



McCleary City Council

AGENDA

December 12, 2012

7:00 Council Meeting

Flag Salute

Roll Call

Public Hearings:

Public Comment:

Minutes (Tab A)

Mayor's Report/Comments: Fire Mitigation Fund; Eviction

Staff Reports:

Dan Glenn, City Attorney (Tab B)

Nick Bird, Director of Public Works (Tab C)

Staff Reports (Tab D)

Old Business:

New Business:

PWTF Amendment (Tab E)

Well Progress Estimate #3 (Tab F)

Well Change Order Proposals (Tab G)

PECI/ESG (Tab H)

Power Rates (Tab I)

Fire District #13 Agreement (Tab L)

Utility Service Abandonment (Tab M)

Fire Department Root (Tab N)

Gutter Replacement Final (Tab O)

Resolutions:

Ordinances:

Criminal Law Revision (Tab J)

Governmental Operation (Tab K)

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
Public Hearing and Regular City Council Meeting
Wednesday, November 28, 2012

ROLL CALL AND FLAG SALUTE Council members Catterlin, Reed, Lant and Ator.

ABSENT Mayor Dent was absent. Mayor Pro Tem Ben Ator Chaired the meeting. **Councilman Schiller was absent. It was moved by Councilman Lant, seconded by Councilman Catterlin to excuse Councilmember Schiller's absence. Motion Carried 4-0.**

STAFF PRESENT Present at the meeting were Dan Glenn, Wendy Collins, Nick Bird, George Crumb and Jon Hinton from Gray & Osborne.

PUBLIC HEARING ON THE FINAL BUDGET The public hearing on the final budget was opened at 7:02 pm. No comments were made by the public or Council. The Public Hearing closed at 7:03 pm.

CITY COUNCIL MEETING

PUBLIC COMMENT None.

MINUTES APPROVED **It was moved by Councilman Catterlin, seconded by Councilman Reed to approve the minutes from the November 14, 2012 meeting. Motion Carried 40.**

MAYOR'S COMMENTS None.

CITY ATTORNEY REPORT Dan Glenn provided a memo for the Council and invites any questions they may have. Dan Glenn commented on fiscal issues, including how much of a financial impact the fire district cost will be and the jail contract.

Dan explained the Coastal Community Action Plan (CCAP) contract that will be presented this evening is an annual agreement allowing CCAP to help McCleary residents that are in need of financial assistance for their utility bills. This is a wonderful program that the City appreciates greatly.

DIRECTOR OF PUBLIC WORKS REPORT Nick Bird has provided a memo for the Council and invites any questions they may have. He stated the treatment plant is now fully operational and running fine. The Treatment Plant Operator position will begin advertising this week.

COASTAL COMMUNITY ACTION PROGRAM (CCAP) **It was moved by Councilman Lant, seconded by Councilman Reed to authorize the Mayor to sign the annual agreement with CCAP. Motion Carried 4-0.**

2013 BUDGET ORDINANCE 788 Discussion took place regarding the need to move the fire mitigation money to the general fund for availability so the City can move forward on a fire station project. The Council also agreed to move \$20,000 to increase the amount of availability. **It was moved by Councilman Lant, seconded by Councilman Reed to adopt Ordinance No. 788 adopting a budget for the calendar year 2013 and establishing salaries and include the change of moving \$79,000 from the fire mitigation fund to the current expense fund and allocating \$20,000 from the fire department capital outlay line to the fire station project line. Roll Call taken in the affirmative. Ordinance Adopted 4-0.**

APPROVAL OF VOUCHERS Vouchers/Checks approved were 35620-35673 including EFT's in the amount of \$189,218.35 and 35674-35675 including EFT's in the amount of \$304,719.80.

It was moved by Councilman Catterlin, seconded by Councilmen Reed to approve the vouchers. Motion Carried 4-0.

PUBLIC COMMENT Councilman Lant thanked the Finance Committee, Nick Bird and Wendy Collins for all their hard work on the budget. He knows how much work it is and appreciates all their hard work.

EXECUTIVE SESSION

None.

MEETING ADJOURNED

It was moved by Councilman Catterlin, seconded by Councilmen Reed to adjourn the meeting at 7:24 PM. The next meeting will be on December 12, 2012 at 7:00 PM. Motion Carried 4-0.

Mayor Gary Dent:

Clerk-Treasurer Wendy Collins:

MEMORANDUM

TO: MAYOR AND CITY COUNCIL, City of McCleary
FROM: DANIEL O. GLENN, City Attorney
DATE: December 6, 2012
RE: LEGAL ACTIVITIES as of DECEMBER 12, 2012

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.

As an introductory comment, I would note that this is a somewhat unusual date situation. The meeting is being held, if one uses a particular pattern of printing, on 12/12/12. That does not happen very often.

1. **PECI AGREEMENT:** This is an agreement implementing the program about which Mr. Bird will report more extensively. Basically, it provides money to allow stores such as Gordon's or the two convenience stores, as well as, theoretically, restaurants and other entities, to upgrade certain of their equipment.

I have had the opportunity to review the contract. As usual, it appears to be non-negotiable. Three aspects stuck out in my view:

A. The entity may terminate the agreement at any time without cause. The City must have cause to end the relationship earlier than late 2013. There are automatic renewals thereafter of two years duration unless notice is given. The without cause is something we will wish to take into consideration if we enter into any commitments in terms of providing funding to an entity. The reason is that the language reads as follows:

"PECI and BPA will not pay Utility for **post-termination activity after receipt of notice of termination** unless such Peci elects for Utility to finalize such projects pursuant to Section 6 (b) above."

That is an understandable desire on their part, but we will want to make certain any contract into which the City enters has the ability to cease activity immediately and to not be responsible for losses resulting from the termination.

B. In the event of a dispute, Oregon law is applicable and any litigation will be in Oregon.

C. The contract indicates it is to be signed by Mr. Bird. As usual, it is my advice that contracts be signed by the Mayor after authorization by the Council.

My impression is the risk/benefit of the agreement and project is a positive one. My goal is simply to make certain we are aware of these matters going in rather than discovering them if the proverbial rice hits the fan.

2. CRIMINAL LAW ORDINANCE: This really is just phase one of the changes. It arises out of an appellate ruling making it clear the City of Auburn could not enforce in its court a statute which had not been adopted by reference into its municipal code. I have discovered that the added items are not currently present within our code. I would note that you may want to hold this over to your next meeting since I am now reviewing the direct impact upon our code of the passage of I 552 legalizing the possession of up to one ounce of marijuana. I believe we should be all right since the state law which has been adopted by reference will have been changed by this enactment. However, one must be cautious in these areas.

3. ZONING ADMINISTRATIVE PROCESSING ORDINANCE: Pursuant to discussions at the last couple of meetings, I have developed for review by the six of you an ordinance with one fundamental goal. That goal is to allow the use of the City's Hearing Examiner to hear requests for rezones, changes in the comprehensive plan, and other zoning matters while retaining the ability on the part of Council and Mayor to reinstitute the Planning Commission. As you will note, I have characterized the hearing examiner in these situations as the "planning agency" so as to be consistent with certain language in RCW 35A.63, the chapter of state law providing the City the authority to carry forth planning and zoning activities.

I have sought to keep the changes as simple as possible and to keep the operational guidelines for consideration as they are currently. The difference is the provision of the alternative approaches with the initial assignment decision to be made by the Mayor and Council.

4. COUNTY COMMISSIONER'S "LEVY SHIFT" ACTION: Based upon a newspaper report, it appears the Commissioners are going to seek to enhance their budget by the same mechanism they did last year. That is shifting money for a road fund to the general fund which means that the moneys paid by the City's citizens will now go not to the maintenance of the roads, but rather to fund the County's general operations.

Mayor Dent, in company with the other Mayors of the County's cities, has expressed opposition to that approach in a letter to the Commissioners delivered by Mayor Raines of Cosmopolis. By the time of this meeting, it is likely the Commissioners will have made their decision. If done, it will not have a direct effect upon the City's budget, but will effectively increase the tax load on the City's citizens.

5. WSAMA CONFERENCE: The Fall conference of the Washington State Municipal Attorneys Association was very beneficial. There was some very useful information in terms of avoiding pitfalls in relation to delinquent utility accounts. That information has been provided to Ms. Collins for her review. It will possibly lead to some updating of resolutions. There was a presentation in relation to employee discipline which provided a great written guideline to aid Management in avoiding problems in the areas such as pre-discipline interviews and the like. (I have provided a copy of this material to Ms. Collins for use whenever it unfortunately becomes necessary.) Of course, there was the extended commentary upon the marijuana matter and a number of other topics.

As a personal side point, the Association's members have made the tactical error of choosing me to serve as its first vice-president. Apparently, that means that come the Spring, unless they discover the error they have and would be making, I will have the opportunity to serve as the president of the Association. It will be the first time in quite a while that an attorney for small cities will have the opportunity to so serve.

The Association is one which provides a great deal of benefit to all who attend and participate in its activities.

6. WATER BILLING RESOLUTION: Ms. Collins, Mr. Bird, and I have had a discussion about the current billing resolution (#623). As you are aware, it has provided for automatic rate increases each year and has one scheduled for 2013. That was done upon the basis of study carried out by G & O indicating the rates had been too low and that a catch up was necessary. After 2013, the rates will be adjusted by a CPI protocol. However, we have a more immediate issue upon we wish to have Council clarification.

As it stands, the resolution provides that the base rate is adjusted by a percentage figure with it being rounded to the nearest dime. The coverage rate has been rounded to the nearest penny. There is language intended to be used once the CPI protocol goes into effect that might be read to mean this usage level is to be rounded to the nearest dime as well. However, the interpretation implemented is as noted. Unless told otherwise, that is the protocol which will continue to be implemented until the next updating of the rates and resolution.

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

DG/le

STAFF REPORT

To: Mayor Dent
From: Nick Bird, Director of Public Works
Date: December 6, 2012
Re: Current Non-Agenda Activity

Well 2 & 3 Project

Progress Estimate No. 3 is included as an action item for this meeting. As usual, a part of that package includes a list of major work completed. We have also included a summary of the change order proposals to date for your review. As was indicated last meeting, the cleaning of the well screen has been done. Following the staff report are before and after images of the well casing at various depths; prepared by G&O.

Treatment Plant Manager

We have received concurrence from the Teamsters Bargaining Unit without the need of initiating an MOU. As such, we have advertised for the position on the AWC, Evergreen Rural Water, and APWA websites. To date, we have not received any applicants.

Fire Department / Public Facility's Roof

Todd has contacted Ron Pittman to get a second quote on the roof replacement. Additionally, the roofing contractor that will be installing the roof on the Well 2 building will be stopping by on Friday and will provide a quote the following week. We are hoping that the construction cost will dramatically decrease from the initial estimate of \$62,500. If the additional quotes come in near that amount, we will be forced to consider an inferior product (non-metal on the low pitch roof). As usual, we will provide more information when it is received.

4kV Substation

Dissolved Gas Analysis (DGA) samples were taken this week. We hope to have results back next week. Elcon, our electrical engineers, will be providing a memo to summarize the results.

12kV Substation

DGA samples were also taken at the 12 kV substation. As with the 4 kV substation, Elcon will provide a summary memo after the test results are received.

Snow Policies

Again, no progress has been made on initiating snow policies yet. This is still an item on the to-do list. I have coordinated with the Post Office and we have established a protocol if the situation arises prior to formalizing the snow policies.

Ecology Grant/Loan Program

No information has been received. The website still indicates that the list of applications is to be provided shortly after the closing date of November 2. The anticipated funding offer list will be prepared in early 2013.

2nd Street Intersection

As previously noted, since a complaint has been filed, we will continue to search for funding opportunities to correct the existing deficiencies at 2nd Street and Hemlock Street.

Electric Vehicle Charging Stations

Ecotality's contractor (Reliable Electric out of Olympia) visited the site and has provided a construction estimate to Ecotality. The sales team at Ecotality will then polish the quote, apply the credits, and provide a proposal package for your review in the near future. We are hoping that this can be provided for consideration at the December 12 Council Meeting.

Beginning of Second Screened Interval: Approximately 7 Feet BGS

Before



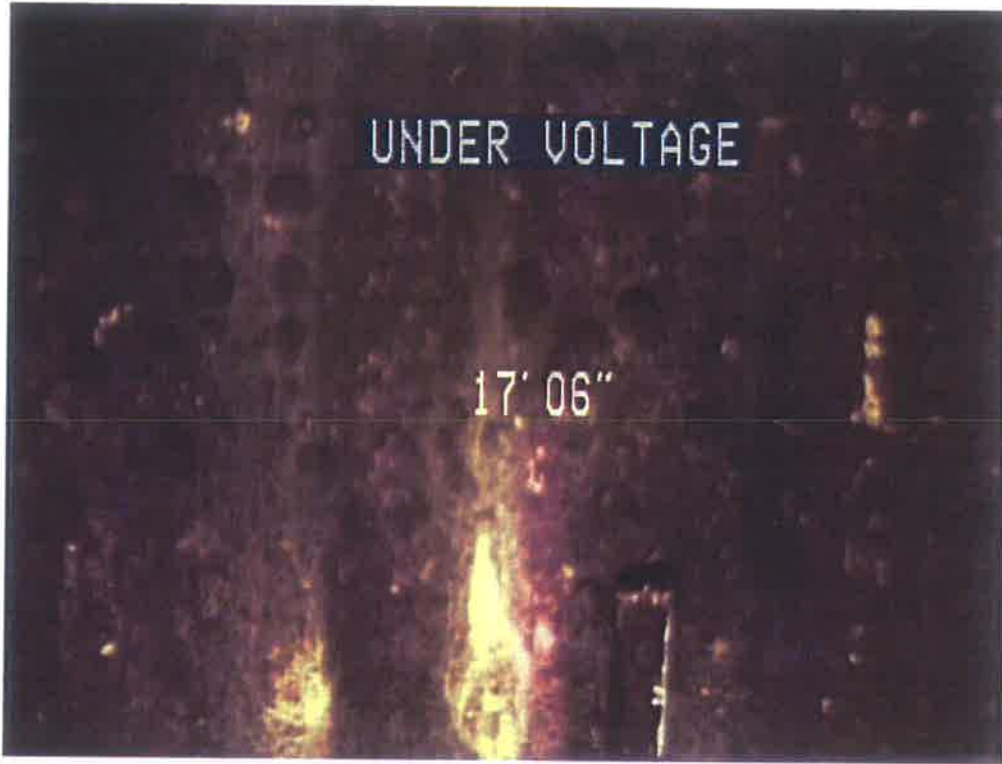
After



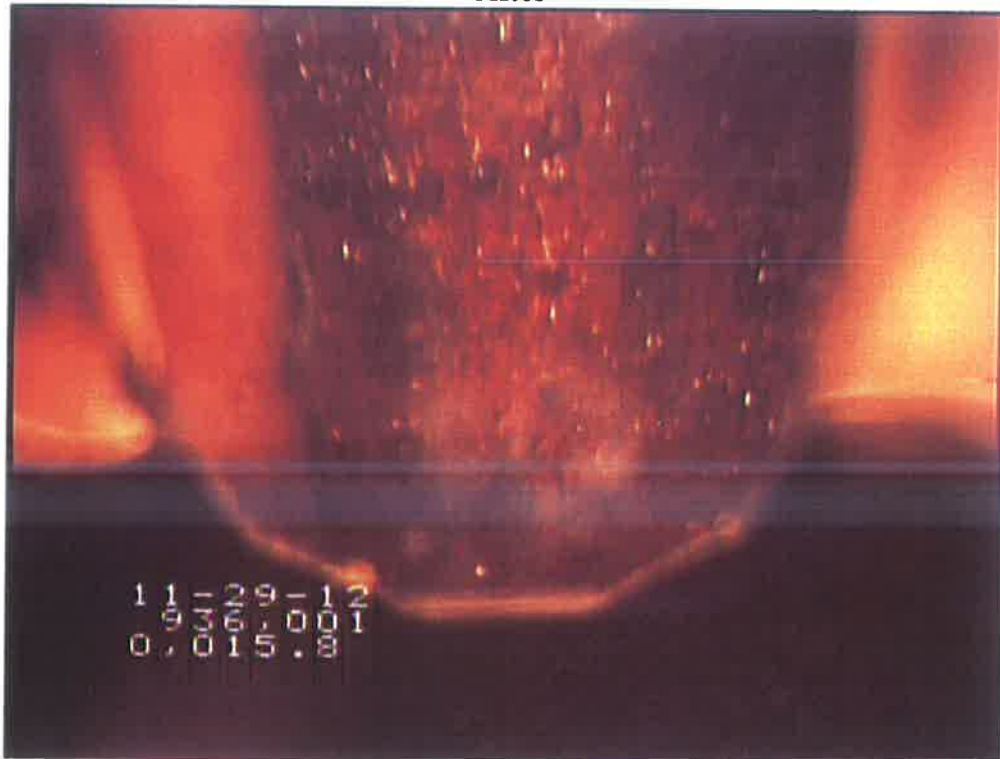
Well No. 2 Rehabilitation – Before and After Pictures

Well Casing: Approximately 17 feet BGS

Before



After



Lead Packer: Approximately 65 Feet BGS

Before



After



Beginning of First Screened Interval: Approximately 65 Feet BGS

Before



After



End of First Screened Interval: Approximately 73 Feet BGS

Before



After



Portion of Second Screened Interval: Approximately 83 Feet BGS

Before



After

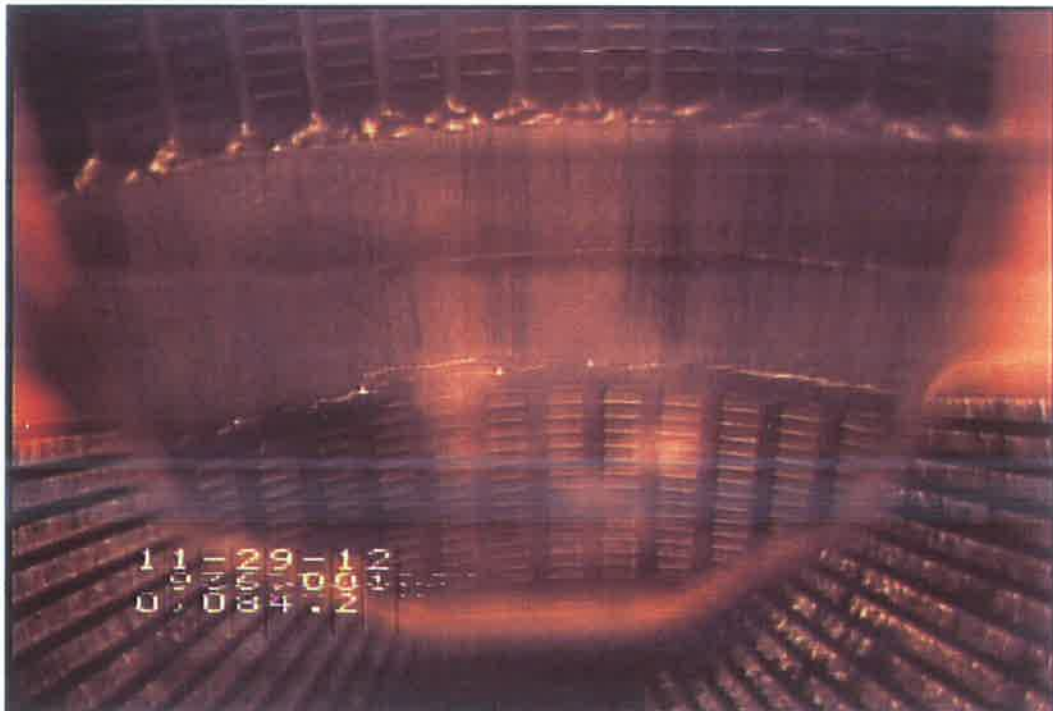


Reduction in Screen Inlet Size: Approximately 87 Feet BGS

Before



After

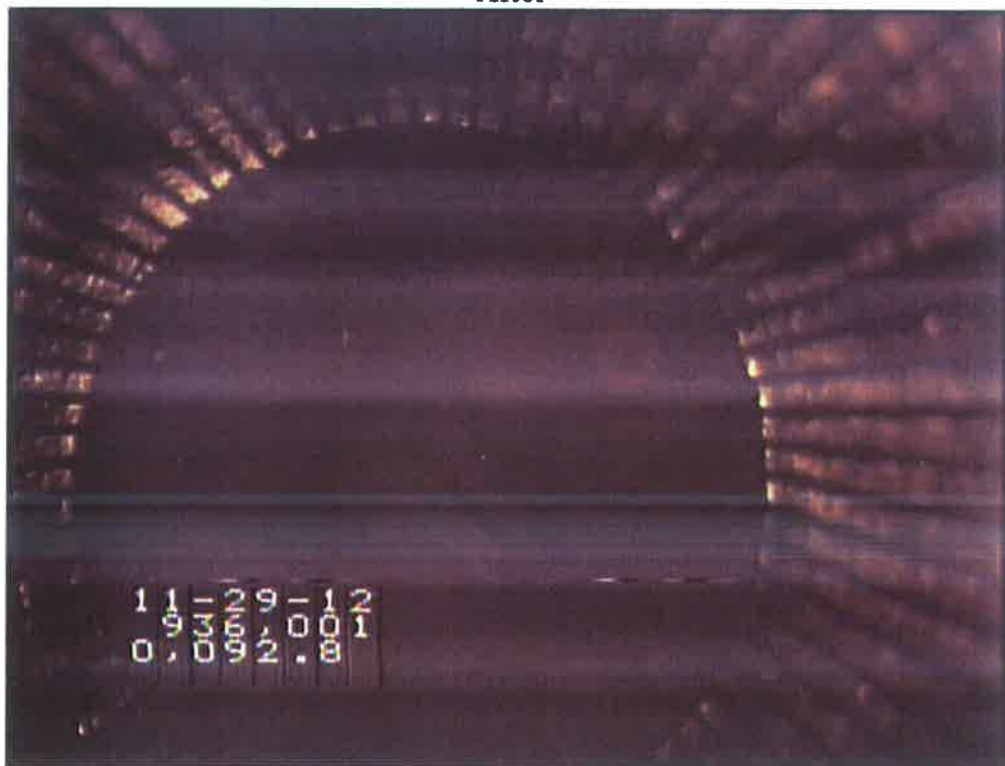


Bottom of Well: Approximately 95 Feet BGS

Before



After



STAFF REPORT

To: Mayor Dent
From: Paul Nott, Light & Power
Date: December 6, 2012
Re: November Report



	Monthly Statistics;	YTD Totals;
New Services;	0	13
System Outages;	1	24
Pole Replacements;	2	13
Maintenance Work Orders;	2	42
Billable Work Orders;	0	16

The month of November consisted of; one outage, a couple of maintenance work orders, Christmas decorations and some pole replacements due to the storm.

We experienced a mini storm that blew through earlier this month. Even though the winds were not that significant, with the amount of rain we have had this month the ground saturation allowed for a tree to fall into our lines by the overpass that resulted in breaking the top out of one pole and also cracking another two spans away. We replaced the broken pole during the outage and are now changing out the cracked pole today.

November as always is Christmas decoration month for the crew. With the addition of the trees and locomotive decorations in the park, the amount of time also increases to complete these tasks. This year the crew had approximately 208 man hours involved in preparation, repair and installation of the decorations. Even though the weather didn't cooperate with the tree lighting event, hopefully, everyone enjoyed the decorations.

The rest of the month will consist of closing out 2012 work orders and preparing for a fresh-start to the New Year.

The power crew would like to wish everyone a happy, safe holiday, and a happy new year.

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

STAFF REPORT

To: Mayor Dent

From: Colin Mercer 

Date: December 4, 2012

Re: November Building Department

Activities

- Submit copies of permits issued to Grays Harbor County Assessor's Office.
- McCleary School playshed on hold pending metal building design approval.
- The Beehive Harmony House plan changes reviewed and approved for foundation changes. Civil drawings being reviewed by staff and Gray & Osborne.
- Lexar Homes, 539 E. Bear St in the finishing stage.
- High Definition Homes 1562 N. 5th St. is currently in the rough in stage.
- 221 W. Pine St. Final Inspection, approved.
- Energy Wise Construction final inspection performed, corrections given.
- Implemented the new Residential Construction Application Package, which will include all the forms and applications that could be required for a residential project.
- Simpson LPG Tank permit started, slab and underground inspections passed.

Nuisance Issues in Progress

Garbage nuisance letters sent out to 511 S. 3rd St. & 349 S. 1st St.

Issues Resolved

Building Department Activity

ACTIVITY	MONTHLY TOTALS	YEAR TO DATE TOTALS	ACTIVITY EXPLANATION
Customer Service	34	720	Answer building department related questions in person or by phone, meeting with potential applicants.
Building Permits Issued	2	32	Remodels, new construction & additions, both residential and commercial.
Plan Reviews Performed	1	39	Reviewing plans for building code and municipal code compliance.
Inspections Performed	10	251	Field inspections, writing of corrections or approving work.
Finals or Certificates of Occupancies	1	13	Performing of the final inspection & issuing of certificate of occupancy allowing use of the structure.
Complaints Received	2	16	Investigate and address citizen or staff reported issues, obtain resolution or acceptable compromise.
Nuisance Letters Sent	6	45	Formal notice from the City informing citizens of violations and providing expectation of the City for compliance.
Lemay's Garbage Letters Sent	6	148	Formal notice from City after notification from Lemay that service has been stopped.
Building Department Revenue	\$408.80	\$55126.71	Funds generated by the Building Department from permits, inspections, reviews etc.

Conservation Program

Month	Applications Received	Conservation Permits Issued	Rebates Paid This Month	Total Rebates Paid To Date
October	2	3	\$765.70	\$2930.70
November	1	1	\$3000.00	\$5930.70

Lemay's Garbage Compliance

Number of letters sent to Tenants	Number of letters sent to Owners	Second notices sent to Tenants	Second notices sent to Owners
3	3	0	0
Active Accounts	Pending	Stopped Service	Un-Occupied
84	0	11	15

STAFF REPORT

To: Mayor Dent

From: Colin Mercer Webmaster 

Date: December 4, 2012

Re: November Website & Help Desk

Re-Occurring Website Activities

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

New Website Activity

- Created a new tab on the menu bar for the Xpress Bill Pay service, also uploaded the announcement flyer to the Utilities Page.
- Changed Municipal Code of the Month to: 17.32.050 Storage of vehicles and other materials.
- Implemented the new formatted Municipal Code.
- Posted a new Conservation opportunity, Heat Pump Water Heaters, and created the new application.
- Posted Deputy City Clerk Job Opening and removed it later in the month.
- Added Resolution 651 to the garbage utility page with the rate increase notice.
- Uploaded the Proposed 2013 Budget to the website under the budget tab.

Additional Tasks

- Coordinate the scheduling of the EV project estimate phase with the Ecotality contractor and staff.

Help Desk Activity

Month	Number of Incidents Reported	Staff Reported / Closed / Open	Citizen Reported / Closed / Open
August	15	12 / 3 / 26	3 / 3 / 10
September	9	7 / 1 / 32	2 / 1 / 11
October	5	3 / 0 / 35	2 / 0 / 13
November	3	3 / 2 / 36	0 / 2 / 11

Website Comments:

No Comments received this month

Website Traffic November 1, 2012 through November 30, 2012

Website Statistics are unavailable this month due to the inaccuracy of the number caused by the municipal code reformatting, the numbers were over inflated due to the opening of the pages for verification of the content.

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: December 5, 2012
Re: PWTF Amendment

The loan agreement between PWTF and the City for the Well 2/3 project was executed in 2011. The first payment was required in 2012. The loan agreement originally stated that the 20 year loan period ended June 1, 2032. As the first payment was made in 2012, after making 20 annual payments the loan period will actually end in 2031. The intent of this Amendment is to correct the oversight made in the original agreement.

Staff Recommendation:

As this is a correction of a typographical error and does not affect the fiscal nature of the agreement, staff recommends execution of the Amendment.

Action Requested:

Please consider authorizing execution of Amendment to Loan Agreement / Contract PC12-951-069 (the 2012 PWTF Loan Agreement).

November 19, 2012

Nick Bird
City Of McCleary
100 S. 3rd Street
McCleary, WA 98557

RE: Amendment to Loan Agreement/Contract PC12-951-069

Dear Mr. Bird:

Attached is an amendment that the Public Works Board requests you to sign. The amendment was needed due to a processing error where the loan term year as stated in one section of the contract does not correspond with the date stated in another section. To avoid confusion later, we've elected to formally alter the completion date on the contract Face Sheet, and in Section 1.14 and Section 1.17. This amendment does not affect the number of years you have to repay the loan or your payment amounts.

Many thanks for your assistance.

Sincerely,

Jeff Hinckle
PWB Staff
(360) 725-3060
Jeff.hinckle@commerce.wa.gov

Enclosures

AMENDMENT DECLARATIONS

CLIENT INFORMATION

<i>Legal Name</i>	City of McCleary
<i>Loan Number</i>	PC12-951-069

PROJECT INFORMATION

<i>Title</i>	Well 2 and 3 Improvements
<i>Project City</i>	McCleary
<i>Project State</i>	Washington
<i>Project Zip</i>	98557

LOAN TERMS and CONDITIONS

<i>Loan Amount</i>	1,548,000.00
<i>Loan Term</i>	20
<i>Interest Rate</i>	2.00
<i>Loan Reimbursement Date</i>	
<i>Payment Month</i>	June 1
<i>Time of Performance</i>	60 months from Contract Execution to Project Completion date.

AMENDMENT DECLARATIONS (continued)

SCOPE OF WORK

Loan Number	PC12-951-069
Title	Well 2 and 3 Improvements
Scope of Work	<p>This project will construct an iron and manganese water treatment facility, replace pumps and well-house of the water system.</p> <p>The project includes, but is not limited to engineering, environment, archaeological and cultural work, permits, public involvement, bid documents, contingency, and construction. The project will allow the City to meet local, state, and federal requirements.</p>

AMENDMENT FACE SHEET

Loan Number: PC12-951-069
Amendment Number: A
Washington State Department of Commerce
PUBLIC WORKS BOARD
Construction Loan Contract

1. Contractor City of McCleary 100 South 3rd Street Public Works Dir. McCleary, WA 98557		2. Contractor Doing Business As (optional) N/A	
3. Contractor Representative (only if updated) N/A		4. Public Works Board Representative (only if updated) N/A	
5. Original Contract Amount \$1,548,000.00	6. Amendment Amount N/A	7. New Contract Amount N/A	
8. Amendment Funding Source Federal: <input type="checkbox"/> State: <input checked="" type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>		9. Amendment Start Date Amendment Execution Date	10. Contract End Date June 1, 2031
11. Federal Funds (as applicable): N/A	Federal Agency: N/A	CFDA Number: N/A	
12. Amendment Purpose: The purpose of this amendment is to correct a processing error that caused the contract completion dates to be incorrectly displayed in the contract document.			
The Board, defined as the Washington State Public Works Board, and Borrower/Contractor acknowledge and accept the terms of this Agreement/Contract As Amended and attachments and have executed this Contract on the date below to start as of this date of execution. The rights and obligations of both parties to this Agreement/Contract As Amended are governed by this Agreement/Contract Amendment and the following other documents incorporated by reference: Declarations Page, Amendment Terms and Conditions including all attachments. A copy of this Agreement/Contract Amendment shall be attached to and made a part of the original Agreement/Contract between the Board and the Borrower/Contractor. Any reference in the original Contract to "Agreement" or "Contract" shall mean the "Agreement As Amended" or "Contract As Amended," respectively.			
FOR THE BORROWER/CONTRACTOR _____ Signature _____ Print Name _____ Title _____ Date		FOR PUBLIC WORKS BOARD _____ John LaRocque, Executive Director _____ Date APPROVED AS TO FORM ONLY _____ This 18 th Day of December, 2008 _____ Rob McKenna Attorney General _____ Signature on File _____ Kathryn Wyatt Assistant Attorney General	

AMENDMENT TERMS AND CONDITIONS

Washington State Department of Commerce
PUBLIC WORKS BOARD
Construction Loan Contract

Contractor/Borrower: City of McCleary
Contract Number: PC12-951-069
Amendment Number: A

The Public Works Board (or its successors), a department of the State of Washington, (hereafter referred to as the "Board") and the Contractor, listed on the Face Sheet, agree to amend the declared loan by modifying the contract completion dates in the following sections to reflect the term and completion date as set for below.

Contract Face Sheet:

(Item 8: Contract End Date)

Contract End Date: June 1, 2031,

Part 1 Special Terms and Conditions:

1.14. Rate and Term of Loan

(2nd sentence modified to read as follows):

The term of the loan shall not exceed 20 years, with the final payment due June 1, 2031.

1.17. Repayment

(2nd paragraph, 3rd sentence is modified to read as follows):

The final payment shall be on or before June 1, 2031, of an amount sufficient to bring the loan balance to zero.

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: December 5, 2012
Re: Well 2/3 Progress Estimate No. 3

Attached you will find a copy of Progress Estimate No. 3 for the Wellfield Improvements Project. Included with this Progress Estimate is a summary of work performed during the time period from November 1 through November 30.

Action Requested:

Please authorize payment of Progress Estimate No. 3 to Award Construction in the amount of \$220,704.20 and deposit \$10,672.35 into the retainage account.



Gray & Osborne, Inc.

CONSULTING ENGINEERS

December 5, 2012

Mr. Nick Bird, P.E.
City of McCleary
100 South Third Street
McCleary, Washington 98557

SUBJECT: PROGRESS ESTIMATE NO. 3, WELL FIELD IMPROVEMENTS
PROJECT
CITY OF MCCLEARY, GRAYS HARBOR COUNTY, WASHINGTON
G&O #11551.01

Dear Mr. Bird:

We have enclosed two copies of Progress Estimate No. 3 for this project. Also enclosed is a summary of the work performed to date. The total amount now due the contractor and the amount to be deposited in the retainage account are as follows:

<u>Amount Now Due</u>	<u>Amount to be Deposited in Retainage Account</u>	<u>Total Retainage Amount</u>
\$220,704.20	\$10,672.35	\$32,970.59

Please call the undersigned if you have any questions or concerns regarding this matter.

Very truly yours,

GRAY & OSBORNE, INC.

Joseph Plabuta

JP/sp
Encl.

cc: Mr. Todd Vasey, Award Construction, Inc.

**PROGRESS ESTIMATE NO. 3
DECEMBER 4, 2012**

CITY OF MCCLEARY
GRAYS HARBOR COUNTY
WASHINGTON

PROGRESS ESTIMATE PERIOD
NOVEMBER 1, 2012 TO NOVEMBER 30, 2012

PROJECT:
CITY OF MCCLEARY
WELLFIELD IMPROVEMENTS
G&O JOB NUMBER #11551.01

CONTRACTOR:
AWARD CONSTRUCTION, INC.
980 WILLEYS LAKE ROAD
FERNDAL, WA 98248

NO.	DESCRIPTION	BID ITEMS		QUANTITIES		PROJECT COSTS		PERCENT OF CONTRACT QUANTITY	
		QUANTITY	UNIT	UNIT PRICE	TOTAL TO DATE	TOTAL THIS PERIOD	AMOUNT TO DATE		AMOUNT THIS PERIOD
1	Mobilization, Cleanup and Demobilization	1	LS	\$60,000.00	75.00%	25.00%	\$45,000.00	\$15,000.00	75%
2	Minor Changes	1	CALC	\$5,000.00	21.00%	21.00%	\$1,050.00	\$1,050.00	21%
3	Demolition	1	LS	\$13,500.00	80.00%	0.00%	\$10,800.00	\$0.00	80%
4	Locate Existing Utilities	8	EA	\$300.00	9	0	\$2,700.00	\$0.00	113%
5	Trench Excavation Safety System	1	LS	\$80.00	100.00%	0.00%	\$80.00	\$0.00	100%
6	Excavation, Backfill, Compaction and Grading	1	LS	\$11,600.00	95.00%	5.00%	\$11,020.00	\$580.00	95%
7	Special Excavation of Unsuitable Material	25	CY	\$65.00	0	0	\$0.00	\$0.00	0%
8	Erosion Control	1	LS	\$15,000.00	90.00%	0.00%	\$13,500.00	\$0.00	90%
9	Railroad Borings	1	LS	\$20,000.00	100.00%	20.00%	\$20,000.00	\$4,000.00	100%
10	Foundation Gravel	75	CY	\$60.00	35	0	\$2,100.00	\$0.00	47%
11	Gravel Borrow	225	TN*	\$22.50	223	65	\$5,017.50	\$1,462.50	99%
12	Crushed Surfacing Top Course	250	TN	\$34.00	0	0	\$0.00	\$0.00	0%
13	Quarry Spalls	5	CY	\$120.00	1	0	\$120.00	\$0.00	20%
14	Commercial HMA	25	TN	\$135.00	25	0	\$3,375.00	\$0.00	100%
15	Topsail	150	CY	\$38.00	45	0	\$1,710.00	\$0.00	30%
16	Hydroseeding	800	SY	\$1.10	667	0	\$733.70	\$0.00	83%
17	Operations Building	1	LS	\$180,000.00	65.00%	47.00%	\$117,000.00	\$84,600.00	65%
18	Existing Well No. 3 Building Modifications	1	LS	\$56,000.00	0.00%	0.00%	\$0.00	\$0.00	0%
19	Replace Well No. 2 Pump	1	LS	\$70,000.00	90.00%	90.00%	\$63,000.00	\$63,000.00	90%
20	Replace Well No. 3 Pump	1	LS	\$66,000.00	0.00%	0.00%	\$0.00	\$0.00	0%
21	Pyrolusite Treatment System	1	LS	\$110,000.00	75.00%	11.00%	\$82,500.00	\$12,100.00	75%
22	Sodium Hypochlorite Feed System	1	LS	\$31,000.00	70.00%	7.70%	\$21,700.00	\$2,387.00	70%
23	Potassium Permanganate Feed	1	LS	\$20,000.00	64.40%	0.00%	\$12,880.00	\$0.00	64%
24	Piping, Valves and Appurtenances	1	LS	\$211,000.00	80.00%	10.00%	\$168,800.00	\$21,100.00	80%
25	Electrical, Telemetry and Instrumentation	1	LS	\$276,000.00	20.00%	0.00%	\$55,200.00	\$0.00	20%
*Per Change Order No. 1, the contract quantity of gravel borrow has changed from 450 tons to 225 tons.									
CHANGE ORDERS:									
CO1	Install Additional Pipe	1	LS	\$4,413.42	100.00%	0.00%	\$4,413.42	\$0.00	100%
	Materials Testing and Segregation	1	LS	\$1,821.70	100.00%	0.00%	\$1,821.70	\$0.00	100%
	Generator Conduits	1	LS	\$2,328.29	100.00%	0.00%	\$2,328.29	\$0.00	100%
	Relocate Discharge Line	1	LS	(\$706.38)	100.00%	0.00%	(\$706.38)	\$0.00	100%
	Well No. 2 Rehabilitation								
	Change Well Casing Extension from 12" to 20"	1	LS	\$1,210.00	100.00%	0.00%	\$1,210.00	\$0.00	100%
	Sonar Jetting the Well Screen	1	LS	\$3,891.15	100.00%	0.00%	\$3,891.15	\$0.00	100%
	Well Cleanup	16	HR	\$302.50	27	27	\$8,167.50	\$8,167.50	169%
CO2							\$0.00	\$0.00	
CO3							\$0.00	\$0.00	
CO4							\$0.00	\$0.00	

PROGRESS ESTIMATE NO. 3
DECEMBER 4, 2012

CITY OF MCCLEARY
GRAYS HARBOR COUNTY
WASHINGTON

PROGRESS ESTIMATE PERIOD
NOVEMBER 1, 2012 TO NOVEMBER 30, 2012

PROJECT:
CITY OF MCCLEARY
WELLFIELD IMPROVEMENTS
G&O JOB NUMBER #11551.01

CONTRACTOR:
AWARD CONSTRUCTION, INC.
980 WILLEYS LAKE ROAD
FERNDALE, WA 98248

	PROJECT COSTS	
	AMOUNT TO DATE	AMOUNT THIS PERIOD
TOTAL EARNED TO DATE	\$659,411.88	\$213,447.00
SALES TAX	8.40%	\$17,929.55
MATERIALS ON HAND (INCLUDING SALES TAX)	\$55,390.60	\$0.00
TOTAL WITH SALES TAX (Incl. Materials on Hand)	\$714,802.48	\$231,376.55
LESS 5% RETAINED (BEFORE TAX)	\$32,970.59	\$10,672.35
TOTAL EARNED TO DATE LESS RETAINAGE	\$681,831.88	
ORIGINAL CONTRACT AMOUNT	\$1,182,885.00	
CONTRACT AMOUNT WITH CHANGE ORDERS	\$1,195,620.68	
CONTRACT PERCENTAGE TO DATE	55%	
PROGRESS ESTIMATE NO. 1	\$157,255.89	
PROGRESS ESTIMATE NO. 2	\$303,871.80	

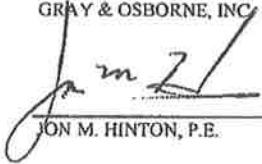
TOTAL PAYMENT NOW DUE: \$220,704.20 \$220,704.20

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

I HEREBY CERTIFY THAT THE PREVAILING WAGES HAVE BEEN PAID IN ACCORDANCE WITH RCW 39.12.

GRAY & OSBORNE, INC.

AWARD CONSTRUCTION, INC.



JON M. HINTON, P.E.



CONTRACTOR'S REPRESENTATIVE

SUMMARY AND DISTRIBUTION OF PAYMENTS

PAY EST NO.	PROGRESS ESTIMATE PERIOD DATES	TOTAL EARNED PER PERIOD	SALES TAX RATE	SALES TAX AMOUNT	MATERIALS ON HAND	RETAINAGE (5%)	TOTAL PAYMENT
1.	SEPTEMBER 4, 2012 TO SEPTEMBER 28, 2012	\$152,085.00	8.40%	\$12,775.14	\$0.00	\$7,604.25	\$157,255.89
2.	SEPTEMBER 29, 2012 TO OCTOBER 31, 2012	\$293,879.88	8.40%	\$24,685.91	\$0.00	\$14,693.99	\$303,871.80
3.	NOVEMBER 1, 2012 TO NOVEMBER 30, 2012	\$213,447.00	8.40%	\$17,929.55	\$0.00	\$10,672.35	\$220,704.19
TOTAL:		\$659,411.88		\$55,390.60	\$0.00	\$32,970.59	\$681,831.88

Summary of Work Performed

Progress Estimate No. 1 (September 4, 2012 through September 28, 2012):

- The settling basin was excavated. Both the bottom of the settling basin and the access ramp were paved.
- The pump station manhole was installed and both drain lines running from the settling basin to the manhole were installed.
- Two 18-foot sections of drain line extending up from the pump station manhole (to the floor drains and catch basins at the operations building) were installed.
- The 2-inch force main extending from the pump station manhole to the existing sanitary sewer manhole on Summit Road was installed.
- The existing Well No. 2 building and slab were demolished.
- The existing well pump and motor were removed from Well No. 2 and the well casing was inspected by video camera.
- The 8-inch and 16-inch bore casings were installed under the railroad.
- The 8-inch raw water line was installed from the operations building to the Well No. 3 building (no tie in has been made).
- 2-inch electrical conduit was installed from the 16-inch railroad bore to the Well No. 3 building (including the portion through the bore casing).
- The bypass piping was installed and bedded to a point such that a tie-in to the existing system could be made at either end.

Progress Estimate No. 2 (September 29, 2012 through October 31, 2012)

- The tie in of the bypass piping to the City's distribution system has been completed.
- The catch basins located adjacent to the operations building have been installed.
- The drain line extending from the catch basins adjacent to the operations building to the pump station manhole was finished.
- All pipeline trenches have been backfilled.
- Fittings (to allow sand to be blown in) were welded onto the ends of the bore casings and sand was blown into each of the bore casings.
- The 2-inch electrical conduit was extended from the 16-inch bore casing to the operations building.
- The raw water line was disinfected and pressure tested.
- The under slab drain lines were pressure tested.
- The City installed the transformer vault.
- The space between the 16-inch bore casing and the surrounding earth has been grouted and the bore pit excavations completely backfilled.
- The footing and stem wall have been poured.
- Foundation gravel has been placed for the slab subgrade and building apron subgrades.
- The area around the operations building has been graded out with gravel borrow.
- All floor drain piping has been installed and the floor drains have been set.

- All under-slab chemical, water, and vent piping has been installed.
- All conduits have been stubbed up to the MCC/control panel.
- The ground ring has been installed around the operations building foundation.
- The ATEC filter unit has been delivered.
- The chemical metering pumps and chemical tanks have been delivered.
- The well has been cleaned by sonic jetting.

Progress Estimate No. 3 (November 1, 2012 through November 30, 2012)

- Foam insulation and vapor barrier have been placed above the slab subgrade.
- The floor drains have been set.
- The slab has been poured and finished.
- Equipment pads have been poured for the SHC and ATEC tanks.
- The CMU wall has been erected and the top plate installed.
- The interior chemical room wall has been framed.
- The SHC tank has been set inside the operations building
- The ATEC tanks have been set inside the operations building.
- Well No. 2 has been brushed and surged.
- The Well No. 2 pump and motor has been installed.
- A video was taken to document the effectiveness of the Well No. 2 cleaning.

Progress since November 30

- The roof trusses have been delivered and erected.
- Cross bracing for the trusses has been installed.

STAFF REPORT

To: Mayor Dent
 From: Nick Bird, P.E., Director of Public Works
 Date: December 6, 2012
 Re: Well Change Order Proposals

Attached you will find a summary of the change order proposals associated with the Well 2/3 project. Proposals #1 - #7 and #14 have been addressed as either approved via Change Order or denied. We wanted to make you aware of a few other items that are in the works.

Proposals #8 - #12 are the additive items that the City did not award to the contract. We previously asked the Contractor if they would be willing to hold their bid prices as we would like to consider a couple of the additive items in 2013. The specific items that we would like you to consider is Decommissioning Existing Well No. 1 (required by the Department of Ecology) and Chip Sealing after the work is complete. The table below shows the original bid amount, proposed additions, and total cost.

Additive Item	Original Bid Amount	Proposed Increase / Decrease	Total Amount
Decommission Existing Well No. 1	\$9,875	\$0	\$9,875
Chip Seal	\$6,600	\$0*	\$6,600*

* - Cost increase has not been finalized, however after reviewing other bidder's amounts it is possible the Contractor will hold the bid amount.

Proposals #15 - #17 are still being negotiated. We anticipate revisions to #16 and #17. Once revisions are received we will formalize this information in Change Order No. 2.

We also have directed Award (the Contractor) to begin preparing the Change Order documentation for cleaning Well No. 3 so we can avoid rushing the approval.

The item that follows the change order proposal summary has yet to be added to the summary. The item includes installation of a manual transfer switch to allow a generator to be hooked up in the event no power is provided to the site. The estimated amount is \$9,135.32. This item is for consideration at this meeting.

Staff Recommendation:

At this time, we would like to recommend that the City consider including Additive Item's No. 1 and 2 (decommissioning the well and chip seal) into the next change order document. Incorporating the decommissioning of the well into the contract will provide some economy of scale on the cleaning change order for Well No. 3. Repairing the existing chip seal road and providing an additional lift would provide a clean finished product.

Regarding the manual transfer switch, since our situation is substantially different from most other water utilities, staff does not believe that spending over \$9,000 on a manual transfer switch is warranted.

Action Requested:

Please consider directing staff to include Additive Item's #1 and #2 into the next change order document. Additionally, please consider approval or denial to incorporate the manual transfer switch into the next change order document.

12-02 McCleary Well Field Improvements
Change Order Summary

COP Number	ACI Cost Code	Description	Date Submitted	Date Accepted	Proposed Cost	Owner Accepted Costs	Accepted By Owner	Comments
COP-1	999-001	Owner Broke Water Main. ACI assisted in repair	9/17/2012		\$319.64	\$0.00	N	Denied by staff
COP-2	999-002	Additional Pipe on 8" FW -- Bypass. Pipe was not where shown on drawings, additional +/- 35', fittings and elevation modifications	9/17/2012		\$4,413.42	\$4,413.42	CO#1	
COP-3	999-003	Use Native material for Trench Backfill	9/17/2012		\$1,821.70	\$3,240.80	CO#1	Estimated project savings -- Bid quantity is for 450 Tons at \$22.5 per ton. If we reduce by 1/2 \$5,062.5 savings to Owner
COP-4	999-004	Well Casing size is 20" versus the 16" shown on the plans			\$1,210.00	\$1,210.00	CO#1	
COP-4a	999-004	Sonar Jetting Well Screen			\$3,891.15	\$3,891.15	CO#1	
COP-5	999-005	Add Conduits for Future Generator			\$2,328.78	\$2,328.78	CO#1	
COP-6	999-006	Value Engineering for Moving FM	9/18/2012		-\$706.38	-\$706.38	CO#1	
COP-7	999-007	Well Casing No 2 Cleaning as per Memo No 3	9/26/2012		\$4,840.00	\$4,840.00	CO#1	Original Proposed cost is based on 16 hours of time. Actual time spent was 27 hours.
COP-8	999-008	Cost in addition to bid price for Alt 1 -- Well 3 demo			\$0.00	\$0.00	N	
COP-9	999-009	Cost in addition to bid price for Alt 2 -- Chip Seal			\$0.00	\$0.00	N	ACI has not determined if a cost increase is necessary.
COP-10	999-010	Cost in addition to bid price for Alt 3 -- Fencing			\$1,688.50	\$0.00	N	
COP-11	999-011	Cost in addition to bid price for Alt 4 -- Emergency Generator			\$3,776.85	\$0.00	N	
COP-12	999-012	Cost in addition to bid price for Alt 5 -- Pryolusite Treatment System			\$1,380.00	\$0.00	N	

COP 13	999-013	Extra 45, 22 1/2 and 6 megalug kits 9/25/12					N	Payment will only be made for 1 extra 45 and 2 megalug kits. The other components are included in COP 2.
COP 14	999-014	Price proposal for additional door as per Joe's email on 10/23 at 10:55AM			\$3,871.14	\$0.00	N	Denied by Council on October 24
COP 15	999-015	Cost for raising building finish floor by .5'	10/29/2012		\$700.65		N	Includes extra CB risers, cement, and labor.
COP 16	999-016	Additional Cost for Mag Flow Meter	11/13/2012		\$3,795.00		N	Proposal included contractor and subcontractor markups. Todd has agreed to remove the contractor markup. The price appears to be for a 6-inch meter; Todd will confirm that the price is for a 4-inch meter and revise accordingly.
COP 17	999-017	Additional Cost changing from 6" to 4" on discharge	11/13/2012		\$594.68		N	ACI proposal included victualic connections for 4-inch and flanged connections for 6-inch. Proposal returned to ACI for revision.
	95-001							

\$33,925.13 \$19,217.77 0.0

*This cost must be added to original bid price for additive items

** ACI will request additional contract time and potentially extended overhead and remobilization if procurement and installation require a contract extension past
 *** the finish date shown in the approved schedule

Nick Bird

From: Joe Plahuta [jplahuta@g-o.com]
nt: Wednesday, November 28, 2012 2:47 PM
: Nick Bird
Cc: 'Jon Hinton'
Subject: Proposal for MTS at Well No. 2 Building
Attachments: MTS Cost Proposal.pdf; MTS and Pigtail Figure.pdf

Hi Nick,

Attached is the cost proposal (less ACI markup) for installing an MTS at the Well No. 2 Building. The cost with allowable markup is \$9,135.32. I will confirm with Todd whether this proposal includes a credit for the junction box that the MTS will replace but I believe that it does. Also attached is a figure showing how installation of an MTS will alter the existing design. Please let me know if you have any questions.

Thanks,

Joseph Plahuta
Gray & Osborne, Inc.
Olympia Office
2102 Carriage Drive SW, Bldg. I
Olympia, WA 98502

Ph(360) 292-7481
Fx(360) 292-7517

Electronic File Transfer-

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PROPOSAL

Date: 11-21-12

To: Todd Vasey, Award construction

From: Ron Christensen

RE: Memorandum # 2 McCleary well field project

Please accept my **proposal** for the following electrical per plan sheet E4

- 1) Provide and install MTS per plan
- 2) Provide and install enclosed C/B per plan
- 3) Provide and install Gen Receptacle per plan
- 4) Provide and install Male generator cord end With 40ft cord per plan
- 5) Provide and install conduit, conduit fittings and wire for the MTS installation per plan

TOTAL COST \$8,304.84

Exclusions: Power Company fees or hookup cost, temp power

Fire Alarm, Phone, Data or Security wiring

Excavation, compaction or backfill , import or exporting material, survey or staking

Traffic control, Asphalt or concrete cutting or patching, Testing Fees

Sales Tax or Use Tax

Acceptance of Proposal: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified.

Date of Acceptance _____

Signature _____

Print Name [or Title] _____

H82444

SW NOT FUSIBLE DT 480V 200A 4P NEMA12



by Schneider Electric

List Price \$7,143.00 USD

Availability **Non-Stock Item:** This item is not normally stocked in our distribution facility.

Technical Characteristics

Ampere Rating	200A
Approvals	UL Listed
Electrical Interlock	None
Enclosure Rating	NEMA 12
Enclosure Type	Dust tight and Drip tight (Indoor)
Enclosure Material	Steel
Factory Installed Neutral	No
Action	Double Throw
Disconnect Type	Non-Fusible
Short Circuit Current Rating	100kA(max)
Mounting Type	Surface
Number of Poles	4-Pole
Maximum Voltage Rating	480VAC/250VDC
Wire Size	#6 to 300 AWG/kcmil(Al/Cu)

Shipping and Ordering

Category	00134 - Safety Switch, Double Throw, NEMA12, 30 200 Amp
Discount Schedule	DE1
GTIN	00785901737315
Package Quantity	1
Weight	130 lbs.
Availability Code	Non-Stock Item: This item is not normally stocked in our distribution facility.
Returnability	Y
Country of Origin	

As standards, specifications, and designs change from time to time, please ask for confirmation of the information given in this document.



JDA36200

Molded Case Circuit Breaker (J-Frame) 200A,
3-Pole, 600 Vac, ABC, I-Line Plug-On



by Schneider Electric

List Price \$2,867.00 USD

Availability Stock Item: This item is normally stocked in our distribution facility.

Technical Characteristics

Adjustable Magnetic Trip	Low: 1000A - High: 2000A
Ampere Rating	200A
For Use With	I-Line Panelboards and Switchboards
Phase Connection	ABC
Frame Type	J-Frame
Number of Poles	3-Pole
Interrupting Rating	25kA@240VAC - 18kA@480VAC - 14kA@600VAC
General Application	Provides overload and short circuit protection
Marketing Trade Name	Powerpact
Voltage Rating	600VAC
Approvals	UL Listed - CSA Certified - IEC Rated
Circuit Breaker Type	Standard
Mounting Type	I-Line Plug-On
Weight	5 Pounds
Terminal Type	I-Line Connection (ON end) - Lugs (OFF end)
Wire Size	#3/0 to 350 AWG/kcmil(Al/Cu)
Mounting Height	4.50 Inches

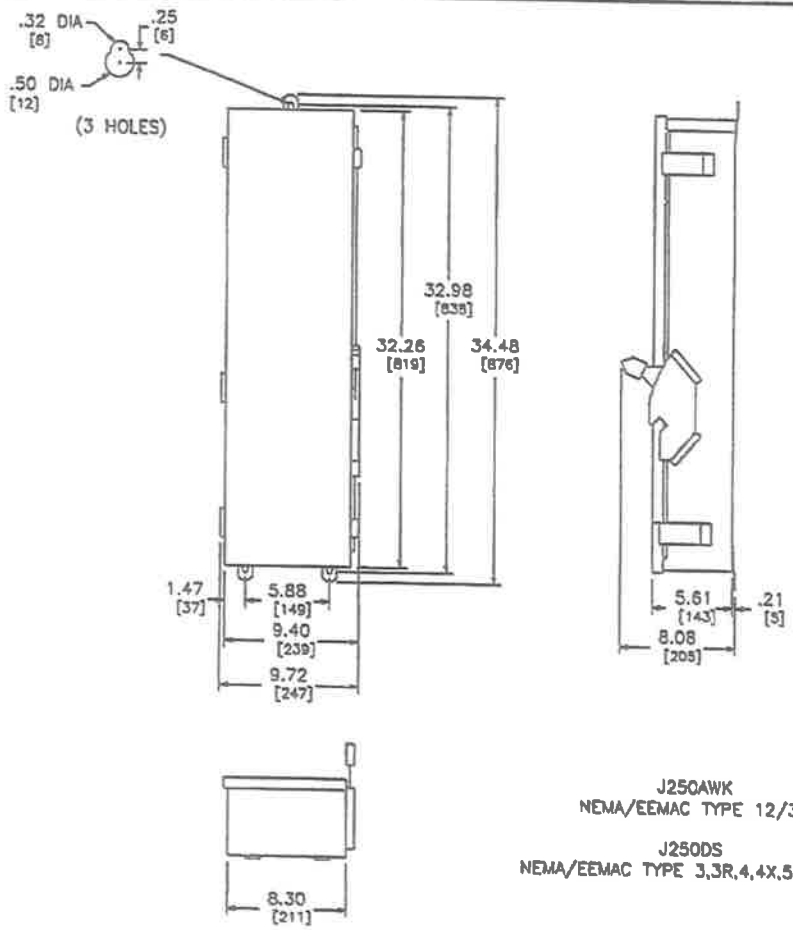
Shipping and Ordering

Category	01112 -
Discount Schedule	DE2
GTIN	00785901539766
Package Quantity	1
Weight	7.12 lbs.
Availability Code	Stock Item: This item is normally stocked in our distribution facility.
Returnability	Y
Country of Origin	US

As standards, specifications, and designs change from time to time, please ask for confirmation of the information given in this document.

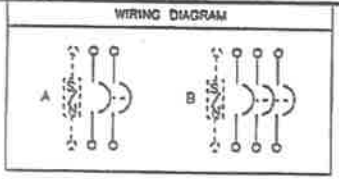
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J250AWK



J250AWK
NEMA/EEMAC TYPE 12/3R
J250DS
NEMA/EEMAC TYPE 3,3R,4,4X,5 OR 12

NOTES:
FINISH - NEMA/EEMAC TYPE 12/3R, GRAY BAKED ENAMEL ELECTRODEPOSITED OVER CLEANED PHOSPHATIZED STEEL. NEMA/EEMAC TYPE 3,3R,4,4X,5 OR 12 - TYPE 304 STAINLESS STEEL.
UL LISTED - FILE E-138881 CSA CERTIFIED - FILE # LL89087.
CE MARKED
SUITABLE FOR USE AS SERVICE EQUIPMENT WHEN NEUTRAL ASSEMBLY IS INSTALLED.
ENCLOSURE SUPPLIED WITH DUAL COVER INTERLOCK
NEUTRAL - INSULATED GROUNDABLE.



CIRCUIT BREAKER TERMINAL LUG DATA					
CIRCUIT BREAKER CATALOG NO. PREFIX	AMPERE RATING	CONDUCTORS PER PHASE	WIRE SIZE (AWG/KCMIL)		TYPE
			MAX	MIN	
HD, HG HJ, HL	15-150	1	#3/0	#14	AL/CU
JD, JG JJ, JL	150-175	1	#4/0	#4	AL/CU
	200-250	1	#350	#3/0	AL/CU

FIELD INSTALLABLE SOLID NEUTRAL ASSEMBLIES AND GROUND KIT						
CATALOG NUMBER	MAXIMUM AMPERE RATING	NUMBER OF TERMINALS	CONDUCTORS PER TERMINAL	WIRE SIZE (AWG/KCMIL)		TYPE
				MAX	MIN	
SN100FA	100A	2	1	#1/0	#14	CU
SN400LA	MAIN NEUTRAL	2	1	#600	#1	CU/AL
		2	2	#250	#1/0	CU/AL
	SERVICE GROUND	2	1	#300	#4	AL OR CU
PKOGTJ250	250A	2	1	#300	#6	AL OR CU

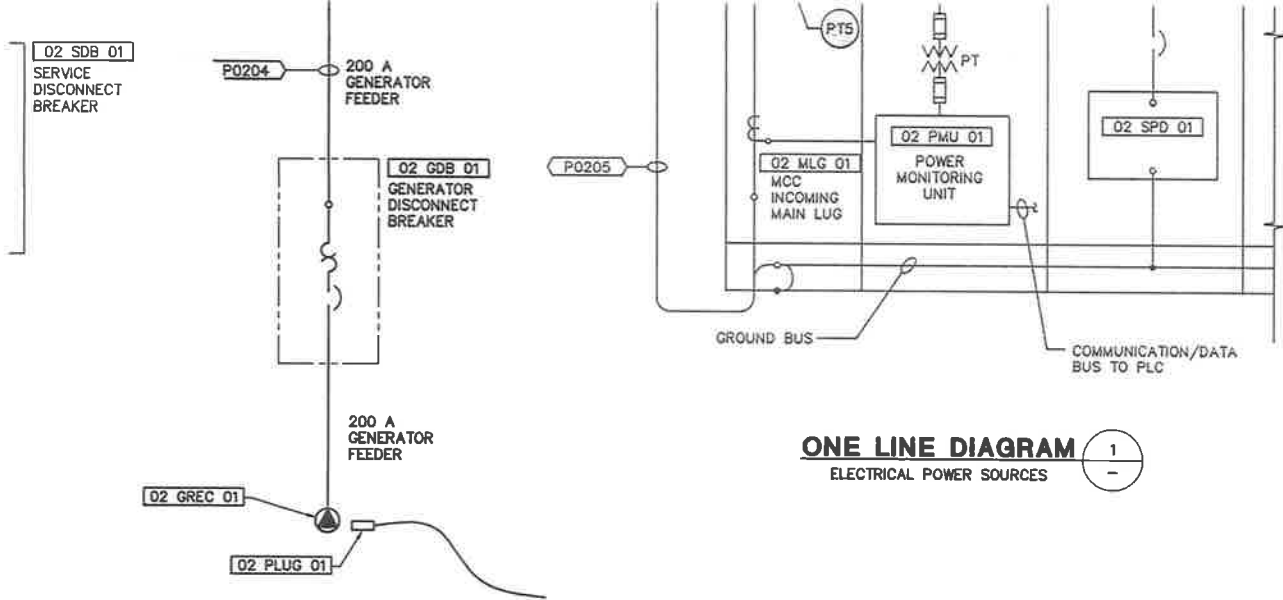
DUAL DIMENSIONS: INCHES MILLIMETERS

FIELD INSTALLABLE CIRCUIT BREAKER DATA											
CIRCUIT BREAKER CATALOG NO PREFIX	WIRING DIA	AMPERE RATING	UL LISTED INTERRUPTING RATING RMS SYMMETRICAL AMPERES								FEDERAL SPECS W-C-375B/GEN
			AC VOLTAGE				DC VOLTAGE				
			240	480Y/277	480	800Y/347	800	125	250	500	
HD	A,B	15-150	25K	18K	18K	14K	14K	20K	20K	--	
JD	A,B	150-250	25K	18K	18K	14K	14K	20K	20K	--	
HG	A,B	15-150	85K	35K	35K	18K	18K	20K	20K	--	
JG	A,B	150-250	85K	35K	35K	18K	18K	20K	20K	--	
HJ	A,B	15-150	100K	65K	65K	25K	25K	20K	20K	--	
JJ	A,B	150-250	100K	65K	65K	25K	25K	20K	20K	--	
HL	A,B	15-150	125K	65K	65K	25K	25K	20K	20K	--	
JL	A,B	150-250	125K	65K	65K	25K	25K	20K	20K	--	

CIRCUIT BREAKER ENCLOSURES
15-250 AMPERE
ENCLOSURE - NEMA/EEMAC TYPE 12/3R INDUSTRIAL
NEMA/EEMAC TYPE 3,3R,4,4X,5 OR 12 STAINLESS STEEL

Schneider Electric

DWG No. 3363

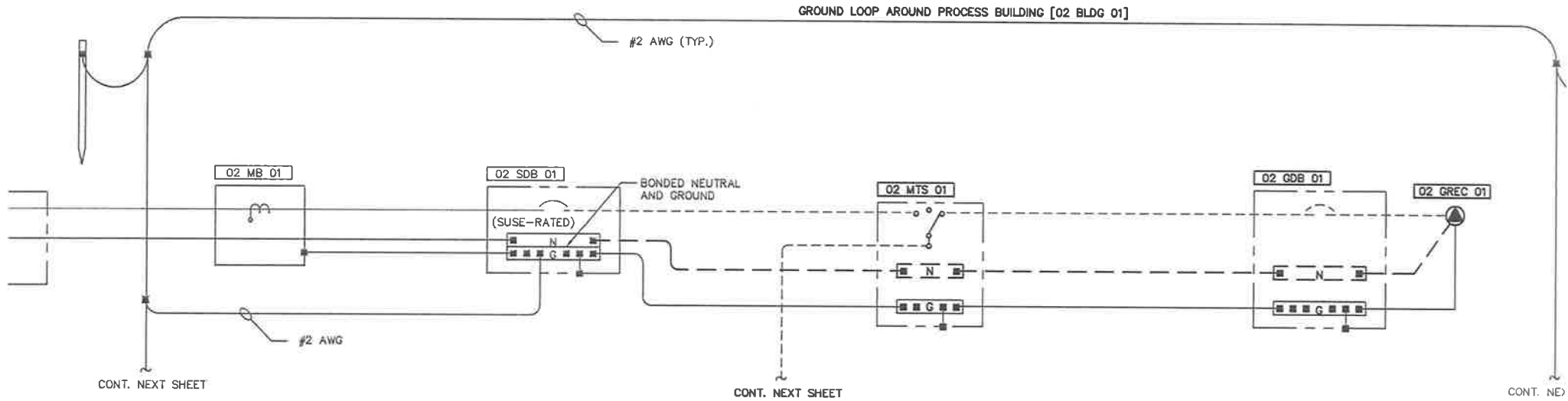


ONE LINE DIAGRAM (1)
ELECTRICAL POWER SOURCES

1. GENERATOR RECEPTACLE SWITCH SHALL HAVE THE FOLLOWING POSITIONS: "OFF", "GENERATOR", AND "UTILITY". OPERATION OF THE SWITCH SHALL BE ENTIRELY MECHANICAL. SWITCH SHALL BE A 4 POLE NON-FUSIBLE DOUBLE THROW SAFETY SWITCH ALLOWED BY THE AHJ.
2. GENERATOR RECEPTACLE SHALL BE 4-WIRE WITH REVEALER AND STYLE 1 (SHELL) GROUNDING. PROVIDE MANUFACTURER'S MOUNTING BOX TO MAINTAIN NEC BENDING RADIUS.
3. TERMINATE 4X #3/0 AWG USE CONDUCTORS IN A SINGLE 200 A PLUG WHICH IS THE CENTER OF THE GENERATOR RECEPTACLE. CONDUCTORS SHALL BE 40' LONG AT A MINIMUM. THE NON-TERMINATED END FOR CONNECTION TO THE LUGS OF A TRAILER MOUNTED GENERATOR INTENT IS TO PROVIDE A CORD SET TO FACILITATE CONNECTION IN AN EMERGENCY.

EQUIPMENT RATING AND ENCLOSURE TABLE

TAG NUMBER	RATED VOLTAGE	OPERATING VOLTAGE	POLES/PHASES	AMPACITY	MINIMUM BRACING
02 GDB 01	600 V	480 V	3	200 AT, 225 AF	18 KAIC
02 GREC 01	600 V	480 V	3	200 A	18 KAIC
02 MTS 01	600 V	480 V	3	200 A	18 KAIC
02 PLUG 01	600 V	480 V	3	200 A	18 KAIC



STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: December 5, 2012
Re: PEGI / ESG

PECI implements the Energy Smart Grocer (ESG) program for Bonneville Power's conservation program. The agreement (attached) allows PEGI to utilize some of the conservation dollars allotted to McCleary to implement this program. The ESG program is intended for grocery type facilities with refrigeration components. Two of the three retail establishments here in town are interested in this program. Execution of the agreement allows a turnkey approach to implementing conservation activities at grocery facilities. PEGI will fully implement the program and allow a "hands off" approach for McCleary staff.

We have approximately \$21,000 remaining in the 2012 conservation budget and approximately \$38,900 is available for the 2013 fiscal year. Internally we limited commercial conservation dollars to 25% of the total allocated amount, with the remaining 75% intended to go to residential customers. Based on the 2012 data to date, only 32% of the residential budget has been utilized, while 95% of the commercial budget has been utilized. For the next fiscal year, we will likely increase the commercial budget substantially to provide more opportunities for those that utilize the program.

Staff Recommendation:

By authorizing this agreement, conservation opportunities within the City increase, specifically at retail establishments with refrigeration components where conservation opportunities did not previously exist. Additionally, authorization of this agreement does not increase staff workload to provide the added benefit to the community.

Action Requested:

Please consider authorizing execution of the PEGI / ESG Agreement.



UTILITY PARTICIPATION AGREEMENT

THIS UTILITY PARTICIPATION AGREEMENT (this "**Agreement**") is dated _____, 2012 (the "**Effective Date**") between Portland Energy Conservation, Inc., an Oregon nonprofit corporation ("**PECI**") and City of McCleary ("**Utility**").

OVERVIEW

- A. P E C I and the Bonneville Power Administration ("**BPA**") have entered into an agreement dated October 21, 2011 (the "**BPA Agreement**") under which P E C I is implementing and managing the EnergySmart Grocer Program (the "**Program**") throughout various territories in the Northwest on behalf of BPA.
- B. The Program encourages improvements in energy efficiency by evaluating and executing energy saving initiatives. Customers (defined in Section 2 below) that participate in the Program may qualify for incentives funded by Utility. P E C I and Utility are entering into this Agreement so that P E C I may carry out its obligations under the BPA Agreement and Utility can avail itself and its customers to the services offered by P E C I.
- C. By signing this Agreement, Utility affirms and agrees to the terms and conditions contained in this Agreement. As an additional requirement for participation in the Program, Utility must provide P E C I with the Energy Smart Grocer Program Sign-up Form (the "**Form**") provided by BPA to be attached to this Agreement as Exhibit A. Utility affirms and agrees that the information provided by Utility in the Form (including the final incentive budget) is accurate and acknowledges that such information will be relied upon by both P E C I and BPA. Utility will provide P E C I with sixty (60) days notice prior to changing any funding amounts or program scopes.

AGREEMENT

1. **TERM.** This Agreement is effective from the Effective Date and will continue until September 30, 2013 renewing automatically for successive two (2) year periods, unless terminated in accordance with the provisions in this Agreement. Prior to the expiration of the preceding Term, Utility will provide P E C I and BPA with an updated Form in the format set forth in Exhibit A.
2. **PROGRAM ELIGIBILITY.** "**Customers**" under the Program means Utility customers that have commercial refrigeration load, including for example, supermarkets, restaurants, institutional kitchens, and other commercial refrigeration sites (each, a "**Facility**").
3. **PECI PROGRAM SERVICES.**
 - a. **Customer Contact.** Utility authorizes P E C I to contact Customers by phone, mail, email or in person for the purpose of informing them about the Program and its processes.
 - b. **Audits.** P E C I will work with Customers to schedule audits of their Facilities (each, an "**Audit**"). Utility may elect to attend an Audit following notice to P E C I. Audits will be



conducted in accordance with Subsection(h) below. PEGI may elect to conduct site assessments in addition to or in lieu of Audits.

- c. **Direct Installs.** PEGI or PEGI's field energy analyst may, with the Customers' approval and in their sole discretion, decide to install some "quick payback" items on their first visit to a Facility. Quick payback installations may include, but are not limited to, beverage merchandise controls or compact fluorescent lamps. The cost of the install will be borne by the Customer and not the Utility.
- d. **Recruiting and Managing Trade Allies.** PEGI may assist Customers in selecting general contractors to perform work under the Program (each, a "Contractor"). PEGI will assist Customers with their selected Contractor by providing training on the Program and support to the Contractor that PEGI deems necessary in its sole discretion. PEGI is not responsible for Contractor conduct and Utility holds PEGI harmless from any third party claims against Contractor (including Customer claims), Contractor misrepresentations, or misconduct occurring in connection with the Program.
- e. **Technical Design Review.** PEGI will obtain a technical design review of a potential measure(s) for a Customer upon Customer's request.
- f. **Determining kWh Savings.** In addition to regionally deemed savings methods, PEGI will use its proprietary modeling software to determine energy savings by measure a Customer installs in a Facility. The energy savings are based on DOE-2 parametric runs and engineering calculations which account for many variables including the Facility's particular climate zone, compressor configuration, condenser type, condenser degradation factors, and hours of operation. PEGI's software estimates are site and climate specific. PEGI will use these savings calculations when submitting savings measurements to Utility. PEGI will also derive prescriptive energy savings for measures that do not require an onsite audit. These measures are not climate or system specific. Lighting savings will be estimated using the BPA Commercial/Industrial Lighting Offer procedures.
- g. **Post Installation Inspections.** PEGI performs post installation inspection through site inspection or verification of documentation controls.
- h. **Service Levels.** PEGI will conduct audits with in accordance with the schedule below based upon committed incentive funds.

Service Level I (\$50,000 and above in committed incentive funds for FY2012-2013):

Utilities in the Service Level I category will receive a minimum of two (2) field visits annually, audit requests fulfilled within sixty (60) days, and offered deemed and calculated measures. PEGI will provide post installation inspections for all projects with total project costs over \$10,000.

Service Level II (less than \$50,000 in committed incentive funds for FY2012-2013):

If Utility falls into Service Level II category, PEGI may elect to perform a field visit at its sole discretion. As a standard offering, PEGI will offer deemed Measures only. Audits,



calculated measures, and post installation inspections will be offered on a case by case basis and at PECE's sole discretion. PECE will also offer outreach training for Utility staff (at Utility's request). Utilities in Service Level II will be required to commit a minimum of \$25,000 of incentive funding or be subject to PECE approval for participation in the Program.

- i. **Rebate Processing and Reporting.** PECE will review and approve all Customer rebate applications and invoices for completeness and provide the information necessary to substantiate energy savings and Customer rebate eligibility. For Utilities that elect the BPA Turnkey Option, PECE will submit all rebates applications to BPA for its review and approval. PECE shall not be responsible for any claims rejected by BPA for any reason. For Utilities that elect the Self-funded Turnkey Option, PECE will submit all rebates applications to the Utility for its review and approval. PECE shall not be responsible for any claims rejected by the Utility for any reason. PECE reserves the right to subcontract rebate or check processing and similar functions. The chart below designates the responsible party for each Program component depending on which funding option is elected in the Form.

Program Component	BPA Turnkey Option Responsible Party	Self-funded Turnkey Option Responsible Party
Rebate check issuance	PECE	PECE
Post Installation verification	PECE	PECE
Management of required back-up documentation	PECE	PECE
Review and acceptance of PECE-submitted data to BPA	BPA	Utility
Reimbursement to PECE for incentives paid to Customers	BPA	Utility

- j. **Rebate Payments.** Within ten (10) business days of BPA's or Utility approval of submitted rebates, PECE will mail checks to Customers or Customer designated rebate payees. Checks will be accompanied with a letter including Utility's logo in accordance with Section 5 below, thanking the Customer for their participation in the Program.
- k. **Program Reports.** PECE will provide Utility with limited access to its online portal, Salesforce Sprocket or Sprocket Dashboard, which Utility may use for the sole purpose of viewing completed Audits, dates of any re-visits, rebate activity, rebate savings, to obtain copies of completed audit reports, view pipeline projects and associated kWh savings.
- l. **Targeted Facilities.** Utility would like PECE to target all eligible facilities. More specifically, for Program initiatives around refrigeration PECE will target:



- i. Grocers and national accounts;
 - ii. Convenience stores;
 - iii. Restaurants; and
 - iv. Other commercial refrigeration sites.
4. **ACCEPTANCE.** Utility's acceptance of the terms and conditions set forth in this Agreement is required for participation in the Program. Utility acknowledges that the terms and conditions of the Program are subject to change at PECEI's sole discretion.
5. **USE OF UTILITY MARKS.** During the term of this Agreement, Utility grants to PECEI a nonexclusive, royalty free right to use its trademarks, service marks, trade names, logos, or similar markings (each a "Mark") subject to the limitations contained in this Agreement. PECEI may use the Marks on its website, in its advertising and other promotional activities related to the Program as well as on checks and other mailings to Customers or Contractors. Utility represents and warrants that it owns title to all Marks and agrees to indemnify PECEI for any third party claims against PECEI for misuse or infringement of the Marks or any claims by any third party pursuant to the exercise of PECEI's rights under this Agreement.
6. **TERMINATION.** The parties may terminate this Agreement for cause in the event of any default by the other party following written notice of any default and commercially reasonable opportunity for the defaulting party to cure such default. PECEI reserves the right to terminate the Program, this Agreement or any part of this Agreement at the direction of BPA for any reason or for no reason in its sole discretion. In the event of such termination, the Utility shall at the election of PECEI: (a) immediately cease participation in the Program, including but not limited to, any applicable use of Program materials, logos or other advertising tools, equipment, and incentive forms; or (b) finalize Program projects in progress at the time of termination as directed by PECEI. PECEI and BPA will not pay Utility for post-termination activity after receipt of notice of termination unless such PECEI elects for Utility to finalize such projects pursuant to Section 6 (b) above.
7. **CONFIDENTIAL INFORMATION.** The parties will not use any Confidential Information for any purpose other than as needed to perform their respective obligations under this Agreement. Each party agrees to hold all Confidential Information in strict confidence and not disclose any Confidential Information to any person other than to its employees and independent contractors who (a) have a "need to know", (b) have been advised of the confidential and proprietary nature of the Confidential Information and (c) have signed a written agreement that is as protective of the Confidential Information as that set forth in this Section. When the parties have fully performed their respective obligations under this Agreement, or at any other time upon request from the party disclosing the Confidential Information, the party in receipt of the Confidential Information will return or destroy all Confidential Information in tangible form that is in their possession. The term "**Confidential Information**" means all information and materials relating to Utility or PECEI's business, in whatever form or medium, disclosed to or received by the receiving party, whether visually, by perception, orally or in writing, whether disclosed before or after the Effective Date, and whether or not specifically marked or otherwise identified as "**Confidential**" or "**Proprietary**," including all summaries and notes prepared by or on behalf of the other party, except that "**Confidential Information**" does not include any information that the receiving party demonstrates: (x) has become generally available to the



public without breach of this Agreement; (y) was later received from another person who did not violate any duty of confidentiality; or (z) that was developed without use of any Confidential Information by persons who were not exposed to the Confidential Information.

8. **PROGRAM CHANGES.** P E C I reserves the right to make changes to the Program. P E C I will notify Utility of such changes by email or another nationally recognized mail carrier.

9. **MISCELLANEOUS.**

(a) **Indemnity.** Utility will indemnify, hold harmless, and defend BPA, P E C I and, their respective officers, employees, agents, representatives, and affiliates against any and all losses, liabilities, damages, claims, suits, proceedings, judgments, assessments, costs, and expenses (including interest and penalties), and including reasonable attorney fees and expenses, incurred by BPA and P E C I arising from (i) negligent or wrongful acts or omissions of the Utility or of its officers, employees, agents, representatives, or subcontractors, affiliates, or (ii) breach by Utility or its officers, employees, agents, representatives, subcontractors, or affiliates of this Agreement.

P E C I shall defend, indemnify and hold harmless Utility, and its respective employees, agents, officers and directors, from and against any losses, liabilities, damages, claims, damages, proceedings, judgments, assessments, costs and expenses (including interest and penalties), and including reasonable attorney fees and expenses arising out of, or resulting from any act or omission of P E C I relating to, or arising out of, performance or nonperformance of this Agreement by P E C I, except to the extent such act or omission is due to the negligence of Utility or its subcontractors or any other third party.

The parties specifically agree that the provisions of this Section also apply to any claim of injury or damage to the persons or property of the Utility's employees. Utility acknowledges and agrees that, as to such claims, Utility, with respect to P E C I waives any right of immunity which Utility may have under any applicable law. This waiver was specifically negotiated by the Parties, is solely for the benefit of the Parties and their successors and assigns, and is not intended as a waiver of Utility's right of immunity under said industrial insurance for any other purpose.

(b) **Attorney's Fees.** In the event an action is brought to enforce any provision of or declare a breach of this Agreement, the prevailing party shall be entitled to recover, in addition to any other amounts awarded, reasonable legal costs including attorney's fees incurred.



(c) Notices. Except as otherwise provided in the Agreement, all notices or other communications under this Agreement must be in writing and delivered to the addresses, including e-mail addresses, below the signatures to this Agreement. Such addresses may be changed by notice given by such party to the other pursuant to this section or by other form of notice agreed to by the parties.

(d) Assignment. Neither party may assign, voluntarily, or by operation of law, or otherwise, any rights or delegate any duties under this Agreement without the other Party's prior written consent. Any attempt to do so without that consent will be void.

(e) Entire Agreement; Counterparts. This Agreement contains the entire agreement of the parties regarding the subject matter described of the Agreement, and all other promises, representations, understandings, arrangements and prior agreements related to this Agreement are merged and superseded by this Agreement. The provisions of this Agreement may not be amended, except by an agreement in writing signed by the party against whom enforcement of any amendment is sought. This Agreement may be executed in two (2) or more counterparts, all of which will constitute but one and the same instrument.

(f) Governing Law; Jurisdiction and Venue. This Agreement will be interpreted under, and any disputes arising out of this Agreement will be governed by, the laws of the State of Oregon, without reference to its conflicts of law principles. Utility irrevocably consents to the jurisdiction of the state and federal courts located in the State of Oregon, USA, in connection with all actions arising out of or in connection with this Agreement, and waives any objections that venue is an inconvenient forum. Utility further agrees that it will not initiate any action against P E C I in any other jurisdiction.

(f) Severability. Should any provision of this Agreement be held by a tribunal of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement will remain in full force and effect.

(g) Waiver of Breach. The failure of either party to enforce strict performance by the other of any provision of this Agreement, or to exercise any right available to the party under this Agreement, shall not be construed as a waiver of such party's right to enforce strict performance in the same or any other instance.

(h) Representation on Authority of Signatory. The individual signing this Agreement represents and warrants that he or she is duly authorized and has the legal capacity to execute and deliver this Agreement on behalf of Recipient. The Recipient represents and warrants that the execution and delivery of this Agreement and Recipient's obligations under this Agreement have been duly authorized and that the Agreement is a valid and legal agreement binding on Recipient and enforceable in accordance with its terms.

(i) Disclaimer. P E C I'S REVIEW OF THE DESIGN, CONSTRUCTION, OPERATION OR MAINTENANCE OF INSTALLATIONS SHALL NOT CONSTITUTE ANY REPRESENTATION AS TO THE ECONOMIC OR TECHNICAL FEASIBILITY, OPERATIONAL CAPABILITY OR RELIABILITY OF THE INSTALLATIONS. CUSTOMERS AND CONTRACTORS ARE SOLELY RESPONSIBLE FOR



THE ECONOMIC AND TECHNICAL FEASIBILITY, OPERATIONAL CAPABILITY AND RELIABILITY OF ALL INSTALLATIONS. PECI SHALL NOT BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, LOSS OF ANTICIPATED REVENUE, PROFITS, OR GOODWILL, WHETHER ARISING IN NEGLIGENCE, BREACH OF CONTRACT, OR UNDER STATUTE OR RULE.

The parties, by their respective duly authorized representatives, have executed this Agreement on the date shown below. This Agreement shall not bind either party until executed by both parties.

PECI

Utility

Portland Energy Conservation, Inc.

City of McCleary

By: _____

Dan McDonald
Associate Director

By: _____

Nick Bird
Title:

Notice Address:

100 SW Main St., Suite 1600
Portland, OR 97204
Attention: Dan McDonald
Phone: (503) 575-4179
Email: dmcdonald@peci.org

Notice Address:

100 S 3rd Street
McCleary, WA 98557

E-mail: _____

Work: () - _____

Cell: () - _____

With a copy to:

100 SW Main St., Suite 1500
Portland, OR 97204
Attention: Joe Mattoon
Phone: (503) 248-4636
Email: jmattoon@peci.org



EXHIBIT A
Energy Smart Grocer Program Sign-up Form

Energy Smart Grocer Program Sign-up Form FY2012-FY2013

Date: Is this a revision? Yes No

*If this is a revision, please fully complete the form with the changed information and the information that remains unchanged.
The revised form will replace your previous form.*

1. Customer Information

Customer:

Authorized Representative Name: ()

Contact Person: Phone: E-mail:

2. Option Election

Select one option below. Under all options, PECI is responsible for rebate processing and check issuance, post-installation checks as required, management of required back-up documentation and uploading project data to EE Central.

- BPA Turnkey Option** (funded by the Energy Conservation Agreement Implementation Budget)
The COTR will make a reduction to the customer's Energy Conservation Agreement Implementation Budget, Exhibit A, in an amount equal to elected funding. BPA will reimburse PECI for incentives paid to end users in the customer's service territory and will review PECI data for acceptability.
- Self-funded Turnkey Option** (funded by the customer's own funds)
Customers will use their own funds to reimburse PECI for incentives paid to end users in their service territory and will review PECI data for acceptability after BPA performs an initial review.
- Combined BPA Turnkey Option and Self-funded Turnkey Option**
Customers will initially be enrolled in the BPA Turnkey Option, and when the BPA Turnkey Option funding is depleted, they will automatically transition to the Self-funded Turnkey Option. Customers electing this option must complete funding amounts in section 3 for both the BPA and Self-funded Turnkey Option.

3. Funding Amount (FY2012-FY2013)

Provide the funding amount(s) (below) for the program option selected above. Customers must commit a minimum of \$25,000 unless approved by PECI. Approved customers will receive a service agreement from PECI. Non-approved customers will be notified by BPA, and BPA engineers will help customers deliver deemed refrigeration measures outside the Energy Smart Grocer Program.

		TOTAL (if revision, previous + addition)		REVISIONS	
				Previous Total	Addition
BPA Turnkey:	\$ <input type="text" value="10,000"/>			\$ <input type="text"/>	\$ <input type="text"/>
Self-Funded Turnkey:	\$ <input type="text" value="0"/>			\$ <input type="text"/>	\$ <input type="text"/>
Total Funding:	\$ <input type="text" value="10,000"/>			\$ <input type="text"/>	\$ <input type="text"/>

Total Funding Level	Service Description
\$50,000.00 and above	PECI will (1) perform a minimum of two visits per fiscal year (to contractors and/or end users) in customer's service territory, (2) perform requested audits within 60 days of request, (3) provide deemed and calculated measures and (4) provide inspections for projects with total costs over \$10,000.00.
\$49,999.99 and under	PECI may perform one visit (to a contractor/end user) in customer's service territory and will provide (1) a minimum of one end-user outreach training for customer staff (at customer's request), (2) deemed measures only, and (3) audits, calculated measures and post installation inspections on a case-by-case basis at PECI's discretion.

4. Program Scope

Program scope automatically includes core refrigeration energy efficiency measures, including lighting in refrigerated spaces, in all potential end-user types (e.g., grocery/convenience stores, restaurants, schools, and other commercial refrigeration equipped facilities). Select additional program components by checking the boxes below.

- Interior and exterior lighting in other areas if a refrigeration project is completed or pursued
- New construction (only in buildings equipped with refrigeration)
- Existing building commissioning (only in buildings equipped with refrigeration)
- HVAC (only in buildings equipped with refrigeration)

STAFF REPORT

To: Mayor Dent
From: Nick Bird, P.E., Director of Public Works
Date: December 6, 2012
Re: Power Rates

In October 2011, the cost to purchase electricity from BPA rose 7.8%. Our intent was to try and absorb this cost increase for as long as reasonably possible. With another potential 6.8% increase on the horizon, scheduled for October 2013, combined with our increases in operational costs and need for capital improvements, we believe that a rate increase is unavoidable. What we would like for the Mayor and Council to consider is the following three options for addressing this concern;

- 1) Provide a flat increase of 7.8% to match the wholesale increase of 2011:
 - a. Simple and easy to implement.
 - b. May or may not provide the necessary revenue to completely fund the necessary capital improvements and establish a reasonable reserve balance for emergency repairs (transformer replacement for example).
 - c. Will likely need to match the 6.8% increase in October 2013.
 - d. The last increase in 2007 was a flat 10% increase resulting from the 2007 rate case presented by BPA.
 - e. A flat 7.8% increase translates to an approximate increase in revenues of \$175,000.
- 2) Conduct a rate study via a consulting firm:
 - a. Will likely result in a final product quicker than an internal evaluation but at a higher cost.
 - b. A rate study was conducted in 2008 to verify the adequacy of the 10% increase from 2007, but did not move to the final step of rate design.
 - c. The work completed in 2008 cost approximately \$25,000 and took 3-4 months.
 - d. Allows for a tiered rate structure to be phased in over the next few years.
- 3) Conduct a rate study internally:
 - a. Can be completed for a fraction of the cost of a consulting agency but a longer lead time to provide the final product is likely.
 - b. Will detract from other necessary work.
 - c. Emergency response, if necessary, will likely increase the delay in providing the final product.
 - d. Can allow a tiered rate structure to be phased in over the next few years.

Staff Recommendation:

The 2013 budget shows operational cash usage of approximately \$300,000 in 2013 (84% of the beginning cash). Completion of the cutover and rebuild projects through 2017, as outlined in the Capital Improvement Plan, is estimated to cost approximately \$1,240,000.

Please note that completion of the cutover is essential to removing the substandard substation located at 7th and Maple. In the event that a replacement transformer is needed at the 7th and Ash substation, the planning level cost at this time is \$1,100,000. Also note that these costs do not include necessary equipment purchases (PPE for the employees, underground fault locating equipment, etc.). The bottom line is that we have allowed ourselves to fall behind in recouping the costs to appropriately maintain our system.

At this time, a bandaid solution could be providing a simple flat increase of 7.8% to match the 2011 BPA increase and conducting a rate study in 2013 to flesh out the details of the next five years.

Action Requested:

Please consider providing guidance to Staff for preparation of the appropriate resolution based on the preferred approach to address the above concerns.

ORDINANCE NO. _____

AN ORDINANCE RELATING TO CRIMINAL LAW,
AMENDING §1(Part), ORDINANCE 679, AND
§9.22.900 OF THE MUNICIPAL CODE; & IMPOSING
PENALTIES.

R E C I T A L S:

1. The City adopted a criminal code having as one of its goals consistency with state law.

2. Since that time, the matter of unauthorized possession of legend drugs for which a lawful prescription is required has been identified as a problem occurring within the City.

3. The Mayor and Council wish to insure consistent enforcement of the law in relation to violators of these statutes while recognizing the impact of the recent initiative adopted by the voters in relation to the possession of marijuana.

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

SECTION I: §1(part), Ordinance 679, and §9.22.900 of the Municipal Code are each amended to read as follow:

The following statutes are incorporated in this Chapter by reference:

RCW 9.47A.010 (Definitions [Inhaling toxic fumes])

RCW 9.47A.020 (Unlawful inhalation - Exceptions)
RCW 9.47A.030 (Possession of certain substances
prohibited - When)
RCW 9.47A.040 (Sale of certain substances prohibited
- When)
RCW 9.47A.050 (Penalty)
RCW 69.41.030 (Possession of Legend Drug)
RCW 69.50.101 (Definitions)
RCW 69.50.102 (Drug Paraphernalia: Definitions)
RCW 69.50.401(e) (Possession of Marijuana)
RCW 69.50.412 (Drug Paraphernalia: Penalties)
RCW 69.50.4121 (Drug Paraphernalia: Giving or Selling)

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

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

PASSED THIS _____ DAY OF _____,
 2012, by the City Council of the City of McCleary, and signed in
 approval therewith this _____ day of _____,
 2012.

CITY OF McCLEARY:

 D. GARY DENT, Mayor

ATTEST:

 WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

 DANIEL O. GLENN, City Attorney

STATE OF WASHINGTON)
 : ss.
 GRAYS HARBOR COUNTY)

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

 WENDY COLLINS

SIGNED AND SWORN to before me this _____ day of _____, 2012, by WENDY COLLINS.

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

ORDINANCE NO. _____

AN ORDINANCE RELATING TO GOVERNMENTAL OPERATION, CLARIFYING GRANTS OF AUTHORITY IN RELATION TO CERTAIN MATTERS, PROVIDING DEFINITIONS, AMENDING SECTIONS 2.28.050, 2.28.080, 2.28.090, AND 2.30.020 OF THE MUNICIPAL CODE, PROVIDING FOR SEVERABILITY & AN EFFECTIVE DATE.

R E C I T A L S :

1. As part of its statutory responsibility, the City has adopted provisions in relation to the exercise of municipal authority in relation to land use, zoning, environmental review and approval, and the division of land.

2. As part of that process, the City has implemented provisions in relation to the appointment and utilization of a hearing examiner.

3. In light of a variety of matters, it is deemed appropriate to clarify the permissible role of the hearing examiner, acting as the City's planning agency, in certain areas. At the same time, it wishes to retain the discretion to utilize the services of a citizen based planning commission.

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

SECTION I: Section 2.28.050 MMC & Section 5, Ordinance 376, as last amended by Section I, Ordinance 757, shall be amended to read as follows:

The mayor and council may direct either the planning commission or the planning agency to act as the research and fact finding agency of the municipality for such purposes as may be found appropriate. To that end, it may make such surveys, analyses, researches, and reports as are generally authorized or requested by the mayor and council or by the state, with the approval of the mayor and the council. The commission or the planning agency, upon such request or authority may also:

A. Make inquiries, investigations, and surveys concerning the resources of the city and the county;

B. Assemble and analyze the data thus obtained and formulate plans for the conservation of such resources and the systematic utilization and development thereof;

C. Make recommendations from time to time as to the best methods of such conservation, utilization, and development;

D. Cooperate with other commissions or planning agencies and with other public agencies of the municipality, state and United States in such planning, conservation and development;

E. In particular cooperate with and aid the state within its territorial limits in the preparation of the state

master plan provided for in RCW 43.21.190 and in advance planning of public works programs; and

F. (~~As to the planning commission, in~~) In the event that an application involves review and possible amendments to the comprehensive plan and the zoning code of the city, it shall be the responsibility of the planning commission or planning agency, to whichever the matter has been referred by the Mayor and Council, to hold such public hearings as may be required and make recommendations to the council: Provided that, in the discretion of the commission or agency, as the case may be, it may hold a joint public hearing on the matters, but shall submit separate recommendations, with findings of fact, conclusions of law, and recommendations on each matter.

G. Exercise such other authority as may from time to time be authorized pursuant to the provisions of RCW 35A.14, RCW 35A.63, or any other applicable statute, subject to such limitations as may be subsequently set forth by the mayor and council.

SECTION II: 2.28.080 MMC & Section 8, Ordinance 378, as last amended by Section 5, Ordinance 678, are each amended to read as follows:

All regulations shall be worked out as parts of a comprehensive plan which the planning commission or planning agency, as the case may be, shall prepare for the physical and other generally advantageous development of the municipality and

shall be designed, among other things, to encourage the most appropriate use of land throughout the municipality; to lessen traffic congestion and accidents; to secure safety from fire; to provide adequate light and air; to prevent overcrowding of land; to avoid undue concentration of population; to promote a coordinated development of the unbuilt areas; to encourage the formation of neighborhood or community units; to secure an appropriate allotment of land area in new developments for all the requirements of community life; to conserve and restore natural beauty and other natural resources; to facilitate the adequate provision of transportation, water, sewerage and other public uses and requirements.

SECTION III: Section 2.28.090 and Section 9, Ordinance 376, as last amended by Section 6, Ord. 678 are each amended to read as follows:

The planning commission or the planning agency, as the case may be, may recommend to the mayor and council the plan prepared by it as a whole, or may recommend parts of the plan by successive recommendations; the parts corresponding with geographic or political sections, divisions or subdivisions of the municipality, or with functional subdivisions of the subject matter of the plan. It may also prepare and recommend any amendment or extension thereof or addition thereto.

B. Before the recommendation of the initial plan to the municipality the planning commission or planning agency, as the case may be, shall hold at least one public hearing thereon, giving notice of the time and place by one publication in a newspaper of general circulation in the municipality.

C. The council, with the concurrence of the mayor, may adopt by resolution or ordinance the plan recommended to it by the planning commission, or any part of the plan, as the comprehensive plan.

D. The original resolution or ordinance of the council, following its signing by the mayor, adopting or embodying such plan or any part thereof or any amendment thereto shall be certified by the clerk-treasurer of the city and filed by him or her. The original of any map or plat referred to or adopted by the resolution or ordinance of the council shall likewise be certified by the clerk-treasurer of the city and filed by him or her. The clerk-treasurer shall keep on file the resolution or ordinance and map or plat.

SECTION IV: Section 2.30.020 MMC and Section 2, Ordinance 576 are each amended to read as follows:.

The following words shall have the meanings ascribed to them in this section:

A. "Affected party" means any individual, partnership, corporation, association, or public or private organization of

any character, significantly affected by or interested in proceedings before the hearing examiner and shall include any party in a contested case.

B. "Applicant" means those applying to the city for approval of land uses that conform to the city's goals, policies, plans and programs of development.

C. "City" means the city of McCleary, Washington.

D. "Council" means the McCleary city council.

E. "Decision" or "final decision," when used in this chapter or any ordinance or code section relating to the powers and responsibilities of the examiner, means the final action of the examiner. Utilization of the term or terms shall in no way be deemed to restrict the powers and authority of the council and mayor as they may be granted by the laws and ordinances of the city to accept the final decision of the examiner as a recommendation and to proceed with his, her, or their role in the decision-making process.

F. "Department" means the city of McCleary planning department.

G. "Examiner" means the hearing examiner of the city.

H. "Ex parte communication" means written or oral communications not included in the public record and made outside of a public hearing.

I. "Party of record" means:

1. The applicant or his, her, or its designated agent;

2. Any person attending a public hearing, requesting notification of the examiner's decision, and being given assurance on the record that such notification will be given;

3. Any person submitting written arguments dealing with the merits of the case;

4. Any person attending a public hearing requesting notification of the examiner's decision.

J. "Staff" means departments of the city.

K. "Planning Agency": When used in relation to any matter arising under Titles 16, 17, or 18 of the Municipal Code shall mean the Hearing Examiner.

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

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

PASSED THIS _____ DAY OF _____, 2012, by the City Council of the City of McCleary, and signed in approval therewith this _____ day of _____, 2012.

CITY OF McCLEARY:

D. GARY DENT, Mayor

ATTEST:

WENDY COLLINS, Clerk-Treasurer

APPROVED AS TO FORM:

DANIEL O. GLENN, City Attorney

STATE OF WASHINGTON)
 : ss.
GRAYS HARBOR COUNTY)

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

WENDY COLLINS

SIGNED AND SWORN to before me this _____ day of _____, 2012, by WENDY COLLINS.

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