and forms.
- **Building Communities Support Staff:** Though rarely visible to the community, Building Communities' support staff works behind the scenes to provide communities with effective and efficient planning tools, and to deliver a polished plan they can be proud of and use effectively.
- **Steering Committee:** Includes the Plan Director and represents the interests of McCleary in the planning process; participates in all Plan Week work sessions; invites community participation in the planning process; weighs all community input; selects strategies and initiatives for implementation; reviews and provides feedback on the draft final plan; leads implementation efforts during the life of the plan. McCleary Steering Committee members:
  - Ben Blankenship
  - Steve Blumer
  - Teneille Carpenter
  - Dan Casler
  - Evert Challstedt
  - Wendy Collins
  - Carri Comer
  - Wes Cormier
  - Joy Iversen
  - Doug Krikava
  - Christopher Miller
  - Brittany Moonan
  - Paul Morrison
  - Monica Reeves
  - Christy Reynolds
  - Ryan Reynolds
  - Dustin Richey
  - Brent Schiller
  - Andrea Watts
- **Citizens of McCleary:**

Includes all citizens and elected officials; provides crucial input during the Voice of Community Meeting and during plan review and adoption proceedings; assists and supports the Steering Committee during planning and implementation.

## Overview of Plan Week

The bulk of the analysis and data gathering needed to build the strategic plan were accomplished during Plan Week—a term actually coined by a Building Communities client to describe the series of rapid-fire Building Communities planning sessions. For McCleary, Plan Week consisted of the seven sessions listed previously and was conducted September 28-29, 2017. (The Community Organizer Assessment was held on August 23rd with City/County leadership but not the entire Steering Committee).

Data-gathering and analysis sessions were first in the process. They drew on the knowledge and experience of Steering Committee members and community members. Evaluation sessions followed, in which collected data and information were assessed and weighed. Next were decision-making sessions during which Steering Committee members determined the strategies and initiatives which would define McCleary's mission during the life of the plan. Initial plan implementation steps were also determined by the Steering Committee in the later sessions, and finalization of these "*Essential Action Steps*" is underway. In the final session of Plan Week, Steering Committee members were invited to reflect on the results of the preceding sessions, and to merge these with McCleary's identity and aspirations to create an expanded statement of its vision and direction.

The seven sessions of Plan Week are designed to capture the “full body” of community and economic development considerations:

- A logical assessment of what the community **should do** based on the likelihood of success (the “mind”)
- The passion the community has to advance in a desired direction, or what it **wants to do** (the “heart”)
- The capacity of the community to advance based on its human, financial and technical resources, or what it **can do** (the “muscle”)

### Prior to Plan Week: Community Organizer Assessment



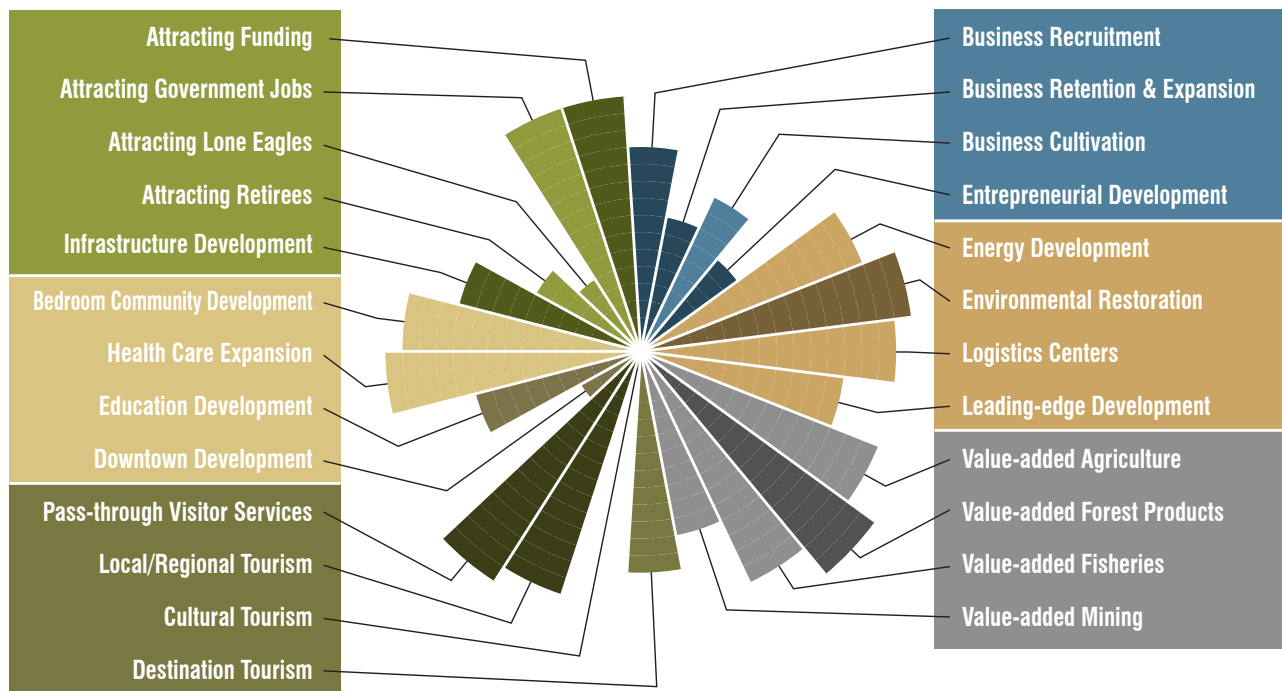
One part of community and economic development strategic planning often ignored is determining the capacity of the community to implement its plan. *Capacity* relates to the human, financial and technical resources needed to generally engage in community and economic development activities, and considers such things as unity of vision, land-use policy, community attitude and organizational stability.

The Building Communities planning approach addressed this critical element in a pre-Plan-Week Session—the *Community Organizer Assessment*—in which were presented a series of questions specific to the community and business development development aspirations of the community. This yielded a report detailing specific recommendations about how McCleary can increase its capacity in order to successfully implement its strategic plan. The results of the *Community Organizer Assessment* can be found in Section 4 of this plan.

### Session 1: Key Success Factor Analysis



Plan Week began with a fast-paced analysis of McCleary’s comparative advantage for a host of *Key Success Factors*—conditions, assets, abilities, etc. possessed by the community—related to 25 community and economic development strategies the community could pursue to improve economic condition and enhance quality of life.



this first session, and that the broader community also considered in a later session. Strategies ultimately selected appear as dark spokes, with the length of the spoke indicating the strategy’s potential for successful implementation.

The input from this session yielded McCleary’s *Prioritized Strategy Report*—a ranking of the 25 strategies on a scale of 0 to 100 based on the likelihood of successful implementation. This report, along with a more detailed explanation of its content, can be found in Section 1 of this plan.

## Session 2: Quality-of-Life Initiatives



Unlike the 25 strategies, which are presented as a finite list, *Quality-of-life Initiatives* are an “open book” whose main purpose is to address quality-of-life issues of concern to the community. In Session 2 members of the Steering Committee were asked the question, “What would improve the quality of life in your community?” and invited to consider major issues or concerns they have about the livability in McCleary.

These initiatives were presented to the broader community in a later session for their consideration and input, before the final selection of initiatives to pursue was completed by the Steering Committee. A more detailed treatment of the *Quality-of-life Initiatives* follows in Section 3 of this plan.

## Session 3: Civic Condition Assessment



During Session Three of Plan Week, the Steering Committee completed the Civic Condition Assessment. Civic Condition is defined by Building Communities as the “quality and intent of a community’s civic discourse and interaction.” That is, what is the purpose of the community’s most engaged citizens as they discuss matters central to the community’s social and economic direction?

It is the overall civic condition and related capacity of the community that either contributes to—or compromises—the strategic planning and implementation process.

Steering Committee members considered 20 measures of civic condition, and utilized their electronic response cards (“clickers”) to identify one of four stages of civic condition for McCleary: Apathy, Argumentative, Action or Alliance. They then received information on how to navigate the remainder of the planning and implementation process based upon their civic stage.

## Session 4: Voice of the Community Meeting



The entire community was invited to Session 4, a town-hall-style meeting carefully designed to receive broader input about the same strategies and initiatives being considered by the Steering Committee. During this meeting, two overall objectives were met.

First, the community was asked to consider the 25 strategies earlier presented to the Steering Committee and answer the following questions in relation to each:

- Would you like to see this strategy implemented in McCleary?
- Do you believe that McCleary can successfully implement this strategy?

The second objective was to present the results of the Steering Committee’s work on Quality-of-life Initiatives (from Session 2) and to receive feedback and other input on these topics. The results of the Voice of the Community Meeting were added to those of the Key Success Factor Session and presented to the Steering Committee in a later session as the *Enhanced Strategy Report*. This report can be found in Section 2 in this plan.

## Session 5: Strategy and Quality-of-Life Initiatives Selection



After the Steering Committee considered the “full body” of community and economic development considerations it made a final selection of strategies and *Quality-of-life Initiatives* in Session 5. For the strategies, this was accomplished during a detailed review of all strategy-related information from previous sessions. Where consensus could not immediately be reached about how to treat specific strategies, they were “held” and reviewed again later. This pattern continued until an acceptable subset of “selected” strategies was complete.

Additionally, the Steering Committee reviewed all previously considered *Quality-of-life Initiatives*, along with all related information collected in previous sessions. From the original list of topics, the Committee chose to “act on,” “write about” or “ignore” the concern or issue. Topics selected for action became full-fledged initiatives and were slated, along with the selected strategies, for further development in Session 6.

## Session 6: Assigning Essential Action Steps



Deciding *what* to do is almost always easier than determining how to get things done. Making decisions about how to begin implementation of selected strategies and initiatives, about who will lead these efforts for each strategy/initiative and determining exactly what steps need to be taken along the way is challenging work in the Building Communities methodology. And, equally important (perhaps even more so) is community members assuming ownership of making these implementation decisions. The “Achilles heel” of many strategic plans is the disconnect between community members and their plan when implementation consists of little more than “the consultant says this is what we should do.”

With these points in mind, during Session 6, each selected strategy and initiative was individually assigned to Steering Committee members or community organizations to act as “lead.” Committee members were then introduced to an online tool designed by Building Communities to help them identify *Essential Action Steps* (EASs) for each strategy/initiative and “Tasks” for each EAS. Essentially, designated Steering Committee members were assigned to detail “who will do what by when, and with what resources” for each strategy and initiative. Ultimately, the Steering Committee selected 12 Strategies. The Steering Committee was very deliberate about which strategies they selected, as there was great energy and enthusiasm about creating an ambitious plan while still recognizing that much of the implementation effort would have to be done by volunteers (primarily, themselves).

## Session 7: Elevator Speech



The final session returned to the heart of the matter: why are we doing strategic planning in the first place? Steering Committee members were asked to reflect on why they care about their community and what they desire for the future. During this time, the group explored and discussed what is unique about McCleary and what they expect as a result of conducting the strategic planning process. The result of this last session became the opening message in the plan and makes a unique statement about the heart of the community and what to expect in the plan—and during the years to come.

## Objectivity of Planning Methodology

Great care was taken during Plan Week to avoid traditional strategic planning pitfalls. One of the most common of these pitfalls is the tendency in communities for the “loudest voice” or “most important person in the community” to dominate discussions and to silence (intentionally or otherwise) those who might disagree or, quite frankly, have better ideas. The Building Communities methodology used by McCleary



employed a system which collected participants' public responses to important questions anonymously in real-time. Because initial responses were given privately and silently, results were very likely genuine and representative of participants' true positions. This ensured that discussions were fruitful, and that the issues, initiatives and concerns discussed were representative of the group rather than reflective of the opinion of one or two people. In other words, this provision for anonymity made what is, by its nature, very subjective work as objective as possible.



# McCleary

*Strategy Thumbprint™ by Building Communities, Inc.*

**TAB - F**

## STAFF REPORT

To: Mayor Schiller  
From: Todd Baun, Director of Public Works  
Date: February 23, 2018  
Re: Transportation Benefit District Information

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For the last several years, the City has seen reduced or funding in our Street Budget. Our current Street budget is funded by 3 major sources-Real and Person Property Tax, Licenses and Permits, State Generated Revenue Motor Vehicle Fuel Tax. Grants are also part of our funding if we can obtain them.

Staff has been looking at several options to increase funding in order to maintain our inventory of streets, sidewalks, transit station, and shoulders used as walkways and by bicycles. Just like the cars that drive on our streets, the streets themselves require regular maintenance to ensure they are in operable condition and to avoid more costly repairs in the future. The top layer of the street is the most prone to weather and wear from traffic. By keeping the top layer in working condition, the entire street stays in better condition for longer. The City has started creating a plan to address streets based on their condition and need. We also need to look at making strategic investments in bicycle and pedestrian safety projects, such as bike lanes and sidewalks.

One option that we have found is creating a Transportation Benefit District (TBD). TBD is an option for local governments to fund transportation improvements. A TBD is a quasi-municipal corporation and independent taxing district created for the sole purpose of funding and constructing transportation improvements within the district.

I have attached MRSC's information about TBD's and also RCW's that govern the TBDs.

### **Action Requested:**

No action requested. This is for your information only. This will be discussed in future workshops and council meetings.



## Transportation Benefit Districts

This page provides a general overview of transportation benefit districts (TBDs) in Washington State, including formation procedures, assumption of powers, revenue sources, reporting requirements, and sample documents.

### Overview

Chapter 36.73 RCW authorizes cities (see also RCW 35.21.225) and counties to form transportation benefit districts (TBDs), quasi-municipal corporations and independent taxing districts that can raise revenue for specific transportation projects, usually through vehicle license fees or sales taxes.

Transportation benefit district revenue may be used for transportation improvements included in a local, regional, or state transportation plan (RCW 36.73.015(6)). Improvements can range from roads and transit service to sidewalks and transportation demand management. Construction, maintenance, and operation costs are eligible.

### List of TBDs

MRSC is currently aware of about 90 TBDs throughout Washington State, and more are being created every year. For details, including an interactive map, see our [List of Transportation Benefit Districts](#).

### Formation

Any city or county may form a TBD by ordinance, following a public hearing, if it finds that the action is in the public interest (RCW 36.73.050). The establishing ordinance must specify the boundaries of the district - which may include all or part of the city or county establishing the TBD - and the transportation improvements that will be funded. The boundaries and functions of the TBD may not be changed without further public hearings.

A transportation benefit district may include all or part of the territory in another jurisdiction (city, county, port district, county transportation authority, or public transportation benefit area) through interlocal agreement (RCW 36.73.020(2)).

### Governance

Almost all TBDs share the same boundaries as their establishing jurisdiction, in which case they must be governed by the members of that jurisdiction's legislative body, acting as a separate legal entity, unless the jurisdiction assumes the TBD's powers (see below). Even though they comprise the same members, the legislative body and the governing board are separate and distinct bodies and must hold separate and distinct meetings.

Note that in mayor-council cities, the mayor is not part of the legislative body and is not eligible for membership

on the TBD board.

If a TBD includes territory in multiple jurisdictions, it must be governed under an interlocal agreement pursuant to [chapter 39.34 RCW](#). The governing board must consist of at least five members, including at least one elected official from each participating jurisdiction, or - if the TBD has the same boundaries as the metropolitan planning organization (MPO) - it may be governed by the MPO governing body ([RCW 36.73.020\(3\)](#)).

## Assumption of Powers

Effective July 2015, any city or county that forms a TBD with the same boundaries as the city or county may absorb the TBD and assume all of its "rights, powers, functions, and obligations," with the result that the TBD would cease to exist as a separate entity ([chapter 36.74 RCW](#)). As of June 2016, roughly 45 TBDs - about half of the total - have been assumed by their cities or towns. (See MRSC's [List of Transportation Benefit Districts](#) for details.)

For more details, see:

- [New Legislation Affecting Transportation Benefit Districts](#)
- [Assuming the Powers of Your Transportation Benefit District?](#)

**Note:** A section has been added to the BARS Manual discussing the requirements for jurisdictions that assume the powers of their TBDs. In particular, a jurisdiction assuming a TBD must (1) still file an annual financial report for the year in which the TBD was assumed and (2) submit a [New Entity Creation or Dissolution Notification form](#). For more details, see the [BARS Manual, Section 3.11.1.120](#).

## Funding Sources

Transportation benefit districts are primarily funded through vehicle license fees and/or sales taxes. There are several other funding options available such as border area fuel taxes, bonds, and impact fees, but these are seldom or never used.

### Vehicle License Fees

The most common TBD funding source is a vehicle license fee ([RCW 82.80.140](#), [RCW 36.73.040\(3\)\(b\)](#)). TBDs may impose vehicle license fees up to \$50 without a public vote, subject to the conditions below, or may impose fees up to \$100 with voter approval.

Until 2015, vehicle license fees of \$20 or less could be imposed without voter approval, but [2ESSB 5987](#) increased the allowable nonvoted vehicle license fee up to a \$50 maximum. However, a TBD may only impose a nonvoted vehicle license fee above \$20 as follows:

- Up to \$40, but only if a \$20 fee has been in effect for at least 24 months.
- Up to \$50, but only if a \$40 fee has been in effect for at least 24 months. Any nonvoted fee higher than \$40 is subject to potential referendum, as provided in [RCW 36.73.065\(6\)](#).

Any license fees over these amounts, up to \$100, must be approved by a simple majority of voters. However, voters have rejected these measures almost every time. The only TBD to successfully pass a voted vehicle license fee is the Seattle TBD, whose voters approved a \$60 fee increase in 2014 after rejecting a similar increase in 2011.

If two or more TBDs with the authority to impose a nonvoted fee overlap, credits must be issued so that the combined nonvoted fees do not exceed \$50 total.

If a countywide TBD wishes to impose a vehicle license fee, it must distribute the revenues to each city in the county by interlocal agreement, which must be approved by 60% of the cities representing 75% of the city population ([RCW 82.80.140\(2\)\(a\)](#)). If this threshold cannot be met, a district that includes the unincorporated areas only may impose the nonvoted license fees discussed above ([RCW 36.73.065\(5\)](#)).

For a list of current TBD vehicle license fees, see the Department of Licensing's page on [local transportation benefit district fees](#).

## Sales and Use Taxes

Another common TBD funding source is a sales and use tax of up to 0.2% ([RCW 82.14.0455](#), [RCW 36.73.040\(3\)\(a\)](#)), which must be approved by a simple majority of voters. This taxing option is limited to 10 years, with the ability to place this same sales tax option back before the voters for one additional 10-year period. The exception to this time limitation is for the repayment of debt; if the TBD sales tax is to be used to repay debt, the ballot measure should state the intended use and duration of the debt service.

In recent years, voters have approved the vast majority of all proposed TBD sales and use taxes. At least four jurisdictions - Seattle, Tacoma, Enumclaw, and Moses Lake - have imposed a sales tax on top of an existing vehicle license fee. For individual results, see MRSC's [Local Ballot Measure Database](#).

## Other Funding Sources

Other potential funding sources include:

- **General obligation bonds** ([RCW 36.73.070](#)) - MRSC is only aware of one TBD that has attempted to pass a bond measure, and it failed with 50% of the vote (Auburn TBD, 2012).
- **Border area fuel tax**, only available to TBDs that include a Canadian border crossing ([RCW 82.47.020](#)). MRSC is aware of one TBD - Point Roberts - that uses this funding mechanism.
- **Impact fees** on commercial and industrial development in accordance with [chapter 39.92 RCW](#) ([RCW 36.73.040\(3\)\(c\)](#) and [RCW 36.73.120](#)).
- **Vehicle tolls** ([RCW 36.73.040\(3\)\(d\)](#)).
- **Excess property taxes** ([RCW 36.73.060](#)).
- **Local improvement districts** ([RCW 36.73.080](#)).

## Material Change Policies

TBDs must adopt a material change policy that addresses significant changes to the transportation improvement finance plan that affect project delivery or the ability to finance the plan ([RCW 36.73.160\(1\)](#)). The policy must at least address material changes to cost, scope, and schedule, the level of change that will require governing body involvement, and how the governing body will address those changes. At a minimum, the policy must require the governing body to hold a public hearing if the revised cost exceeds the original estimate by more than 20%.

## Budgeting

State law does not clearly require TBDs to adopt an appropriations budget. However, adopting a budget would be considered a best practice, and a number of TBDs have done so, setting up the budget process to coincide with the annual/biennial process used by the establishing jurisdiction. It is up to the TBD governing board to develop and adopt a budget policy.

Under [RCW 36.73.020\(4\)](#), the treasurer of the establishing city or county must serve, in an independent and ex officio capacity, as the TBD treasurer.

## Required Annual Reporting

Transportation benefit districts must submit annual financial reports to the State Auditor's Office using the [BARS reporting templates \(RCW 43.09.230\)](#).

For information on the specific TBD accounting requirements, see the [BARS Manual, Section 3.11.1](#). For assistance developing financial reports, see MRSC's [Annual Financial Reporting Checklists](#) page.

In addition to the annual financial report, [RCW 36.73.160\(2\)](#) requires TBDs to issue a separate annual transportation improvement report detailing the district revenues, expenditures and the status of all projects, including cost and construction schedules. The report must be distributed to the public and newspapers of record in the district.

## Dissolution

A transportation benefit district must end its day-to-day operations within 30 days after the specified transportation improvements are completed, although the district may continue to collect revenue and service any remaining debt or financing. A TBD must be completely dissolved within 30 days after the financing or debt service is paid off ([RCW 36.73.170](#)).

## Examples of TBD Documents

### Establishing Ordinances

- [Anacortes Ordinance No. 2926 \(2014\)](#) - Establishes powers of district and board, identifies potential revenue sources
- [Enumclaw Ordinance No. 2524 \(2013\)](#) - Identifies eligible projects as those in the six-year Transportation Improvement Program, authorizes creation of advisory committee
- [Snohomish County Amended Ordinance No. 10-103 \(2011\)](#) - Establishes a TBD in unincorporated areas after failing to reach an interlocal agreement
- [Toppenish Ordinance No. 2012-2](#) - Establishes powers of district and board

### Assumption Ordinances

- [Grandview Ordinance No. 2015-09](#) - Repeals entire chapter of municipal code
- [Black Diamond Ordinance No. 15-1059 \(2015\)](#) - Assumes the powers of a newly formed TBD with no pre-existing funds, assets, or contracts



- [Roy Ordinance No. 933 \(2015\)](#) - Replaces "governing board" section in municipal code
- [Sedro-Woolley Ordinance No. 1823-15 \(2015\)](#) - Short and simple ordinance
- [Shoreline Ordinance No. 726 \(2015\)](#) - Detailed ordinance assuming the powers of a TBD formed in 2009 with existing funds and contracts
- Additional examples are available through MRSC's [Sample Document Library](#).

### Vehicle License Fee Resolutions

- [Covington Ordinance No. 12-15 \(2015\)](#) - \$20 fee following assumption of TBD
- [Des Moines TBD Resolution No. 0003.TBD \(2015\)](#) - \$40 nonvoted fee
- [Grandview TBD Ordinance No. 2011-TBD-02](#) - \$20 fee
- [Maple Valley TBD Ordinance No. O-12-001-TBD \(2012\)](#) - \$20 fee, specifying which projects will be funded
- Additional examples are available through MRSC's [Sample Document Library](#).

### Sales and Use Tax Resolutions

- [Bellingham TBD Resolution No. 2010-1](#) - Ballot proposition for a 0.2% sales tax
- [Clarkston TBD Resolution No. TBD-2015-01](#) - Ballot proposition to impose a 0.2% sales tax and rescind a nonvoted \$20 vehicle license fee
- [Waitsburg TBD Resolution No. 2012-593](#) - Ballot proposition for a 0.1% sales tax

### Material Change Policies

- [Maple Valley TBD Resolution No. R-12-004-TBD \(2012\)](#) - Fairly standard material change policy used by many TBDs
- [Prosser TBD Resolution No. 11-TBD-07 \(2011\)](#) - Includes a definition of "material change"

### TBD Budgets

- [Arlington TBD 2015 Budget](#) - Includes work plans and costs for individual projects
- [Leavenworth TBD 2015-16 Budget](#) - Contains narrative to guide readers
- [Prosser TBD 2015 Budget](#) - Short document with a one-page budget table

### Annual Transportation Improvement Reports

- [Ferndale TBD 2014 Annual Report](#) - Short, two-page overview
- [Marysville TBD 2014 Annual Report](#) - Includes project maps and photos

### Dissolution Ordinances

- [Yakima Ordinance No. 2014-006](#) - Dissolving TBD after projects were funded by other means

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**Chapter 36.73 RCW****TRANSPORTATION BENEFIT DISTRICTS****Chapter Listing****Sections**

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<b>36.73.180</b>	Supplemental transportation improvements.
<b>36.73.900</b>	Liberal construction.

**NOTES:**

*Roads and bridges, service districts: Chapter 36.83 RCW.*

**36.73.010****Intent.**

The legislature finds that the citizens of the state can benefit by cooperation of the public and private sectors in addressing transportation needs. This cooperation can be fostered through enhanced capability for cities, towns, and counties to make and fund transportation improvements necessitated by economic development and to improve the performance of the transportation system.

It is the intent of the legislature to encourage joint efforts by the state, local governments, and the private sector to respond to the need for those transportation improvements on state

highways, county roads, and city streets. This goal can be better achieved by allowing cities, towns, and counties to establish transportation benefit districts in order to respond to the special transportation needs and economic opportunities resulting from private sector development for the public good. The legislature also seeks to facilitate the equitable participation of private developers whose developments may generate the need for those improvements in the improvement costs.

[ 2005 c 336 § 2; 1987 c 327 § 1.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

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**36.73.015**

**Definitions.**

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "City" means a city or town.

(2) "District" means a transportation benefit district created under this chapter.

(3) "Low-income" means household income set by the district creating the rebate program that is at or below seventy-five percent of the median household income, adjusted for household size, for the district in which the fees, taxes, or tolls were imposed.

(4) "Rebate program" means an optional program established by a transportation benefit district that includes a city with a population of five hundred thousand persons or more for the purpose of providing rebates to low-income individuals for fees, taxes, and/or tolls imposed by such transportation benefit district for: (a) Vehicle fees imposed under RCW **36.73.040(3)(b)**; (b) sales and use taxes imposed under RCW **36.73.040(3)(a)**; and/or (c) tolls imposed under RCW **36.73.040(3)(d)**.

(5) "Supplemental transportation improvement" or "supplemental improvement" means any project, work, or undertaking to provide public transportation service, in addition to a district's existing or planned voter-approved transportation improvements, proposed by a participating city member of the district under RCW **36.73.180**.

(6) "Transportation improvement" means a project contained in the transportation plan of the state, a regional transportation planning organization, city, county, or eligible jurisdiction as identified in RCW **36.73.020(2)**. A project may include investment in new or existing highways of statewide significance, principal arterials of regional significance, high capacity transportation, public transportation, and other transportation projects and programs of regional or statewide significance including transportation demand management. Projects may also include the operation, preservation, and maintenance of these facilities or programs.

[ 2015 3rd sp.s. c 44 § 311; 2012 c 152 § 1. Prior: 2010 c 251 § 2; 2010 c 105 § 1; 2006 c 311 § 24; 2005 c 336 § 1.]

**NOTES:**

**Effective date—2015 3rd sp.s. c 44:** See note following RCW 46.68.395.

**Findings—2006 c 311:** See note following RCW 36.120.020.

**Effective date—2005 c 336:** "This act takes effect August 1, 2005." [ 2005 c 336 § 26.]

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### 36.73.020

#### **Establishment of district by county or city—Participation by other jurisdictions.**

(1) The legislative authority of a county or city may establish a transportation benefit district within the county or city area or within the area specified in subsection (2) of this section, for the purpose of acquiring, constructing, improving, providing, and funding a transportation improvement within the district that is consistent with any existing state, regional, or local transportation plans and necessitated by existing or reasonably foreseeable congestion levels. The transportation improvements shall be owned by the county of jurisdiction if located in an unincorporated area, by the city of jurisdiction if located in an incorporated area, or by the state in cases where the transportation improvement is or becomes a state highway. However, if deemed appropriate by the governing body of the transportation benefit district, a transportation improvement may be owned by a participating port district or transit district, unless otherwise prohibited by law. Transportation improvements shall be administered and maintained as other public streets, roads, highways, and transportation improvements. To the extent practicable, the district shall consider the following criteria when selecting transportation improvements:

- (a) Reduced risk of transportation facility failure and improved safety;
- (b) Improved travel time;
- (c) Improved air quality;
- (d) Increases in daily and peak period trip capacity;
- (e) Improved modal connectivity;
- (f) Improved freight mobility;
- (g) Cost-effectiveness of the investment;
- (h) Optimal performance of the system through time;
- (i) Improved accessibility for, or other benefits to, persons with special transportation needs as defined in \*RCW 47.06B.012; and
- (j) Other criteria, as adopted by the governing body.

(2) Subject to subsection (6) of this section, the district may include area within more than one county, city, port district, county transportation authority, or public transportation benefit area, if the legislative authority of each participating jurisdiction has agreed to the inclusion as provided in an interlocal agreement adopted pursuant to chapter 39.34 RCW. However, the boundaries of the district need not include all territory within the boundaries of the participating jurisdictions comprising the district.

(3) The members of the legislative authority proposing to establish the district, acting ex officio and independently, shall constitute the governing body of the district: PROVIDED, That where a district includes area within more than one jurisdiction under subsection (2) of this section, the district shall be governed under an interlocal agreement adopted pursuant to

chapter **39.34** RCW, with the governing body being composed of (a) at least five members including at least one elected official from the legislative authority of each participating jurisdiction or (b) the governing body of the metropolitan planning organization serving the district, but only if the district boundaries are identical to the boundaries of the metropolitan planning organization serving the district.

(4) The treasurer of the jurisdiction proposing to establish the district shall act as the ex officio treasurer of the district, unless an interlocal agreement states otherwise.

(5) The electors of the district shall all be registered voters residing within the district.

(6) Prior to December 1, 2007, the authority under this section, regarding the establishment of or the participation in a district, shall not apply to:

(a) Counties with a population greater than one million five hundred thousand persons and any adjoining counties with a population greater than five hundred thousand persons;

(b) Cities with any area within the counties under (a) of this subsection; and

(c) Other jurisdictions with any area within the counties under (a) of this subsection.

[ **2010 c 250 § 1**; **2009 c 515 § 14**; **2006 c 311 § 25**; **2005 c 336 § 3**; **1989 c 53 § 1**; **1987 c 327 § 2**.]

#### NOTES:

**\*Reviser's note:** RCW **47.06B.012** was repealed by **2011 c 60 § 51**.

**Findings—2006 c 311:** See note following RCW **36.120.020**.

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

**Severability—1989 c 53:** "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [ **1989 c 53 § 5**.]

*nsportation benefit district tax authority: RCW **82.47.020**.*

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### **36.73.030**

#### **Establishment of district by city.**

See RCW **35.21.225**.

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### **36.73.040**

#### **General powers of district.**

(1) A transportation benefit district is a quasi-municipal corporation, an independent taxing "authority" within the meaning of Article VII, section 1 of the state Constitution, and a "taxing district" within the meaning of Article VII, section 2 of the state Constitution.

(2) A transportation benefit district constitutes a body corporate and possesses all the usual powers of a corporation for public purposes as well as all other powers that may now or

hereafter be specifically conferred by statute, including, but not limited to, the authority to hire employees, staff, and services, to enter into contracts, to acquire, hold, and dispose of real and personal property, and to sue and be sued. Public works contract limits applicable to the jurisdiction that established the district apply to the district.

(3) To carry out the purposes of this chapter, and subject to the provisions of RCW **36.73.065**, a district is authorized to impose the following taxes, fees, charges, and tolls:

(a) A sales and use tax in accordance with RCW **82.14.0455**;

(b) A vehicle fee in accordance with RCW **82.80.140**;

(c) A fee or charge in accordance with RCW **36.73.120**. However, if a county or city within the district area is levying a fee or charge for a transportation improvement, the fee or charge shall be credited against the amount of the fee or charge imposed by the district.

Developments consisting of less than twenty residences are exempt from the fee or charge under RCW **36.73.120**; and

(d) Vehicle tolls on state routes, city streets, or county roads, within the boundaries of the district, unless otherwise prohibited by law. However, consistent with RCW **47.56.820**, the vehicle toll must first be authorized by the legislature if the toll is imposed on a state route. The department of transportation shall administer the collection of vehicle tolls authorized on state routes, unless otherwise specified in law or by contract, and the state transportation commission, or its successor, may approve, set, and impose the tolls in amounts sufficient to implement the district's transportation improvement finance plan. The district shall administer the collection of vehicle tolls authorized on city streets or county roads, and shall set and impose the tolls in amounts sufficient to implement the district's transportation improvement plan. However, consistent with RCW **47.56.850**, the vehicle toll, including any change in an existing toll rate, must first be reviewed and approved by the tolling authority designated in RCW **47.56.850** if the toll, or change in toll rate, would have a significant impact, as determined by the tolling authority, on the operation of any state facility.

[ **2008 c 122 § 17**; **2005 c 336 § 4**; **1989 c 53 § 3**; **1987 c 327 § 4**.]

#### NOTES:

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

**Severability—1989 c 53:** See note following RCW **36.73.020**.

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### **36.73.050**

#### **Establishment of district—Public hearing—Ordinance.**

(1) The legislative authorities proposing to establish a district, or to modify the boundaries of an existing district, or to dissolve an existing district shall conduct a hearing at the time and place specified in a notice published at least once, not less than ten days before the hearing, in a newspaper of general circulation within the proposed district. Subject to the provisions of RCW **36.73.170**, the legislative authorities shall make provision for a district to be automatically dissolved when all indebtedness of the district has been retired and anticipated responsibilities have been satisfied. This notice shall be in addition to any other notice required by law to be published. The notice shall, where applicable, specify the functions or

activities proposed to be provided or funded, or the additional functions or activities proposed to be provided or funded, by the district. Additional notice of the hearing may be given by mail, by posting within the proposed district, or in any manner the legislative authorities deem necessary to notify affected persons. All hearings shall be public and the legislative authorities shall hear objections from any person affected by the formation, modification of the boundaries, or dissolution of the district.

(2)(a) Following the hearing held pursuant to subsection (1) of this section, the legislative authorities may establish a district, modify the boundaries or functions of an existing district, or dissolve an existing district, if the legislative authorities find the action to be in the public interest and adopt an ordinance providing for the action.

(b) The ordinance establishing a district shall specify the functions and transportation improvements described under RCW **36.73.015** to be exercised or funded and establish the boundaries of the district. Subject to the provisions of RCW **36.73.160**, functions or transportation improvements proposed to be provided or funded by the district may not be expanded beyond those specified in the notice of hearing, unless additional notices are made, further hearings on the expansion are held, and further determinations are made that it is in the public interest to so expand the functions or transportation improvements proposed to be provided or funded.

[ **2007 c 329 § 3; 2005 c 336 § 5; 1987 c 327 § 5.**]

#### NOTES:

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

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### **36.73.060**

#### **Authority to levy property tax.**

(1) A district may levy an ad valorem property tax in excess of the one percent limitation upon the property within the district for a one-year period whenever authorized by the voters of the district pursuant to RCW **84.52.052** and Article VII, section 2(a) of the state Constitution.

(2) A district may provide for the retirement of voter-approved general obligation bonds, issued for capital purposes only, by levying bond retirement ad valorem property tax levies in excess of the one percent limitation whenever authorized by the voters of the district pursuant to Article VII, section 2(b) of the state Constitution and RCW **84.52.056**.

[ **2005 c 336 § 6; 1987 c 327 § 6.**]

#### NOTES:

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

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**36.73.065****Taxes, fees, charges, tolls, rebate program.**

(1) Except as provided in subsection (4) of this section, taxes, fees, charges, and tolls may not be imposed by a district without approval of a majority of the voters in the district voting on a proposition at a general or special election. The proposition must include a specific description of: (a) The transportation improvement or improvements proposed by the district; (b) any rebate program proposed to be established under RCW **36.73.067**; and (c) the proposed taxes, fees, charges, and the range of tolls imposed by the district to raise revenue to fund the improvement or improvements or rebate program, as applicable.

(2) Voter approval under this section must be accorded substantial weight regarding the validity of a transportation improvement as defined in RCW **36.73.015**.

(3) A district may not increase any taxes, fees, charges, or range of tolls imposed or change a rebate program under this chapter once the taxes, fees, charges, tolls, or rebate program takes effect, except:

(a) If authorized by the district voters pursuant to RCW **36.73.160**;

(b) With respect to a change in a rebate program, a material change policy adopted pursuant to RCW **36.73.160** is followed and the change does not reduce the percentage level or rebate amount;

(c) For up to forty dollars of the vehicle fee authorized in RCW **82.80.140** by the governing board of the district if a vehicle fee of twenty dollars has been imposed for at least twenty-four months; or

(d) For up to fifty dollars of the vehicle fee authorized in RCW **82.80.140** by the governing board of the district if a vehicle fee of forty dollars has been imposed for at least twenty-four months and a district has met the requirements of subsection (6) of this section.

(4)(a) A district that includes all the territory within the boundaries of the jurisdiction, or jurisdictions, establishing the district may impose by a majority vote of the governing board of the district the following fees and charges:

(i) Up to twenty dollars of the vehicle fee authorized in RCW **82.80.140**;

(ii) Up to forty dollars of the vehicle fee authorized in RCW **82.80.140** if a vehicle fee of twenty dollars has been imposed for at least twenty-four months;

(iii) Up to fifty dollars of the vehicle fee authorized in RCW **82.80.140** if a vehicle fee of forty dollars has been imposed for at least twenty-four months and a district has met the requirements of subsection (6) of this section; or

(iv) A fee or charge in accordance with RCW **36.73.120**.

(b) The vehicle fee authorized in (a) of this subsection may only be imposed for a passenger-only ferry transportation improvement if the vehicle fee is first approved by a majority of the voters within the jurisdiction of the district.

(c)(i) A district solely comprised of a city or cities may not impose the fees or charges identified in (a) of this subsection within one hundred eighty days after July 22, 2007, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection within the one hundred eighty-day period; or

(ii) A district solely comprised of a city or cities identified in RCW **36.73.020**(6)(b) may not impose the fees or charges until after May 22, 2008, unless the county in which the city or cities reside, by resolution, declares that it will not impose the fees or charges identified in (a) of this subsection through May 22, 2008.

(5) If the interlocal agreement in RCW **82.80.140**(2)(a) cannot be reached, a district that includes only the unincorporated territory of a county may impose by a majority vote of the governing body of the district up to: (a) Twenty dollars of the vehicle fee authorized in RCW **82.80.140**, (b) forty dollars of the vehicle fee authorized in RCW **82.80.140** if a fee of twenty dollars has been imposed for at least twenty-four months, or (c) fifty dollars of the vehicle fee authorized in RCW **82.80.140** if a vehicle fee of forty dollars has been imposed for at least twenty-four months and a district has met the requirements of subsection (6) of this section.

(6) If a district intends to impose a vehicle fee of more than forty dollars by a majority vote of the governing body of the district, the governing body must publish notice of this intention, in one or more newspapers of general circulation within the district, by April 1st of the year in which the vehicle fee is to be imposed. If within ninety days of the date of publication a petition is filed with the county auditor containing the signatures of eight percent of the number of voters registered and voting in the district for the office of the governor at the last preceding gubernatorial election, the county auditor must canvass the signatures in the same manner as prescribed in RCW **29A.72.230** and certify their sufficiency to the governing body within two weeks. The proposition to impose the vehicle fee must then be submitted to the voters of the district at a special election, called for this purpose, no later than the date on which a primary election would be held under RCW **29A.04.311**. The vehicle fee may then be imposed only if approved by a majority of the voters of the district voting on the proposition.

[ **2015 3rd sp.s. c 44 § 309**; **2012 c 152 § 3**; **2007 c 329 § 1**; **2005 c 336 § 17**.]

#### NOTES:

**Effective date—2015 3rd sp.s. c 44:** See note following RCW **46.68.395**.

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

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### **36.73.067**

#### **Vehicle fee rebate program—Low-income individuals—Report to legislature.**

(1) A district that: (a) Includes a city with a population of five hundred thousand persons or more; and (b) imposes a vehicle fee under RCW **36.73.040**(3)(b), sales and use taxes under RCW **36.73.040**(3)(a), or tolls under RCW **36.73.040**(3)(d), may establish a rebate program for the purposes of providing rebates of up to forty percent of the actual fee, tax, or toll paid by a low-income individual.

(2) Funds collected from a vehicle fee under RCW **36.73.040**(3)(b), sales and use tax under RCW **36.73.040**(3)(a) or tolls under RCW **36.73.040**(3)(d) may be used for a rebate program established under this section.

(3) A district that establishes a rebate program is responsible for the development and administration of the program and all functions and costs associated with the rebate program.

(4) A district that establishes a rebate program under this section must report back to the legislature two years after the program takes effect. The report must include, but is not limited to, a detailed description of the structure of the program, the average rebate, the total amount of rebates issued, and the number of people that received rebates.

[ 2012 c 152 § 2.]

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### **36.73.070**

#### **Authority to issue general obligation bonds, revenue bonds.**

(1) To carry out the purposes of this chapter and notwithstanding RCW 39.36.020(1), a district may issue general obligation bonds, not to exceed an amount, together with any other outstanding nonvoter-approved general obligation indebtedness, equal to one and one-half percent of the value of taxable property within the district, as the term "value of taxable property" is defined in RCW 39.36.015. A district may additionally issue general obligation bonds for capital purposes only, together with any outstanding general obligation indebtedness, not to exceed an amount equal to five percent of the value of the taxable property within the district, as the term "value of taxable property" is defined in RCW 39.36.015, when authorized by the voters of the district pursuant to Article VIII, section 6 of the state Constitution, and may also provide for the retirement thereof by excess property tax levies as provided in RCW 36.73.060(2). The district may, if applicable, submit a single proposition to the voters that, if approved, authorizes both the issuance of the bonds and the bond retirement property tax levies.

(2) General obligation bonds with a maturity in excess of forty years shall not be issued. The governing body of the district shall by resolution determine for each general obligation bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, manner of execution, manner of sale, callable provisions, if any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are issued; or (b) recording the ownership of a bond together with the requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or the issuance of a new bond to the new owner. Facsimile signatures may be used on the bonds and any coupons. Refunding general obligation bonds may be issued in the same manner as general obligation bonds are issued.

(3) Whenever general obligation bonds are issued to fund specific projects or enterprises that generate revenues, charges, user fees, or special assessments, the district may specifically pledge all or a portion of the revenues, charges, user fees, or special assessments to refund the general obligation bonds. The district may also pledge any other revenues that may be available to the district.

(4) In addition to general obligation bonds, a district may issue revenue bonds to be issued and sold in accordance with chapter 39.46 RCW.

[ 2005 c 336 § 7; 1987 c 327 § 7.]

#### **NOTES:**

**Effective date—2005 c 336:** See note following RCW 36.73.015.

**36.73.080****Local improvement districts authorized—Special assessments—Bonds.**

(1) A district may form a local improvement district to provide any transportation improvement it has the authority to provide, impose special assessments on all property specially benefited by the transportation improvements, and issue special assessment bonds or revenue bonds to fund the costs of the transportation improvement. Local improvement districts shall be created and administered, and assessments shall be made and collected, in the manner and to the extent provided by law to cities and towns pursuant to chapters **35.43**, **35.44**, **35.49**, **35.50**, **35.51**, **35.53**, and **35.54** RCW. However, the duties devolving upon the city or town treasurer under these chapters shall be imposed upon the district treasurer for the purposes of this section. A local improvement district may only be formed under this section pursuant to the petition method under RCW **35.43.120** and **35.43.125**.

(2) The governing body of a district shall by resolution establish for each special assessment bond issue the amount, date, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, if any, covenants, and form, including registration as to principal and interest, registration as to principal only, or bearer. Registration may include, but not be limited to: (a) A book entry system of recording the ownership of a bond whether or not physical bonds are issued; or (b) recording the ownership of a bond together with the requirement that the transfer of ownership may only be effected by the surrender of the old bond and either the reissuance of the old bond or the issuance of a new bond to the new owner. Facsimile signatures may be used on the bonds and any coupons. The maximum term of any special assessment bonds shall not exceed thirty years beyond the date of issue. Special assessment bonds issued pursuant to this section shall not be an indebtedness of the district issuing the bonds, and the interest and principal on the bonds shall only be payable from special assessments made for the improvement for which the bonds were issued and any local improvement guaranty fund that the district has created. The owner or bearer of a special assessment bond or any interest coupon issued pursuant to this section shall not have any claim against the district arising from the bond or coupon except for the payment from special assessments made for the improvement for which the bonds were issued and any local improvement guaranty fund the district has created. The district issuing the special assessment bonds is not liable to the owner or bearer of any special assessment bond or any interest coupon issued pursuant to this section for any loss occurring in the lawful operation of its local improvement guaranty fund. The substance of the limitations included in this subsection (2) shall be plainly printed, written, or engraved on each special assessment bond issued pursuant to this section.

(3) Assessments shall reflect any credits given by a district for real property or property right donations made pursuant to RCW **47.14.030**.

(4) The governing body may establish, administer, and pay money into a local improvement guaranty fund, in the manner and to the extent provided by law to cities and towns under chapter **35.54** RCW, to guarantee special assessment bonds issued by the district.

[ 2005 c 336 § 8; 1987 c 327 § 8.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW [36.73.015](#).

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### **36.73.090**

#### **Printing of bonds.**

Where physical bonds are issued pursuant to RCW [36.73.070](#) or [36.73.080](#), the bonds shall be printed, engraved, or lithographed on good bond paper and the manual or facsimile signatures of both the treasurer and chairperson of the governing body shall be included on each bond.

[ [1987 c 327 § 9](#).]

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### **36.73.100**

#### **Use of bond proceeds.**

(1) The proceeds of any bond issued pursuant to RCW [36.73.070](#) or [36.73.080](#) may be used to pay costs incurred on a bond issue related to the sale and issuance of the bonds. These costs include payments for fiscal and legal expenses, obtaining bond ratings, printing, engraving, advertising, and other similar activities.

(2) In addition, proceeds of bonds used to fund capital projects may be used to pay the necessary and related engineering, architectural, planning, and inspection costs.

[ [2005 c 336 § 9](#); [1987 c 327 § 10](#).]

#### **NOTES:**

**Effective date—2005 c 336:** See note following RCW [36.73.015](#).

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### **36.73.110**

#### **Acceptance and use of gifts and grants.**

A district may accept and expend or use gifts, grants, and donations.

[ [2005 c 336 § 10](#); [1987 c 327 § 11](#).]

#### **NOTES:**

**Effective date—2005 c 336:** See note following RCW [36.73.015](#).

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**36.73.120****Imposition of fees on building construction or land development.**

(1) Subject to the provisions in RCW **36.73.065**, a district may impose a fee or charge on the construction or reconstruction of commercial buildings, industrial buildings, or on any other commercial or industrial building or building space or appurtenance, or on the development, subdivision, classification, or reclassification of land for commercial purposes, only if done in accordance with chapter **39.92** RCW.

(2) Any fee or charge imposed under this section shall be used exclusively for transportation improvements as defined in RCW **36.73.015**. The fees or charges imposed must be reasonably necessary as a result of the impact of development, construction, or classification or reclassification of land on identified transportation needs.

(3) If a county or city within the district area is levying a fee or charge for a transportation improvement, the fee or charge shall be credited against the amount of the fee or charge imposed by the district.

[ 2010 c 105 § 2; 2007 c 329 § 4; 2005 c 336 § 11; 1988 c 179 § 7; 1987 c 327 § 12.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

**Severability—Prospective application—Section captions—1988 c 179:** See RCW **39.92.900** and **39.92.901**.

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**36.73.130****Power of eminent domain.**

A district may exercise the power of eminent domain to obtain property for its authorized purposes in the same manner as authorized for the city or county legislative authority that established the district.

[ 2005 c 336 § 12; 1987 c 327 § 13.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW **36.73.015**.

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**36.73.140****Authority to contract for street and highway improvements.**

A district has the same powers as a county or city to contract for street, road, or state highway improvement projects and to enter into reimbursement contracts provided for in chapter **35.72** RCW.

[ 2005 c 336 § 13; 1987 c 327 § 14.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW 36.73.015.

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**36.73.150**

**Department of transportation, counties, cities, and other jurisdictions may fund transportation improvements.**

The department of transportation, counties, cities, and other jurisdictions may give funds to districts for the purposes of financing transportation improvements under this chapter.

[ 2005 c 336 § 14; 1987 c 327 § 15.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW 36.73.015.

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**36.73.160**

**Transportation improvement projects—Material change policy—Annual report.**

(1) The district governing body shall develop a material change policy to address major plan changes that affect project delivery or the ability to finance the plan. The policy must at least address material changes to cost, scope, and schedule, the level of change that will require governing body involvement, and how the governing body will address those changes. At a minimum, in the event that a transportation improvement cost exceeds its original cost by more than twenty percent as identified in a district's original finance plan, the governing body shall hold a public hearing to solicit comment from the public regarding how the cost change should be resolved.

(2) A district shall issue an annual report, indicating the status of transportation improvement costs, transportation improvement expenditures, revenues, and construction schedules, to the public and to newspapers of record in the district.

[ 2005 c 336 § 18.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW 36.73.015.

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**36.73.170****Completion of transportation improvement—Termination of district operations—Termination of taxes, fees, charges, and tolls—Dissolution of district.**

Within thirty days of the completion of the construction of the transportation improvement or series of improvements authorized by a district, the district shall terminate day-to-day operations and exist solely as a limited entity that oversees the collection of revenue and the payment of debt service or financing still in effect, if any and to carry out the requirements of RCW 36.73.160. The district shall accordingly adjust downward its employees, administration, and overhead expenses. Any taxes, fees, charges, or tolls imposed by the district terminate when the financing or debt service on the transportation improvement or series of improvements constructed is completed and paid and notice is provided to the departments administering the taxes. Any excess revenues collected must be disbursed to the participating jurisdictions of the district in proportion to their population, using population estimates prepared by the office of financial management. The district shall dissolve itself and cease to exist thirty days after the financing or debt service on the transportation improvement, or series of improvements, constructed is completed and paid. If there is no debt outstanding, then the district shall dissolve within thirty days from completion of construction of the transportation improvement or series of improvements authorized by the district. Notice of dissolution must be published in newspapers of general circulation within the district at least three times in a period of thirty days. Creditors must file claims for payment of claims due within thirty days of the last published notice or the claim is extinguished.

[ 2005 c 336 § 19.]

**NOTES:**

**Effective date—2005 c 336:** See note following RCW 36.73.015.

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**36.73.180****Supplemental transportation improvements.**

(1) In districts comprised of more than one member city, the legislative authorities of any member city that is located in a county having a population of more than one million five hundred thousand may petition the district to provide supplemental transportation improvements.

(2) Upon receipt of a petition as provided in subsection (1) of this section for supplemental transportation improvements that are to be fully funded by the petitioner city, including ongoing operating and maintenance costs, the district must:

(a) Conduct a public hearing, and provide notice and opportunity for public comment consistent with the requirements of RCW 36.73.050(1); and

(b) Following the hearing, if a majority of the district's governing board determines that the proposed supplemental transportation improvements are in the public interest, the district shall adopt an ordinance providing for the incorporation of the supplemental improvements into any



existing services. The supplemental transportation improvements must be in addition to existing services provided by the district. The district shall enter into agreements with the petitioner city or identified service providers to coordinate existing services with the supplemental improvements.

(3) Upon receipt of a petition as provided in subsection (1) of this section for supplemental transportation improvements proposed to be partially or fully funded by the district, the district must:

(a) Conduct a public hearing, and provide notice and opportunity for public comment consistent with the requirements of RCW 36.73.050(1); and

(b) Following the hearing, submit a proposition to the voters at the next special or general election for approval by a majority of the voters in the district. The proposition must specify the supplemental transportation improvements to be provided and must estimate the capital, maintenance, and operating costs to be funded by the district.

(4) If a proposition to incorporate supplemental transportation improvements is approved by the voters as provided under subsection (3) of this section, the district shall adopt an ordinance providing for the incorporation of the supplemental improvements into any existing services provided by the district. The supplemental improvements must be in addition to existing services. The district shall enter into agreements with the petitioner city or identified service providers to coordinate existing services with the supplemental improvements.

(5) A supplemental transportation improvement must be consistent with the petitioner city's comprehensive plan under chapter 36.70A RCW.

(6) Unless otherwise agreed to by the petitioner city or by a majority of the district's governing board, upon adoption of an ordinance under subsection (2) or (4) of this section, the district shall maintain its existing public transportation service levels in locations where supplemental transportation improvements are provided.

[ 2010 c 251 § 3.]

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### **36.73.900**

#### **Liberal construction.**

The rule of strict construction does not apply to this chapter, and this chapter shall be liberally construed to permit the accomplishment of its purposes.

[ 1987 c 327 § 16.]

## List of City/Town TBDs

As of February 2017, MRSC is aware of almost 100 cities and towns that have formed TBDs, of which about half have assumed the TBD's rights, powers, functions, and obligations under [chapter 36.74 RCW](#). The funding source indicates existing or approved revenue streams.

Jurisdiction	TBD Established	Funding Source	Powers Assumed?
Aberdeen	2012	0.13% sales tax	No
Airway	2013	0.20% sales tax	No
Heights			
Anacortes	2014	\$20 vehicle license fee	Yes
Arlington	2013	0.20% sales tax	No
Auburn	2011	\$20 vehicle license fee - \$59 million bond measure failed in 2012	No
Bainbridge Island	2012	\$20 vehicle license fee	Yes
Battle Ground	2014	\$20 vehicle license fee	Yes
Bellingham	2010	0.20% sales tax	Yes
Black Diamond	2015	\$20 vehicle license fee	Yes
Blaine	2017	Unfunded/No information	No
Bothell	2015	Unfunded/No information	No
Bremerton	2009	\$20 vehicle license fee - voted \$30 fee failed in 2009	Yes
Bridgeport	2016	\$20 vehicle license fee	No
Buckley	2012	\$20 vehicle license fee	Yes
Burien	2009	\$10 vehicle license fee - voted \$30 fee failed in 2009	No
Carbonado	2012	\$20 vehicle license fee	No
Castle Rock	2012	0.20% sales tax	No
Centralia	2014	0.20% sales tax	Yes
Chehalis	2014	0.20% sales tax	No
Clarkston	2014	0.20% sales tax - replaced a \$20 vehicle license fee	Yes
Connell	2016	0.20% sales tax	Yes
Covington	2013	\$20 vehicle license fee - 0.2% sales tax failed in 2013 and 2015	Yes
Dayton	2014	0.20% sales tax	Yes
Des Moines	2008	\$40 vehicle license fee (nonvoted)	Yes
DuPont	2013	\$20 vehicle license fee	No
Duvall	2015	Unfunded/No information	Yes
East Wenatchee	2012	\$20 vehicle license fee	Yes
Eatonville	2012	\$20 vehicle license fee	Yes
Edgewood	2013	\$20 vehicle license fee	Yes
Edmonds	2008	\$20 vehicle license fee - voted \$40 fee increase failed in 2010	No
Electric City	2012	\$20 vehicle license fee	Yes
Ellensburg	2015	0.20% sales tax	Yes

Jurisdiction	TBD Established	Funding Source	Powers Assumed?
Elmer City	2015	\$20 vehicle license fee	No
Enumclaw	2013	\$20 vehicle license fee, 0.10% sales tax	No
Everett	2014	\$20 vehicle license fee	Yes
Ferndale	2011	0.20% sales tax	Yes
Fife	2015	\$20 vehicle license fee	No
Friday Harbor	2014	0.20% sales tax	Yes
Grandview	2011	\$20 vehicle license fee	Yes
Granite Falls	2015	\$20 vehicle license fee	Yes
Kalama	2012	\$20 vehicle license fee	No
Kelso	2012	\$20 vehicle license fee	Yes
Kenmore	2012	\$20 vehicle license fee	No
Kirkland	2014	Unfunded/No information	No
Kittitas	2012	\$20 vehicle license fee	Yes
Lacey	2016	0.20% sales tax	Yes
Lake Forest Park	2008	\$40 vehicle license fee	Yes
Lakewood	2012	\$20 vehicle license fee	No
Leavenworth	2010	0.20% sales tax	No
Liberty Lake	2002	Unfunded/No information	No
Long Beach	2017	0.20% sales tax	No
Longview	2016	\$20 vehicle license fee	No
Lynden	2012	0.20% sales tax	No
Lynnwood	2010	\$40 vehicle license fee, 0.1% sales tax	No
Mabton	2011	\$20 vehicle license fee	Yes
Maple Valley	2012	\$20 vehicle license fee	Yes
Marysville	2013	0.20% sales tax	Yes
Mattawa	2015	0.20% sales tax	Yes
Mercer Island	2014	\$20 vehicle license fee	Yes
Monroe	2012	0.20% sales tax	No
Moses Lake	2016	0.20% sales tax (\$20 vehicle license fee repealed effective April 1, 2018 when sales tax takes effect)	Yes
Mountlake Terrace	2011	\$20 vehicle license fee	No
Mount Vernon	2016	0.2% sales tax	Yes
Mukilteo	2017	0.10% sales tax	No
Normandy Park	2013	\$20 vehicle license fee	Yes
North Bend	2011	0.20% sales tax	No
Olympia	2008	\$40 vehicle license fee	No
Orting	2011	\$20 vehicle license fee	Yes
Othello	2012	0.2% sales tax (passed in April 2016 after failing in Nov. 2013)	No
Port Angeles	2017	0.2% sales tax	No
Port Orchard	2015	\$20 vehicle license fee	No

Jurisdiction	TBD Established	Funding Source	Powers Assumed?
Prosser	2009	\$20 vehicle license fee	No
Richland	2017	\$20 vehicle license fee	No
Ridgefield	2008	Unfunded - 0.2% sales tax repealed in 2012	No
Roy	2014	\$20 vehicle license fee	Yes
Royal City	2012	\$20 vehicle license fee	Yes
Seattle	2010	\$80 vehicle license fee, 0.10% sales tax	Yes
Sedro-Woolley	2014	\$20 vehicle license fee	Yes
Sequim	2008	0.20% sales tax	No
Shelton	2015	0.20% sales tax	Yes
Shoreline	2009	\$20 vehicle license fee	Yes
Snohomish	2010	0.20% sales tax	Yes
Snoqualmie	2010	\$20 vehicle license fee	Yes
Soap Lake	2013	\$20 vehicle license fee	Yes
Spokane	2011	\$20 vehicle license fee	No
Stanwood	2012	0.20% sales tax	Yes
Steilacoom	2015	Unfunded/No information	No
Tacoma	2012	\$20 vehicle license fee, 0.10% sales tax	No
Toppenish	2012	\$20 vehicle license fee	Yes
Tumwater	2014	0.20% sales tax	Yes
Twisp	2016	0.20% sales tax	Yes
University Place	2009	\$20 vehicle license fee	Yes
Vancouver	2015	\$20 vehicle license fee	No
Waitsburg	2012	0.10% sales tax	No
Walla Walla	2011	0.20% sales tax	No
Wapato	2012	\$20 vehicle license fee	Yes
Washougal	2015	Unfunded/No information	No
Wenatchee	2011	\$20 vehicle license fee	Yes
Wilkeson	2014	\$20 vehicle license fee	No
Woodland	2016	Unfunded/no information - 0.2% sales tax narrowly failed in Nov. 2016 and again in Nov. 2017	No
Yakima	2017	Unfunded/no information	Yes
Zillah	2011	\$20 vehicle license fee	Yes

**TAB - G**

**STAFF REPORT**

To: Mayor Schiller  
From: Todd Baun, Director of Public Works  
Date: February 23, 2018  
Re: Water System Plan Budget Increase

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As you will see in Jon's attached report, in order to correct and complete our Water System Plan, Gray and Osborne is requesting additional funds.

**Staff Recommendations:**

Based on the inaccurate numbers from 2012-2013 getting corrected and getting our Water System plan extended from the normal 6 year to 10 years, Staff recommends that Council approves the \$9500 request to complete the Plan. The water fund is a healthy fund that can afford the request or we can adjust planned projects to cover this cost.

**Action Requested:**

Please allow the Mayor to sign the requested amendment for an addition \$9500 to complete the Water System Plan.



February 14, 2018

Mr. Todd Baun  
Public Works Director  
City of McCleary  
100 South Third Street  
McCleary, Washington 98557

SUBJECT: REQUEST FOR BUDGET INCREASE FOR WATER SYSTEM PLAN  
UPDATE  
CITY OF MCCLEARY, GRAYS HARBOR COUNTY, WASHINGTON  
G&O #14234.00

Dear Mr. Baun: \_

Gray & Osborne completed a draft of the Water System Plan update for the City of McCleary in 2016. The draft Water System Plan update was prepared to meet the requirements of WAC 246-290-100 and was submitted to the Washington Department of Health (DOH) for comment. Comments received from the DOH included the following; "4. Page 2-3, Water Sales. The plan was submitted for ODW review in 2016, but the most recent data used in the WSP was from 2013. **Please clarify why data from 2014 and 2015 was not included in the analysis to provide a longer historic water use timeframe for the system analysis.**" In April of 2014 Gray & Osborne requested historic customer class from 2009 - 2013. However, after reviewing the data and discussing discrepancies the City informed Gray & Osborne that customer data prior to 2012 was limited. The City informed us they had changed the billing software due to numerous accounting irregularities of the previous software system and the City did not retain customer billing records prior to 2012. In order to address the DOH comment, Gray & Osborne obtained the City's most recent customer billing records for 2013 through 2016. After review of this data, it was determined that the number of customer connections originally received from the City for years 2012 and 2013 appears to be under reported by approximately 75 connections. To add the newly acquired data for years 2014 through 2016 to the existing data would show a large increase in customers (75) between years 2013 and 2014 without a corresponding increase in water production. This would not only mischaracterize water use per equivalent residential unit (ERU) but would be a red-flag and invite additional scrutiny by DOH.



Mr. Todd Baun  
February 14, 2018  
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Gray & Osborne recommends the Water System Plan Revision update incorporate the customer connection data from 2012 to 2016, correcting the connections from 2012 and 2013. These updates will have a ripple effect throughout the Water System Plan and will impact Chapters 2, 3, 4, and 8. Gray & Osborne will discuss with the DOH the possibility of extending DOH's Water System Plan approval from the 6 years originally sought for this Update to DOH's new prolonged approval period of 10 years. In order for this to happen, revenues, expenses, and capital improvements will be projected for 10 years rather than the current 6 years.

The following scope of work was developed based on our revising the draft Water System Plan update to include the most recent data and correcting data originally received from the City. Gray & Osborne feels there is a benefit to the City because the period before your next Water System Plan will have been extended a minimum of four additional years. The scope of work has been broken into milestones to identify intermediate deliverables. At each milestone, the deliverable will be submitted for review and comment.

### **Milestone 1 – Data Collection, Planning, and Projections**

#### ***Data Collection***

- a) Develop list of required information.
- b) Review information provided, including historical operating data and water consumption/production data.

### ***Chapter 2 – Planning Data and Projections***

- a) Quantify historical and current service connections, water consumption, water production, and non-revenue water.
- b) Update existing water needs and use by customer type, including average day, maximum day, and maximum instantaneous demands.
- c) Update existing average day, maximum day, and maximum instantaneous demand for the service area.
- d) To the extent feasible, estimate distribution system leakage.





Mr. Todd Baun  
February 14, 2018  
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- e) Develop updated projections for population, water consumption, water production, and distribution system leakage. Discuss potential impacts of conservation and water rate structure on water demand projections.

## **Milestone 2 – System Analysis, Water Use Efficiency, and Source of Supply**

### ***Chapter 3 – System Analysis***

- a) Water Quality Analysis
  - Incorporate and summarize recent source water quality data from available test results.
- b) System Analysis
  - Update the capacity of the system in terms of ERUs.
  - Identify any current or projected future deficiencies in water system facilities.
  - Evaluate alternatives for addressing deficiencies.

### ***Chapter 4 – Water Use Efficiency Program and Source of Supply Analysis***

- a) Water Use Efficiency Program
  - Indicate current water use efficiency and education programs and estimate their impact on future water demand.
- b) Source of Supply Analysis
  - Update Water Right Self-Assessment.
  - Evaluate water supply reliability.



Mr. Todd Baun  
February 14, 2018  
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### **Milestone 3 – Improvement Program and Financial Program**

#### ***Chapter 8 – Improvement Program***

- a) Update a prioritized list of system deficiencies and needs, including capital improvements and operations and maintenance items.
- b) Describe, assess, and justify detailed alternatives to correct system deficiencies and accommodate projected growth, including cost analyses.
- c) Update detailed engineering cost estimates for each system improvement.

#### ***Chapter 9 – Financial Program***

- a) Update the current financial status of the utility.
- b) Update historical revenues and expenses.
- c) Project water utility revenues and expenses for the ten year planning period.
- d) Assess the impact of the financial program to existing water rates.

### **Milestone 4 – Complete Draft Plan**

- a) Re-distribute draft plan to McCleary, Grays Harbor County, DOH and other affected agencies and groups. DOH will submit the Plan to the Department of Ecology.
- b) Present the Plan at a public meeting and record and respond to questions and comments.

### **Milestone 5 – Complete Final Plan**

- a) Incorporate comments from various agencies in the final document.
- b) Assemble complete final document.
- c) Distribute final document.



Mr. Todd Baun  
February 14, 2018  
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### **Deliverables**

Project deliverables will include the following:

1. Three (3) copies of deliverables for each Milestone
2. Five (5) copies of complete draft plan
3. Five (5) copies of the final plan
4. Two (2) copies of a CD-Rom with all electronic files included in the Plan
5. Two (2) copies of a CD-Rom with the updated hydraulic model

### **Anticipated Schedule**

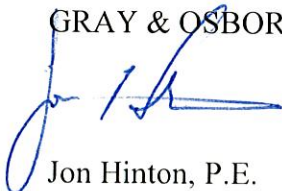
Notice to Proceed	March 1, 2018
Obtain System Data from McCleary	March 10, 2018
Submit Milestone 1	April 1, 2018
Submit Milestone 2	April 15, 2018
Submit Milestone 3	May 1, 2018
Submit Milestone 4	May 15, 2018
Submit Milestone 5	30 days within receipt of comments

The total compensation for services provided under this Contract Amendment would not exceed \$9,500 without prior written authorization from the Agency.

Please include this on the next council agenda for discussion. If you have any questions please do not hesitate to contact me at (360) 292-7481.

Sincerely,

GRAY & OSBORNE, INC.



Jon Hinton, P.E.

JH/sp  
Encl.



STATE OF WASHINGTON  
DEPARTMENT OF HEALTH  
SOUTHWEST DRINKING WATER REGIONAL OPERATIONS  
PO Box 47823, Olympia, Washington 98504-7823  
TDD Relay 1-800-833-6388

March 24, 2017

Todd Baun  
City of McCleary  
100 South 3rd Street  
McCleary, Washington 98557

Subject: City of McCleary Water System, ID #52250U, Grays Harbor County; Water System Plan, ODW Project #16-1119

Dear Todd Baun:

Thank you for submitting the Water System Plan (WSP) for the above stated project, received by the Office of Drinking Water (ODW) on November 23, 2016. We have the following comments that need to be addressed before ODW can approve the WSP.

#### CHAPTER 1 – WATER SYSTEM DESCRIPTION

1. Page 1-5, Adjacent and Nearby Purveyors. The WSP lists adjacent water system as 328-Pit: **Please provide this Group A water system owner with a copy of your plan and include the cover letter to that system in the WSP as required by WAC 246-290-100(7). You can provide them with an electronic version or put the WSP on your website and inform them by letter that they can view the plan on that site.**
2. Page 1-12, Service Area Characteristics. This section needs to address County zoning within the Retail Service Area and Future Service Area that is outside of City limits. Also, the WSP needs to include a Local Government Consistency (LGC) Form signed by the County and City Zoning and Planning authorities. A copy of a LGC is enclosed (ODW Publication #331-568). **Please include County Zoning information for areas outside of City Limits and a LGC from the City and County Zoning and Planning Authorities.**

#### CHAPTER 2 – BASIC PLANNING DATA

3. Page 2-3, Total Service Connections. The number of connections shown in Table 2-2 do not match the accompanying Water Facilities Inventory (WFI) found in Appendix A. **Please explain the discrepancies between the WFI and Table 2-2.**
4. Page 2-3, Water Sales. The plan was submitted for ODW review in 2016, but the most recent data used in the WSP was from 2013. **Please clarify why data from 2014 and 2015 was not included in the analysis to provide a longer historic water use timeframe for the system analysis.**
5. Page 2-8, Table 2-5. In Table 2-5 there is a row labeled as Other Know/Authorized Usage (gallons). **Please provide the basis for the gallons reported in this row.** For example, please provide the dates and amount of water used for equipment cleanup, hydrant flushing, Fire Department training, well testing, reservoir draining, pumping to waste, firefighting, and backwashing. **Also, please subtract out any amount of water that was part of a leak or leak repair.** Water associated with a leak or leak repair is to be included as distribution system leakage (DSL).



6. Page 2-8, Maximum Day Production. The peaking factor used to capture the maximum day demand (MDD) for the water system should be based on the highest year. The analysis shows the peaking factor was based on an average of the MDD value for each year. Using an average will underestimate the demands of the system and can lead to under sizing the system facilities. **Please consider using the peak day based on the year with the highest water demand.**
7. Page 2-9, Table 2-6. The plan states that customer data was not available for years prior to 2012. However, Table 2-6 presents data from 2009, 2010, and 2011. **To be consistent with the rest of the system analysis, it appears to be more appropriate to derive the peaking factor from 2012 and 2013, the years with more accurate data.**

### CHAPTER 3 – WATER SYSTEM ANALYSIS

8. Page 3-11, Coliform Bacteria Monitoring. The Revised Total Coliform Rule (RTCR) went into effect on April 1, 2016. **Please update this section of the WSP and the Coliform Monitoring Plan (CMP) in Appendix I to be consistent with the RTCR.** Information on the RTCR is available at <http://www.doh.wa.gov/CommunityandEnvironment/DrinkingWater/Contaminants/Coliform/RevisedTotalColiformRuleRTCR>.
9. Page 3-13, Water Quality Reporting and Monitoring. This section refers to the Consumer Confidence Report. Water Use Efficiency (WUE) has a similar requirement of annual notice to the consumers by July 1 of each year. Please see WAC 246-290-840(1)(a). Please consider adding WUE information to your Consumer Confidence Report.
10. Page 3-23, Fire Suppression Storage. The WSP states, "...Fire Suppression and Standby Storage components may be "nested", whereby the smaller storage component is deleted from calculations." This is true if the Fire Marshall approves of this practice. **Please provide documentation from the Fire Marshall that nesting is allowed and what is required to meet fire flow for this water system.**
11. Page 3-34, Table 3-21. In this table, it shows the minimum pressure with standby storage removed is less than 30 pounds per square inch (psi). Typically, the hydraulic analysis would be analyzed with the equalizing storage depleted and the minimum pressure would be 30 psi. **Please clarify why standby storage was used as the criteria.**
12. Page 3-37. The WSP indicates the iron and manganese treatment plant is sized to treat water from Well #3 and that water from Well #2 is blended. **Please provide details on when the city is planning to upgrade the treatment system to treat the full source capacity.**

### CHAPTER 4 – WATER USE EFFICIENCY PROGRAM

13. Page 4-3, Figure 4-1. This graph shows a variable amount of water loss somewhat inverse to consumption. DSL in gallons is typically a constant as leaks usually leak the same amount throughout the year. Leaks can be dependent on pressure. **Please explain why the DSL amount is as it is shown on Figure 4-1.** Understanding the cause of the fluctuations in water loss may aid in leak detection.
14. Page 4-7, Goal Setting. The last goal setting public forum was in 2010. Please update the WUE Goals. You may advertise your public forum for free on the ODW website at:  
<http://www.doh.wa.gov/CommunityandEnvironment/DrinkingWater/WaterSystemDesignandPlanning/WaterUseEfficiency/PublicForumInformation>.

### CHAPTER 5 – WELLHEAD PROTECTION PROGRAM

15. Page 5-4, Sanitary Control Areas (SCA). The description of the SCA states there is a backwash infiltration pond within the 100-foot SCA for Well #2. Our records for Well #2 indicate the source is 83 feet deep with an open interval starting at 42 feet. Wells with a depth of less than 50 feet to the first open interval

are considered very vulnerable to contamination. The WSP describes well rehabilitation work that was done on Well #2 in 2012. **Did this work include closing off the open interval?** Our concern is that this source triggers the requirement for a “Groundwater Under the Direct Influence of Surface Water” (GWI) evaluation because it is screened less than 50 feet and located within 200 feet of surface water (the infiltration pond). **Please clarify the current construction of the well.**

16. Page 5-7, Potential Contaminant Sources. The WSP identifies numerous sources of potential contamination, including all septic systems, within the 10-year time of travel for the two wells, the only sources of water for McCleary. **With this WSP update, please take steps now to identify these properties, develop a list of names and addresses for owners of these properties, and mail them a letter that includes a map. The letter should inform them that they are within the 10-year time of travel and need to take steps so as not to cause any sources of contamination to enter the ground, as set out in WAC 246-290-235(3).** This is set out in Chapter 8 as Capital Improvement Program (CIP) item W-1: Distribute Notifications.

## CHAPTER 6 – OPERATION AND MAINTENANCE PROGRAM

17. Page 6-17, Cross-Connection Control Program Requirements. It is difficult to follow the Cross-Connection Control (CCC) Program. For example, the 10 elements outlined under the CCC Program Requirements need to be set out in County Code. The County Code set out in Exhibit C, Code Section 13.04.200, is missing important elements like needing to be able to cut off water to a potential CCC situation when they are found. The process exists here, but it is cumbersome, as it must first go to City Council. That process could take months. Also, the testing requirements, installation, and type of device refers to other statutes, rules, and regulations. **Please provide these. It is the City Code that must be the source of these regulations. ODW regulations do not apply to City Customers. ODW regulations specify that the City regulations must include these elements.**

Then in Appendix E, the CCC and Backflow Prevention manual, at page 1, lists the Authority, but the City’s resolution number is not included. **Please include the resolution number.**

Finally, Ordinance No. 519 appears to be an older version of City Code. **Is Ordinance No. 519 still in effect? Please explain how it interfaces with the City of McCleary’s Code found in Appendix C.**

18. Page 6-21. **Please describe the city’s procedures for re-evaluating existing connections for cross connection hazards.** For example, when a property changes ownership or is renovated.

## CHAPTER 8 – IMPROVEMENT PROGRAM

19. Page 8-1, Source of Supply. During the 2015 drought, the combined source capacity decreased from 900 to 800 gallons per minute (gpm). **Please describe what happened, how this was addressed, and what procedures will be implemented in the future to address drought risk. In addition, if this is expected to happen with any regularity it would be more conservative to assume the total reliable pumping capacity for the system is 800 gpm and the system analysis calculations should be adjusted based on the lower pumping rate.**

## CHAPTER 9 – FINANCIAL PROGRAM

20. Table 9-3 and Table 9-6. It is difficult to compare historic expenses in Table 9-3 with the projected expenses in Table 9-6, as they do not contain the same categories of expenses. **Please include the historic and projected expenses with the same categories of expenses.**
21. Page 9-4, Table 9-4. **Please explain the purpose of the Intergovernmental Loan Proceeds and how it works within the budgeting process.**

## MISCELLANIOUS

22. **Please provide the City Council's action approving the WSP and minutes from that meeting and the minutes from the meeting with the consumers. See WAC 246-290-100(8).**
23. **Please provide the City Council's notice of public forum and minutes from the forum as required under the WUE Goal Setting. See WAC 246-290-830(4).**

## DEPARTMENT OF ECOLOGY

On November 30, 2016, a copy of this WSP was sent to the Department of Ecology (Ecology). Ecology has not issued comments on this WSP.

*The Department's review of your WSP and design does not confer or guarantee any right to a specific quantity of water. Our review is based on your representation of available water quantity. If the Washington Department of Ecology, a local planning agency, or other authority responsible for determining water rights and water system adequacy determines that you have use of less water than you represent, the number of approved connections may be reduced commensurate with the actual amount of water and your legal right to use it.*

## CLOSING

We ask that you submit three copies of the revised pages of the WSP. Please respond to all comments in the plan. To expedite the review of the revised WSP, please summarize the response to the comments and where each response is located (for example, page numbers, appendices, and so on).

Regulations establishing a schedule of fees for review of planning, engineering, and construction documents were adopted April 30, 2012 (WAC 246-290-990). An invoice for \$2,280 is enclosed.

If you have any questions, please contact Mark Mazeski at (360) 236-3038 or by e-mail at [mark.mazeski@doh.wa.gov](mailto:mark.mazeski@doh.wa.gov), or Regina Grimm at (360) 236-3035 or by e-mail at [regina.grimm@doh.wa.gov](mailto:regina.grimm@doh.wa.gov).

Sincerely,



Mark J. Mazeski  
Office of Drinking Water, Regional Planner



Regina Grimm, P.E.  
Office of Drinking Water, Regional Engineer

Enclosures

cc: Jon Hinton, Gray & Osborne, Inc.  
Grays Harbor County Planning Division  
Grays Harbor County Public Health Division  
Tammy Hall, Ecology

DOH Staff Name: Mark J. Mazeski  
 Sublog Number: 16-1119  
 Water System ID: 52250

System Name: McCleary, City of  
 County: Grays Harbor

Fixed Fee for Service

**WATER SYSTEM PLANS**

Project Type	Fee 1st Review	Fee 2nd Review	Approved?	
			Number Hr 1st Review	Number Hr 2nd Review
(a)(1) Water system plan (new and updated plans) 501 to 999 Seviles	\$2,280			
<b>Total Water system plans</b>	\$2,280	\$0	0	0

**SATELLITE MANAGEMENT AGENCY (SMA) PLANS**

Project Type	Fee 1st Review	Fee 2nd Review	Approved?	
			Number Hr 1st Review	Number Hr 2nd Review
<b>Total SMA</b>	\$0	\$0	0	0

**PROJECT REPORTS**

Project Type	Fee 1st Review	Fee 2nd Review	Approved?	
			Number Hr 1st Review	Number Hr 2nd Review
<b>Total Project Reports</b>	\$0	\$0	0	0

**CONSTRUCTION DOCUMENTS**

Project Type	Fee 1st Review	Fee 2nd Review	Approved?	
			Number Hr 1st Review	Number Hr 2nd Review
<b>Total Construction documents</b>	\$0	\$0	0	0

**EXISTING SYSTEM APPROVAL**

Project Type	Fee 1st Review	Fee 2nd Review	Approved?	
			Number Hr 1st Review	Number Hr 2nd Review
<b>Total of Existing System approval</b>	\$0	\$0	0	0

**GROUP B AND OTHER EVALUATIONS AND APPROVALS**

Project Type	Fee 1st Review	Fee 2nd Review	Approved?		No
			Number Hr 1st Review	Number Hr 2nd Review	Number Hr 2nd Review
<b>Total of Other evaluations and approvals</b>	\$0	\$0	0	0	0

**Total Fixed Fee for Service**

	\$2,280	\$0	0	0
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Hourly fee for service	Fee	# Hr	System Size	
<b>Total Invoice amount</b>	\$2,280	\$0	0	0

	<b>Total Invoices</b>	<b>Total Hours</b>
<b>Summary</b>	\$2,280	0



**TAB - H**

**STAFF REPORT**

To: Mayor Schiller  
From: Todd Baun, Director of Public Works  
Date: February 23, 2018  
Re: Reservoir Inspection Bid

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Every 5 years the City inspects and cleans the interior of our reservoirs. We planned and budgeted on getting this done this year and have gotten 3 bids to perform this service. I have attached the 3 bids and they are as follows:

Inland Potable Services, Inc.- \$3,598.00 with no sales tax included  
LiquidVision Technology Diving Services- \$4,400.00 with no sales tax included  
Pittsburg Tank and Tower Group- \$5950.00 with no sales tax

**Action Requested:**

Please allow the Mayor to accept the bid and sign the contract to have the work performed from Inland Potable Services, Inc. for \$3,598.00 with no sales tax included.



16297 E. Crestline Lane  
 Centennial, Colorado 80015  
 Office Phone: 303-400-4220  
 Toll Free: 844-372-2956  
**Linda's Direct Line: 303-746-5382**  
 Office Fax: 303-400-4215  
 Email: [lindak@inlandpotableservices.com](mailto:lindak@inlandpotableservices.com)

City of McCleary  
 Attn: Kevin Trehella  
 100 S. Third St.  
 McCleary, WA 98557

Date: February 7, 2018  
 Phone: 360-495-3217  
 Email: [kevint@cityofmccleary.com](mailto:kevint@cityofmccleary.com)

**Diving Services for Cleaning and Inspections of Potable Water Tanks**

Tanks	Tank Description	Additional Information	Scope of Work To Include
1	500 KG Steel Welded Semi-buried Tank 50' dia. x 30' deep	Discharge water does not require de-chlorination.	<b><u>Clean and Inspect</u></b> Up to three (3) inches of sediment removal from the tank floors.
1	150 KG Steel Welded On-grade Tank 30' dia. x 30' deep	Discharge water and sediment may be released onto the ground.	Visual inspection of the interior and exterior of the tanks.
	<b>This is a Prevailing Wage Job</b>	Tax for Grays Harbor County will be added to the invoice as an additional item.	Written report with photos and a DVD of the dives.

**Proposal Total: \$ 3,598.00**

Pricing is based on current prevailing wage rates for divers and tenders working in Grays Harbor County, WA as of February, 2018. Overtime, holidays and weekends are not included. Taxes are NOT included in this quote and will be added as an additional cost to the final invoice.

The bid price listed above is valid for 90 days from date shown.  
 Proposals signed and returned to Inland Potable Services are valid for one year from date of acceptance.

**Payment terms:** 1% Ten Days, Net 30 Days. 1.5% interest will be charged on all accounts past 30 days.

This contract is based on a unit price which includes time and mobilization to and from the project site, set-up and breakdown of equipment, preparation for dive and diving services. Diving services will include sediment removal up to 3 inches from the floor, a video inspection and written report for your records (still photos included). During the initial dive, sediment depths will be measured by the diver and documented on video.

**If removal of sediment of an abnormal consistency (clay, calcium, rocks, pebbles, mud, etc.), additional sediment removal (over 3 inches from the floor), wall cleaning or epoxy repairs is requested and approved by designated on-site representative, each of these services will be performed at a rate of \$487.00 per hour.**

Inland Potable Services, Inc. will provide all personnel and equipment necessary to provide diving services in the above referenced tank(s) or reservoir(s). We will provide your utility with a written report as well as a narrated color video for the services performed. The tank(s) or reservoir(s) will be inspected according to American Water Works Association (AWWA), NACE, SSPC, ASNT, ACI and AWS standards.

- All divers employed by Inland Potable Services are certified Commercial Divers.
- Inland Potable Services is fully bondable and insured.

- All equipment entering the tanks will be disinfected with a minimum of 200 ppm Chlorine.
- Schedule dates are tentative and are subject to change.
- If Inland Potable Services dive team is required to stop working or is delayed working due to unforeseen circumstances or any reasons beyond our control (i.e. no utility personnel onsite, inability to access designated work site, low water level, etc.) a down-time charge of \$487.00 per hour will be charged.
- A fee based on \$487.00 per hour will be charged if we are unable to get our truck and trailer to a tank location. We will use portable dive gear and cleaning equipment to complete the job. Please understand that use of utility vehicles or equipment may be necessary to get our equipment to a tank.
- Inland Potable Services makes every attempt to obtain complete information from customers prior to the presentation of bids concerning fees required for municipal licenses, registration fees, Sales Tax or Use Taxes in your area. These items are identified on your contract. In the event that additional fees are discovered or charged, after the bid has been submitted, these charges will be added to the stated contract amount when billed.

Linda L. Kaminski, Regional Account Manager

Date: February 7, 2018

**To accept**, please sign and date proposal. Please fax both pages to 303-400-4215.

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

**Completion Date** – With acceptance this work will be completed at a mutually acceptable date within one year. If the budgeted funds for this work has to be used by a specific date, please indicate the date here: \_\_\_\_\_

**Important Information:**

**Please Read and Show Acceptance by Initialing Each of the Items Listed Below:**

**Hatch Size** - The entry hatch size must be at least 20 inches in diameter or square with no obstructions that would prevent entry by our diver. A futile trip charge equal to our hourly rate to will be levied if the team is unable to enter the tank due to the hatch size being too small or objects are blocking the entry.

**Utility Representative Initial Here** \_\_\_\_\_

**Water Level** - The water level, within the tank, must be within ten (10) feet or less of the hatch opening prior to the dive team's arrival. If the air gap is more than 10 feet, a standby charge based on the time it takes to reach the appropriate level will be added to the final invoice.

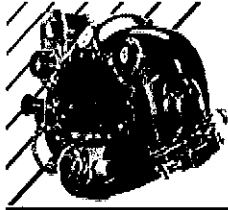
**Utility Representative Initial Here** \_\_\_\_\_

**Tank Information** – Please initial below to verify the type of tank, dimensions or information listed in the proposal is accurate. If the tank dimensions or information is not accurate as listed then additional costs may be added.

**Utility Representative Initial Here** \_\_\_\_\_

**Fuel Surcharge** - Effective March 15, 2011 a fuel surcharge of \$25.00 per day will be added to this contract, if the price of diesel fuel exceeds \$4.00 per gallon on the date of the contract completion.

**Utility Representative Initial Here** \_\_\_\_\_



# LiquiVision TECHNOLOGY DIVING SERVICES

Office/Mailing Address  
711 Market Street  
Klamath Falls, OR 97601

Phone: (800) 229-6959 Fax: (541) 883-1361  
liquivision@divingservices.com  
www.divingservices.com

Western Operations  
835 Market Street  
Klamath Falls, OR 97601

Todd Baun  
McCleary, City of  
100 South 3rd  
McCleary, WA 98557

1/3/2018  
Wk: 360-495-3667  
Fx:  
WA960-17r2T\_

We are pleased to provide you the following firm quotation and outline of the conditions of our services.

Tank	Type	Dia. or LxW (Feet)	Hgt. (Feet)	Maximum Calculated Capacity (Gallons)	Surface Area (S.F.)	Price for Diver Inspection Only	Price for Diver Cleaning & Inspection	Price for Additional Sediment Per Hour
Mobilization Charge - Flat charge to mobilize and demobilize to your location.							\$450	\$550
1. 150 KG	OG Welded	30	28	147,980	707		\$1,975	
2. 500 KG	OG Welded	50	34	499,138	1,963		\$1,975	
Price is contingent on all work being completed on the same trip. Price reflects prevailing wage.								
Subtotal							\$4,400	
Multitank Discount (after the first two tanks).								
<b>Total</b>							<b>\$4,400</b>	

\*Plus sales tax if applicable

## Scope of Work:

Removal of accumulated sediment from the floor of the tank. The effluent will be disposed of at the districts direction. A final and comprehensive inspection will be performed documenting the condition of the entire structure and recorded on DVD. Written documentation with digital pictures, descriptions of the images and any recommendations will be provided to the district on a USB flash drive.

Our bids are based on a variety of factors that pertain to the length of time it takes to accomplish our work. The main consideration is the amount of sediment that has to be removed, **4" of normal sediment** is included in this bid.

**Initials**                      **Please initial the line items below to verify that you have reviewed them.**

- \_\_\_\_\_ Entry hatch on top of the tank is at least 18" diameter (If divers cannot enter minimum charges will apply)
  - \_\_\_\_\_ The water level is kept within ten (10) feet of the top of the tank.
  - \_\_\_\_\_ Tank dimensions are correct (additional charges may apply for variances)
  - \_\_\_\_\_ Scope of work is correct.
  - \_\_\_\_\_ Customer has disclosed prevailing wage requirements to Liquivision Technology, Inc.
- This job requires rates to be paid at prevailing wage: Yes \_\_\_\_\_ No \_\_\_\_\_

1. Placement and disposal of effluent removed from the tank is done at the direction of the Customer.
2. Quotes for cleaning assume that the sediment is normal material (such as silt, flocculated material, insects, manganese, rust, etc.) found in potable water tanks that is easily removed by our vacuum system. If the sediment is difficult to remove such as large amounts of concrete chips, gravel, sand, rocks, detached coating debris, etc., then our hourly rate shall apply for each hour (over the first hour) for removing this material.



# LIQUIVISION TECHNOLOGY

711 Market Street  
Klamath Falls, OR 97601  
Phone: (541) 883-6473  
Fax: (541) 883-1361

3. Unless specified in quote detail we clean all submerged horizontal and angled berms or sloped surfaces 35 degrees or less. Surfaces exceeding this angle such as the walls can be cleaned but must be listed separately in the quote detail or estimated by the divers upon inspection. We do not clean surfaces that are out of the water.
4. If any information provided to us is incorrect or if any problems exist that inhibit our ability to complete the job on a timely schedule, then we will notify you of the problem and reserve the right to add on to the quote based on our estimate of the additional time it will take to complete the work. Charges for time delays are **\$200** per hour. This paragraph only applies to any problems that are your responsibility (i.e. rescheduling with less than 2 business days notice, set up and start of work before cancellation, etc.) Charge for going remote (if required and not addressed in advance) is **\$430** per hour (\$550/HR prevailing wage).
5. For coating repair in steel tanks we use a two part underwater epoxy. Each rust nodule or area of coating defect is wire brushed to bare metal and epoxy is applied over the area. The epoxy chemically bonds to the steel, displaces water, and remains intact with a greater bond than the original coating. All of our repair, sealing and coating materials meet or exceed NSF 60 & 61 standards. Repairs are done at the districts direction for the rate of **\$430** per hour (\$550/HR prevailing wage) and **\$35** per tube of Manus or epoxy.
6. If dechlorination is required it will be charged at **\$15.00** per hour. If filtration is required then the filter bags will be charged at **\$200.00** per bag. Unless specified LVT does not remove the bags they become the districts responsibility to dispose of.
7. If payment is not made within sixty days of the date of the invoice, an interest charge of 3% shall begin to accrue each month on the unpaid balance. This interest will continue to accrue each month until the balance is paid in full. To avoid any interest charges, payment must be received or postmarked within the sixty days following the date of the invoice. Statements will be sent each month to reflect the new balance. Final pricing may be adjusted to reflect prevailing wage requirements if it is not determined before job outset.

Our cleaning procedure is accomplished utilizing our proprietary vacuum cleaner, the "LiquiVac™" (Patented). The LiquiVac™ pumps an average of 200 gallons per minute. It has a rotating soft bristle brush that scrubs the floor clean and removes all sediment without creating turbidity in your tank. This is the only way to ensure that all biofilm is removed from the interior surfaces without getting any of it mixed into the water column. This system also enables us to clean walls.

In a conscious effort to preserve our nations natural resources LVT will provide our reports to the district on USB flash drives. If you require a printed and bound copy of the reports please notify our office staff. There will be an additional fee of \$125 per copy.

In over 20 years of providing diving services we continue to treat every customer as if they were our only customer. We are dedicated to accomplishing every job with the utmost professionalism, safety and efficiency.

Please sign this quote and FAX both pages back to us with an approximate time frame of when you would like the work done. If you have any questions please give us a call. We look forward to working with you.

Quote is valid for 90 days. Upon signature the work shall be accomplished at a mutually acceptable date within one year.

Sincerely,

John N Bowers  
Sales/Financial Mgr.

I find the above and preceding page of contingencies and procedures acceptable.	
Accepted by: _____	Date: _____
Signature: _____	Title: _____



# LIQUIVISION TECHNOLOGY

711 Market Street  
 Klamath Falls, OR 97601  
 Phone: (541) 883-6473  
 Fax: (541) 883-1361

## Billing/Change Order/Estimate Form

Todd Baun  
 McCleary, City of  
 100 South 3rd  
 McCleary, WA 98557

1/3/2018  
 Wk: 360-495-3667  
 Fx:  
 WA960-17r2T\_

Team Leader: \_\_\_\_\_  
 Diver #2: \_\_\_\_\_

Diver #1: \_\_\_\_\_  
 Diver #3: \_\_\_\_\_

Tank	Type	Dia. or LxW (Feet)	Hgt. (Feet)	Maximum Calculated Capacity (Gallons)	Surface Area (S.F.)	Price for Diver Inspection Only	Price for Diver Cleaning & Inspection	Date Work Done
Mobilization Charge - Flat charge to mobilize and demobilize to your location.							\$450	
1. 150 KG	OG Welded	30	28	147,980	707		\$1,975	
2. 500 KG	OG Welded	50	34	499,138	1,963		\$1,975	
Price is contingent on all work being completed on the same trip. Price reflects prevailing wage.								
Subtotal							\$4,400	
Multitank Discount (after the first two tanks).								
Total <b>*Plus sales tax if applicable</b>							\$4,400	

Itemize work:	Time or Quantity:	Extended:
Sales Tax if any:		
Total		

Authorization Signature: \_\_\_\_\_

### Estimation of cost for recommendations that LVT can perform.

Recommendations:	Estimated Labor	Total Estimate
Total		



1 Watertank Place  
PO Box 36  
Henderson, KY 42419  
P: (270) 826-9000  
F: (270) 215-5705  
[www.pttg.com](http://www.pttg.com)

Monday, October 09, 2017

Todd Bawn  
Public Works Director  
City of McCleary  
100 South 3rd Street  
McCleary, WA 98557  
(360) 495-3667 Phone  
toddb@cityofmccleary.com

Todd,

Since 1919, Pittsburg Tank & Tower Group Maintenance Division has been providing tank services to our customers in over 50 countries, proudly making us a Global Company. Our wealth of experience encompasses all aspects of tank maintenance services, from paint and repair to dismantle and inspections. Our expertise expands beyond maintenance to tank design, fabrication, erection and professional engineering services for new tanks and modifications to existing tanks, including raising, lowering and moving services.

Having been ranked in the Top 600 Specialty Contractors and among the top 15 steel erectors according to McGraw-Hill Engineering News Record, it was natural to expand our offerings into the Custom Engineering and Manufacturing Industry. Our sister company, AllState Tower Inc., manufactures structural steel components for towers and agricultural material handling, including complete turn-key systems and installation services.

At Pittsburg Tank & Tower Group, it's not only about the products we produce, but the people as well. Being a Veteran-Owned and family-operated company with a commitment to the Safety and Health of our family of employees, we have worked with the Commonwealth of Kentucky's Labor Cabinet to achieve our SHARP Certification (Safety and Health Achievement Recognition Program), and we are recognized as a Drug Free Workplace in accordance with the standards set forth by the regulation; [803 KAR 25:280 Certification of Drug-Free Workplace](#).

We are proud to provide you with this quotation and look forward to working with you should you decide to accept it. To accept the proposal, simply sign and date one (1) copy and return it to our Henderson, KY office either by mail, fax or email.

Please feel free to contact us should you have any questions or concerns, or simply want to discuss the proposal further.

Respectfully,

**Pittsburg Tank & Tower Group**  
**Maintenance Division**  
Patrick Heltsley  
Vice President  
(270)869-9400 Ext: 4601  
(270)748-1325 Cell  
(270)767-6912 Fax  
[pheltsley@pttg.com](mailto:pheltsley@pttg.com)

Rick Carter  
Sales Account Executive  
Phone: (270) 826-9000 Ext: 4623  
Fax:(270) 854-1524  
rcarter@pttg.com

**Paint • Repair • Dismantle • Inspect • Reinsulate • Tanks Raised, Lowered, and Moved  
New and Used Tanks**



**Minimum Codes for Inspections  
NFPA 25-2014 AWWA M-42 2013**

- **NFPA 25-2014; 9.2.6.1.1** States, “The interior of steel tanks without corrosion protection shall be inspected every 3 years.”
- **NFPA 25-2014; 9.2.6.1.2** States, “The interior of all other types of tanks shall be inspected every 5 years.”
- **NFPA 25-2014; 9.4.5** States, “Silt shall first be removed during interior inspections or more frequently, as needed, to avoid accumulation to the level of the tank outlet.”
- **AWWA M-42-2013 Periodic Inspection** States, “The tank should be inspected at least once every 3 to 5 years or as required by state regulatory agencies. A drained “dry” evaluation or an underwater evaluation performed by robotic inspection are popular methods.”
- **AWWA M-42 2013 Tank Washouts** states, “Tanks should be washed out and inspected at least once every 3 years, and where water supplies have sediment problems, annual washouts are recommended.”

**DISINFECTION PROCEDURE FOR  
“ROV INSPECTION UNIT”**

1. Once our crew arrives on site, a chlorine solution made of  $\frac{3}{4}$  water and  $\frac{1}{4}$  chlorine bleach is mixed in a plastic spray bottle.
2. The ROV unit is removed from the case and placed on plastic. An inspection crew member, wearing plastic latex gloves, then sprays thoroughly the plastic and all exterior portions of the ROV unit using the chlorine solution.
3. A plastic bag is then also thoroughly sprayed on the outside and inside with the same chlorine solution. The ROV unit is then immediately placed into the plastic bag and the bag is tied secure.
4. The unit remains in the bag until the crew completes the external portion of the tank inspection. When time for the internal inspection, the unit is carried to the top of the tank, removed from the plastic bag and placed in the water.

For more information about our inspections, please go to [Tank Inspection Information](#)

**Definitions**

**ROV:** Remote Operated Vehicle

**NA:** Used in the cleanout column and indicates tank construction type prevents an ROV Cleanout from being performed.

Monday, October 09, 2017

Todd Bawn  
 Public Works Director  
 City of McCleary  
 100 South 3rd Street  
 McCleary, WA 98557  
 (360) 495-3667 Phone  
 toddb@cityofmccleary.com

In accordance with the price, terms and conditions listed herein, we propose to furnish all labor, materials, equipment and insurance necessary to perform the work quoted. **Please initial in the column next to your service selection.**

Tank Type	Tank Address	Cap. Gal	Dia.	Ht.	Service	Insp. Only	Initial	Cleanout Only	Initial
GST	233 E. Cedar Street, McCleary, WA 98557	150,000	30'	30'	ROV Service	\$1,450.00		\$1,450.00	
GST	233 E. Cedar Street, McCleary, WA 98557	500,000	50'	34'	ROV Service	\$1,450.00		\$2,150.00	

**\*To perform both inspection and cleanout on both tanks on the same trip for the discounted sum of \$5,950.00**

Inspection of tank(s) will be for compliance with the following codes and standards:

AWWA; EPA; NFPA 22; NFPA 25; OSHA

**STEP 1: Perform Interior Inspection**

- Please note, our ROV unit requires, at minimum, a 12" diameter manway/opening.
- The interior in-service inspection will be performed using our ROV Inspection Robot and the exterior will be inspected by our personnel trained in OSHA regulations utilizing fall protection equipment. **Tank is to remain full during internal inspection.**
- This inspection will check for deficiencies and meet tank inspection requirements of OSHA, EPA, AWWA and NFPA. All structural, sanitary, safety, security and coating conditions will be reviewed. Items examined will include ladders, shell, roof, vent, manways, welds, seams, foundation, anchors, safety systems, hatch, and external overflow. Any emergency items will be brought to Owner's attention by our Inspector personnel.
- Owner will receive a detailed written report of findings with photographs, DVD of inspection, corrective recommendations and cost estimates.
- The following tests shall be performed during the inspection: Lead check – Interior & Exterior, Mil thickness test (coating thickness) – Exterior only, Cross hatch test (paint adhesion) – Exterior only, Ultra-sonic test of tank shell – Exterior only

**STEP 2: Perform Interior Clean Out**

An interior in-service cleanout of sediment from the tank floor is not to exceed three (3) inches. Additional accumulation will be priced at \$300/hour after 3". The interior cleanout will be performed using our Remotely Controlled Submersible Vehicle. The tank is to remain full during the internal cleanout.

Our price is based on dimensions acquired from the Customer, who understands that if the size of the tank is larger than implied, our price will be adjusted accordingly.

- Debris and sediment will be placed on the ground or in a customer designated drainage area within 50' of the tank base. The customer is to provide an area for disposal of all debris, sediment and water generated from the robotic cleanout.
- The majority of sediment will be removed from the tank with the robotic equipment; however the customer understands that 100% removal of sediment and debris cannot be attained without draining the tank.
- Please note that our ROV cleanout robot requires at least a 24" (round or square) opening.
- If the interior access ladder impedes the manway and restricts access to the tank interior with our ROV cleanout robot, the Owner agrees that the top few rungs may be removed to gain access to the tank as long as the structural integrity of the interior access ladder will not be compromised.
- If any other tank accessories impede the opening, the Owner agrees that necessary modifications may be made, which will be in accordance with AWWA, to gain access to the tank.
- In the event it becomes necessary to drain the tank once we are on site, draining shall be performed by the Owner.
- If the Owner does not allow us to make the necessary modifications to the tank and the ROV cleanout robot cannot access the tank, a mobilization fee will be charged.
- Please Note, Owner is responsible for the water discharge process. PTTM will provide piping of up to 100' to direct discharge from the tank. Owner's representative will direct where the water is discharged to.

**Paint • Repair • Dismantle • Inspect • Reinsulate • Tanks Raised, Lowered, and Moved  
 New and Used Tanks**

Monday, October 09, 2017

**Terms & Conditions**

- 1) Prior to start of work, Owner will be furnished a certificate of insurance covering Workman's Compensation, Occupational Disease, Employer's Liability, and General Liability.
- 2) If tank is to be drained prior to our arrival, it shall be drained by owner, if it becomes necessary to drain the tank while on site, it must be drained by the Owner/Customer
- 3) If needed a pressure release valve will be furnished during the cleaning and painting operation. Owner required to notify PTTM prior to mobilization if required.
- 4) In the event interior and/or exterior complete tank repainting is not included in this scope of work, all new tank appurtenances furnished and installed by PTTM as part of this scope of work shall be field primed and finish coated to match existing coating system(s), unless specifically excluded from our scope of work. Color to match as close as possible.
- 5) No paint shall be applied during wet, damp, or inclement weather.
- 6) All paint will be delivered to the job site in original containers with contents identified by the manufacturer.
- 7) If necessary, customer will be required to clear/move vehicles and equipment a safe distance from the job site to prevent damage and place physical barricades around the perimeter to restrict access.
- 8) Work to be performed using our standard wage scale with Open Shop personnel, by mechanics skilled in their trade.
- 9) All workmanship is guaranteed for twelve (12) months after completion.
- 10) Handling, removal, and/or disposal of hazardous or contaminated material (e.g., asbestos, lead, chemicals, heavy metals, etc.) requiring special handling or transportation to a specific disposal site are not included in the submitted quotation for work. Unless specifically included in our scope of work.
- 11) This quote does not provide for the shrouding or containment of blast media and paint.
- 12) Owner understands and agrees any Federal, State, and Municipal taxes imposed on Contractor with respect to the outlined work are additional expenses not included in the contract and further assumes the obligation of paying said additional costs incurred by Contractor. PTTM does not include costs for any permits, local licenses, fees, etc. in this proposal.
- 13) OWNER / CONTRACTOR agree that the exclusive venue for any litigation arising out of or relating to this Agreement shall be in the Circuit Court of Henderson County, Kentucky and that this Agreement and any litigation arising thereunder shall be governed, construed and interpreted according to Kentucky law.
- 14) In the event OWNER initiates any litigation against PTTM in contravention of this venue provision, OWNER shall pay PTTM's attorney's fees and costs incurred in obtaining a dismissal and transfer of the litigation to the proper venue in the Circuit Court of Henderson County, Kentucky.
- 15) OWNER and PTTM hereby waive any right they may otherwise have to venue in a federal court including, but not limited to, any right arising under federal question or diversity jurisdiction.

**TERMS**

50% with Order; Balance upon Completion OR Mutually Agreed Payment Terms

**\*MasterCard, Visa and American Express are accepted, with prior authorization\***

The parties approving this contract certify that they are fully authorized to do so, and that all legal requirements have been complied with. You are hereby authorized to furnish all labor, material, equipment and insurance required to complete the work mentioned in the above proposal, for which the undersigned agrees to pay the amount mentioned in said proposal. OWNER / CONTRACTOR agree that the exclusive venue for any litigation arising out of or relating to this Agreement shall be in the Circuit Court of Henderson County, Kentucky and that this Agreement and any litigation arising thereunder shall be governed, construed and interpreted according to Kentucky law. In the event OWNER initiates any litigation against PTTM in contravention of this venue provision, OWNER shall pay PTTM's attorney's fees and costs incurred in obtaining a dismissal and transfer of the litigation to the proper venue in the Circuit Court of Henderson County, Kentucky. OWNER and PTTM hereby waive any right they may otherwise have to venue in a federal court including, but not limited to, any right arising under federal question or diversity jurisdiction

**ALL QUOTATIONS SUBJECT TO ACCEPTANCE WITHIN 60 DAYS**

Accepted: \_\_\_\_\_, 20 \_\_\_\_

City of McCleary

By: \_\_\_\_\_

Title: \_\_\_\_\_

Respectfully Submitted by:  
**Pittsburg Tank & Tower Group**  
**Maintenance Division**

By: \_\_\_\_\_

Patrick Heltsley, Vice President

**Paint • Repair • Dismantle • Inspect • Reinsulate • Tanks Raised, Lowered, and Moved**  
**New and Used Tanks**