



McCleary City Council

AGENDA

July 23, 2014

7:00 City Council Meeting

Flag Salute

Roll Call

Public Hearings: Marijuana

Public Comment:

Minutes: (Tab A)

Mayor's Report/Comments:

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

Old Business:

New Business: Revision No. 1 BPA Contract (Tab E)

Ordinances: Indemnification (Tab F)
Marijuana Prohibition (Tab G)

Resolutions:

Vouchers

Mayor/Council Comments

Public Comment

Executive Session

Adjournment

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

Please Turn Off Cell Phones – Thank You

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

CITY OF MCCLEARY
Regular City Council Meeting
Wednesday, June 25, 2014

ROLL CALL AND FLAG SALUTE	Councilmember's Reed, Schiller, Ator, Catterlin and Peterson.
ABSENT	None.
STAFF PRESENT	Present at the meeting were Todd Baun, Wendy Collins, George Crumb, John Graham, Paul Nott, Chris Mercer and Dan Glenn. Jon Hinton from Gray & Osborne attended.
PUBLIC HEARING 6-YEAR TRANSPORTATION IMPROVEMENT PLAN	The Public Hearing opened at 7:00 pm. No comments were made. The hearing closed at 7:00 pm.
PUBLIC HEARING MARIJUANA MORATORIUM EXTENSION	The Public Hearing opened at 7:01 pm. One resident asked why the City was extending the moratorium when it is now legal in the State of Washington and licenses are being issued around the state. Dan Glenn responded stating the federal government still considers it illegal. He added the Council needs to review and decide if they want to allow them at all and specifically where they would allow one and to decide on other zoning issues. The Hearing Examiner has scheduled a Public Hearing for July 14, 2014 at 2:00 pm in the City of McCleary Council Chambers. The hearing closed at 7:04 pm.
SPECIAL GUESTS: BEAR FESTIVAL PRINCESSES	Bear Festival Princesses Ashley, Ricki and Elizabeth brought Bear Festival Pins to distribute to the Mayor, Council and staff and invited everyone to attend the 2014 Bear Festival. Teresa Nunez requested to have the Council lift the noise band for Saturday night of the Bear Festival so the 80's band can play until 11:00 pm. The Bear Festival has not turned in their agreement, which is now too late for the Council to approve at the next meeting. After discussion, Council agreed to extend the noise ordinance from 10:00 pm until 11:00 pm for the Saturday night and to authorize, in advance, for the Mayor to sign the agreement with the Bear Festival. It was moved by Councilmember Catterlin, seconded by Councilmember Schiller to authorize to extend the noise ordinance for one hour on Saturday night of the Bear Festival and to authorize the Mayor to sign the Bear Festival Agreement. Motion Carried 5-0.
PUBLIC COMMENT	None.
MAYOR'S COMMENTS	Mayor Dent reminded the Council that the federal law still prohibits the use of marijuana and he is not desiring to go against federal law.
MINUTES APPROVED	It was moved by Councilmember Ator, seconded by Councilmember's Peterson and Reed to approve the minutes from the May 28, 2014 meeting. Motion Carried 5-0.
DIRECTOR OF PUBLIC WORKS REPORT	Todd Baun provided a report and is available to answer questions.
CITY ATTORNEY REPORT	Dan Glenn will provide the Council with a declaration of completion to sign after watching a required training course mandated by the State Legislature, which will be available for viewing online after July 1, 2014.
APSCO SERVICE AGREEMENT	The City has a oyno pump at the waste water treatment plant, which pumps bio solids from the filter press to the disposal dumpster. The pump requires higher maintenance procedures that APSCO, LLC has the experience and tools to provide. APSCO proposed a contract for 5 years, starting in 2014 until 2018. The initial service call will be \$1,750 with annual maintenance at a cost of \$1,500 per year. The total contract cost is \$7,750 before sales tax. It was moved by Councilmember Catterlin, seconded by Councilmember Reed to authorize the City to execute the Contract with APSCO, LLC for maintenance of the pump identified in the contract, not to exceed \$7,750 before sales tax. Motion Carried 5-0.

TENELCO CONTRACT	The waste water treatment plant produces a bio solid that has to be hauled off monthly. The company we currently use will no longer accept our bio solids. Tenelco Inc is a hauling company that will take our bio solids to Eastern Washington for just under \$100 more per trip than we currently pay. Tenelco is a reputable company to provide this required service for the City. It was moved by Councilmember Ator, seconded by Councilmember Peterson to authorize the City to execute the contract with Tenelco, Inc for hauling our bio solids. Carried 5-0.
TIB APPLICATION	The Transportation Improvement Board (TIB) has a program that gives small cities matching funds for federally funded projects. Our 3rd Street Improvement Phase 1 design project is a federally funded project and requires the City to have \$36,988 match. If we receive the funding through the TIB, we can use our match as a contingency fund for this project or use it wherever needed. It was moved by Councilmember Schiller, seconded by Councilmember Catterlin to authorize the Mayor to execute and sign the application for the TIB Small City Federal Match Program. Motion Carried 5-0.
3RD STREET IMPROVEMENT DESIGN	The federal funds we receive for this project are limited to certain eligible design items; intersection improvements, resurfacing and repair, new curb and gutter, storm lines, sidewalks and a shared bike lane. Additional items that are not funded but should be incorporated in the project include water line replacement design, sanitary sewer system design, and moving power and communications underground. To design these additional items will cost \$42,101.61, which will be funded from the water, sewer and light and power funds. Todd Baun recommends the City design the whole project cost for \$325,177.40. It was moved by Councilmember Catterlin, seconded by Councilmember Peterson to authorize the Mayor to sign the Local Agency Standard Consultant Agreement with Skillings Connolly Inc. Motion Carried 5-0.
ORDINANCE 802 MARIJUANA MORATORIUM	It was moved by Councilmember Ator, seconded by Councilmember Peterson to adopt Ordinance 802 extending the moratorium upon medical marijuana collective gardens and dispensaries and establishments involved in the sale, manufacturing, distribution, or use of marijuana imposed pursuant to the provisions of ordinance 797 as extended by ordinance 799; & declaring an emergency. Roll call taken in the affirmative. Ordinance Adopted 5-0.
RESOLUTION 672 SIX-YEAR STREET PLAN	The Six-year Transportation Improvement Program (STIP) is an annual process for local jurisdictions to identify their potential future transportation improvement needs. Completion of this annual update makes the City eligible to apply for State and Federal grants for transportation project funding. It was moved by Councilmember Peterson, seconded by Councilmember Reed to adopt Resolution 672 adopting a Six-Year Street Plan for the City of McCleary. Resolution Adopted 5-0.
APPROVAL OF VOUCHERS	Accounts Payable vouchers/checks approved were 38077- 38116 including EFT's in the amount of \$98,107.40 and 38117 - 38195 including EFT's in the amount of \$225,821.08. It was moved by Councilmember Ator, seconded by Councilmember Catterlin to approve the vouchers. Motion Carried 5-0.
PUBLIC COMMENT	Helen Hamilton provided the Council with a comparison between McCleary and Oakville regarding population, criminal activity, etc. She wants the Council to have as much information as they can during the police levy discussions.
EXECUTIVE SESSION	It was moved by Councilmember Ator, seconded by Councilmember Reed to have a five-minute executive session to discuss potential litigation pursuant to RCW42.30.110. Motion Carried 5-0. The executive session started at 7:31 pm and ended at 7:36 pm.
MEETING ADJOURNED	It was moved by Councilmember Ator, seconded by Councilmember Reed to adjourn the meeting at 7:37 PM. The next meeting is scheduled for July 23, 2014 at 7:00 PM. Motion Carried 5-0.

MEMORANDUM

TO: MAYOR AND CITY COUNCIL, City of McCleary
FROM: DANIEL O. GLENN, City Attorney
DATE: July 18, 2014
RE: LEGAL ACTIVITIES as of JULY 23, 2014

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. **ENRIQUEZ CLAIM:** As you are aware, counsel have filed a tort claim upon behalf of Mr. Enriquez. Pursuant to the applicable statute, they may take no further legal action, such as filing litigation, for at least 60 days following the date of claim filing. In the interim, Mr. John Justice of the firm of Law, Lyman, Daniels, & Kamerrer, has been working with Chief Crumb in terms of developing the necessary legal review and analysis.

We will keep you informed as the matter progresses.

2. **UTILITY DELINQUENCY ENFORCEMENT:** This seems to be a world which undergoes never ending changes. Ms. Collins and I will be undertaking a review of the current statutory provisions, their application to the current procedures used by the Office, and seek to develop any recommendations which appear to be necessary and appropriate.

3. **SB 5173:** The following is more for information than anything else. However, it could and will likely arise and will need to be handled by the respective department heads and Ms. Collins. The 2014 Legislature passed the referenced bill. What it requires is the City to allow two unpaid days of leave to an employee "for reasons of faith or conscience unless such an action would impose or create an undue hardship." Since pretty much all of your employees other than department heads are members of the bargaining units, the provisions relating to

having to deal with the unit in the event of a denial would be applicable.

The Office of Financial Management was directed to issue an administrative rule providing a definition and setting forth conditions. They have done so. I have attached them at the end of this Report so you can see how long such definitions can become. Note that these days are unpaid.

4. **COBAIN LITIGATION:** The case is moving forward. A request for discovery of information was received from counsel for the Cobains. However, since they opted to file the matter in federal court, that court's rules are quite different from those in our state courts. Thus, first a scheduling protocol had to be worked out which now has been done.

I would anticipate we will be responding to an updated request for discovery. From the City's standpoint, we will be directing a request for discovery of information and documents to the Cobains. It is possible that, in the next several months, the City may move for a summary judgment dismissing several, if not all, of the claims.

As with the Enriquez matter, I will keep you informed.

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

WAC 82-56-020 Definition of Undue Hardship

For purposes of chapter 168, laws of 2014, "undue hardship" means an action requiring significant difficulty or expense to the employer. The following factors should be considered in determining whether approving unpaid leave results in an undue hardship to the employer:

- (1) The number, composition, and structure of staff employed by the employing entity or in the requesting employee's program.
- (2) The financial resources of the employing entity or the requesting employee's program.
- (3) The number of employees requesting leave for each day subject to such a request.
- (4) The financial impact on the employing entity or requesting employee's program resulting from the employee's absence and whether that impact is greater than a de minimus cost to the employer in relation to the size of the employing entity or requesting employee's program.
- (5) Impact on the employing entity, the requesting employee's program or public safety.
- (6) Type of operations of the employing entity or requesting employee's program.
- (7) Geographic location of the employee or geographic separation of the particular program to the operations of the employing entity.
- (8) Nature of the employee's work.
- (9) Deprivation of another employee's job preference or other benefit guaranteed by a bona fide seniority system or collective bargaining agreement.
- (10) Any other impact on the employing entity's operation or requesting employee's program due

to the employee's absence

WAC 82-56-030 Application of definition of undue hardship to request

(1) In determining whether the employee's absence would result in an undue hardship to the employing entity, the employer must make a case by case determination based on the specific objective facts and circumstances, not assumed information, present at the time of each request.

(2) (a) The existence of a collective bargaining agreement or bona fide seniority system does not in and of itself relieve the employing entity from determining whether there would be an undue hardship if the request was granted.

(b) When an employee is represented by a union, in determining whether the employee's absence would result in an undue hardship, the request must be reconciled, when feasible, with the provisions of the applicable collective bargaining agreement.

© If the employee is covered under a collective bargaining agreement, the employing agency must determine whether the request can be granted without violating that agreement.

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STAFF REPORT

To: Mayor Dent
From: Todd Baun, Director of Public Works
Date: July 17th, 2014
Re: Current Non-Agenda Activity

Bear Festival

The Bear Festival was another success in the City. The city crews did a great job on making the city look great for the Bear Festival.

Critical Area Ordinance (CAO)

I am still working with Dan to get a solution for this update.

WSDOT Activities

WSDOT has 3 projects that are going on around the City. They are as follows:

- Wildcat Bridge Scour repair. - This project is on the west end of the city, near the Evergreen Apartments. This project is repairing damage under one of the abutments of the bridge. Roglins is the contractor and the project should last about a month.
- Pavement and Chip Seal on HWY 108. This project is starting at the VFW and going North on HWY 108 to the Mason County Line. Granite is the contractor that is making pavement repairs and will be performing the chip seal. This project will be finished by next week.
- Grind and pave on HWY 8. This project is on HWY 8 and consists of grinding out old pavement and placing new pavement. Granite is the contractor for this project and this project will go for another couple of weeks.

STAFF REPORT

To: Mayor Dent
From: Colin Mercer
Date: July 3, 2014
Re: June Building Department

Activities

- Submit copies of permits issued to Grays Harbor County Assessor's Office.
- High Definition Homes 500 E Huckleberry has poured the foundation and is in the framing stage.
- 216 E Cedar, received a remodel permit to continue with this project.
- 158 N Summit the VFW received a final approval on their T-bar project.
- High Definition Homes was issued a permit for a single family home at 1493 N Summit Road.
- The beehive is in the framing stage of phase 2 of their project.
- 610 S 4th Street received a building permit for structural work and a mechanical permit for heating system changes.
- A site drainage permit was issued for 439 E Mommsen along with an excavation permit for a new catch basin.
- A foundation and site work permit was issued for a new coffee stand at 116 S 4th St along with an excavation permit for new sidewalk, curb and gutter and asphalt work.

Nuisance Issues in Progress

- 415 S Main Street Dangerous Garage- we have notified the bank responsible for this property that they must demolition the structure or the City will proceed with abatement.
- 315 W Simpson, owner has been notified of the overgrown conditions.
- 832 N Summit Road owner has been notified of possible garage demolition without a permit.
- 795 N Summit overgrown property reported to bank.
- 240 Wildcat overgrown property letter sent to person responsible for property.

Nuisances Resolved

- 126 W Simpson awning repairs complete.
- 349 S 1st St. property has been mowed.
- 655 W Maple St. property has been mowed.
- 695 N Summit Rd property has been mowed.
- 407 S Main St. property has been mowed.
- 335 S Main St. property has been mowed.
- 711 W Ash St. property has been mowed.
- 202 E Cedar St. property has been mowed.
- 107 W Hemlock property has been mowed.
- 1487 N Summit property has been mowed.

Conservation Program

Month	Applications Received	Conservation Permits Issued	Rebates Paid This Month	Total Rebates Paid To Date
May	1	1	\$0.00	\$13,461.00
June	1	1	\$2335.00	\$15,796.00

Building Department Activity

ACTIVITY	MONTHLY TOTALS	YEAR TO DATE TOTALS	ACTIVITY EXPLANATION
Customer Service	46	273	Answer building department related questions in person or by phone, meeting with potential applicants.
Building Permits Issued	7	26	Remodels, new construction & additions, both residential and commercial.
Plan Reviews Performed	3	8	Reviewing plans for building code and municipal code compliance.
Inspections Performed	16	88	Field inspections, writing of corrections or approving work.
Finals or Certificates of Occupancies	2	9	Performing of the final inspection & issuing of certificate of occupancy allowing use of the structure.
Complaints Received	2	8	Investigate and address citizen or staff reported issues, obtain resolution or acceptable compromise.
Nuisance Letters Sent	6	36	Formal notice from the City informing citizens of violations and providing expectation of the City for compliance.
Lemay's Garbage Letters Sent	6	26	Formal notice from City after notification from Lemay that service has been stopped.
Building Department Revenue	\$4731.80	\$9,363.43	Funds generated by the Building Department from permits, inspections, reviews etc.

Comments:

AT&T has contacted the building department regarding more antenna work to be performed.

The McCleary school is planning on beginning repairs to the maintenance building in the near future.

STAFF REPORT

To: Mayor Dent
From: Paul Nott, Light & Power
Date: July 18, 2014
Re: June Report



	Monthly Statistics;	YTD Totals;
New Services;	0	1
System Outages;	0	7
Pole Replacements;	3	11
Maintenance Work Orders;	2	24
Billable Work Orders;	0	1

The month of June consisted of a pole replacement in the alley by the Post Office, more pole replacements on Mommsen, numerous customer service jobs, brushing on Mommsen, and preparations for Bear Festival.

The crew had a pole replacement in the alley between 3rd and 4th just to the south of Simpson Ave.

We have received a partial shipment of the transformers and poles that have been ordered.

We have also begun a pole replacement and re conductor on Mommsen Rd. This project is in conjunction with the cut over project. Due to the narrow roadway we apologize to the residents that are impacted during this time.

We had about 40 hours crew time preparing for Bear Festival and clean up.

We also have two more minor repairs that needed to be completed on the 42' bucket truck. We completed these repairs in house.

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

In case of a power outage, please contact:

Light and Power Department 360-495-4533
City Hall 360-495-3667
Dispatch Non-Emergency 360-533-8765

Staff Report

To: Mayor Dent
From: George M. Crumb, Chief of Police
Date: July 18, 2014
RE: For July 23, 2014 Council Meeting

SUMMARY OF POLICE INCIDENTS / ACTIVITIES:

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

\$370 written in bail amounts for Notice of Infractions (2),and Criminal incidents.

1016 Incident histories reported as of time of this report period (062014 thru 071814/1305) 199 since last report.

(Incident History Log will be Available)

00-Speeding stops	00-Traffic Offense-1/Reckless-0/Hazard-2
00-DWLS	00-Found-2/Lost Property Reports
00-Speeding in School Zone	00-Motorist Assist-2/Citizen Assist-1
00-Burglary	00-Theft Reports
00-Fire Response's	00-Death, report
00-Disorderly Conduct/Obstructing	00-Juvenile Problems-1/Run-a-way-0/missing-1
40-Traffic Stop's	00-Malicious Mischief
00-Harassment	00-Warrant Arrests-/Search Warrant/Confirm-
00-Weapons Offense	00-911 Open Line or Hang Up
00-Agency Assist's	00-Domestic Violence/Verbal Argument-1
02-Drug Incidents(kids smoking/found syringe)	00-Citizen dispute-1/Civil-2/Vio Court Order-
00-Animal Complaints	00-D.U.I.
00-Curfew Violations	00-Audible Alarm
00-Assault	00-Subject Stop
00-Welfare Checks	00-Traffic Accident
00-Trespass (Criminal)	00-Noise Complaints
00-Suspicious Person/Vehicle/Circumstance	00-Fraud
00-Police Information	00-Sex Offense
00-Alcohol Offense	00-Parking Complaint
00-Suicide Attempt	00-Vehicle Prowl/Prowler-
00-Insurance violation	00-No Valid Operator's License (NVOL)
00-Public Works Assist	00-Police Referral
00-Extra Patrol/Request	00-Missing Person
00-Vehicle Lockout	00-Abandon Veh.
00-Sex offender Address Confirmation	

Discussion: Open:

Council Members Present: ALL.... Mr. Catterlin-Position 1, Mr. Reed-Position 2,
Mr. Peterson-Position 3, Mr. Schiller-Position 4,
Mr. Ator-Position 5.

Mayor Dent: Present / Not Present _____

Officer Reporting: Chief Crumb _____

STAFF REPORT

To: Mayor Dent
From: Kevin Trehella, Water & Wastewater manager
Date: July 18, 2014

Last month I told you that we installed new equipment which is tied the well system into the reservoir level controls. After more than one month of testing the system is operating as designed.

At the Waste Water Treatment plant, currently there are no operational issues.

STAFF REPORT

To: Mayor Dent
From: Colin Mercer Webmaster
Date: July 3, 2014
Re: June Website

Re-Occurring Website Activities

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

New Website Activity

- Create a separate Cemetery Page under public facilities.
- Remove request notice for Light & Power seasonal laborer.
- Create a new page for the Shoreline Master Program.
- Posted Public Hearing notices from the Police Levy and the Marijuana Moratorium.

Additional Tasks

- N/A this month

Website Comments:

None this month.

Default Home Page	2389	23.97%
Cemetery Data Page	747	7.5%
Municipal Code	706	7.08%
Events Calendar	532	5.34%
Water / Wastewater	509	5.11%
City Jobs	399	4%
Agendas and Minutes	352	3.53%
City Departments	308	3.09%
Utilities	307	3.08%
Bear Festival	239	2.4%
Conservation Program	232	2.33%
Police	217	2.18%
Mayor and Council	163	1.64%
City Forms & Documents	154	1.55%
Administration	149	1.5%
Public Facilities	146	1.46%
Search Results	143	1.43%
Light & Power	136	1.36%
City Photos	136	1.36%
Planning Department	113	1.13%
Cemetery	108	1.08%
Helpful Links	97	0.97%
Fire	96	0.96%
Chamber of Commerce	93	0.93%
FAQ's Page	91	0.91%
Development Services / Building	73	0.73%
2008-14 Budget	68	0.68%
Interlocal Agreements	64	0.64%
Home Page	58	0.58%
Data Page	52	0.52%
Flood Photos 2009	46	0.46%
Previous Years Council Agendas	43	0.43%
Municipal Court	43	0.43%
Previous Years Council Minutes	43	0.43%
Article III Theft and Possession of Stolen Property	42	0.42%
Bear Festival Photos	36	0.36%
65th Anniversary Photos	34	0.34%
Shoreline Master Program	34	0.34%
Title 5 Business Taxes, Licenses and Regulations	33	0.33%
Rate Our Website	24	0.24%
Title 6 Animals	22	0.22%
9.82 Public Indecency, Prostitution, Sex Crimes	15	0.15%
16.08 Definitions	15	0.15%
1.12 Official Newspaper	14	0.14%
Title 17 Zoning	13	0.13%

STAFF REPORT

To: Mayor Dent
From: Todd Baun, Director of Public Works
Date: July 17th, 2014
Re: Revision No. 1, BPA Contract No. 09PB-13069

After talking with our BPA account executive, Kirsten Watts, BPA wants to correct drafting errors that appear in section 14.7 and Exhibit G, "Principles of Non-Federal Transfer Service". The previous one-year fix will no longer work.

Section 14.7, "Proportional Scheduling", appears in some current power sales contracts. The provision requires customers to specify which transmission system's loads each non-federal resource will serve and the proportion. Section 14.7 **does not** appear in McCleary's current power sales contract because our utility indicated that it plans to serve any Above Rate Period High Water Mark load with federal resources, and BPA acquires third party transmission on McCleary's behalf from a third party transmission provider (Grays Harbor PUD) that is inside of BPA's Balancing Authority.

BPA wants to update language in section 14.7 to adjust the timing of the proportional scheduling process (currently July – October) to follow the Rate Period High Water Mark (RHWM) determination process that ends in September. The RHWMs inform the proportional scheduling process. Adjusting the timing of the proportional scheduling process impacts the one-year notice requirement contained in Exhibit G. Therefore, BPA wants to revise Exhibit G to add a "case by case basis" provision to the one-year notice requirement. The new provision would allow BPA to consider notices that fall short of the one year minimum. This is in alignment with the customers' right for the case-by-case exception that is already captured in the Transmission Scheduling Service Agreement.

Staff Recommendation:

We recommend that amendment be accepted and signed by Mayor.

Action Requested:

Please consider authorizing the Mayor to sign Revision No. 1 to Exhibit G, Principles of Non-Federal Transfer Service, of The City of McCleary Power Sales Agreement, BPA Contract No. 09PB-13069.

Revision No. 1, Exhibit G
PRINCIPLES OF NON-FEDERAL TRANSFER SERVICE
Effective July 31, 2014

This revision updates section 3.2 to allow for, on a case-by-case basis, less than one-year notice prior to McCleary acquiring or purchasing a non-federal resource.

As provided by section 14.6.7 of the body of this Agreement and BPA's Long-Term Regional Dialogue Final Policy, July 2007, or any other later revision of that policy, if McCleary acquires non-federal resources to serve its retail load above its established RHWM, then BPA's support and assistance to McCleary regarding transfer service for its non-federal resources shall be consistent with the following principles:

1. ESTABLISHED CAPS AND LIMITATIONS

BPA shall provide financial support for the transmission capacity associated with non-federal resource purchases to all Transfer Service customers up to a maximum of 41 megawatts per fiscal year, cumulative over the duration of this Agreement. This cumulative megawatt limit is shown in the table below.

Fiscal Year	Per Year MW Limit	Cumulative MW Limit
FY 2012	41	41
FY 2013	41	82
FY 2014	41	123
FY 2015	41	164
FY 2016	41	205
FY 2017	41	246
FY 2018	41	287
FY 2019	41	328
FY 2020	41	369
FY 2021	41	410
FY 2022	41	451
FY 2023	41	492
FY 2024	41	533
FY 2025	41	574
FY 2026	41	615
FY 2027	41	656
FY 2028	41	697

2. Application of section 14.6.7 of the body of this Agreement shall be on a first come, first served basis in each year based on the date each request is received by BPA. Requests not met, in whole or in part, in any Fiscal Year will have priority over subsequent requests the following year. Once granted, BPA shall honor such request for the duration of the resource acquisition period, not to exceed the term of this Agreement.

3. PROCESS AND PARAMETERS FOR INITIALLY CHOOSING A NON-FEDERAL RESOURCE

- 3.1 BPA obtains Transfer Service from Third Party Transmission Providers pursuant to OATT Network Integration Transmission Service. Additionally, BPA acquires firm transmission for all load service obligations incurred. Therefore, BPA shall, on behalf of McCleary, pursue Network Resource designation, as defined in the FERC OATT for McCleary's non-federal resource. BPA shall provide all information the Third Party Transmission Provider requires to evaluate the Network Resource designation request. McCleary shall provide all relevant information BPA determines is required to submit an application for designation of the resource as a Network Resource per section 29 of the OATT, or its successor.
- 3.2 McCleary shall notify BPA of its intent and/or actions to acquire or purchase a non-federal resource at least one year prior to delivery. Such acquisition or purchase shall be for a period of no less than one year in duration. On a case by case basis, BPA may, but is not obligated to, consider notifications made less than one year prior to delivery.
- 3.3 If BPA's existing Transfer Service to McCleary is pursuant to a non-OATT contractual arrangement, then BPA shall pursue all reasonable arrangements, including but not limited to OATT service, sufficient to enable McCleary to utilize the non-federal resource to serve its load.
- 3.4 BPA shall not be liable to McCleary in the event that Network Resource designation cannot be obtained.
- 3.5 BPA shall only obtain or pay for Transfer Service for McCleary's non-federal resource if it is designated as a Network Resource under the Third Party Transmission Provider's OATT with a commitment of at least one year. The limitations in this principle 3 do not pertain to market purchases and the use of secondary network transmission, which are addressed below in principle 15.
4. McCleary shall provide BPA all information BPA determines is reasonably necessary to administer firm network transmission service over the Third Party Transmission Provider's system.
5. BPA shall pay only the capacity costs associated with transmission service to McCleary over transmission facilities of the Third Party Transmission Provider that either (1) interconnect directly to McCleary's facilities or (2) interconnect to BPA transmission facilities which subsequently interconnect with McCleary's facilities. McCleary shall arrange for, and pay any costs associated with, the delivery of non-federal power to an interconnection point with the Third Party Transmission Provider, including obtaining and paying for firm transmission across all intervening transmission systems.

6. McCleary shall pay a portion of the costs of all Ancillary Services necessary to deliver any non-federal resource to serve its load. The Ancillary Service costs imposed by the Third Party Transmission Provider shall be apportioned between BPA and McCleary based on either:

- (1) metered/scheduled quantities of the non-federal resource, expressed as a percentage of total load, multiplied by the total costs assessed BPA by the Third Party Transmission Provider; or
- (2) actual charges assessed by the Third Party Transmission Provider.

However, BPA shall treat the cost of load regulation service consistent with the load regulation service cost as described in section 14.6.1(1) of the body of this Agreement. BPA shall be responsible for the cost of generation supplied reactive power, and McCleary shall be responsible for any generation imbalance costs, if any, related to McCleary's non-federal resource.

7. McCleary shall be responsible for the costs of all other transmission services for non-federal deliveries not included in principles 5 and 6 above, including, but not limited to: redispatch, congestion management costs, system and facility study costs associated with adding the non-federal generation as a Network Resource, direct assigned system upgrades, distribution and low-voltage charges, if applicable and real power losses.
8. McCleary shall be responsible for all costs of interconnecting generation to a transmission system.
9. McCleary shall be responsible for acquiring transmission services from BPA, including wheeling for non-federal resources. If McCleary does not require transmission services from BPA for wheeling non-federal resources, then McCleary shall be responsible for a pro rata share of the Third Party Transmission Provider transmission costs that BPA incurs to serve McCleary.
10. McCleary shall be responsible for all integration services to support its non-federal resources:
 - (1) in accordance with all requirements of the host Balancing Authority and/or Third Party Transmission Provider, and
 - (2) which are necessary for designation of the non-federal resource as a Network Resource.
11. As necessary, McCleary shall meet all resource metering requirements including compliance with BPA standards and any requirements of the generation host Balancing Authority and/or Third Party Transmission Provider.
12. The Parties shall cooperate to establish the protocols, procedures, data exchanges or other arrangements the Parties deem reasonably necessary to support the transmission of McCleary's non-federal resource.

13. Unless otherwise agreed, McCleary shall be responsible for managing any non-federal resource consistent with Exhibit F.
14. BPA shall have no obligation to pay for Transfer Service for non-federal power to serve any portion of McCleary's retail load that McCleary is obligated to serve with federal power pursuant to this Agreement.
15. Once McCleary's non-federal resource has been designated as a Network Resource, BPA will not undesignate McCleary's Network Resource for marketing purposes. Also, once such Network Resource designation has been made, McCleary may make market purchases to displace the Network Resource, which BPA shall schedule on secondary network service, provided that:
 - (1) such market purchases are at least one day in duration;
 - (2) the megawatt amount of the market purchase does not exceed the amount of the designated Network Resource that McCleary would have scheduled to its load;
 - (3) such market purchases are only scheduled in preschedule consistent with section 4.1 of Exhibit F;
 - (4) McCleary does not, under any circumstances, remarket its designated Network Resource or perform any other operation that would cause BPA to be in violation of its obligations under the Third Party Transmission Provider's OATT;
 - (5) McCleary is responsible for any additional energy imbalance, redispatch, and/or UAI charges that result from a transmission curtailment that impacts the resulting secondary network schedule; and
 - (6) any RSS products that McCleary has purchased from BPA are not applied to the market purchase(s).
16. These principles will be the basis for a separate agreement BPA shall offer to McCleary to support the Transfer Service of McCleary's non-federal resource. BPA shall include terms specific to a particular non-federal resource in exhibits to the separate agreement, with a separate exhibit for each non-federal resource. McCleary is under no obligation to accept this separate agreement or the exhibit for the particular non-federal resource and BPA is not bound to acquire or pay for Transfer Service for non-federal resources if McCleary does not accept the separate agreement or the exhibit for the particular non-federal resource.

17. BPA shall recover the costs associated with any agreements with McCleary reached under these principles pursuant to BPA's Wholesale Power Rate Schedules and GRSPs.

18. **SIGNATURES**

The Parties have executed this revision as of the last date indicated below.

CITY OF MCCLEARY

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By _____

By _____

Name D. Gary Dent

Name R. Kirsten Watts

Title Mayor

Title Account Executive

Date _____

Date _____

(PSW-S:\PM\CUST_RKW\MC\PSC_2009_Pf_Regional Dialogue\Exhibit G\Mc_13069_20140618_Exh G_Rev#1_Final.docx) 06/18/2014

ORDINANCE NO. _____

AN ORDINANCE IN RELATION TO INDEMNIFICATION,
ADDING A NEW CHAPTER TO TITLE 2 OF THE
MUNICIPAL CODE.

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

SECTION I: For purposes of this Chapter, the term
"officer" includes any elected or appointed official of the
City; and the term "employee" includes all employees of the
City.

SECTION II: In addition to other duties, the City
Attorney shall have the duty of representing as counsel, without
charge to the persons involved, any City officer or employee in
connection with any claim, suit for damages, or other action
against such person arising from any incident or course of
conduct in connection with the performance by such officer or
employee of his or her public duties: PROVIDED, that such
officer or employee may have his or her own counsel to provide
such defense or assist in the defense at the sole expense of the
officer or employee. This duty shall arise only after the
representation of the officer or employee has been tendered to
the City and accepted by action of the Council and only so long

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as the employee or officer fully complies with the provisions of this ordinance, including fully cooperation in the defense of the claim.

SECTION III: The determination of whether any officer or employee was acting within the scope and course of his employment by the City and thus becomes eligible for representation pursuant to Section II of this Ordinance shall be made by an affirmative vote of the City Council.

SECTION IV: It is a condition of employment of City officers and employees and a condition precedent to receiving the benefits and protections provided by this Chapter that, in the event there is made against any officer or employee any claim and/or litigation arising from any conduct, act, or omissions of such officer or employee in the scope and course of his City employment, the following actions shall be taken by the officer or employee:

A. Request of the City legal service provided pursuant to Section II of this Ordinance;

B. In the event of any such incident or course of conducting giving rise to a claim for damage and/or litigation, as soon as practical, give the Mayor and the Clerk-Treasurer written notice thereof, identifying the officers or employees involved, and containing information with respect to time, place, and circumstances thereof and the names and addresses of

persons allegedly injured or otherwise damaged and available witnesses;

C. Forward to the City Attorney and Clerk-Treasurer every demand, notice, summons, or other process relating to any incident or course of conduct, and received by him or his representative;

D. Cooperate with the City Attorney fully and completely and, upon request, assist in defending the claim, making settlements in the conduct of suits and enforcing any claim or any right or contribution or indemnity against any person or organization who may be liable to the City because of any damage or alleged loss arising from said incident or course of conduct;

E. Attend interviews, depositions, hearings, and trials and fully assist in securing and giving evidence and obtaining the attendance of witnesses;

F. Not accept at his own cost to voluntarily make any payment, assume any obligation, or incur any expense other than for first aid to others at the time of any incident or course of conduct giving rise to any such alleged loss or damage.

In the event any such officer or employee fails or refuses to cooperate as specified in the above manners, or elects to provide his or her own legal representation with respect to any such claims and/or obligations, or provides such

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payment or incurs such obligation or expense, then the provisions of this Chapter shall be inapplicable and of no force or effect with respect to any such claim and/or litigation.

SECTION V: Any officer or employee who, after tendering of a claim pursuant to Section II and its acceptance, is held liable for payment of any claims or damages by way of judgment or settlement shall be entitled to indemnification by the City where the acts resulting in such liability were done in good faith, without malice, and were within the scope of the authority and in the course of the City's duties and responsibilities.

The City's responsibility under this Section to assume the defense of a claim upon tender and to indemnify any officer or employee from any sums awarded shall not apply to any claim to the extent that such claim aims or, in fact, results in an award for exemplary or punitive damages allowed under any Federal or State law, including but not limited to civil rules and laws of the United States of America or any attorneys' fees incurred as a result of the necessity of defending such a claim. This subparagraph shall be inapplicable in the event that any insurance policy or document of coverage of which the City is a part as a result of any interlocal agreement provides coverages for such claims and costs.

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SECTION VII: The provisions of this Chapter shall apply to any claim and/or litigation currently pending or subsequently filed and/or made.

SECTION VIII: Sections I through VI of this Ordinance shall constitute a new Chapter in Title 2 of the McCleary Municipal Code.

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

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

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

PASSED THIS _____ DAY OF _____,
2014, by the City Council of the City of McCleary, and signed in approval therewith this _____ day of _____,
2014.

CITY OF McCLEARY:

D. GARY DENT, Mayor

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06/25/2014**

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

STATE OF WASHINGTON)
 : ss.
GRAYS HARBOR COUNTY)

I, WENDY COLLINS, being the duly appointed Clerk-Treasurer of the City of McCleary, do certify that I caused to have published in a newspaper of general circulation in the City of McCleary a true and correct summary of Ordinance Number _____ and that said publication was done in the manner required by law. I further certify that a true and correct copy of the summary of Ordinance Number _____, as it was published, is on file in the appropriate records of the City of McCleary.

WENDY COLLINS

SIGNED AND SWORN to before me this _____ day of _____, 2014, by WENDY COLLINS.

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

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06/25/2014

ORDINANCE NO. _____

AN ORDINANCE RELATING TO ZONING, PROHIBITING CERTAIN USES, ADDING A NEW SECTION TO CHAPTER 17.20 MMC, PROVIDING FOR ENFORCEMENT, SEVERABILITY & AN EFFECTIVE DATE.

R E C I T A L S :

1. With the adoption of Initiative 502 certain business activities were authorized subject to licencing by the Liquor Control Board (the LCB). Additionally, the matter of activities authorized under the provisions of RCW 69.51A, known as the Medical Cannabis Act, remain basically unregulated.

2. So as to have time to adequately review the issues related to such activities and to provide time for the Legislature to act upon recommendations which had been requested from the LCB, the City has had in place a moratoriums on these activities.

3. The legislative session has ended and the Legislature has taken no steps to clarify the matter of the licencing of activities under RCW 69.51A. Further, the Mayor and Council have observed how other municipal entities, counties and cities, have dealt with the issues. Additionally they have been made aware of an opinion issued by the Attorney General of the reserved right of cities to regulate, including banning, the

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activities and, as to activities under RCW 69.51A, an appellate decision confirming that authority.

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

SECTION I: It is found to be in the best interests of the City for a variety of reasons, including but not limited public safety, to implement a prohibition of the allowance within the corporate limits of the siting and implementation of the uses set forth in Section II.

SECTION II: There shall be added to Chapter 17.20 a new section to read as follows:

A. General. No use that is illegal under local, state or federal law shall be allowed in any zone within the city.

B. Specific Application—Medical Marijuana Dispensaries and Collective Gardens. Until such time that this code is amended to provide specific provisions and land use controls allowing and regulating dispensaries of cannabis and/or collective gardens for the production, distribution and dispensing of cannabis for medical uses, all as further defined and set forth in Chapter 69.51A RCW, as now existing or hereafter amended, such uses are not allowed in any zone within the city.

For purposes of this section,

1. "Dispensary" means any person, entity, site, location, facility, business, cooperative or collective, whether for profit or not for profit, that distributes, sells, dispenses,

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McCLEARY, WASHINGTON 98557

transmits, packages, measures, labels, selects, processes, delivers, exchanges or gives away cannabis for medicinal or other purposes.

2. "Collective garden" means the growing, production, processing, transportation, and delivery of cannabis, by qualifying patients, for medical use, as set forth in Chapter 69.51A RCW, as now existing or hereafter amended or succeeded.

C. Production, Processing and Retailing of Marijuana Prohibited. Until such time that this code is amended to provide specific provisions and land use controls allowing and regulating production, processing, retail sale and retail outlets for the sale of marijuana and marijuana-infused products, all as defined in Initiative Measure No. 502, as codified in the Revised Code of Washington, including RCW 69.50, and implementing regulations in Chapter 314-55 WAC, both as now existing or hereafter amended, such uses are each prohibited and not allowed in any zone within the city.

D. Enforcement. Any violation of this section is declared to be a public nuisance per se, and shall be abated by the city attorney under applicable provisions of this code or state law, including, but not limited to, the provisions of Section 17.40.140 MMC.

SECTION III: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the

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validity of the remaining portions of this Ordinance. The Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases had been declared invalid or unconstitutional, and if for any reason this Ordinance should be declared invalid or unconstitutional, then the original ordinance or ordinances shall be in full force and effect.

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

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

PASSED THIS _____ DAY OF _____, 2014, by the City Council of the City of McCleary, and signed in approval therewith this _____ day of _____, 2014.

CITY OF McCLEARY:

D. GARY DENT, Mayor

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DG/le

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

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

STATE OF WASHINGTON)
 : ss.
GRAYS HARBOR COUNTY)

I, WENDY COLLINS, being the duly appointed Clerk-Treasurer of the City of McCleary, do certify that I caused to have published in a newspaper of general circulation in the City of McCleary a true and correct summary of Ordinance Number _____ and that said publication was done in the manner required by law. I further certify that a true and correct copy of the summary of Ordinance Number _____, as it was published, is on file in the appropriate records of the City of McCleary.

WENDY COLLINS

SIGNED AND SWORN to before me this _____ day of _____, 2014, by WENDY COLLINS.

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

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05/12/2014
DG/le

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