

**CITY OF SULTAN
COUNCIL MEETING – COMMUNITY CENTER
September 11, 2014**

7:00 PM CALL TO ORDER - Pledge of Allegiance and Roll Call

CHANGES/ADDITIONS TO THE AGENDA

PRESENTATIONS

- 1) Craig Young – Return of the Salmon Proclamation

COMMENTS FROM THE PUBLIC: Citizens are requested to keep comments to a 3 minute maximum to allow time for everyone to speak. It is also requested that you complete a comment form for further contact.

COUNCILMEMBER COMMENTS

CITY ADMINISTRATOR COMMENTS

STAFF REPORTS – Written Reports Submitted

- 1) Police Report

CONSENT AGENDA: The following items are incorporated into the consent agenda and approved by a single motion of the Council.

- 1) Approval of the August 28, 2014 Council Meeting Minutes
- 2) Approval of the August 28, 2014 Public Hearing minutes on Title 19 amendment
- 3) Approval of Vouchers
- 4) Resolution 14-08 CIAW Fiscal Year Change – Amendment to Interlocal/Bi-laws
- 5) Amendment to Insurance Broker Agreement – Sultan Insurance

ACTION ITEMS:

- 1) Republic Services – Recycle Rates
- 2) WWTP – Tree Removal Contract
- 3) PRV Contract for Repair – Puget Construction Company
- 4) WWTP Grant Application
- 5) Vactor Truck Purchase

DISCUSSION: Time Permitting

PUBLIC COMMENT ON AGENDA ITEMS ONLY

COUNCILMEMBER RESPONSE TO PUBLIC COMMENT ON AGENDA ITEMS

Executive Session:

Adjournment - 10:00 PM or at the conclusion of Council business.

ADA NOTICE: City of Sultan Community Center is accessible. Accommodations for persons with disabilities will be provided upon request. Please make arrangements prior to the meeting by calling City Hall at 360-793-2231. For additional information please contact the City at cityhall@ci.sultan.wa.us or visit our web site at www.ci.sultan.wa.us

CITY OF SULTAN
AGENDA ITEM COVER SHEET

Agenda Item: P-1
Date: September 11, 2014
SUBJECT: Return of the Salmon Celebration Proclamation

Donna Murphy
KW

CONTACT PERSON: Donna Murphy Grants and Economic Development Coordinator

ISSUE:

Proclaim Saturday, September 27, 2014 Return of the Salmon Celebration Day.

SUMMARY:

The Return of the Salmon Celebration Committee held the first celebration on October 4, 2009 and the City of Sultan proclaimed that day "Return of the Salmon Celebration Day".

The purpose of the celebration is to remember Chief John T'seul-Ted, honoring Sultan's vision and celebration of the return of the salmon every autumn. "Celebrating the Return of the Salmon" is about inspiring, recognizing and encouraging people to understand the importance of the salmon's life cycle and their presence in the Sultan River. It's about respecting the trees, animals, water and air as habitants on the planet earth; not as isolated individuals, but as members of a true community working together.

September 27, 2014 marks the 6th year of the celebration proclaiming the 4th Saturday in September as the "Return of the Salmon Celebration Day".

Attachment:

A – Proclamation for Celebrating the Return of the Salmon Day

City of Sultan

Proclamation

Third Annual Return of the Salmon Celebration
September 27, 2014

WHEREAS, Chief John T'seul-Ted is the namesake of the City of Sultan, and

WHEREAS, the City of Sultan recognizes and honors Chief John T'seul-Ted as a significant and integral part of the history of the City of Sultan and the surrounding area; and

WHEREAS, the City of Sultan wishes to recognize the committee which works to bring Chief John T'seul-Ted and the living history and vision of the City of Sultan to the fore; and

WHEREAS, The Return of the Salmon Celebration will take place September 27, 2014 in Osprey Park to inspire and encourage people to understand the importance of the salmon's life cycle and recognize that their presence in the Sultan River reflects ecological sustainability; and

WHEREAS, the First Annual Salmon Run, a 3 mile runners race, and one mile fast walk will take place in Osprey Park as part of the Celebration; and

WHEREAS, the Return of the Salmon Celebration recognizes and respects the trees, animals, water and air as habitants on the planet earth; not as isolated individuals but as members of a true community working together; and

WHEREAS, the vision of the City of Sultan is to support all of our community's diverse cultural, economic, and educational interests by bringing together businesses, teachers, elders, children, and people of all ages to enjoy and protect our area's resources; and

WHEREAS, the City of Sultan supports the local manufacture, sale and use of recreational equipment and is ideally situated to promote local and regional ecological tourism; and

WHEREAS, the regional Cascade Loop business community working together with local businesses can help bring prosperity and community health to Sultan;

NOW, THEREFORE, I Mayor Carolyn Eslick, do hereby proclaim Saturday, September 27, 2014 as a day of remembrance of Chief John T'seul-Ted, honoring Sultan's vision and celebrating the return of the salmon.

Signed this 11th day of September 2014

Attest:

Carolyn Eslick, Mayor

Laura J. Koenig – City Clerk



Sheriff Ty Trenary

*City of Sultan
In Partnership With
Snohomish County
Sheriff's Office*



Mayor Carolyn Eslick

Notable Events of August 2014

On Friday, August 1st, during our "Coffee with the Mayor" I received word one of our deputies used profane language when dealing with a transient man sleeping in the doorway to the Visitor Information Center on the 28th of July. The complaint was documented and sent to our night Watch Commander who oversees the night shifts and the time when the deputy would be working. The complaint was investigated and forwarded up the chain of command for review and the issuance of discipline. The Sheriff's Office takes these complaints very seriously. It is a necessity that our law enforcement be professional and approachable on all matters. I appreciate that the complainant and all those aware of this matter allowed me the time to make sure this matter was investigated and handled in a manner consistent with our values and with the leadership we must provide.

Also this month, The Sheriff's Office hired a new Chief of Operations, Nelson Beazley. Chief Beazley was previously the Chief of Police in Arlington for several years. He will be working closely with our uniformed operations members to refine our service delivery and to fulfill our Mission, Vision and Values. He was formally sworn in on August 25th in the Kinard Room on the 4th floor of the Sheriff's Office. The event was attended by numerous police chiefs from around the county, dignitaries and dozens of other people.

The City of Sultan Volunteers continued to work and to plan for our up-coming citizen's patrol program. The volunteers will go through a background investigation and some training prior to being recognized by the Sheriff's Office as volunteers. This program will greatly enhance the ability of law enforcement to know where possible criminal activity is taking place in and around Sultan. This program is another example of the vast leadership of volunteers from Sultan and the Sky Valley. You truly have a great deal of energy in Sultan that is working toward making things better.

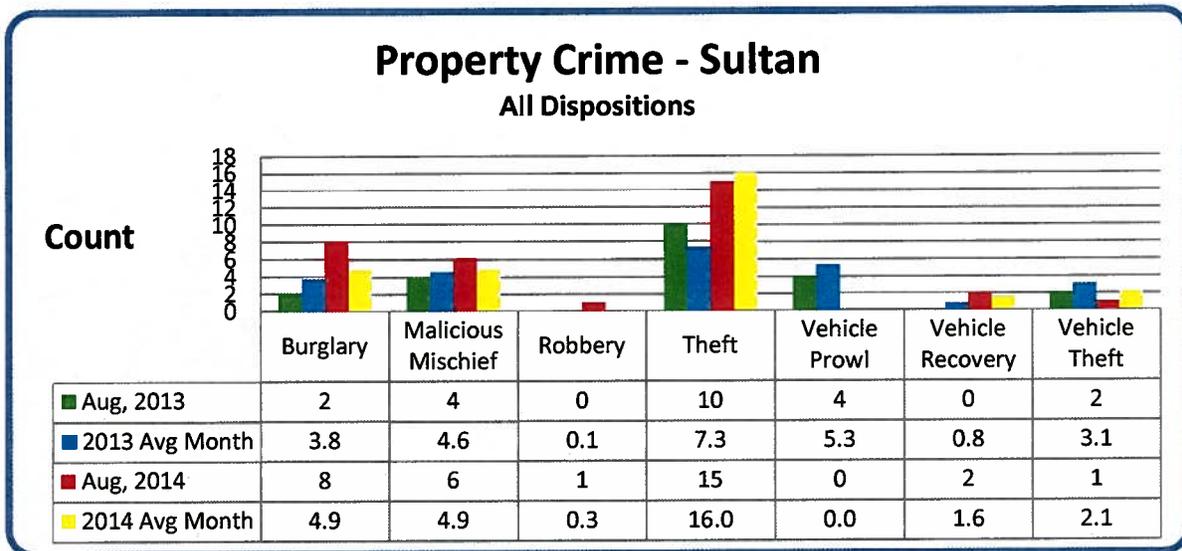
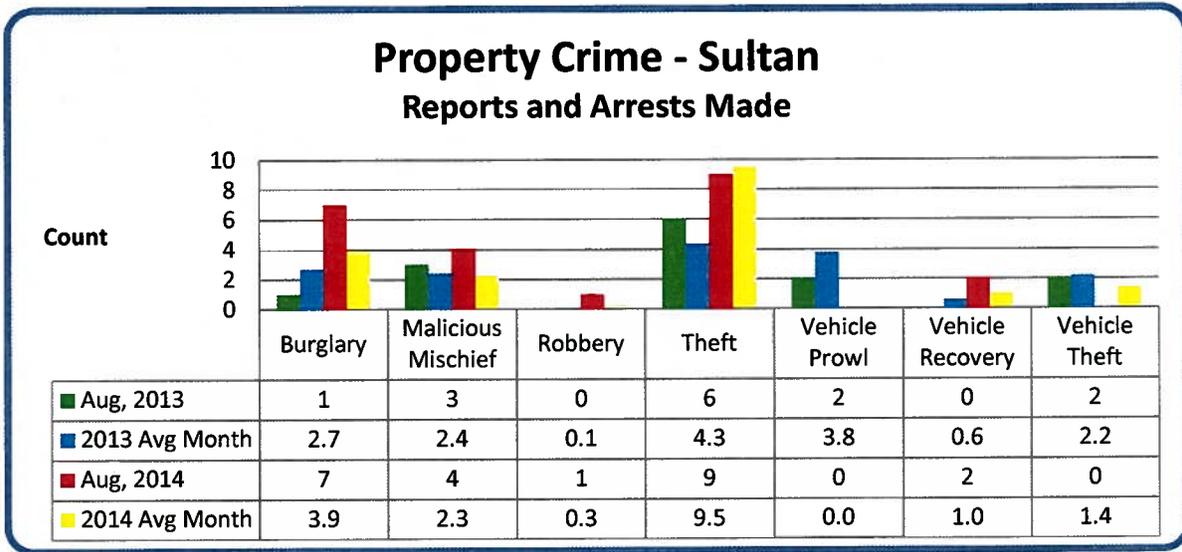
On August 23rd, we had a volunteer clean-up of Reese Park and the several camps on the north end of that property. We're working with Volunteers of America to get the needed resources for several individuals who've lived in the park for years. No individual has any notable criminal behavior or contacts with the police in years. Some might say that we're being somewhat callous by forcing these individuals to move from the area they've been in for years but I believe there's another way to look at this process. We're helping to get these individuals into housing that they currently don't have. It's hard to have dignity or self-respect when you're living in the conditions that these people face. We're allowing these folks to have their dignity somewhat restored; I think that's a good thing. We're doing good work in Sultan and we're doing it while respecting each other and the law.

Also on August 23rd, we provided an off-duty deputy at JD Slicks for the annual car show again this year. The event was successful and went off without any major problems.

Be good,

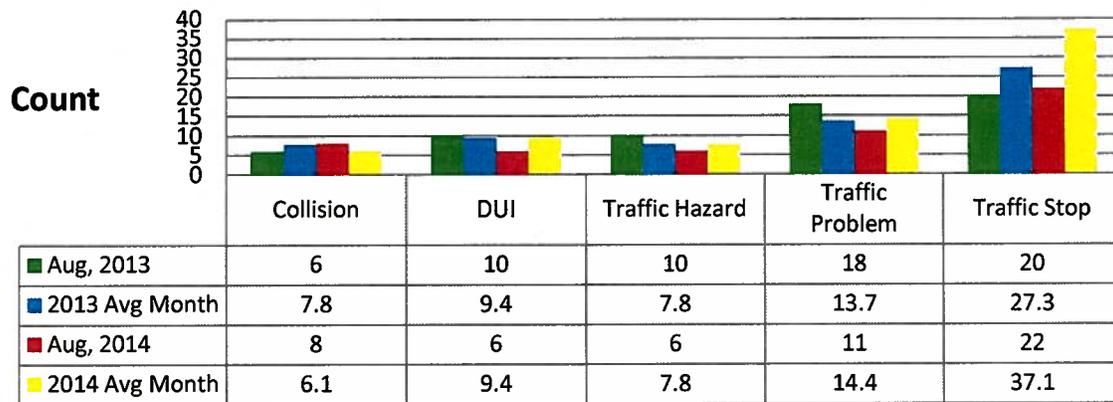
Lt. Monte Beaton

The following charts compare calls for service in the reporting month to the same month in the previous year and provide a monthly average (Typical Month) in each category. Data displayed is for all dispatch groups provided service by the Sultan (PP) Police agency.



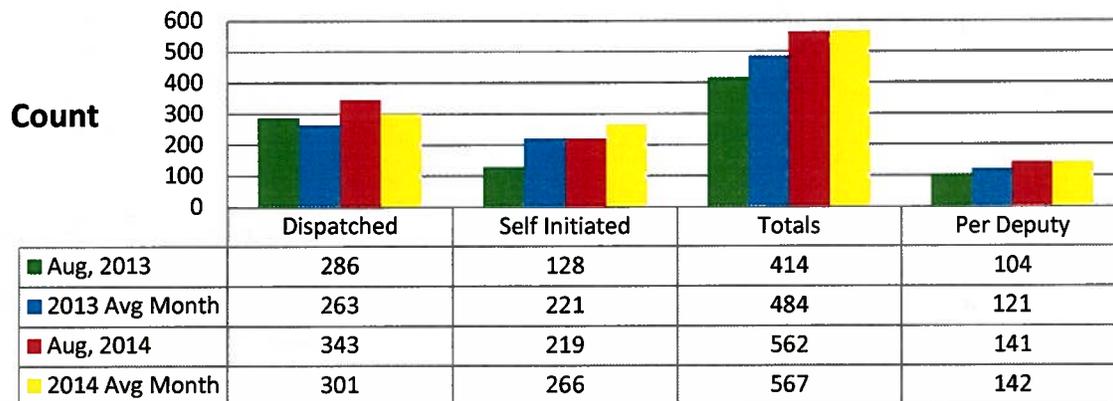
Traffic Calls - Sultan

All Dispositions



Calls By Source - Sultan

All Dispositions



Notes: Dispatched: SNOPAC or Citizen generated – dispatched calls for service
 Self-Initiated: Calls initiated by deputies
 Per Deputy: Total divided by number of assigned personnel (4 deputies)

Report presented by Sultan Chief of Police Lt. Monte Beaton
 Table and charts compiled by Volunteer Ray Coleman

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 1
DATE: September 11, 2014
SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director 

SUMMARY:

Attached are the minutes of the August 28, 2014 regular Council meeting as on file in the office of the City Clerk.

RECOMMENDED ACTION:

Approve as submitted.

CITY OF SULTAN COUNCIL MEETING – August 28, 2014

Mayor Eslick called the regular meeting of the Sultan City Council to order in the Sultan Community Center. Councilmembers present: Seehuus, Walker, Davenport-Smith, Naslund and Beeler. Absent: McCarty, Neigel

COMMENTS FROM THE PUBLIC:

Callie Vaughn, Sky Valley Resource Center. The City Community Task Force is working on homelessness and crime. The first step was to sort it out and focus on homelessness. They have cleaned up the camps during four events and are working with the people to offer services. Reese Park camp was very remote and they removed three tons of garbage. The Volunteers deserve a big thank you. Regularly scheduled cleanup events in city and county parks and trails have been planned. They are also working on youth programs and the drug coalition.

Craig Young, Co-chair for the Return of Salmon celebration. Thanked the Council and city employees for making the city a good place to live – doing great job. Would like to request the city grant a variance to allow horses in the park for the day of the celebration. Will be using the horse and wagon to transport kids between the hatchery and the river. Will have a Salmon run and a fire pit with traditional Indian salmon cooking. Will have proclamation ready for the Sept 11 council meeting.

Christina Nelson: Presented a proposal to re-establish the placing of American flags on Main Street during holidays and special events. The goal is to place flags from 1st Street to 10th Street by Veterans Day in November. They will need to do fund raising as the total cost of the project is projected at \$8,000. Are working with KOMO news and the Hwy 2 Freedom Runner webpage. They have also sent set up a proper disposal program for used flags.

Kay George: Her family is very patriotic and proudly displays the flag, it is a great idea. Read an e-mail regarding the opposition to the purchase of a vector truck into the record.

COUNCILMEMBER COMMENTS

Beeler: Great to see the continuation of the Salmon Days – appreciates their efforts and it puts pride in the community. Will be great when other park is available. Supports the proposal for the flags.

Naslund: The contractor's crew working on High Avenue are great.

Davenport-Smith: Thanked Craig and Mars for their work on the Salmon Festival; each year the festival gets better. The flags are a great proposal and she would like to see the city partner to make it possible. Needs a new flag at her house.

Walker: Welcome to Callie, no problem with horses in park; flags great idea.

Seehuus: Thrilled with the flag project and is willing to help. Okay with horse in the park.

Ken Walker – City Administrator: The city has received five permits for houses in the last month and should receive 33 more over the next 18 month. This will build out the Wildwood plat and they may acquire additional property for development. Anticipate 50 houses in next three year. A group of citizens is forming the Sky Valley Arts Commission to focus on art for kids and promote art in the valley. Lack of art has a negative impact on the valley.

Mayor Eslick: Laura Koenig, Clerk/Finance Director has received the WFOA Professional Finance Officer award for the 8th year. She does a great work at providing information. The City has many projects moving forward – The Arts Council, flags on Main Street and the Salmon Celebration. The City received the Distinguished Budget Award from WFOA for the second year. The City must be doing something right.

CITY OF SULTAN COUNCIL MEETING – August 28, 2014

PUBLIC HEARING: Public Hearing on proposed amendment to Title 19, Land Division Code. Under separate report.

STAFF REPORTS – Written Reports Submitted and are on file in the Office of the City Clerk.

- 1) Animal Control
- 2) Public Works

CONSENT AGENDA: The following items are incorporated into the consent agenda and approved by a single motion of the Council. On a motion by Councilmember Naslund, seconded by Councilmember Seehuus, the consent agenda was approved as presented. Seehuus – aye; Walker – aye; Davenport-Smith – aye; Naslund – aye; Beeler - aye.

- 1) Approval of the August 14, 2014 Council Meeting Minutes
- 2) Approval of Vouchers in the amount of \$534,522.19 and payroll through August 15, 2014 in the amount of \$90,547.52 to be drawn and paid on the proper accounts.

ACTION ITEMS:**WHPacific Contract – Timber Ridge**

The issue before the city council is to authorize the mayor to sign a contract with WHPacific to assist the City with civil engineering, surveying, and geotechnical professional services related to the repair of the damaged infrastructure improvements associated with 141st Street SE. The contract amount is not to exceed \$35,000 without prior written authorization from City Council.

WHPacific and their geotechnical engineering sub-consultant Robinson Noble have been working with the City since 2011 to study and address issues related to the Timber Ridge subdivision. Now that the City has adopted a new Geologically Hazardous Areas code and the moratorium on building in Timber Ridge has been lifted, the owner of the unoccupied lots has expressed interest in moving forward with obtaining building permits for lots adjacent to 141st Street SE.

It is the City's obligation to repair the damaged infrastructure improvements associated with 141st Street SE. At this point, the cul-de-sac sidewalk has failed, and there is damage to the storm drainage system. It is also possible that there has been damage to the sanitary sewer system.

Discussion: Amount of funds available from the bond? (\$300,000); requested summary of the bond fund; what if city says no in the future to development? Attorney advised the city will need to discuss the issues with property owner after the facts are known; may have to purchase the land.

On a motion by Councilmember Walker, seconded by Councilmember Davenport-Smith, the Mayor was authorized to sign a contract with WHPacific to assist the City with civil engineering, surveying, and geotechnical professional services related to the repair of the damaged infrastructure improvements associated with 141st Street SE. The contract amount is not to exceed \$35,000 without prior written authorization from City Council. All ayes.

Amendment to Title 19, Land Division Code

The issue is the adoption of Ordinance 1200-14, Amending Title 19, increasing Short Subdivision and Small Scale Binding Site Plan process from 4 lots to 9 lots. A public hearing was held earlier in the meeting. The Planning Board, after conducting a public hearing on the matter, suggested revisions to the draft ordinance adding a notice on site and comment period and then unanimously recommended that the Council proceed with adoption of an ordinance amending Title 19, Land Division Code with the Planning Board's suggested revisions as incorporated into Ordinance 1200-14.

On a motion by Councilmember Naslund, seconded by Councilmember Seehuus, Ordinance 1200-14 was introduced adopted on first reading. All ayes.

CITY OF SULTAN COUNCIL MEETING – August 28, 2014**Vector Truck Purchase – Advertisement for Bids**

The issue before the Council is to authorize staff to advertise for bids to purchase a vector truck. At the March 22, 2014 Council Retreat, a discussion was held regarding capital equipment needs for the City. The consensus of the Council was to move forward with process to obtain funding through the State Local Options program to purchase a Vector truck in late 2014. Subsequently, staff believes that the city should purchase a used vector truck with available funds, not borrowing any money to complete the purchase.

On a motion by Councilmember Davenport-Smith, seconded by Councilmember Walker, staff was authorized to advertise for bids to purchase a vector truck. All ayes.

DISCUSSION ITEMS:**3rd Street Repair Alternatives**

The issue before the Council is to hear a presentation on alternatives to repair the dip in Third Street located north of Alder Avenue and provide staff direction on which alternative Council prefers. The City of Sultan requested that Robinson Noble examine the dip located in 3rd Street just north of Alder Avenue and provide recommendations and estimated costs to complete a repair.

The slow settlement appears to be an indicator that the area is underlain by loose soil or soft organics, which are typically in alluvial deposits. It is likely that this was an old shallow stream area that was filled in during the initial development in Sultan. Robinson Noble presented City staff with two geotechnical exploration options. Geotechnical Exploration Option 1 involves retaining a drill rig which is expensive. Geotechnical Exploration Option 2 involves City public works staff excavating a test pit which is significantly less expensive. Staff recommends Geotechnical Exploration Option 2.

Robinson Noble also presented three alternatives to repair the problem.

- Alternative A involves replacement of an area approximately 11'x18' in the northbound lane using City public works staff and rental equipment at an approximate cost of \$4,000, which includes geotechnical services.
- Alternative B involves replacement of an area approximately 11'x36' (the entire street width) using City public works staff and rental equipment at an approximate cost of \$6,500, which includes geotechnical services.
- Alternative C involves completing Alternative B, but in addition would include grinding and overlaying the asphalt, and adding a geogrid fabric. This would require bidding the work and hiring an asphalt contractor. The estimated cost is \$28,000, and includes geotechnical services.

Staff recommends proceeding with planning for completing Alternative B, but do not proceed with the construction until we have a clearer picture of the Transportation Budget for 2015.

The Council consensus was to move forward with Alternative B.

PUBLIC COMMENTS

Jean Roberts: Timber Ridge has been discussed for many years and she agrees with Councilmember Beeler that city may have to look into buying the property. There are so many problems, need to look for solutions if it is taking a lot of money to fix.

Kay George: It is far past time to do something substantive to improve economics in the community. Need more rooftops to improve city.

CITY OF SULTAN COUNCIL MEETING – August 28, 2014**EXECUTIVE SESSION:**

On a motion by Councilmember Walker, seconded by Councilmember Naslund, the Council adjourned to executive session at 8:10 PM for one hour to discuss contract negotiations and pending litigation. All ayes. The council returned to regular session at 9:10 PM.

Adjournment: On a motion by Councilmember Walker, seconded by Councilmember Seehuus, the meeting adjourned at 9:10 PM. All ayes.

Carolyn Eslick, Mayor

Laura J. Koenig, City Clerk

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 2
DATE: September 11, 2014
SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director *JK*

SUMMARY:

Attached are the minutes of the August 28, 2014 Public Hearing on Title 19, Land Use, as on file in the office of the City Clerk.

RECOMMENDED ACTION:

Approve as submitted.

CITY OF SULTAN COUNCIL MEETING – August 28, 2014**PUBLIC HEARING:**

The Public Hearing on Title 19, Land Division Code was called to order by Mayor Eslick. Councilmembers present: Seehuus, Walker, Davenport-Smith, Naslund and Beeler.

Staff:

The issue is to conduct a public hearing on a proposed amendment to Title 19, Land Division Code, which will increase the maximum number of lots allowed to be created under a short subdivision process or small-scale binding site plan process to 9 lots from 4 lots.

The Planning Board, after conducting a public hearing on the matter, unanimously recommended revisions to the draft ordinance to requiring posted notice of application on the site and a provide for a comment period on all land division applications and then unanimously recommended that the Council proceed with a public hearing followed by adoption of the ordinance amending Title 19, Land Division Code with the Planning Board's suggested revisions as incorporated into Ordinance 1200-14

BACKGROUND:

Under Sultan Municipal Code, a Short Subdivision (also referred to as a Short Plat) is the division of land from one or more parcels into four or fewer parcels. Long-Plats (also referred to as Subdivisions) are the division of one or more parcels of land into five or more lots. The review and approval process for short plats, as compared to subdivisions, allows for a simpler, potentially quicker, less costly process with a lesser level of public notice than Long Plats.

Binding Site Plans are an alternative to subdivisions (short or long) that allow for the division of land into lots or tracts that do not conform to the specific code standards but allow for land to be leased or sold, as detailed under RCW 58.17.030. Binding site plans are typically used to create lots for sale or lease as condominiums, mobile home parks, and commercial and industrial development.

Sultan Municipal Code assigns review types to short plats, "small-scale" binding site plans, subdivisions and "large-scale" binding site plans. Short plats and small-scale binding site plans go through administrative Level II review process with limited public notice. Subdivisions and large-scale binding site plans go through a Level III preliminary approval process with the Hearing Examiner and final approval by the City Council as a Level IV approval process.

The State Environmental Policy Act (SEPA) provides a means to identify the possible environmental impacts of most government decisions. SEPA review is exempt from certain projects and actions that are deemed to not have an environmental impact due to their small size and scale; exempt actions are called Categorical Exemptions and are detailed in the SEPA rulemaking (WAC 197-11-800). The SEPA rules allow cities to adopt exemption levels on certain categorical exemptions within a defined range to a level that is appropriate for the jurisdiction.

Prior to 2002, Washington State platting statutes limited short plats to 4 lots (RCW 58.17 Short Subdivisions). In 2002, the definition of Short Subdivisions was amended to allow local jurisdictions to apply the short plat process for land divisions of up to 9 lots. The State Environmental Policy Act (SEPA) continued to require land divisions of 5 lots or more to go through SEPA review. During the 2014 legislative session, the SEPA exemption limit was raised to include a SEPA categorical exemption for land division up to 9 lots to coincide with RCW 58.17

CITY OF SULTAN COUNCIL MEETING – August 28, 2014

and to apply the same exemption to binding site plans up to the same number of lots allowed as a short subdivision (WAC 197-11-800).

Sultan Municipal Code Title 19: Land Division was adopted on May 10, 2012 by Ordinance 1144-12. The code limited short subdivisions to a maximum of 4 lots. With the Platting Statute and the SEPA Code coordinated, it is appropriate for the City to consider enacting the standard allowed under RCW 58.17.020(6), Definition of Short Subdivision to allow a short plat process to apply to plats up to nine lots and to define a small-scale binding site plan to mean nine or fewer lots.

Effect of Change:

The change only impacts the division of land into five to nine lots. A short subdivision is codified as a simpler, quicker, and less expensive process than a long subdivision. The effects of the change is to the level of notice, review, appeal and fees when the division of land is a short plat review rather than a long plat review. Short Subdivisions are subject to Level II review as provided by SMC Chapter 19.24. Notice of Application is provided only to the applicant. Notice of Decision is provided via the city website and to parties who have individually requested notice. Approval or denial is at the staff level based on findings that address code standards and considers any public input. Decisions are appealable to the Hearing Examiner. Long Subdivisions are decided by the Hearing Examiner based on a detailed staff report and considers public input received during the comment period or at the public hearing. Notices of Application and Hearing are mailed to property owners within 300' of the proposal, posted on site, and mailed to all property owners within 300' of the proposed project. Notice of Decision is mailed to property owners within 300' of the site, posted on the city website, and sent to the County Assessor's Office. Appeals are to a court beyond City jurisdiction. An application for a Subdivision will always require a review of the potential environmental impacts through the SEPA process which will also require Notice of Application to agencies with jurisdiction and Notice of Decision to agencies with jurisdiction, the Department of Ecology, affected tribes, impacted agencies, interested parties, posted on site, and mailed to property owners within 300'.

Currently, the short plat process does not provide individual notification of surrounding property owners or posting on site for division of land into four or fewer lots; (however, the code does require short plat applicants to provide addresses of surrounding property owners-- apparently a code drafting error). The result of this code adoption would be the lack of mailed notification to surrounding property owners and lack of posting on site when land is proposed for division of up to nine lots. There is no change to the development standards that the proposals must design and construct; short plats and subdivisions must meet the same development standards. A short plat process will be faster and take less staff resources than the same project reviewed as a subdivision. Under the 2014 fee schedule, the base fee for a subdivision and SEPA analysis is \$3,950 more than a short plat.

The net positive effect of the proposed change is that a development proposal has a reduced timeline and reduced cost to go through the review process when the development is five to nine lots. The possible negative effect of the proposed change is that less notice of the proposed project and less environmental review occurs for proposals of five to nine lots.

The Planning Board had a thoughtful deliberation on this proposed code change. The Board supported a less expensive and faster process but had concerns about lack of notice with any land division. The Board unanimously recommends Council adopt the proposed code

CITY OF SULTAN COUNCIL MEETING – August 28, 2014

amendment with the addition of a requirement for public notice of application posted on the site and to provide a comment period. The Board recommends the Notice apply to all short plats regardless of size. (A comment period of fourteen days is already provided in the code with Notice of Application so no change to the code to accommodate this is necessary.)

Revisions to Title 19 include a new definition of Binding Site Plan to mirror RCW 58.17.020. This definition removes the requirement that a Binding Site Plan include a Developer's Agreement-a process that is redundant to a binding site plan, requires another level of process, and, while allowed by state statute, is not included in Sultan Municipal Code.

The comprehensive plan represents the city's adopted vision for long-term growth and development. It consists of policies and programs that support and implement that vision while meeting state, regional, and county expectations for future development. Changes to development regulations need to be consistent with the comprehensive plan. This proposal will reduce the cost and review time of small-scale housing development and in doing so, are supported by the 2011 comprehensive plan.

Goal H 5.2 Permit Streamlining: Streamline and simplify development regulations to minimize the cost of housing development.(Sultan 2040 Mission Statement) and Program H 5.2.1: Review and update, if necessary, permit processing procedures and development regulations related to housing development.

Council:

Agree with the posting requirements so all get notice.

Public Input

None

On a motion by Councilmember Davenport-Smith, seconded by Councilmember Naslund , the public hearing was closed. All ayes.

Carolyn Eslick, Mayor

Laura J. Koenig, City Clerk

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM #: Consent 3

DATE: September 11, 2014

SUBJECT: Voucher Approval - 2014

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

SUMMARY:

Attached are the vouchers for approval in the amount of \$195,988.26 and payroll through August 29, 2014 in the amount of \$28,889.21 to be drawn and paid on the proper accounts.

FISCAL IMPACT: \$224,877.47

RECOMMENDATION:

Approve the payment of vouchers as submitted.

**City Of Sultan
Voucher Approval
September 11, 2014**

I, the undersigned, do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered, or the labor performed as described hereon, and that the claim is just, due and an unpaid obligation against the City of Sultan, and that I am authorized to authenticate and certify to said claim.

Laura J. Koenig, Clerk/Deputy Finance Director

We, the undersigned City Council of Sultan Washington, do hereby certify that the merchandise or services hereinafter specified have been received and the claims are approved for payment in the following amounts:

Payroll Check #29650-51	\$	3,424.39
Direct Deposit #18	\$	25,464.82
Benefits Check #	\$	0
Tax Deposit #PR	\$	0
Accounts Payable Checks #29652-92	\$	195,988.26
ACH Transactions - DOR	\$	
TOTAL	\$	224,877.47

Bob McCarty, Councilmember

John Seehuus, Councilmember

Rocky Walker, Councilmember

Sarah Davenport-Smith, Councilmember

Joe Neigel, Councilmember

Marianne Naslund, Councilmember

Jeffrey Beeler, Councilmember

Accounts Payable

Check Register Totals Only

User: laura.koenig
 Printed: 9/4/2014 - 11:20 AM



Check	Date	Vendor No	Vendor Name	Amount	Voucher
29652	09/11/2014	agsupply	AG Supply Co	150.74	0
29653	09/11/2014	amtst	AM Test	375.00	0
29654	09/11/2014	APP	Associated Petroleum Products Inc	2,558.29	0
29655	09/11/2014	BeckKuff	Beckwith & Kuffel	872.68	0
29656	09/11/2014	CIAW	Cities Insurance Association of Washi	42,150.13	0
29657	09/11/2014	comcast	Comcast	684.58	0
29658	09/11/2014	Costco	Costco	376.30	0
29659	09/11/2014	Fastenal	Fastenal	81.84	0
29660	09/11/2014	Frontier	Frontier	238.02	0
29661	09/11/2014	genpac	General Pacific	1,174.97	0
29662	09/11/2014	GlobalD	Global Diving and Salvage	1,960.00	0
29663	09/11/2014	gray	Gray & Osborne Inc.	22,402.38	0
29664	09/11/2014	Groco	Groco, Inc	1,605.76	0
29665	09/11/2014	LKoenig	Laura Koenig	155.68	0
29666	09/11/2014	lakeside	Lakeside Industries	443.61	0
29667	09/11/2014	SMacGreg	Stacy MacGregor	27.44	0
29668	09/11/2014	napa	Monroe Parts House	325.40	0
29669	09/11/2014	nebc	NEBC	195.00	0
29670	09/11/2014	NWCas	Northwest Cascade Inc	310.00	0
29671	09/11/2014	OASYS	Oasys Office Automation Systems	39.42	0
29672	09/11/2014	OfcDepot	Office Depot	97.91	0
29673	09/11/2014	PitneyCr	Pitney Bowes Inc	196.79	0
29674	09/11/2014	PUD 1	PUD	2,493.58	0
29675	09/11/2014	PUD 1107	PUD # 1 of Snohomish County	3,258.25	0
29676	09/11/2014	RedApl	Red Apple Market	22.86	0
29677	09/11/2014	AllWaste	Republic Services	11,913.00	0
29678	09/11/2014	SCcorrec	Snohomish County Corrections	2,234.75	0
29679	09/11/2014	SCpubwor	Snohomish County Finance	15,001.00	0
29680	09/11/2014	SRDTF	Snohomish County Sheriff	72,886.00	0
29681	09/11/2014	Snopac	Snopac	5,124.71	0
29682	09/11/2014	SoundPub	Sound Publishing Inc	36.12	0
29683	09/11/2014	Sul Ins	Sultan Insurance	125.00	0
29684	09/11/2014	TSI	Technical Systems, Inc.	2,625.41	0
29685	09/11/2014	tools	Tools Plus Industries LLC	316.82	0
29686	09/11/2014	BluBook	USA Blue Book	683.66	0
29687	09/11/2014	UULC	Utilities Underground Location Center	27.72	0
29688	09/11/2014	VerizonW	Verizon Wireless	614.37	0
29689	09/11/2014	apwa	WA State Chapter APWA	375.00	0
29690	09/11/2014	WES	Waterhouse Environmental Services C	966.07	0
29691	09/11/2014	weed	Weed, Graafstra & Benson, Inc, P.S.	112.00	0
29692	09/11/2014	WLJ	White Lightning Janitorial	750.00	0
Check Total:				195,988.26	

Payroll

ACH Check Register

User: 'julie.addington'
Printed: 09/03/2014 - 1:34PM
Batch: 1-9-2014
Include Partial: FALSE

7218



Check Date	Check Number	Employee No	Employee Name	Amount
09/05/2014	0	001	Laura Koenig	1,927.75
09/05/2014	0	004	Donna Murphy	1,341.90
09/05/2014	0	007	Julie Addington	1,427.62
09/05/2014	0	010	Cindy Sparks	1,486.75
09/05/2014	0	011	Janice Mann	1,122.29
09/05/2014	0	013	Rosemary Murphy	1,195.22
09/05/2014	0	015	Kenneth Walker	2,154.07
09/05/2014	0	016	Stacy MacGregor	1,637.52
09/05/2014	0	019	Michael Matheson	2,693.34
09/05/2014	0	020	Connie Dunn	1,941.02
09/05/2014	0	025	John Harris	1,820.52
09/05/2014	0	028	Todd Strom	1,664.78
09/05/2014	0	049	Victoria Forte	873.24
09/05/2014	0	072	Carolyn Eslick	-461.75
09/05/2014	0	120	Matthew Wood	1,344.44
09/05/2014	0	121	Jason Strauss	1,779.92
09/05/2014	0	124	Dustin Lindahl	592.69
Total Employees:			17	Total: 25,464.82

Payroll

Computer Check Register

User: julie.addington
Printed: 09/03/2014 - 1:07PM
Batch: 00001-09-2014 Computer

7218



Check No	Check Date	Employee Information	Amount
29650	09/05/2014	024 Michael Williams	2,053.06
29651	09/05/2014	029 James Barns	
Total Number of Employees: 2		Total for Payroll Check Run:	3,424.39

Checks for Approval

Check Number	Check Date	Fund Name	Account Name	Vendor Name	Amount
29652	09/11/2014	GENERAL FUND	Office/Operating Supplies	AG Supply Co	56.98
29652	09/11/2014	STREET FUND	Office/Operating Supplies	AG Supply Co	65.04
29652	09/11/2014	GENERAL FUND	Office/Operating Supplies	AG Supply Co	24.40
29652	09/11/2014	BUILDING MAINTENANCE FUND	Operating Supply	AG Supply Co	4.32
29653	09/11/2014	UTILITY WATER FUND	Water - Testing	AM Test	350.00
29653	09/11/2014	UTILITY WATER FUND	Water - Testing	AM Test	25.00
29654	09/11/2014	UTILITY GARBAGE FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	359.39
29654	09/11/2014	GENERAL FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	600.98
29654	09/11/2014	UTILITY SEWER FUND	Vehicle Operation Maintenance	Associated Petroleum Products Inc	43.87
29654	09/11/2014	UTILITY WATER FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	165.27
29654	09/11/2014	CEMETERY FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	10.81
29654	09/11/2014	STREET FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	10.82
29654	09/11/2014	GENERAL FUND	Vehicle Maintenance	Associated Petroleum Products Inc	10.82
29654	09/11/2014	UTILITY GARBAGE FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	10.05
29654	09/11/2014	GENERAL FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	16.81
29654	09/11/2014	UTILITY SEWER FUND	Vehicle Operation Maintenance	Associated Petroleum Products Inc	1.23
29654	09/11/2014	UTILITY WATER FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	4.62
29654	09/11/2014	CEMETERY FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	0.30
29654	09/11/2014	STREET FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	0.31
29654	09/11/2014	GENERAL FUND	Vehicle Maintenance	Associated Petroleum Products Inc	0.30
29654	09/11/2014	STREET FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	11.91
29654	09/11/2014	UTILITY GARBAGE FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	395.49
29654	09/11/2014	GENERAL FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	661.36
29654	09/11/2014	UTILITY SEWER FUND	Vehicle Operation Maintenance	Associated Petroleum Products Inc	48.27
29654	09/11/2014	UTILITY WATER FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	181.88
29654	09/11/2014	CEMETERY FUND	Vehicle Operation/Maintenance	Associated Petroleum Products Inc	11.90
29654	09/11/2014	GENERAL FUND	Vehicle Maintenance	Associated Petroleum Products Inc	11.90
29655	09/11/2014	UTILITY SEWER FUND	Capital - Equipment	Beckwith & Kuffel	872.68
29656	09/11/2014	GENERAL FUND	Insurance	Cities Insurance Association of Washington	10,537.53
29656	09/11/2014	STREET FUND	Insurance	Cities Insurance Association of Washington	4,215.02
29656	09/11/2014	UTILITY WATER FUND	Insurance	Cities Insurance Association of Washington	9,273.02
29656	09/11/2014	UTILITY SEWER FUND	Insurance	Cities Insurance Association of Washington	12,223.54
29656	09/11/2014	UTILITY GARBAGE FUND	Insurance	Cities Insurance Association of Washington	4,215.01
29656	09/11/2014	STORMWATER UTILITY FUND	Insurance	Cities Insurance Association of Washington	1,686.01
29657	09/11/2014	GENERAL FUND	Communication	Comcast	29.66
29657	09/11/2014	UTILITY WATER FUND	Communication	Comcast	19.77
29657	09/11/2014	UTILITY SEWER FUND	Communication	Comcast	19.77
29657	09/11/2014	UTILITY GARBAGE FUND	Communication	Comcast	19.77

29657	09/11/2014	STREET FUND	Communication	Comcast	9.88
29657	09/11/2014	GENERAL FUND	Communication	Comcast	234.29
29657	09/11/2014	UTILITY WATER FUND	Communication	Comcast	117.15
29657	09/11/2014	UTILITY SEWER FUND	Communication	Comcast	117.14
29657	09/11/2014	UTILITY GARBAGE FUND	Communication	Comcast	117.15
29658	09/11/2014	UTILITY GARBAGE FUND	Office Supplies	Costco	47.04
29658	09/11/2014	UTILITY SEWER FUND	Office Supplies	Costco	47.04
29658	09/11/2014	UTILITY WATER FUND	Office Supplies	Costco	47.03
29658	09/11/2014	STREET FUND	Office/Operating Supplies	Costco	47.04
29658	09/11/2014	GENERAL FUND	Office/Operating Supplies	Costco	188.15
29659	09/11/2014	UTILITY SEWER FUND	Operating Supplies	Fastenal	81.84
29660	09/11/2014	GENERAL FUND	Communication	Frontier	11.31
29660	09/11/2014	STREET FUND	Communication	Frontier	11.31
29660	09/11/2014	UTILITY WATER FUND	Communication	Frontier	11.32
29660	09/11/2014	UTILITY SEWER FUND	Communication	Frontier	11.31
29660	09/11/2014	UTILITY GARBAGE FUND	Communication	Frontier	11.31
29660	09/11/2014	UTILITY WATER FUND	Communication	Frontier	112.29
29660	09/11/2014	GENERAL FUND	Communication	Frontier	13.83
29660	09/11/2014	STREET FUND	Communication	Frontier	13.84
29660	09/11/2014	UTILITY WATER FUND	Communication	Frontier	13.83
29660	09/11/2014	UTILITY SEWER FUND	Communication	Frontier	13.84
29660	09/11/2014	UTILITY GARBAGE FUND	Communication	Frontier	13.83
29661	09/11/2014	UTILITY WATER FUND	Operating Supply	Frontier	13.83
29662	09/11/2014	UTILITY SEWER FUND	Rentals	General Pacific	1,174.97
29663	09/11/2014	STREET IMPROVEMENT FUND	Alder Avenue Project	Global Diving and Salvage	1,960.00
29663	09/11/2014	STREET IMPROVEMENT FUND	Alder Avenue Project	Gray & Osborne Inc.	135.35
29664	09/11/2014	UTILITY SEWER FUND	Services - Sludge Hauling	Gray & Osborne Inc.	22,267.03
29665	09/11/2014	GENERAL FUND	Travel and Seminars	Groco, Inc	1,605.76
29666	09/11/2014	STREET FUND	Office/Operating Supplies	Laura Koenig	155.68
29667	09/11/2014	GENERAL FUND	Travel and Seminars	Lakeside Industries	443.61
29668	09/11/2014	GENERAL FUND	Office/Operating Supplies	Stacy MacGregor	27.44
29668	09/11/2014	STREET FUND	Office/Operating Supplies	Monroe Parts House	13.10
29668	09/11/2014	UTILITY WATER FUND	Operating Supply	Monroe Parts House	13.10
29668	09/11/2014	GENERAL FUND	Office/Operating Supplies	Monroe Parts House	28.12
29668	09/11/2014	STREET FUND	Office/Operating Supplies	Monroe Parts House	-20.19
29668	09/11/2014	UTILITY WATER FUND	Operating Supply	Monroe Parts House	-20.19
29668	09/11/2014	UTILITY SEWER FUND	Office/Operating Supplies	Monroe Parts House	-20.19
29668	09/11/2014	STREET FUND	Operating Supplies	Monroe Parts House	-20.19
29668	09/11/2014	UTILITY WATER FUND	Operating Supply	Monroe Parts House	65.37
29668	09/11/2014	UTILITY SEWER FUND	Operating Supplies	Monroe Parts House	65.37
29668	09/11/2014	UTILITY GARBAGE FUND	Operating Supplies	Monroe Parts House	65.37
29668	09/11/2014	STORMWATER UTILITY FUND	Operating Supplies	Monroe Parts House	65.37

29668	09/11/2014	GENERAL FUND	Office/Operating Supplies	Monroe Parts House	65.37
29668	09/11/2014	UTILITY GARBAGE FUND	Operating Supplies	Monroe Parts House	-20.19
29668	09/11/2014	STORMWATER UTILITY FUND	Operating Supplies	Monroe Parts House	-20.19
29669	09/11/2014	UTILITY WATER FUND	Travel and Seminars	NEBC	65.00
29669	09/11/2014	UTILITY SEWER FUND	Travel and Seminars	NEBC	65.00
29669	09/11/2014	STREET FUND	Travel and Seminars	NEBC	65.00
29670	09/11/2014	UTILITY SEWER FUND	Rentals	Northwest Cascade Inc	124.50
29670	09/11/2014	UTILITY SEWER FUND	Rentals	Northwest Cascade Inc	185.50
29671	09/11/2014	UTILITY WATER FUND	Repair and Maintenance	Oasys Office Automation Systems	6.57
29671	09/11/2014	UTILITY WATER FUND	Repair and Maintenance	Oasys Office Automation Systems	6.57
29671	09/11/2014	UTILITY SEWER FUND	Repair and Maintenance	Oasys Office Automation Systems	6.57
29671	09/11/2014	UTILITY GARBAGE FUND	Repair and Maintenance	Oasys Office Automation Systems	6.58
29671	09/11/2014	STORMWATER UTILITY FUND	Repair and Maintenance	Oasys Office Automation Systems	6.56
29671	09/11/2014	UTILITY WATER FUND	Repair and Maintenance	Oasys Office Automation Systems	6.57
29671	09/11/2014	GENERAL FUND	Office/Operating Supplies	Oasys Office Automation Systems	5.30
29672	09/11/2014	UTILITY WATER FUND	Office Supplies	Office Depot	5.30
29672	09/11/2014	UTILITY SEWER FUND	Office Supplies	Office Depot	5.31
29672	09/11/2014	UTILITY GARBAGE FUND	Office Supplies	Office Depot	5.30
29672	09/11/2014	STREET FUND	Office Supplies	Office Depot	5.30
29672	09/11/2014	GENERAL FUND	Office/Operating Supplies	Office Depot	21.21
29672	09/11/2014	UTILITY WATER FUND	Office Supplies	Office Depot	6.94
29672	09/11/2014	UTILITY SEWER FUND	Office Supplies	Office Depot	6.93
29672	09/11/2014	UTILITY GARBAGE FUND	Office Supplies	Office Depot	6.94
29672	09/11/2014	STREET FUND	Office Supplies	Office Depot	6.94
29672	09/11/2014	GENERAL FUND	Office/Operating Supplies	Office Depot	27.74
29673	09/11/2014	GENERAL FUND	Communication	Office Depot	47.23
29673	09/11/2014	STREET FUND	Communication	Office Depot	47.23
29673	09/11/2014	UTILITY WATER FUND	Communication	Pitney Bowes Inc	24.60
29673	09/11/2014	UTILITY SEWER FUND	Communication	Pitney Bowes Inc	33.45
29673	09/11/2014	UTILITY GARBAGE FUND	Communication	Pitney Bowes Inc	33.46
29673	09/11/2014	GENERAL FUND	Communication	Pitney Bowes Inc	33.45
29674	09/11/2014	STREET FUND	Utilities	Pitney Bowes Inc	24.60
29675	09/11/2014	COMMUNITY IMPROVEMENT FUND	Capital Outlay	PUD	2,493.58
29676	09/11/2014	GENERAL FUND	Volunteer Program	PUD # 1 of Snohomish County	3,258.25
29677	09/11/2014	UTILITY GARBAGE FUND	Intergovernmental - Recycle	Red Apple Market	22.86
29678	09/11/2014	GENERAL FUND	Miscellaneous - Jail Fees	Republic Services	11,913.00
29679	09/11/2014	UTILITY GARBAGE FUND	Intergovernmental - Recycle	Snohomish County Corrections	2,234.75
29680	09/11/2014	GENERAL FUND	Professional Service - SnoCity	Snohomish County Finance	15,001.00
29681	09/11/2014	GENERAL FUND	Intergovernmental - SNOPAC	Snohomish County Sheriff	72,886.00
29682	09/11/2014	GENERAL FUND	Advertising and Legal Notices	Snopac	5,124.71
29683	09/11/2014	GENERAL FUND	Insurance	Sound Publishing Inc	36.12
29683	09/11/2014	STREET FUND	Insurance	Sultan Insurance	25.00
29683	09/11/2014	UTILITY WATER FUND	Insurance	Sultan Insurance	25.00

29688	09/11/2014	UTILITY GARBAGE FUND	Communication	Verizon Wireless	10.99
29688	09/11/2014	STREET FUND	Communication	Verizon Wireless	10.98
29688	09/11/2014	GENERAL FUND	Communication	Verizon Wireless	10.98
29688	09/11/2014	UTILITY WATER FUND	Communication	Verizon Wireless	10.98
29688	09/11/2014	GENERAL FUND	Communication	Verizon Wireless	36.94
29688	09/11/2014	UTILITY SEWER FUND	Communication	Verizon Wireless	10.98
29688	09/11/2014	UTILITY GARBAGE FUND	Communication	Verizon Wireless	10.99
29688	09/11/2014	STREET FUND	Communication	Verizon Wireless	10.98
29688	09/11/2014	GENERAL FUND	Communication	Verizon Wireless	10.98
29688	09/11/2014	UTILITY WATER FUND	Communication	Verizon Wireless	7.39
29688	09/11/2014	GENERAL FUND	Communication	Verizon Wireless	7.39
29689	09/11/2014	UTILITY WATER FUND	Travel and Seminars	WA State Chapter APWA	150.00
29689	09/11/2014	UTILITY SEWER FUND	Travel and Seminars	WA State Chapter APWA	150.00
29689	09/11/2014	STORMWATER UTILITY FUND	Travel and Seminars	WA State Chapter APWA	37.50
29689	09/11/2014	STREET FUND	Travel and Seminars	WA State Chapter APWA	37.50
29690	09/11/2014	UTILITY WATER FUND	Operating Supply	Waterhouse Environmental Services Corporation	966.07
29691	09/11/2014	GENERAL FUND	Legal - Litigation Fees	Weed, Graaistra & Benson, Inc, P.S.	112.00
29692	09/11/2014	GENERAL FUND	Professional Services	White Lightning Janitorial	750.00

195,988.26

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

Agenda Item #: Consent C 4

Date: September 11, 2014

SUBJECT: Resolution 14-08 CIAW – Change in Fiscal Year

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director 

ISSUE:

The issue before the Council is to approve Resolution 14-08 the change in the CIAW By-Laws and Interlocal Agreement to incorporate the changes to the fiscal year from December 1st to November 30th.

SUMMARY STATEMENT:

The Cities Insurance Association of Washington (CIAW) Board of Directors elected, at their June 9th, 2014 Board meeting, to change the fiscal year (Renewal Date) from September 1st to December 1st. The primary motivation for this change is to better align the CIAW fiscal year with the city's fiscal calendar year. On July 21, 2014, this change was approved by the membership. The current year has been extended an additional three (3) months until the new date of December 1st.

The Interlocal Agreement and By-laws have been amended to reflect the date change. The city needs to pass a resolution confirming the fiscal year change in accordance with WAC 200-100-02021.

RECOMMENDED ACTION:

Adoption of Resolution 14-08 to approve the changes to the CIAW By-laws and Interlocal Agreement.

Attachments:

- A. Resolution 14-08 CIAW By-law and Interlocal Agreement Amendment
- B. CIAW Interlocal Agreement
- C. CIAW By-laws

**CITY OF SULTAN
SULTAN WASHINGTON**

RESOLUTION 14-08

A RESOLUTION REGARDING CHANGES TO THE BY-LAWS AND
INTERLOCAL AGREEMENT TO THE CITIES INSURANCE ASSOCIATION OF
WASHINGTON (CIAW)

RECITALS:

WHEREAS, the City of Sultan is a member of the Cities Insurance Association of Washington (CIAW).

WHEREAS; The Cities Insurance Association of Washington (CIAW) is authorized under RCW 48.62 to develop and administer a program which provides an opportunity for members to jointly pool and self-insure their liability losses, and jointly purchase excess insurance, or reinsurance; as well as jointly utilize administrative and other services.

WHEREAS; the CIAW wishes to change its fiscal year.

WHEREAS; The Board of Directors at their regular meeting on June 9, 2014 voted to notify its Members, as well as the Washington State Department of Enterprise Services of a meeting on July 21st, 2014 to vote on said Amendment to the By-Laws and Interlocal Agreement to change the fiscal year.

WHEREAS; The Board of Directors at their regular meeting on July 21, 2014 conducted said vote and the Amendments to the By-Laws and Interlocal Agreement were approved by the membership.

NOW, THEREFORE BE IT RESOLVED:

1. Article 14 of the By-Laws is amended to read as follows:

Article 14
Fiscal Year

The fiscal year of the corporation shall be from ~~September 1st through August 31st~~, to **December 1st through November 30th**, of the next calendar year, or as set by the Board of Directors.

2. Section 3.8.11 of the Interlocal Agreement is amended to read as follows:

3.8.11 The Board of Directors shall establish an annual budget for the Association. The Administrator shall submit a proposed budget for the following fiscal year 60 days prior to the end of each fiscal year to the Board of Directors. Fiscal years for the Association shall be from ~~September 1st through August 31st~~ **December 1st through November 30th** of the next calendar year. The Board of Directors shall determine the estimated expenses and cost to be incurred by the Association for the next fiscal year and shall adopt a budget derived from the Administrator's proposed budget. The budget shall be in a form to provide the following information for the Association as a whole: (1) beginning and ending unreserved fund balance, (2) anticipated revenues in detail, and (3) appropriations in detail. The Board of Directors shall apportion that budget cost among the Members and Associates. All payments due the Association from Members or Associates upon the basis of each budgeted assessment shall be paid as invoiced for the fiscal year for which the assessment is made.

3. Section 3.13 withdrawal. A Member may withdraw only at the end of the Associations fiscal year (~~August 31st~~) (**November 30th**) and only after it has given the Association written notice prior to ~~September~~ **December 1** of the preceding calendar year of its decision to withdraw from this Agreement.

BE IT FURTHER RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SULTAN hereby acknowledges the appropriate changes to the By-Laws and Interlocal Agreement to accomplish said change.

DATED the 11TH day of September, 2014.

Carolyn Eslick, Mayor

ATTEST:

Laura J. Koenig, Clerk/Finance Director



INTERLOCAL AGREEMENT

OF

CITIES INSURANCE ASSOCIATION

OF WASHINGTON

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CITIES INSURANCE ASSOCIATION OF WASHINGTON

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INTERLOCAL AGREEMENT CREATING THE
CITIES INSURANCE ASSOCIATION OF WASHINGTON

1. *Introduction.*

THIS AGREEMENT is made and entered into in the State of Washington pursuant to the provisions of Chapter 39.34 Revised Code of Washington and Chapter 48.62 Revised Code of Washington by and among the Washington cities and towns or public entities listed in Exhibit A attached hereto (the "Members").

2. *Recitals.*

- 2.1 Chapter 48.62 Revised Code of Washington provides that two or more "local governmental entities" may, pursuant to Chapter 39.34 Revised Code of Washington, jointly purchase insurance (these activities are hereafter collectively referred to as a "Joint Insurance Purchasing Pool").
- 2.2 Revised Code of Washington Section 48.62.020 defines "local government entities" to include cities and towns organized and existing under Title 35 or 35A Revised Code of Washington along with certain districts and municipal corporations.
- 2.3 It is to the mutual benefit of the Members and in the best public interest of the Members to join together to establish this Joint Insurance Purchasing Pool to accomplish the purpose set forth herein.
- 2.4 The Members have determined it is in their best interest to participate in such a program.

3. *Agreement.*

In consideration of the foregoing and the mutual benefits to be derived herefrom, the Members agree as follows:

3.1 *Purpose of Agreement.*

This Agreement is entered into by the Members pursuant to Chapter 39.34 Revised Code of Washington and Chapter 48.62 Revised Code of Washington for the purpose of authorizing the creation of the Cities

Insurance Association of Washington (the "Association"), which shall be organized as a non-profit corporation under Chapter 24.03 Revised Code of Washington, to provide a Joint Insurance Purchasing Pool for the benefit of cities and towns in the State of Washington organized and existing pursuant to Title 35 or 35A Revised Code of Washington and districts and other municipal corporations as defined by RCW 48.62.021(1). The Association shall, in exchange for the payment of annual assessments and retroactive assessments by the Regular Members, administer a Joint Insurance Purchasing Pool wherein the Members will pool their losses and claims and jointly purchase insurance and administrative and other services through the Association including claims adjusting, risk management consulting, loss prevention and related services at levels established in each annual budget. It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional cities and towns organized and existing under Title 35 or 35A Revised Code of Washington and districts and other municipal corporations as defined by RCW 48.62.021(1) as may desire to participate in the Joint Insurance Purchasing Pool. It is also the purpose of this Agreement to provide, to the extent permitted by law, that the Association may, at the discretion of its Board of Directors, contract with other local governmental entities in the State of Washington to provide, at a reasonable charge, administrative and other services, including claims adjusting, risk management consulting, loss prevention and training.

3.2 *Parties to Agreement.*

3.2.1 Each party to this Agreement certifies that it intends to contract with all parties who are signatories of this Agreement on its effective date and with such other parties as may later be added to and become signatories to this Agreement pursuant to Section 3.12. Each party to this Agreement also certifies that the withdrawal or cancellation of any party to this Agreement, pursuant to Sections 3.13 or 3.14, shall not affect this Agreement or such party's intent to contract pursuant to the terms of this Agreement with the then remaining parties to this Agreement.

3.2.2 *Types of Memberships.*

There shall be two separate memberships in the Association. Regular Members shall be made up of cities and towns. Regular Members shall be owners of the corporation with full voting rights. Associate Members are Public Entities approved for special membership as per the By-Laws of the Association. Associate Members shall have no ownership in the corporation and shall have no vote in corporate matters.

3.3 *Term of Agreement.*

This Agreement shall become effective on September 1, 1988, and shall remain in force until terminated pursuant to the provisions of Section 3.16.

3.4 *Creation of Association.*

3.4.1 Pursuant to Chapter 48.62 Revised Code of Washington and Chapter 39.34 Revised Code of Washington, the Members authorize the incorporation of the Association as a non-profit corporation pursuant to Chapter 24.03 Revised Code of Washington and articles of incorporation substantially in the form attached as Exhibit B. The initial Board of Directors shall serve until the first annual election of Board of Directors members, which shall be held no later than 180 days after the effective date of this Agreement. Each Regular Member shall become a Member of the corporation. Associate Members shall be an associate of the corporation. The regulation and management of the affairs of the Association shall be governed by this Agreement, and corporate By-Laws substantially in the form attached as Exhibit C, which shall be adopted by the initial Board of Directors immediately upon the incorporation of the Association. The Association's articles of incorporation and By-Laws may be amended from time to time as deemed necessary by the Members and Board of Directors pursuant to the procedures set forth in Chapter 24.03 Revised Code of Washington and Article 17 of the By-Laws.

3.4.2 Notwithstanding the foregoing, the Board of Directors shall have no power or authority to incur any obligations on the part of, or to be chargeable to, Members or Associates in excess of the

requirement of each Member or Associate to compensate the Association or the insurance carrier with whom the Association has affected a transaction as authorized by this Agreement, for the individual Member's or Associate's share or obligation for the purchase of insurance contemplated and authorized by this Agreement. The debts, obligations and liabilities of any Member or Associate shall not become the debts, obligations and liabilities of other Members or Associates except as provided by Section 3.11 of this Agreement.

3.4.3 The insurance afforded to each Member or Associate pursuant to this Agreement is limited to the insurance provided by any insurer of the Association and the coverages defined in the policies of insurance issued by any insurer of the Association. No coverage, benefit or insurance in excess or different from that afforded by any insurer of the Association is offered or afforded to any Member or Associate by execution of this Agreement.

3.5 *Powers of the Association.*

The Members and Associates hereby delegate to the Association the powers which are common to the Members or Associates and which are reasonably necessary and proper to carry out the purposes and terms of this Agreement. Such powers shall include, but not be limited to, the power to:

- 3.5.1 Establish, and require compliance with, all terms of the Joint Insurance Purchasing Pool to be provided by the Association including the types and limits of the insurance coverage, the methodology to be used to allocate the Association's costs among Regular and Associate Members, and the amount of retroactive assessments to be paid by each Regular Member;
- 3.5.2 Make and enter into contracts;
- 3.5.3 Incur debts, liabilities or obligations;
- 3.5.4 Acquire, receive, hold or dispose of property, funds, services, and other forms of assistance from persons, firms, corporations and governmental entities;

- 3.5.5 Sue and be sued, complain and defend, in its corporate name;
- 3.5.6 Hire employees and agents; and
- 3.5.7 Employ a third party administrator to act in accordance with Section 3.8.6.

The powers delegated to the Association shall be exercised pursuant to the terms of this Agreement and in the manner provided by law.

3.6 *Responsibilities of the Association.*

The Association shall have the following responsibilities:

- 3.6.1 Within 30 days after the effective date of this Agreement, the Board of Directors shall adopt a budget. A similar budget shall be adopted by the Board of Directors prior to the beginning of each fiscal year thereafter. Such budget shall specify the types and limits of the insurance coverage to be provided through the Association, the estimated annual assessment to be paid by each Member or Associate, and the methodology to be used to allocate the Association's costs, including deductible costs, administrative costs, and loss costs, to each Regular Member on a retroactive basis and to establish the amount, if any, of each Regular Member's retroactive assessment.
- 3.6.2 The Association will assist each Member's or Associate's risk manager, upon request, with the implementation of risk management programs.
- 3.6.3 The Association may provide loss prevention, safety, and consulting services to Members and Associates.
- 3.6.4 The Association will provide claims adjusting and subrogation services for claims covered by the Association's Joint Insurance Purchasing Pool.
- 3.6.5 The Association will provide loss analysis for the Members and Associates for the purpose of identifying high exposure operations and evaluating proper levels of self-retention and deductibles.

3.6.6 The Association may conduct risk management audits to assess each Member's and Associate's participation in the Joint Insurance Purchasing Pool.

3.7 *Responsibilities of Members.*

Members shall have the following responsibilities:

3.7.1 The governing body of each Member or Associate shall designate in writing a representative who shall be authorized to exercise the Member's or Associate's voting rights with respect to the Association and to act on behalf of the Member or Associate with respect to all matters pertaining to the Association.

3.7.2 Each Member or Associate shall maintain its own set of records, as a loss log, on all categories of loss to ensure accuracy of the Association's loss reporting system and shall provide to the Association a written report of all potential claims or losses within 14 days after they become known to the Member or Associate.

3.7.3 Each Member or Associate shall pay to the Association when due all assessments and retroactive assessments established by the Association pursuant to the terms of this Agreement. After the withdrawal, cancellation, or termination of a Regular Member, such Regular Member shall continue to pay to the Association when due its share of any retroactive assessment established by the Association until all claims, losses, costs, and other unpaid liabilities relating to the Regular Member's period of membership have been resolved fully.

3.7.4 Each Member or Associate shall provide the Association with such information or assistance as may be necessary for the Association to carry out the Joint Insurance Purchasing Pool.

3.7.5 Each Member or Associate shall comply with all By-Laws, resolutions, and policies by the Board of Directors and shall cooperate with the Association, and any insurer of the Association, in accomplishing the purposes of this Agreement.

3.7.6 Each Member or Associate shall participate as provided herein in the selection of members of the Board of Directors.

3.8 *Board of Directors' Authority.*

3.8.1 The Association shall be governed by a Board of Directors. The Board of Directors shall consist of ten members, to be selected from the Regular Membership. Beginning with the second election of members to the Board of Directors, the Regular Members of that Committee shall be selected as follows: the area served by the Association shall be divided into three geographic regions, with each region represented by a number of representatives assigned to the region based on the number of Regular Members from that region.

3.8.2 To ensure that consistent management is provided for the Association into the future, the initial Board of Directors members shall have terms of one, two or three years. After the initial election, all Board of Directors members will be elected for a three-year term. Those terms will provide that four of the ten committee members will be elected for full terms in two consecutive years and three of the regular committee members will be elected for full terms the third year.

3.8.3 The Board of Directors shall elect a Chair for each fiscal year. In addition, the Board of Directors shall elect a Vice-Chair who will in the absence of the Chair or, in the event of the Chair's inability or refusal to act, perform the duties of the Chair.

3.8.4 Each member of the Board of Directors shall have one vote.

3.8.5 A majority of the members of the Board of Directors shall be required to transact the business of the Board of Directors.

3.8.6 The Third Party Administrator shall have the general supervisory control over the day to day decisions and administrative activities of the Association. Activities shall include but not be limited to: (1) negotiations and placement for insurance coverage contracts, (2) disbursement of billings to individual Members and Associates for their proportionate charges, (3) payment and management of claims

sustained by Members or Associates of the Association and liaison with representatives acting on behalf of participating Members or Associates.

- 3.8.7 Administrative costs and charges to be paid to the Third Party Administrator shall be negotiated between the Board of Directors and the Administrator.
- 3.8.8 Pool funds shall be administered by the Association Administrator under the control and supervision of the Board of Directors. The Administrator will be authorized to disburse funds for the processing of covered claims and administrative costs. All parties having check writing authority on Association funds shall be bonded to the Association in an amount established by the Board of Directors.
- 3.8.9 The Board of Directors will provide for an audit of the accounts and records of the Association. When such an audit of the accounts and records is made by the Washington State Auditor's office, a report thereof shall be filed as a record with the office of the Administrator. Such reports shall be conducted and filed as required by law. Costs of this audit shall be borne by the Association and shall be considered as administrative costs.
- 3.8.10 Pursuant to the laws and regulations of the State of Washington, the Association elects to invest its assets in permissible investments in a manner which is permitted by law, such manner of investment to be selected from time to time by resolution of the Board of Directors.
- 3.8.11 The Board of Directors shall establish an annual budget for the Association. The Administrator shall submit a proposed budget for the following fiscal year 60 days prior to the end of each fiscal year to the Board of Directors. Fiscal years for the Association shall be from December 1 through November 30 of the next calendar year. The Board of Directors shall determine the estimated expenses and costs to be incurred by the Association for the next fiscal year and shall adopt a budget derived from the Administrator's proposed budget. The budget shall be in a form to provide the following information for the Association as a whole:
(1) beginning

and ending unreserved fund balance, (2) anticipated revenues in detail, and (3) appropriations in detail. The Board of Directors shall apportion that budget cost among the Members and Associates. All payments due to the Association from Members or Associates upon the basis of each budgeted assessment shall be paid as invoiced for the fiscal year for which the assessment is made.

3.8.12 The first budget and premium assessments shall be proposed by the Administrator and approved by the Board of Directors not later than 30 days after the effective date of this Agreement.

3.8.13 Any vacancies on the Board of Directors that occur during a term of office shall be filled by an election of the Board of Directors by a simple majority vote. Any replacement shall fill out the unexpired term of the committee member replaced.

3.9 *Service Representative Relationship.*

3.9.1 Each participating Member or Associate of the Association shall designate a servicing representative to act on their behalf in liaison with the needs of the Association Administrator. Should a participating Member choose not to designate a local servicing representative, the Association shall supply such services in accordance with a fee schedule adopted annually by the Board of Directors. Service representatives' minimum duties and criteria will be established by resolution of the Board of Directors and reviewed annually. Duties will include, but are not limited to the providing of local claims assistance, the securing of underwriting information, completion of applications, updating of vehicle lists and information and such other functions as the Board of Directors may from time to time establish by resolution.

3.9.2 Any fees to be paid the servicing representative by each Member or Associate will be established and paid by the Member or Associate.

3.9.3 Each Member and Associate agrees to indemnify and hold the Association, its Administrator, employees and agents, harmless from and indemnify them against any claims, complaints, causes

of action or judgments arising from any allegation of a failure of the performance or negligence on the part of the Member's or Associate's servicing representative including a failure to communicate to or forward communications from the Association, the Association's Administrator or any Association insurer. The employment of a servicing representative and the scope of the services performed by that representative is completely within the domain of the Member or Associate. A Member or Associate acts upon the advice and actions or inactions of its servicing representative at its sole risk.

3.10 *Effective Date of Pooled Insurance Purchasing Program.*

The Joint Insurance Purchasing Pool shall become effective on September 1, 1988 or upon execution of this Agreement by two or more Members, whichever occurs first.

3.11 *Contingent Liability and Retroactive Assessments.*

3.11.1 Pursuant to the provisions of Revised Code of Washington Section 48.62.060, each Regular Member shall be contingently liable for the liabilities of the Association in the event the assets or insurance of the Association are not sufficient to cover its liabilities. Any actual or projected deficits of the Association shall be financed through retroactive assessments levied against each Regular Member in accordance with the following cost allocation methodology.

3.11.2 In the event the Association's assets should be insufficient to cover liabilities, the Board of Directors shall direct the Administrator to reassess Regular Members an amount according to the following formula:

$$\begin{array}{l} \text{Member} \\ \text{Reassessment} \\ \text{Amount} \end{array} = \begin{array}{l} \text{(Liability Due and Not} \\ \text{Serviced By Current} \\ \text{Pool Assets) + (Required} \\ \text{Reserve Account)} \end{array} \times \begin{array}{l} \text{Member Contribution or} \\ \text{Assessments Since Inception} \\ \text{TOTAL OF ALL Assessments} \\ \text{or Contributions Since Inception} \end{array}$$

The reassessment will be implemented only after a review of the circumstances surrounding the deficiency by the Board of Directors and approved by the Board of Directors. Should any Member leave

the Association and subsequently a deficiency exist in the period that the entity was a Regular Member of the Association, the city or town in question shall be assessed the amount that the Association is held liable for the period in question.

3.12 *New Members.*

Members admitted as Regular Members of the Association after one year from the effective date of the Joint Insurance Purchasing Pool may be required to pay a reasonable share of the unreserved fund balance of the Association and the costs necessary to analyze their loss data and determine their premiums. Any costs to be paid by the Regular or Associate new Members shall be determined by the Board of Directors.

3.13 *Withdrawal.*

Any Member or Associate may withdraw only at the end of the Association's fiscal year (November 30) and only after it has given the Association written notice prior to December 1 of the preceding calendar year of its decision to withdraw from this Agreement.

3.14 *Cancellation.*

The Association shall have the right to cancel any Member's or Associate's participation in the Joint Insurance Purchasing Pool upon the affirmative vote of at least three-fourths of the whole Board of Directors at any regular or special meeting. Any Member or Associate so canceled shall be given 180 days' notice prior to the effective date of the cancellation.

3.15 *Effect of Withdrawal or Cancellation.*

Neither the withdrawal nor the cancellation of any Member or Associate shall cause the termination of this Agreement. No Member or Associate by withdrawing or having its membership canceled shall be entitled to payment or return of any assessment paid by the Member or Associate to the Association or any Association insurer, or to any distribution of the Association's assets. The withdrawal or cancellation of any Regular Member after the effective date of the Joint Insurance Purchasing Pool shall not terminate its responsibility to contribute its share of any

assessments or retroactive assessments established by the Association until all claims, losses, costs, and other unpaid liabilities relating to the Regular Member's period of membership have been resolved fully and a determination of the final amount of payment owed by the Regular Member or credit due the Regular Member for the period of its membership has been made by the Board of Directors. In making this determination, the Board of Directors shall use the cost allocation methodology or methodologies established by the budgets adopted pursuant to the requirement of Section 3.6.1 hereof. It is the intent of this Agreement that no assets of the Association shall be owned by Associate Members nor shall Associate Members be responsible for debts incurred by the Association other than insurance premiums, assessments and claim deductibles attributed to the Associate Member's membership.

3.16 *Termination and Distribution.*

3.16.1 *Termination.*

This Agreement may be terminated at any time by the written consent of three-fourths of the Members. However, this Agreement and the Association shall continue to exist for the purpose of paying all debts and liabilities, disposing of all claims, distributing net assets, and otherwise winding up and liquidating the affairs of the Association. The Board of Directors is vested with all powers of the Association during such winding up and liquidation, including the power to require Regular Members, including those Regular Members who withdrew prior to the termination date, to pay any retroactive assessments deemed necessary by the Board of Directors to fully resolve and dispose of all claims, losses and liabilities covered by this Agreement. The retroactive assessment shall be determined on the basis of the cost allocation methodology or methodologies established by the resolutions adopted pursuant to the requirements of Sections 3.6.1 and 3.11.2 hereof.

3.16.2 *Distribution.*

Upon termination of this Agreement and full satisfaction of all outstanding claims, losses, and liabilities of the Association, all assets of the Association shall be distributed among the Regular

Members who were Members of the Joint Insurance Purchasing Pool, on the date action to terminate this Agreement was taken, in proportion to the cash payments made by each Regular Member during the term of this Agreement. The Board of Directors shall determine such distribution within six months after the last pending claim or loss covered by this Agreement has been resolved fully.

3.17 *Notices.*

Notice to Members or Associates hereunder shall be sufficient if mailed to the office of the last official address of the respective Member.

3.18 *Amendment.*

This Agreement may be amended at any time by the approval of three-fourths of the Members present or voting at any meeting of the Members. All amendments shall be in writing. Amendments may be proposed by the Board of Directors. Any proposed amendment to this agreement adopted by three-fourths of the whole Board of Directors shall be deemed adopted subject to review by the Members. If four-tenths of the Members present or voting at any meeting of the Members (called in accordance with Article 3 of the By-Laws) vote to repeal any amendment adopted by three-fourths of the whole Board of Directors, that amendment is deemed repealed.

3.19 *Enforcement.*

The Association is hereby granted the authority to enforce the terms of this Agreement. In the event action is instituted to enforce any term of this Agreement or any term of the By-Laws against any Member or Associate or previous Member or Associate, the Member or Associate or previous Member or Associate agrees to pay such sums as the court may fix as reasonable attorneys' fees and costs in said action including fees and costs on appeal.

3.20 *Default and Remedies.*

If any Member or Associate fails to perform any term or condition of this Agreement and such failure continues for a period of sixty days after the Association has given the Member or Associate written notice of such

failure, the Member or Associate shall be in default hereunder. Upon default, the Association may immediately cancel the Member's or Associate's membership effective immediately without further notice, or exercise any remedies herein provided or otherwise provided by law. The rights and remedies of the Association are cumulative in nature and pursuit of any particular remedy shall not be deemed an election of remedies or a waiver of any other remedies available hereunder or otherwise available by law.

3.21 *No Waivers.*

No waiver or forbearance of a breach of any covenant, term, or condition of this Agreement shall be construed to be a waiver or forbearance of any other or subsequent breach of the same or of any other covenant, term or condition, and the acceptance of any performance hereunder, or the payment of any sum of money after the same has become due or at a time when any other default exists hereunder, shall not constitute waiver of the right to demand payment of all other sums owing or a waiver of any other default then or thereafter existing.

3.22 *Prohibition Against Assignment.*

No Member or Associate may assign any right, claim or interest it may have under this Agreement, except to a successor entity following a statutory reorganization. Should any Member or Associate reorganize in accordance with the statutes of the State of Washington, the successor in interest, or successors in interest, may be substituted as a Member or Associate or Members or Associates upon approval of the Board of Directors. No creditor, assignee or third party beneficiary of any Member or Associate shall have any right, claim or title to any part, share, interest, fund premium or asset of the Association.

3.23 *Entire Agreement.*

This Agreement contains the entire understanding of the parties, and they acknowledge that there is no other written or oral understanding or promise between them with respect to the matters addressed by this Agreement. This Agreement may not be altered, amended, or revoked except pursuant to the provision of Section 3.18.

3.24 *Severability.*

If any term or provision of this Agreement shall to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each term and provision in this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

3.25 *Time.*

Time is of the essence of this Agreement and each and every provision hereof.

3.26 *Section Headings.*

The section headings in this Agreement are inserted for convenience only and are not intended to be used in the interpretation of the contents of the sections they introduce.

3.27 *Governing Law.*

This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

3.28 *Counterpart Copies.*

This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

4. Execution.

The parties have executed this Agreement by authorized officials thereof.

Name of City or Town or Public Entity

Mailing Address

Street Address (if different from above)

City

Zip

Phone

By _____
Signature of Authorized Official

(Print or Type Name)

Title

Date

EXHIBIT A List

of Members



All Members
2013-2014

City Members

1. Town of Albion
2. City of Asotin
3. City of Bingen
4. City of Black Diamond
5. City of Blaine
6. City of Buckley
7. City of Colfax
8. City of College Place
9. Town of Colton
10. City of Colville
11. City of Connell
12. City of Cosmopolis
13. Town of Coulee Dam
14. Town of Creston
15. City of Davenport
16. City of Dayton
17. City of Duvall
18. City of East Wenatchee
19. Town of Electric City
20. Town of Elmer City
21. Town of Endicott
22. City of Entiat
23. City of Ephrata
24. City of Everson
25. City of Fircrest
26. City of Grand Coulee
27. City of Granite Falls
28. Town of Hartline
29. City of Ilwaco
30. Town of Lone
31. City of Kahlotus
32. City of Kittitas
33. Town of Krupp
34. Town of LaCrosse
35. City of Liberty Lake
36. Town of Lind
37. Town of Lyman
38. City of Lynden
39. City of Lynnwood
40. Town of Malden
41. Town of Mansfield
42. Town of Marcus
43. City of Mattawa
44. Town of Metaline Falls
45. City of Moxee
46. City of Napavine
47. Town of Nespelam
48. City of Newport
49. City of Nooksack
50. City of Oakville
51. City of Okanogan
52. City of Omak
53. City of Oroville
54. City of Palouse
55. City of Prosser
56. City of Quincy
57. Town of Reardan
58. City of Republic
59. City of Ritzville
60. Town of Riverside
61. City of Rock Island
62. City of Royal City
63. City of Sedro-Woolley
64. City of Selah
65. City of South Bend
66. Town of South Cle Elum
67. City of Sprague
68. Town of Starbuck
69. Town of St. John
70. City of Stevenson
71. City of Sultan
72. City of Sumas
73. City of Tonasket
74. Town of Uniontown
75. City of Waitsburg
76. Town of Washtucna

Administered by





Cities Insurance Association of Washington

All Members
2013-2014

77. Town of Waterville
78. City of White Salmon
79. Town of Wilbur
80. Town of Wilkeson
81. City of Woodland
82. City of Yakima

Special District Members

1. Alpine Water District
2. Asotin County Cemetery District #1
3. Basin City Water-Sewer District
4. Belfair Water District #1
5. Bellingham Public Development Authority
6. Bellingham-Whatcom Public Facilities District
7. Bridgeport Bar Irrigation District
8. Columbia Valley Water District
9. Columbia Water & Power Irrigation District
10. Consolidated Diking Improvement District #1
11. Consolidated Diking Improvement District #2
12. Consolidated Diking Improvement District #3
13. Consolidated Irrigation District
14. Dallesport Water District
15. Diking Improvement District #15
16. Douglas County Sewer District #1
17. Drainage Improvement District #1
18. East Spokane Water District 1-109
19. Elbe Water & Sewer District
20. Elochoman Valley Partners LLC
21. Endicott Park and Recreation District #7
22. Franklin County Irrigation District #1
23. Gardena Farms Irrigation District #13
24. Garfield Parks & Recreation
25. Garfield Public Development Authority
26. Glacier Water District #14
27. Grant County Cemetery District #1
28. Irvin Water District #6
29. Jefferson County Rural Library District
30. Kennewick Irrigation District
31. Kennewick Public Facilities District
32. King County Drainage District #13
33. Kittitas County Water District #2
34. Kittitas Reclamation District
35. Lake Wenatchee Water District
36. Lakehaven Utility District
37. Lenora Water & Sewer District
38. Lewis County Water & Sewer District #5
39. Lexington Flood Control Zone
40. Lind Cemetery District
41. Lopez Island Solid Waste Disposal District
42. Lower Stemilt Irrigation District
43. Lynden Transportation District
44. Lynnwood Transportation Benefit District
45. Malaga Water District
46. Moab Irrigation District
47. Moses Lake Irrigation & Rehabilitation District
48. Naches-Selah Irrigation District
49. North Spokane Irrigation District 8-232
50. Orchard Ave. Irrigation District 6-179
51. Pasadena Park Irrigation District 17-117
52. Peshastin Water District
53. Pierce County Flood Control District
54. Pierce County Noxious Weed Control Board
55. Point Roberts Parks & Recreation #1
56. Port of Kennewick
57. Port of Quincy
58. Prosser Transportation Benefit District
59. Ritzville Public Development Authority
60. Rosalia Park & Recreation District #5
61. Roza Irrigation District
62. Skagit County Dike Drainage & Irrigation Dist #12
63. Skagit County Drainage District #14
64. Skagit County Drainage District #16
65. Skagit County Sewer District #2
66. South Banks Lake Mosquito Control Dist #3
67. Spokane Aquifer Joint Board
68. Spokane County Water District #3
69. Startup Water District
70. Sunnyside Valley Irrigation District

Administered by





All Members 2013-2014

71. Timberland Regional Library
72. Trentwood Irrigation District #3
73. Uniontown Community Development Association
74. Washington State School Directors Association
75. Whitman County Public Hospital District #2
76. Whitman County Water Conservancy Board
77. Yakima County Joint Board of Control #1
78. Yakima Tieton Irrigation District

Fire District Members

1. Adams County FPD # 1
2. Adams County FPD # 2
3. Aero-Skagit Emergency Services
4. Bainbridge Island Fire Department
5. Blue Mountain Fire District # 1
6. Central Kitsap Fire & Rescue
7. Central Valley Ambulance Authority
8. Chelan County FPD #1
9. Chelan County FPD #3
10. Chelan County FPD #4
11. Clallam County FPD #6
12. Columbia County FPD #1
13. Douglas County FPD #2
14. Douglas County FPD #5
15. Ferry/Okanogan Fire District #13
16. Ferry/Okanogan County FPD #14
17. Franklin County FD #1
18. Franklin County FPD #4
19. Glacier Fire & Rescue
20. Grant County FPD #3
21. Grant County FPD #4
22. Grant County FPD #13
23. Grant County FPD #14
24. Grays Harbor County FPD #1
25. Grays Harbor County FPD #2
26. Grays Harbor County FPD #5
27. Grays Harbor County FPD #11
28. Joint County FPD #2
29. Joint Management Group (Kitsap County)
30. Kent Regional Fire District
31. King County FD #4 DBA Shoreline Fire Department
32. King County FPD #28 & Special Rescue
33. King County FPD #34
34. King County FPD #50
35. Kittitas County FPD #6
36. Klickitat County FPD #10
37. Lincoln County Emergency Communications
38. Lincoln County FPD #1
39. Lincoln County FPD #5 & Davenport FPD
40. Lincoln County FPD #7
41. North Pacific County EMS
42. Okanogan County FPD #1
43. Okanogan County FPD #4
44. Okanogan County FPD #9
45. Okanogan County FPD #16
46. Oroville Rural EMS District
47. Pacific County FPD #8
48. Pend Oreille County FPD # 5
49. Pierce County FPD #26
50. Poulsbo Fire Department
51. Region 6 Training Council
52. Riverside Fire & Rescue
53. San Juan County FPD #5
54. Skagit County FPD #10
55. Skagit County Fire District #19
56. Skagit County EMS Commission
57. Snohomish County FPD #5
58. Snohomish County FPD #10
59. South Kitsap Fire & Rescue
60. Stevens County FPD #3
61. Stevens County FPD #6
62. Stevens County FPD #7
63. Stevens County FPD #10
64. Thurston County FPD #16 DBA Gibson Valley Fire District
65. Waitsburg Ambulance Service
66. West Thurston Regional Fire Authority
67. Whatcom County FPD #1

Administered by





All Members
2013-2014

- 68. Whatcom County FPD #5
- 69. Whatcom County FPD #14
- 70. Whitman County FPD #1
- 71. Whitman County FPD #2
- 72. Whitman County FPD #3
- 73. Whitman County FPD #4 & City of Palouse FD
- 74. Whitman County FPD #6
- 75. Whitman County FPD #8

Administered by



BY-LAWS

OF

CITIES INSURANCE ASSOCIATION

OF WASHINGTON

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 FOR
 BY-LAWS OF
 THE CITIES INSURANCE ASSOCIATION OF WASHINGTON

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BY-LAWS
OF
CITIES INSURANCE ASSOCIATION OF WASHINGTON

ARTICLE 1
Offices

The principal office of the corporation shall be located within the State of Washington at the offices of the Third Party Administrator. The corporation may have such other offices, either within or without the State of Washington, as the Board of Directors may determine or as the affairs of the corporation may require from time to time.

The corporation shall have and continuously maintain in the State of Washington a registered office, and a registered agent whose office is identical with such registered office, as required by the Washington Non-Profit Corporation Act, Chapter 24.03 Revised Code of Washington. The registered office may be, but need not be, identical with the principal office of the corporation, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 2
Members

Section 2.1. Classes of Members and Qualifications for Membership. The corporation shall have two classes of Members, Regular and Associate. Eligibility for Regular Membership in the corporation shall be limited to cities and towns organized and existing pursuant to Title 35 or 35A Revised Code of Washington. Cities and towns wishing to become Members of the corporation shall submit an application to the corporation on a form prescribed by the corporation. Cities and towns elected to membership pursuant to Section 3 below shall be required to become a signatory to the Interlocal agreement creating the Cities Insurance Association of Washington (the "Agreement") before such membership shall become effective.

Eligibility for Associate membership shall be limited to districts and municipal corporations as defined by 48.62.021(1) which meet the underwriting and classification criteria established by the Board of Directors. Each Associate Member must become a signature of the Associate Membership Agreement by a Resolution adopted by the entity's Board or Commission.

Section 2.2. Member Representative. Each Regular Member shall appoint one representative who shall be authorized to exercise the Member's voting rights in the corporation, if any, and to act on behalf of the Member with respect to all matters pertaining to the corporation. The name of the person appointed as a Member's representative shall be submitted in writing to the corporation. A change in a Member's appointed representative shall not become effective until the corporation has received written notice of such change. Each Member may also select an alternate Member representative to serve and act in the absence of the Member's representative.

Section 2.3. Selection of Additional Members. Additional Regular Members shall be approved by the Board of Directors. An affirmative majority vote of the Board of Directors members present shall be required for selection. Associate Members shall be approved by the Director or Third Party Administrator subject to the criteria established by the Board of Directors.

Section 2.4. Voting Rights and Procedures. Each Regular Member shall be entitled to one vote on each matter submitted to a vote of the Regular Members unless a record date for voting purposes is fixed by the Board of Directors. Members that are Regular Members on the day of the meeting of the membership shall be entitled to vote at such meeting. Elections and other matters submitted to the vote of Regular Members may, at the discretion of the Chair of the corporation, be conducted by mail ballot. Each Regular Member shall be entitled to one vote on each matter submitted to a vote of the Regular Members.

Section 2.5. Cancellation of Membership. The membership of any Member or Associate of the corporation may be canceled pursuant to the provisions of Section 3.14 of the Agreement.

Section 2.6. Resignation. Any Member or Associate may resign from the corporation pursuant to the procedures and limitations specified in Sections 3.13 and 3.15 of the Agreement.

Section 2.7. Transfer of Membership. Membership in this corporation is not transferable or assignable.

ARTICLE 3
Meetings of Members

Section 3.1. Annual Meeting. At the discretion of the Board Of Directors an annual meeting of the Regular Members shall be held on the last Friday in the month of August in each year, if needed, with a date designated in writing by the Chair of the Board of Directors thirty days before the meeting, at such time and place designated in writing by the Chair, for the purpose of transacting such business as may come before the meeting. .

Section 3.2. Special Meetings. Special meetings of the Members or Associates may be called by the Board of Directors. The Board of Directors or not less than one-fourth of the Regular Members having voting rights.

Section 3.3. Place of Meeting. The The Board of Directors may designate any place, either within or without the State of Washington, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the office of the Third Party Administrator in the State of Washington. If all of the Members shall meet at any time and place, either within or without the State of Washington, and consent to the holding of a meeting, such meeting shall be valid without call or notice and any corporate action may be taken at such meeting. Members of the corporation may participate in a meeting of Members by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 3.4. Notice of Meetings. Written notice stating the place, day and hour of any meeting of Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten nor more than fifty days before the date of such meeting, by or at the direction of the Chair of the Board of Directors, or the Third Party Administrator or persons calling the meeting. In case of a special meeting or when required by statute or by these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at the address of its representative as it appears on the records of the corporation, with postage thereon prepaid.

Section 3.5. **Actions by Members Without a Meeting.** Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof.

Section 3.6. **Quorum.** The Members holding ten percent of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting from time to time without further notice.

Section 3.7. **Manner of Acting.** A majority of the votes entitled to be cast on a matter to be voted upon by the Members present at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by law or by these By-Laws.

Section 3.8. **Rule of Procedure for Meetings.** All meetings of the membership shall be conducted in accordance with Roberts' Rules of Order, except where such rules are in conflict with applicable law, the Agreement, or these By-Laws.

ARTICLE 4 The Board of Directors

Section 4.1. **General Powers.** The affairs of the corporation shall be managed by its Board of Directors

Section 4.2. **Tenure and Qualifications.** The Board of Directors shall be comprised of ten representatives of Regular Members of the corporation elected for three year terms as provided in the Agreement.

Section 4.3. **Voluntary Resignation.** The Board of Directors member who is absent from three consecutive Board of Directors meetings or one-half of the Board of Directors meetings during the year without acceptable excuse shall be deemed to have voluntarily resigned from the Board of Directors. At any meeting of the Board of Director sat which there are absences, the Board of Directors shall determine if they are excused.

Section 4.4. Regular Meetings. A regular annual meeting of the Board of Directors shall be held without other notice than this by-law, in conjunction with, and at the same place as, the annual meeting of Members. The Board of Directors may provide by resolution the time and place, either within or without the State of Washington, for the holding of additional regular meetings of the Board of Directors, or of regular meetings of any committee of the Board of Directors, without notice other than such resolution.

Section 4.5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair or any three Board of Directors members. Special meetings of any committee of the Board of Directors may be called by or at the request of the Chair of the Board of Directors or Chairman of the committee or any two members of the committee. The person or persons authorized to call special meetings of the Board of Directors or of any committee of the Board of Directors may fix any place, either within or without the State of Washington, as the place for holding any special meeting of the Board of Directors or committee called by them.

Section 4.6. Notice. Notice of any special meeting of the Board of Directors or any committee of the Board of Directors shall be given at least two days prior to the meeting by written notice delivered personally or sent by mail, facsimile transmission or telegram to each committee member at the member's address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. If notice be given by facsimile transmission, such notice shall be deemed to be delivered 24 hours after the transmission so long as no error was received during the transmission. Any committee member may waive notice of any meeting. The attendance of a committee member at any meeting shall constitute a waiver of notice of such meeting, except where a committee member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors or any committee of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws. Members of the Board of Directors or any committee of the Board of Directors may participate in a meeting of such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

Section 4.7. Quorum. A majority of the Board of Directors shall constitute a quorum for the transacting of any business of the Board of Directors. However, if less than a majority of the Board of Directors members are present at said meeting, a majority of the Board of Directors members present may adjourn the meeting from time to time without further notice.

Section 4.8. Manner of Acting. The act of a majority of the Board of Directors members, or a majority of the members of any committee of the Board of Directors, present at a meeting at which a quorum is present shall be the act of the Board of Directors or its committee, unless the act of a greater number is required by law or by these By-Laws.

Section 4.9. Rule of Procedures for Meetings. All meetings of the Board of Directors or a committee of the Board of Directors shall be conducted in accordance with Roberts' Rules of Order, except where such rules are in conflict with applicable law, and Agreement, or these By-Laws.

Section 4.10. Compensation. The Board of Directors members or its committee members as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board of Directors or any of its committees.

Section 4.11. Action by The Board of Directors Members Without a Meeting. Any action required by law to be taken at a meeting of the Board of Directors or any of its committees, or any action which may be taken at a meeting of the Board of Directors or any of its committees, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Board of Directors members or committee members.

ARTICLE 5 Officers

Section 5.1. Officers. The officers of the corporation shall be a Chair, a Vice Chair, a Fiscal Officer and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint such other officers, as it shall deem desirable, such officers to have the authority to perform the duties prescribed, from time to time, by the Board of Directors . No two or more offices may be held by the same person.

Section 5.2. Election and Term of Office. The officers of the corporation shall be elected every year by the Board of Directors from among its Regular members prior to the beginning of the fiscal year. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until a successor shall have been duly elected and qualified.

Section 5.3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby.

Section 5.4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.5. Chair. The Chair of the Board of Directors shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He or she shall preside at all meetings of the Members and the Board of Directors. He or she may sign, with any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases when the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other officer or agent of the corporation; and in general he or she shall perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5.6. Vice Chair. In the absence of the Chair or in the event of the Chair's inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform such other duties as from time to time may be assigned to him or her by the Chair or by the Board of Directors.

Section 5.7. Fiscal Officer. The Fiscal Officer shall be responsible to act with the Third Party Administrator as directed by the Board of Directors to carry out The Board of Directors fiscal policies and procedures.

Section 5.8. Third Party Administrator. The Third Party Administrator shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article 7 of these By-Laws; and in general perform such other duties as from time to time may be assigned to him by the Chair or by the Board of Directors. The Third Party Administrator shall keep the minutes of the meetings of the Members, the Board of Directors, and any committees of the Board of Directors, in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each Member and each representative of each Member which shall be furnished to the Third Party Administrator by each Member. The Third Party Administrator shall be bonded in an amount determined by the Board of Directors.

ARTICLE 6 Committees

Section 6.1. Committees of the Board of Directors. The Board of Directors may designate and appoint one or more committees, each of which shall consist of two or more The Board of Directors members, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the By-Laws; electing, appointing or removing any member of any such committee; amending the articles of incorporation; restating articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the corporation;

or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee or doing any act in conflict with the duties of the Board of Directors as set forth in the Agreement. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual The Board of Directors member, of any responsibility imposed upon it or him or her by law.

Section 6.2. Other Committees. Other Committees not having and exercising the authority of the Board of Directors in the management of the corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Board of Directors members present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be representatives of Members of the corporation, and the Chair of the corporation shall appoint the members thereof. Any member thereof may be removed by the

person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 6.3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Members of the corporation and until a successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 6.4. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 6.5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

ARTICLE 7 Administrator

Section 7.1. Appointment and Removal. The Board of Directors shall appoint and employ a Third Party Administrator of the corporation (the "Administrator"), who shall be appointed and removable by the Board of Directors pursuant to whatever employment arrangement the Board of Directors shall have agreed to with the Administrator in writing.

Section 7.2. Powers and Duties. The Administrator shall be the chief administrator of the corporation and shall have control of the administrative functions of the corporation. He or she shall carry out the orders of the Board of

Directors and shall be responsible to the Board of Directors for the efficient administration of the affairs of the corporation. The Administrator shall keep the Board of Directors fully advised of the financial condition and needs of the corporation.

Section 7.3. Compensation. The Administrator shall receive such compensation as the Board of Directors shall fix by contract or resolution.

ARTICLE 8 Indemnification

The Board of Directors Members of the corporation; its directors, officers, employees and the Administrator, its agents, directors, officers and employees shall:

1. Use reasonable and ordinary care in the exercise of their duties as relates to the corporation;
2. Be afforded all of the privileges and immunities that attach generally to governmental officers;
3. Not be liable for, and be held harmless and defended by the corporation, for any act of negligence, any mistake of judgment or any other action, made, taken or omitted in good faith and on behalf of the corporation;
4. Not be liable for any loss incurred through investment of funds or failure to invest such funds so long as they are invested according to the direction of the Board of Directors.

The corporation may purchase, subject to availability and cost, insurance providing coverage for The Board of Directors members and the Administrator.

The corporation shall indemnify every person who was or is a party or is or was threatened to be made a party to any action, suit, or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a member of the Board of Directors, any other committee of the corporation, employee, or agent of the corporation, or the Administrator, its agents, directors, officers or employees in the furtherance of corporation business, or is or was serving at the request of the corporation as a member, director, officer, employee, agent, or trustee of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against expenses (including counsel fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action,

suit or proceeding, to the full extent permitted by applicable law. Such indemnification may, in the discretion of the Board of Directors, include advances of his or her expenses in advance of final disposition of such action, suit or proceeding, subject to the provisions of any applicable statute. This indemnification provided in this Article shall not extend to suits, claims, actions, administrative procedures or investigations brought by or at

the request of the corporation. No indemnification shall extend to any person named above in any litigation, administrative proceeding or process of any type where the corporation and the individual are opposing each other.

ARTICLE 9 Coverage Determinations and Appeal Rights

Section 9.1. Coverage Determinations. All coverage's are limited to those coverage's provided through the corporation as identified in Section 3.4.3 of the Agreement. The Administrator, acting on behalf of the corporation, shall make all initial coverage determinations as respects the corporation's self retention or deductible under the jointly purchased policy or policies of insurance. Such determinations shall be made according to the procedures set forth in this Article and subject to the right of appeal set forth in Section 9.2. Such determination shall be made after appropriate consultation with the corporation's insurance carrier.

- (a) Upon receiving notice of a claim or a Summons and Complaint against a Member and/or persons requesting coverage (the "Covered Party"), the Administrator shall, within forty-five (45) days or such other reasonable time as agreed after receipt of said notice, make an initial coverage determination.
- (b) Upon making a coverage determination, the Administrator shall notify the Covered Party of the determination in writing. If the claim or complaint may exceed the corporation's self retention or deductible, the Administrator shall inform the Member or Covered Party of that determination.
- (c) The written coverage determination shall address the following issues:
 - (1) Whether the corporation will provide the Covered Party legal counsel for defense of the Summons and Complaint.

- (2) Whether the corporation is reserving any rights to make subsequent coverage determinations.
 - (3) Whether the corporation is denying coverage for the claims made in the claim or Summons and Complaint under review. In the event that coverage is denied, the Administrator shall inform the Covered Party in writing of the appeal process contained in Section 2 of this Article.
- (d) In the event that the Administrator determines that the Association should (1) reserve its rights to make subsequent coverage determination, or (2) determines that coverage should be denied, then the written notice shall also state the reasons for any such reservation or denial.
- (e) In the event that a final coverage determination cannot be made by the Administrator until after the facts of the claim or Complaint are determined in a legal proceeding, the Administrator shall make a final coverage determination within sixty (60) days or such reasonable time as agreed after the final disposition of the legal proceeding is provided to the Administrator. The determination shall be provided in writing to the Covered Party and shall contain the information required by Sections 9.1(c) and 9.1(d).
- (f) All written determinations by the Administrator shall be deemed final and binding upon all parties unless the Covered Party files a timely notice of appeal with the Board of Directors in the manner specified in Section 9.2. The determination of the Administrator is only binding upon the corporation and relates only to the self retention or deductible in place at that time under the policy of insurance which insures the Association. The determination of the Administrator is not binding upon the carrier who insures the Association. Covered Parties are required to resolve coverage disputes with the insurance carrier pursuant to the terms of the policy issued by that carrier.

If a claim or Complaint is of such an amount or magnitude that in the opinion of the Administrator that claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense, then the Administrator shall not be entitled to make a determination of coverage. In those instances, all determinations of coverage shall be made in accordance with the terms of the insurance policy issued by the Association's carrier.

The Covered Party shall deal with that carrier through the Administrator's office unless otherwise instructed by the Administrator. The provisions of this Article shall not apply in those instances where the claim or Complaint is of such an amount or magnitude that in the opinion of the Administrator that claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense.

In those instances if a Covered Party or Member has requested a coverage determination, the Administrator shall notify the Covered Party or Member in writing that the Administrator has determined he or she may not issue a determination of coverage and refer the requesting party to the terms of the policy of insurance for resolution of coverage issues.

- (g) The Administrator shall not be obligated to make any coverage determinations until a claim or a Summons and Complaint has been served upon the Covered Party and until the Administrator has received notice thereof. However, the Administrator shall issue tentative written coverage determinations before a Summons and Complaint has been filed upon the written request of the Covered Party. If the Administrator makes a tentative coverage determination, he or she shall remain obligated to provide a subsequent final written coverage determination after a Summons and Complaint has been served and the Administrator has received notice thereof, as provided in Sections 9.1(a), (b), (c), (d), (e) and (f).

Section 9.2. Appeal. Any written determination made by the Administrator pursuant to Section 9.1(c) and (d) denying coverage to a Covered Party shall be final, as provided in Section 9.1(f), unless the procedures for appeal, provided hereafter, are followed by the Covered Party. The following appeal procedures shall apply in those cases where the Administrator has not determined the claim or Complaint is of such an amount or magnitude that in the opinion of the Administrator that claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense. There is no appeal from a determination of the Administrator that the claim or Complaint is of such an amount or magnitude that the claim or Complaint may exceed the amount of the self retention or deductible in terms of exposure and/or costs of defense.

- (a) Any Covered Party aggrieved by the Administrator's written coverage determination may appeal the decision to the Board of Directors. The appeal must be initiated by the Covered Party within thirty (30) days following receipt of the Administrator's written determination.

If an appeal is not initiated within thirty (30) days, as provided herein, the Covered Party shall be deemed to have waived any further right to appeal the decision of the Administrator.

- (b) An appeal is deemed initiated for purposes of this Article when the Covered Party, or his, her, or its legal representative, serves a written Notice of Appeal upon the Administrator or upon the Chair of the corporation. The written Notice of Appeal shall include the following information:
 - (1) The name of the Covered Party initiating the appeal.
 - (2) A brief statement identifying the subject of and basis for the appeal. A copy of the Administrator's written determination should be attached to the Notice of Appeal.
 - (3) The signature of the Covered Party initiating the appeal or the signature of the Covered Party's legal representative.
- (c) Within thirty (30) days, or such time as is agreed, after an appeal has been initiated, a meeting of the Board of Directors shall be convened by the Chairman of the Board of Directors to hear the appeal. Notice of the date set for hearing of the appeal by the Board of Directors shall be sent to the Covered Party not later than fifteen (15) days prior to the date set for the hearing. The Chair of the Board of Directors shall have the authority to set hearing dates for the appeal and to grant continuances where good cause is shown.
- (d) The hearing by the Board of Directors may occur when a quorum of the Committee, pursuant to Section 4.6, is present. Voting by the Board of Directors and the procedures for the meeting of the Board of Directors on the appeal hearing shall be as provided in Sections 4.6 and 4.7. However, members of the Board of Directors shall abstain from participating or voting in any appeals involving a Member with which they are affiliated.
- (e) The hearing of the Board of Directors on the appeal shall proceed as follows:
 - (1) The Chair of the Board of Directors shall administer the hearing and make all necessary procedural rulings during the hearing.
 - (2) The Covered Party or his, her, or its legal representative, if any, shall begin the proceeding with an explanation of the basis for the appeal.

The Covered Party shall present to the Board of Directors all evidence, testimony, argument and legal authority relevant to and in support of the appeal. Thereafter, the Administrator and/or corporation's legal representative may present all evidence, testimony, argument and legal authority relevant and in opposition to the Covered Party's position. Each side shall be provided an opportunity to present rebuttal evidence and argument.

- (3) Following the presentation of evidence, testimony, argument and legal authority, the Board of Directors may retire into executive session to discuss consideration of the appeal. Thereafter, the Board of Directors shall reconvene in public session to consider and vote on any motion made to decide the appeal. The Board of Directors

may vote to uphold the decision of the Administrator or to modify or reverse the decision of the Administrator. The decision of the Board of Directors shall be reduced to writing and signed by the Chairman of the Board of Directors and a copy thereof sent to the Covered Party within seven (7) days following the final decision of the Board of Directors.

- (4) The Chair may adjourn and reconvene any hearing on an appeal as may be necessary to preserve a fair hearing.
- (f) A final decision of the Board of Directors denying the Covered Party the full relief sought shall not preclude the appealing party from seeking judicial review of the Administrator's and/or the Board of Directors's coverage determination. However, no Covered Party may maintain any lawsuit or complaint against the corporation alleging any improper or incorrect coverage denial unless the Covered Party has first exhausted the appeal procedures provided herein. Exhaustion of these appeal procedures shall be a condition precedent to any subsequent legal action or suit by a Covered Party.

ARTICLE 10

Conflict of Interest and Appearance of Fairness Procedure

All Members of the corporation, the Board of Directors, and its committees, shall exercise every effort to avoid conflicts of interest, or the appearance thereof, in their actions relating to the corporation. Any person who has a personal interest in any matter before the Board of Directors or one of its committees which would tend to prejudice his or her action shall so indicate

publicly and may abstain from the deliberations and voting on such matter.

ARTICLE 11

Contracts, Checks, Deposits and Funds

Section 11.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 11.2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Administrator and countersigned by the Board of Directors Chair, The Board of Directors Vice Chair or Fiscal Officer of the corporation.

Section 11.3. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select and as are allowed by the laws of the State of Washington.

Section 11.4. Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

Section 11.5. L&I Retro. Pursuant to the authority granted the Association in the Agreement, the Board of Directors may elect to avail itself of the State of Washington, Department of Labor and Industries, Risk Management Services on behalf of those members of the Association electing to participate in programs offered by that agency. Association participation in such risk management services and programs may include participation in a group retrospective rating scheme as approved by the Board of Directors. Association participation in such risk management services or programs shall be on the basis that all Members are entitled to participate if they so elect. The election of any Member not to participate in such risk management services or programs shall not prohibit the expenditure of Association funds in connection with such services and programs as approved by the Board of Directors.

ARTICLE 12
Certificates of Membership

Section 12.1. Certificates of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the corporation, which shall be in such form as may be determined by the Committee. Such certificates shall be signed by the Chair or Vice Chair and by the Administrator and shall be sealed with the seal of the corporation. All certificates evidencing membership shall be consecutively numbered. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

Section 12.2. Issuance of Certificates. When a Member has been selected to membership and has paid any fee for the unencumbered fund balances and other charges that may then be required, a certificate of membership shall be issued in its name and delivered to it by the Administrator, if the Board of Directors shall have provided for the issuance of certificates of membership under the provisions of Section 12.1.

ARTICLE 13
Books and Records

The corporation shall keep complete books and records of account and shall also keep minutes of the proceedings of its Members and Board of Directors and shall keep at its registered or principal office a record giving the names and addresses of the Members entitled to vote. All books and records of the corporation may be inspected by any Member, or its attorney, for any proper purpose at any reasonable time.

ARTICLE 14
Fiscal Year

The fiscal year of the corporation shall be from December 1 through November 30 of the next calendar year, or as set by resolution of the Board of Directors.

ARTICLE 15
Seal

The seal of this corporation shall consist of the name of the corporation, the state of its incorporation, and the year of its incorporation.

ARTICLE 16
Waiver of Notice

Whenever any notice is required to be given under the provisions of the Washington Non-Profit Corporation Act or under the provisions of the articles of incorporation or the By-Laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 17
Amendments to By-Laws

These By-Laws may be altered, amended or repealed and new By-laws may be adopted by a majority of the Board of Directors members present at any regular meeting or at any special meeting, if at least two days' written notice is given of intention to alter, amend, or repeal or to adopt new By-Laws at such meeting.

Adopted by the Board of Directors on July 15, 2003.

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 5

DATE: September 11, 2014

SUBJECT: Contract for Service Representative - Insurance

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director 

ISSUE:

The issue before the City Council is authorizing the Mayor to sign the extended renewal of the Contract for Municipality Broker Services with Sultan Insurance Company (Attachment A).

STAFF RECOMMENDATION:

Authorize the Mayor to sign the extended contract for Municipality Broker Services with Sultan Insurance Company for the 2013-14 policy year.

SUMMARY:

The Cities Insurance Association of Washington (CIAW) Board of Directors has elected, at their June 9th, 2014 Board meeting, to change the fiscal year (Renewal Date) from September 1st to December 1st. The primary motivation for this change is to better align the CIAW fiscal year with the city's fiscal calendar year. On July 21, 2014, this change was approved by the membership. The current year has been extended an additional three (3) months until the new date of December 1st.

The City is required under the Interlocal Agreement with the Cities Insurance Association of Washington (CIAW) to have a Service Representative to assist with insurance matters (Attachment B).

The Council approved a contract with Sultan Insurance in September 2013 to provide broker services for the city. This will extend the existing contract to coincide with the revised fiscal year.

FISCAL IMPACT:

The fee is incorporated into the annual budget for insurance.

RECOMMENDED MOTION:

Authorize the Mayor to sign the extended contract for Municipality Broker Services with Sultan Insurance Company for the 2013-14 policy year.

Attachments: A. Extended Contract for Service with Sultan Insurance

CONTRACT FOR MUNICIPALITY SERVICES

Between CITY OF SULTAN and Sultan Insurance

Period of Contract: 9-1-13 to 12-1-14

In consideration of the promises and conditions herein, the BROKER and the Municipality do mutually agree as follows:

1. DUTIES OF THE BROKER

- A. The general objective of this contract is for the Broker to provide advice and consultation on Municipality insurance matters.
- B. The _____ shall be responsible for:
 - 1. Completion and processing of all incident forms with follow ups as needed.
 - 2. Completion of all renewal questionnaires.
 - 3. Completion of all other forms pertaining to casualty & property insurance.

II. DUTIES OF THE MUNICIPALITY

- A. In consideration of the Brokers satisfactory performance of the duties set forth herein, the Municipality shall compensate the BROKER as follows:
 - 1. The _____ shall be compensated at a Flat Amount of \$ 125.00 SAME FEE AS LAST YEAR. This fee, Is pro-rated until 12-1-14

III. INDEPENDENT CONTRACTOR STATUS OF _____

- A. The _____ shall perform all duties pursuant to this agreement as an independent contractor.

IV. PROHIBITION AGAINST ASSIGNMENT

- A. Neither this agreement nor any interest therein may be assigned by either party without first obtaining the consent of the other party.

V. HOLD HARMLESS AND INDEMNIFICATION

- A. It is expressly understood by the Municipality and the _____ that the services provided by the _____ pursuant to this agreement are based, in part, on information provided to the _____ by the Municipality. The Municipality shall hold the _____ harmless and indemnify him/her from all claims and losses, including but not limited to negligence claims and/or losses.

VI. ORAL AGREEMENTS

- A. This written agreement constitutes the mutual agreement of the BROKER and Municipality in whole. No alterations or variations of the terms of this agreement and no oral understandings or agreements not incorporated herein, made in writing between the parties hereto, shall be binding.

VII. APPLICABLE LAW

- A. This agreement shall be governed by the laws of the State of Washington;

VIII. NONDISCRIMINATION

- A. No person shall, on the grounds of race, creed, color, national origin, or sex shall be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any activity performed, pursuant to this agreement.

In witness whereof, The Municipality and the BROKER have executed this agreement consisting of (1) page.

MUNICIPALITY _____ DATE _____

Signature


Signature

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Action A 1

DATE: August 28, 2014

SUBJECT: Republic Services Recycle Rates/Ordinance 1201-14 Recycle Rates

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director 

ISSUE:

The issue before the City Council is to approve Republic Services proposed 2.07% recycle rate increase effective October 1, 2014 in accordance with Section 6.2(b) of the contract with the City of Sultan and to introduce Ordinance 1201-14, Recycle Rates (city).

STAFF RECOMMENDATION:

Staff Recommends the Council approve the CPI increase of 2.07% in accordance with Section 6.2(b) of the contract. Staff further recommends that the current rate of \$8.85 per month for recycle services be increased to \$9.15 per month. This will be an increase of 1.46%. (Annual increase of \$3.60/year per account).

SUMMARY:

The council renewed the contract to Republic Services (Allied Waste) in June 2014. The contract will go into effect in September 2014. Ordinance 1131-12 established the rates for residential recycling which includes an administrative fee for the City's handling the customer billing.

In accordance with the franchise agreement Section 6.2(b) (Attachment B), rates *"may increase or decrease annually based on the change in the 12 previous months (April through April) Consumer Price Index (CPI-U) for US Cities Average – All Items, each September 1, beginning in 2015"*.

The proposed CPI increase is 2.07% and the rate increase is \$0.17 per month for a residential account.

Administrative Fee:

The city is responsible for billing the customers for recycle services and remittance of payment to Republic Services on a monthly basis. The administrative fee covers the cost of maintaining the accounts and monthly billing. The recycle charges are included in the combined monthly bill for all utilities. Customer service requests are referred to Republic Services for handling. Public Works staff is not responsible for collection of recycling materials or maintenance of the collection bins. The only cost incurred by the city is for the Utility Clerk's time to process bills and payments and for mailing the statements.

Purpose of Administrative Fee:

The city is responsible for billing the customers for recycle services and remittance of payment to Republic Services on a monthly basis. Currently there is a 5.86% (\$.49 per residential unit per month) administrative fee added to the rate charged by Republic Services. The total

revenue collected for administration of recycle accounts by city is \$8,379 per year (1425 residential units x .49/mo.).

The administrative fee covers the cost of maintaining the accounts and monthly billing. The recycle charges are included in the combined monthly bill for all utilities. Customer service requests are referred to Republic Services for handling. Public Works staff is not responsible for collection of recycling materials or maintenance of the collection bins. The only cost incurred by the city is for the Utility Clerk's time to process bills and payments and for mailing the statements.

Calculating the Administrative Fee:

Garbage and recycling revenues and expenditures are tracked in the Garbage Utility Operating fund. For city garbage accounts, the Utility Clerks (3) are responsible for account maintenance, billing, adjustments, garbage route books, calculation of extra garbage and handling customer requests. There is considerable more time spent maintaining the city garbage accounts. **No administrative staff is included in the calculation of costs.**

The cost breakdown for billing and account maintenance for Garbage and Recycling are:

Wages and benefits	\$47,585
Mailing costs	\$ 2,700
Billing Statements	\$ 350
TOTAL	\$50,635 annually

There are 1,401 garbage accounts and 1,321 recycling accounts. Multi-unit accounts only receive one bill - there are 1425 residential units included in the billings. Since the staff spends more time maintaining the city garbage accounts, it is estimated that 20% of the total annual costs should be allocated to recycle account administration (\$10,127).

	Total Units billed by Republic Services	Monthly Rate Republic Services	Annual Cost for Republic Services	City Monthly Charge	City Annual Revenue	Annual Cost for Republic Services	Admin Fee Collected	City Costs	Dif
Current Recycle Rate	1425	8.36	\$142,956	8.85	\$151,335	\$142,956	\$8,379	\$ 9,507	\$ (1,128)
No City Increase	1425	8.53	\$145,863	8.85	\$151,335	\$145,863	\$5,472	\$10,127	\$ (4,655)
City Increased Rate	1425	8.53	\$145,863	9.15	\$156,465	\$145,863	\$10,602	\$10,127	\$ 475

FISCAL IMPACT

Recycling is part of the Garbage Utility which is an enterprise fund. Enterprise funds need to be self-supporting but are not intended to be "profit-making" funds. Based on the analysis completed by staff, the city is charging an adequate amount per year to administer the accounts. Allied Waste presents their request to increase rates on an annual basis and the city updates the ordinance to reflect the new rates. The Council needs to review the rates and administrative costs on an annual basis and determine if an increase is needed.

**CITY OF SULTAN
ORDINANCE NO. 1201-14**

**AN ORDINANCE OF THE CITY OF SULTAN, WASHINGTON,
TO ADOPT RECYCLE SERVICE RATES; PROVIDING FOR
SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS the City has entered into a contract with Republic Services to provide recycling services within the city; and

WHEREAS, the rates may be adjusted on annual basis based on the Consumer Price Index (CPI) in accordance with the contract with Republic Services;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Establish rates and charges for recycle service as follows:

- 1. Recycling
(Per Dwelling Unit Per Month)
Single family detached and multi-family units
(duplex, triplex, and fourplex)
 - 64 or 96 gallon toter.....\$ 9.15

- Multi-family units of five units or larger
 - 64 or 96 gallon toter/unit.....\$ 9.15
 - Qualified low income senior citizens.....\$ 4.57
- Yard Waste Voucher (per pickup).....\$8.40

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 3. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on October 1, 2014.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE DAY OF 2014.

CITY OF SULTAN

Carolyn Eslick, Mayor

ATTEST/AUTHENTICATED:

Laura Koenig, City Clerk

Approved as to form:

Danielle Evans, City Attorney

Passed:

Published:

Effective:

Consumer Price Index - All Urban Consumers

Original Data Value

Series Id: CUUS0000SA0,CUUR0000SA0
Not Seasonally Adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100

Year	June
2007	208.352
2008	218.815
2009	215.693
2010	217.965
2011	225.722
2012	229.478
2013	233.504
2014	238.343
June 30, 2014 year over year change	4.839
Percentage increase	2.07%

Attachment A
Residential & Multi-Family Recycle Rates
CPI Adjustment effective 10/1/14

Residential Recycling Services
Single-Family, Duplex, Tri-plex and Four-plex

	Current Per dwelling unit rate	2.07%	Proposed Per dwelling unit rate
		CPI Adjustment	
64 gallon toter	\$ 8.36	\$ 0.17	\$ 8.53
96 gallon toter	\$ 8.36	\$ 0.17	\$ 8.53

Multi-Family Recycling Services
Five-plex +, mobile home parks, apartments and condominiums

	Current Per dwelling unit rate	2.07%	Proposed Per dwelling unit rate
		CPI Adjustment	
64 gallon toter/unit	\$ 8.36	\$ 0.17	\$ 8.53
96 gallon toter/unit	\$ 8.36	\$ 0.17	\$ 8.53
1.0 cubic yard/complex	\$ 29.31	\$ 0.61	\$ 29.92
1.5 cubic yard/complex	\$ 43.95	\$ 0.91	\$ 44.86
2.0 cubic yard/complex	\$ 58.60	\$ 1.21	\$ 59.81

Miscellaneous Fees
Residential and Multi-Family Recycling

	Current Per dwelling unit rate	2.07%	Proposed Per dwelling unit rate
		CPI Adjustment	
Return Trip	\$ 6.28	\$ 0.13	\$ 6.41
Drive-in Charge	\$ 2.71	\$ 0.06	\$ 2.77
Redelivery Fee (carts)	\$ 38.99	\$ 0.81	\$ 39.80
Replacement Fee (carts)	\$ 77.97	\$ 1.62	\$ 79.59
Carry-out Surcharge (per 25 feet)	\$ 1.03	\$ 0.02	\$ 1.05

Attachment A
Residential & Multi-Family Yardwaste Rates
CPI Adjustment effective 10/1/14

Residential Yard Debris/Food Waste Services
Single-Family, Duplex, Tri-plex and Four-plex

	Current Per dwelling unit rate	2.07%	Proposed Per dwelling unit rate
		CPI Adjustment	
96 gallon toter	\$ 15.90	\$ 0.33	\$ 16.23
Extra yard debris service Can/bag/bundle	\$ 2.62	\$ 0.05	\$ 2.67
Extra toter (64/96 gallon)	\$ 7.51	\$ 0.16	\$ 7.67
One-time voucher	\$ 7.61	\$ 0.16	\$ 7.77

Multi-Family Yard Debris/Food Waste Services
Five-plex +, mobile home parks, apartments and condominiums

	Current Per dwelling unit rate	2.07%	Proposed Per dwelling unit rate
		CPI Adjustment	
96 gallon toter/unit	\$ 15.90	\$ 0.33	\$ 16.23
1.0 cubic yard/complex	\$ 55.69	\$ 1.15	\$ 56.84
1.5 cubic yard/complex	\$ 83.51	\$ 1.73	\$ 85.24
2.0 cubic yard/complex	\$ 111.36	\$ 2.31	\$ 113.67

Miscellaneous Fees
Residential and Multi-Family Yardwaste

	Current Per dwelling unit rate	2.07%	Proposed Per dwelling unit rate
		CPI Adjustment	
Return Trip	\$ 6.28	\$ 0.13	\$ 6.41
Drive-in Charge	\$ 2.71	\$ 0.06	\$ 2.77
Redelivery Fee (carts)	\$ 38.99	\$ 0.81	\$ 39.80
Replacement Fee (carts)	\$ 77.97	\$ 1.62	\$ 79.59
Carry-out Surcharge (per 25 feet)	\$ 1.03	\$ 0.02	\$ 1.05

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

DATE: September 11, 2014

ITEM NO: A – 2

SUBJECT: Danger Tree Removal @ Wastewater Treatment Plant (WWTP)
Approve and Award a Contract

CONTACT PERSON: Connie Dunn, Public Works Field Supervisor

ISSUE:

The issue before the council is to authorize the Mayor to sign a contract with Selective Tree Removal for the removal of two (2) large clumps of maple trees on city owned property at the Wastewater Treatment Plant (WWTP).

STAFF RECOMMENDATION:

Award the bid to Selective Tree Removal for the removal of two (2) large clumps of maple trees at the WWTP and authorize the Mayor to sign the contract not to exceed \$8,100.00 without prior approval of City Council. This will include:

- Removal of two (2) large maple trees on the northwest corner of city owned property at WWTP.
 - Cut down the trees, without damaging the fence or WWTP structures
 - Chip the brush and leave on site
 - Haul wood away
 - Leave the stumps

ALTERNATIVES:

1. Authorize the Mayor to sign the contract with Selective Tree Removal to remove the maple trees on the northwest corner of the WWTP.
2. Do not authorize the Mayor to sign the contract and direct staff to areas of concern.

SCOPE OF WORK:

Project Description:

There are two large, multi branched maple trees at the WWTP.

1. Temporarily remove the fence while cutting down the trees and replace the fence when the job is complete.
2. Cut the trees down.
 - a. Remove the wood that can not be chipped.
 - b. Chip the branches and brush and leave on site.
3. Contractor will provide a safe work area.
4. Furnish the city with certified payroll and affidavit of prevailing wages paid.
5. Pay prevailing wage to contract employees
6. Selective Tree Removal is licensed, insured and bonded, and will attach copies to the contract.
7. The work will be inspected by the City Public Works Wastewater Treatment Plant Supervisor.

BACKGROUND:

Todd Strom, WWTP Operator, contacted four (4) Tree Removal Contractors to provide written proposals. Below is the list of three removal contractors and the cost provided before tax and contingency:

Davey	\$11,520.00
Asphundl	\$7,900.00
Selective Tree Removal	\$6,800.00

The trees that are located on the Northwest corner of the city property and adjacent to the WWTP have grown and become a negative impact to the WWTP infrastructure and surrounding area.

FISCAL IMPACT:

During annual budget preparation, there was money set aside for the removal of these trees in the professional service operating fund. The trees have become a safety hazard to the surrounding area and the infrastructure of the WWTP due to their size.

COUNCIL ACTION:

Accept the bid and authorize the Mayor to sign a contract with Selective Tree Removal for an amount not to exceed \$8,100.00 that includes sales tax and 10% contingency, without prior written authorization from the Council.

ATTACHMENTS:

- Bid Documents
- Contract with Selective Tree Removal
 - Includes Scope of Work

CITY OF SULTAN LIMITED PUBLIC WORKS CONTRACT

THIS AGREEMENT, is made by and between the City of Sultan (hereinafter referred as "City"), a Washington Municipal Corporation, and Selective Tree Removal (hereinafter referred to as "Contractor"), doing business at PO Box 1611, Monroe, WA 98272

WHEREAS, Contractor is in the business of providing certain services specified herein; and

WHEREAS, the City desires to contract with Contractor for the provision of such services for removal of two large clumps of maple trees at 203 W. Stevens Ave., Sultan WA 98294 - Sultan's Wastewater Treatment Plant and Contractor agrees to contract with the City for same;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

1. **Work.** The Contractor agrees to perform all work in accordance with this Contract and the following documents, incorporated herein:
 - Scope of Work
 - General Provisions
 - Special Provisions
 - Bid Proposals
 - Addenda (if any)
 - Copy of License, Insurance, and Bonding information
 - All provisions required by law to be inserted in this Contract whether actually attached hereto or not.

2. **Payment.** Payment for the work as described in the Contract shall not exceed seven thousand three hundred eighty four dollars and eighty cents (\$7,384.80), excluding approved change orders, in accordance with the /lump sum shown on the attached bid proposal. If during the course of the Contract, the work rendered does not meet the requirements set forth in the Contract, the Contractor shall correct or modify the required work to comply with the requirements of the Contract. The City shall have the right to withhold payment for such work until it meets the requirements of the Contract.

3. **General Administration.** The Contract Administrator, Michael Matheson, Public Works Director, of the City of Sultan shall have primary responsibility for the City under this Contract and shall oversee and approve all work to be performed, coordinate communications, and review and approve all invoices, under this Contract.
4. **Final Payment.** Thirty (30) days after completion and final acceptance of this project by the City as complying with the terms of this Contract, the City shall pay to the Contractor all sums due as provided by this Contract except those required to be withheld by law or agreed to in special contract provisions.
5. **Notice to Proceed / Completion Time.** The Contractor agrees to begin the work set forth in this Contract immediately after receiving written notice from the City to proceed and further agrees to carry on such work regularly and uninterruptedly thereafter with such force as to secure its completion within Thirty (30) calendar days (holidays and weekends included), after such notice to begin work. The time of beginning, rate of progress and time of completion are essential conditions of this Contract.
6. **Ownership of Documents.** On payment to the Contractor by the City of all compensation due under this Contract, all finished or unfinished documents and material prepared by the Contractor with funds paid by the City under this Contract shall become the property of the City and shall be forwarded to the City upon its request. Any records, reports, information, data or other documents or materials given to or prepared or assembled by the Contractor under this Contract will be kept confidential and shall not be made available to any individual or organization by the Contractor without prior written approval of the City or by court order.
7. **Indemnity / Hold Harmless.** The Contractor shall indemnify, defend and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or in connection with the performance of this Contract, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Contract is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

8. **Bonds / Surety.** (City must check one of the following boxes.) The City waives does not waive the bond/surety provisions of this paragraph pursuant to RCW 39.04.155. If the City waives these provisions then Contractor need not complete this section. If the City does not waive these provisions then Contractor shall provide one of the following and shall check and initial next to one of the boxes below to indicate its selection:

Performance bond in an amount of the bid amount plus 10%. The bond must be accepted by the City prior to the execution of the contract. The bond shall be released thirty days after the date of final acceptance of the work performed under this Contract, and receipt of all necessary releases from the Department of Revenue and Department of Labor and Industries in settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

Performance Surety. In lieu of retainage and a performance bond, the City shall withhold 50% of all progress payments, excluding any applied tax, for the duration of the work performed under this Contract. This retained amount shall be released thirty (30) days after the date of final acceptance by the City of all work performed under this Contract, including any change orders, or receipt of all necessary releases from the Department of Labor and Industries and the Department of Revenue and any liens filed under Chapter 60.28 RCW are settled whichever is later. No interest shall be accrued nor paid to the Contractor on the retained amount. The City may, at its option, attach and expend the Performance Surety to cover any costs to complete any outstanding work or work deemed unacceptable under this contract.

9. **Subletting or Assigning of Contracts.** Neither the City nor the Contractor shall assign, transfer, or encumber any rights, duties or interests accruing from this Contract without the express prior written consent of the other.

10. **Relationship of Parties.** The parties intend that an independent contractor - client relationship will be created by this Contract. No agent, employee, representative or subcontractor of Contractor shall be or shall be deemed to be the employee, agent, representative or subcontractor of the City. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the City to the Contractor or his employees, agents, representatives or subcontractors. Contractor will be solely and entirely responsible for his acts and for the acts of Contractor's agents, employees, representatives and subcontractors during the performance of this Agreement. The City may, during the term of this Contract, engage other independent contractors to perform the same or similar work that Contractor performs hereunder.

11. **Warranty.** Contractor shall be liable for any costs, losses, expenses or damages including consequential damages suffered by the City resulting from defects in the Contractor's work including, but not limited to, cost of materials and labor expended by the City in making emergency repairs and cost of engineering, inspection and supervision by the City. The Contractor shall hold the City harmless from any and all claims, which may be made

against the City as a result of any defective work, and the Contractor shall defend any claims at its own expense. Where materials or procedures are not specified in the Contract, the City will rely on the professional judgment of the Contractor to make the appropriate selections.

12. **Correction of Defects.** Contractor shall be responsible for correcting all defects in workmanship and/or materials discovered after the acceptance of this work. When corrections of defects are made, Contractor shall be responsible for correcting all defects in workmanship and/or materials in the corrected work for one year after the acceptance of the corrections of the City. The Contractor shall start work to remedy such defects within seven (7) days of mailing notice of discovery thereof by City and shall complete such work within a reasonable time. In emergencies where damage may result from delay or where loss of service may result, such corrections may be made by the City, in which case the cost shall be borne by the Contractor. In the event the Contractor does not accomplish corrections within the time specified, the work will be otherwise accomplished and the cost of same shall be paid by the Contractor.
13. **Claims.** Any claim from Contractor against the City for damages, expenses, costs or extras arising out of the performance of this Contract must be made in writing to the City within thirty (30) days after the discovery of such damage, expense or loss, and in no event later than the time of approval by the City for final payment. Contractor, upon making application for the final payment, shall be deemed to have waived its right to claim for any other damages for which application has not been made, unless such claim for final payment includes notice of additional claim and fully describes such claim.
14. **Contractor's Risk of Loss.** It is understood that the whole of the work under this Contract is to be done at the Contractor's risk, and that he has familiarized himself with all existing conditions and other contingencies likely to affect the work, and has made his bid accordingly, and that he shall assume the responsibility and risk of all loss or damage to materials or work which may arise from any cause whatsoever prior to completion.
15. **Insurance** The Contractor shall procure and maintain for the duration of the Contract, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives or employees.
 - A. **Minimum Scope of Insurance.** Contractor shall obtain insurance of the types described below:
 1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 11 85. There shall be no endorsement or modification of the Commercial Liability insurance for liability arising from explosion, collapse or underground property damage. The City shall be named as an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City using ISO additional endorsement CG 20 10 10 01 and CG 20 37 10 01 or substitute endorsements providing equivalent coverage.
 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 4. Professional Liability insurance appropriate to the Contractor's profession.
- B. Minimum Amounts of Insurance. Contractor shall maintain the following insurance limits:
1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
 2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.
 3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.
- C. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:
1. The Contractor's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.
 2. The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
- D. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

- E. **Verification of Coverage.** Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the Automobile Liability and Commercial General Liability insurance of the Contractor before commencement of the work.
- F. **Subcontractors.** Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certifications and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the same insurance requirements as stated herein for the Contractor.
- 16. Compliance with Laws.** The Contractor shall comply with all federal, state and local laws and regulations applicable to the work done under this Contract. Any violation of the provisions of these applicable laws and regulations shall be considered a violation of a material provision of this Contract and shall be grounds for cancellation, termination or suspension of the Contract by the City, in whole or in part, and may result in ineligibility for further work for the City.
- 17. Job Safety.** Contractor shall take all necessary precaution for the safety of employees on the work site and shall comply with all applicable provisions of federal, state and local regulations, ordinances and codes. Contractor shall erect and properly maintain, at all times, as required by the conditions and progress of the work, all necessary safeguards for the protection of workers and the public and shall post danger signs warning against known and unusual hazards.
- 18. Prevailing Wage.** This Contract is subject to the requirements of Chapter 39.12 RCW, and as it may be amended, relating to prevailing wages. Prevailing rate shall be paid on public works and building service maintenance contracts, funded in part or in whole with Federal funds, Federal wage laws and regulations shall be applicable. No worker, laborer or mechanic employed in the performance of any part of this contract shall be paid less than the prevailing rate of wage as determined by the Industrial Statistician of the Department of Labor and Industries for the State of Washington. The schedule of prevailing wage rates for this Contract is attached hereto and by this reference made a part of this contract as though fully set forth herein.

Prior to making any payment under this Contract, the City must receive an approved copy of the "Statement of Intent to Pay Prevailing Wages" from the Department of Labor and Industries. It is the Contractor's responsibility to obtain and file the Statement. The Contractor shall be responsible for all filing fees. Each invoice shall include a signed statement that prevailing wages have been paid by the Contractor and all subcontractors. Following the final acceptance of services rendered, Contractor shall submit an "Affidavit of Wages Paid" which must be certified by the Industrial Statistician of the Department of Labor and Industries.

In case any dispute arises as to what are the prevailing rates of wages for work of a similar nature and such dispute cannot be adjusted by the parties of interest, including labor and management representatives, the matter shall be referred for arbitration to the Director of the Department of Labor and Industries of the State and his/her decision therein shall be final and conclusive and binding on all parties involved in the dispute as provided for by RCW 39.12.060 as amended.

19. **Termination.** This contract shall terminate upon satisfactory completion of the work described in the Scope of Work (Attachment A) and final payment by the City. Additionally, the City may terminate the Contract and take possession of the premises and all materials thereon and finish the work by whatever methods it may deem expedient, by giving ten (10) days written notice to the Contractor.

In the event this Contract is terminated by the City, Contractor shall not be entitled to receive any further amounts due under this Contract until the work specified in the Scope of Work (Attachment A) is satisfactorily completed, as scheduled, up to the date of termination. At such time, if the unpaid balance of the amount to be paid under the Contract exceeds the expense incurred by the City in finishing the work, and all damages sustained by the City or which may be sustained by the City or which may be sustained by the reason of such refusal, neglect, failure or discontinuance of employment, such excess shall be paid by the City to the Contractor. If the City's expense and damages exceed the unpaid balance, Contractor and his surety shall be jointly and severally liable therefore to the City and shall pay such difference to the City. Such expense and damages shall include all legal costs incurred by the City to protect the rights and interests of the City under the Contract, provided such legal costs shall be reasonable.

20. **Extent of Contract / Modification.** This contract, together with attachments and/or other addenda, represents the entire and integrated Contract between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. This contract may be amended, modified or added to only by written change order properly signed by both parties.
21. **Nondiscrimination.** Contractor agrees not to discriminate against any employee or applicant for employment or any other persons in the performance of this Contract because of race, creed, color, national origin, marital status, sex, age or disability, or other circumstances as may be defined by federal, state or local law or ordinance, except for a bona fide occupational qualification.
22. **Written Notice.** All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

23. **Non-Waiver of Breach.** The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.
24. **Resolution of Disputes, Governing Law, Venue.** Should any dispute, misunderstanding or conflict arise as to the terms and conditions contained in this Agreement, the matter shall be referred to the City Administrator, whose decision shall be final. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for its reasonable attorney fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in Snohomish County, Washington.
25. **Severability.** Any provision or part of this Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the City and Service Provider, who agree that the Agreement shall be reformed to replace such stricken provision or part with a valid and enforceable provision that comes as close as reasonably possible to expressing the intent of the stricken provision.

Dated this 11th day of September 2014

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year above written.

CITY OF SULTAN

By: _____
Mayor

CONTRACTOR

By: _____
Title: _____
Taxpayer ID #: _____

CITY CONTACT

City of Sultan
PO Box 1199
Sultan WA 98294
Phone: 360.793.2231
Fax: 360.793.3344

CONTRACTOR CONTACT

Phone: _____
Fax: _____

ATTEST/AUTHENTICATED

By: _____
City Clerk

APPROVED AS TO FORM

By: _____
Office of the City Attorney



Selective Tree Removal

Licensed - Insured - Bonded



Bill Martin

360-862-9484

Lic# SELECTR973B3

PROPOSAL

Date: 8-1-2014

Job No.

Bill To: City of Sultan
319 MAIN ST STE. 200
P.O. Box 1199
Sultan WA 98294

Job Site:
SEWER PLANT
SULTAN

Chip Brush

Drop and Leave All

Cut into Firewood

Haul Wood Away

Grind Stumps

Leave Stumps

Description:

Remove 2 LARGE maple
TREES ON WEST SIDE OF
plant. LEAVE STUMPS +
chips ON SITE.

Remarks:

-Acceptance of Proposal-
The prices, specifications and
conditions shown herein are
accepted. Work is authorized
to proceed as specified.

~~DOES CITY NEED EXTRA LOS?~~

Date of Acceptance

Subtotal 6300.00

Signature

3.6 Tax 5734.80

In signing this proposal
you are responsible for obtaining all required permits.

Invoice Total \$ 7384.80

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: A – 3
DATE: September 11, 2014
SUBJECT: Pressure Reducing Valve Vault Leak Repair
CONTACT PERSON: Mick Matheson, P.E. – Public Works Director



ISSUE:

The issue before the city council is to authorize the Mayor to sign a contract with Puget Construction Services for an amount not to exceed \$3,486.60 including tax to seal the Swanson Pressure Reducing Valve (PRV) vault that is experiencing excessive groundwater inflow.

STAFF RECOMMENDATION:

Authorize the Mayor to sign a contract with Puget Sound Construction Services in an amount not to exceed \$3,486.60 including tax to seal the Swanson Pressure Reducing Valve (PRV) vault that is experiencing excessive groundwater inflow.

ALTERNATIVES:

- 1) Authorize the Mayor to sign a contract with Puget Sound Construction Services in an amount not to exceed \$3,486.60 including tax to seal the Swanson Pressure Reducing Valve (PRV) vault.
- 2) Do not authorize the Mayor sign a contract with Puget Sound Construction Services and direct staff to areas of concern.

SUMMARY:

City staff has been dealing with excessive groundwater inflow at the Swanson PRV vault since 2011. An infiltration trench was constructed by City staff in 2011, however this has proved ineffectual.

Staff solicited two quotes to seal the PRV vault. Puget Construction Services quote (Attachment B) was 1,739.00 plus sales tax plus Intent/Affidavit Filing fee (\$80.00) and certified payrolls (\$150.00). Ponderosa Pacific's quote (Attachment C) was \$2,500.00 plus sales tax.

Staff erroneously signed the Puget Construction Services quote on August 18, 2014 and authorized Puget Construction to proceed. Staff should have prepared an Agenda Cover sheet and contract and brought the matter before council to authorize the Mayor to sign the contract.

Puget Construction Services completed the work on August 19, 2014. The City received an invoice (Attachment D) on August 26, 2014. The invoice was higher than the quote because fourteen (14) gallons of DeNeef Sealform were required to seal the vault compared to the quote estimate of four (4) gallons.

Staff is now taking corrective action by bringing the matter before council to authorize the Mayor to sign the contract.

FISCAL IMPACT:

There are adequate funds in the Water Operating Fund to cover this expense.

RECOMMENDED ACTION:

Authorize the Mayor to sign a contract with Puget Construction Services in an amount not to exceed \$3,486.60 including tax to seal the Swanson Pressure Reducing Valve (PRV) vault that is experiencing excessive groundwater inflow.

- ATTACHMENT A** Contract with Puget Construction Services
- ATTACHMENT B** Puget Construction Services Quote
- ATTACHMENT C** Ponderosa Pacific Quote
- ATTACHMENT D** Puget Construction Services Invoice

CITY OF SULTAN
LIMITED PUBLIC WORKS CONTRACT

THIS AGREEMENT, is made by and between the City of Sultan (hereinafter referred as "City"), a Washington Municipal Corporation, and Puget Construction Services (hereinafter referred to as "Contractor"), doing business at 1609 Central Avenue South, Unit 2, Kent, Washington, 98032.

WHEREAS, Contractor is in the business of providing certain services specified herein; and

WHEREAS, the City desires to contract with Contractor for the provision of such services for repairing the leak at the Swanson Pressure Reducing Valve vault and Contractor agrees to contract with the City for same;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, it is agreed by and between the parties as follows:

TERMS

1. **Work.** The Contractor agrees to perform all work in accordance with this Contract and the following documents, incorporated herein:
 - Scope of Work
 - All provisions required by law to be inserted in this Contract whether actually attached hereto or not.
2. **Payment.** Payment for the work as described in the Contract shall not exceed three thousand four hundred eighty six dollars and sixty cents (\$3,486.60). If during the course of the Contract, the work rendered does not meet the requirements set forth in the Contract, the Contractor shall correct or modify the required work to comply with the requirements of the Contract. The City shall have the right to withhold payment for such work until it meets the requirements of the Contract.
3. **General Administration.** The Contract Administrator of the City of Sultan shall have primary responsibility for the City under this Contract and shall oversee and approve all work to be performed, coordinate communications, and review and approve all invoices, under this Contract.
4. **Final Payment.** Thirty (30) days after completion and final acceptance of this project by the City as complying with the terms of this Contract, the City shall pay to the Contractor all sums due as provided by this Contract except those required to be withheld by law or agreed to in special contract provisions.
5. **Notice to Proceed / Completion Time.** The Contractor agrees to begin the work set forth in this Contract immediately after receiving written notice from the City to proceed and further agrees to carry on such work regularly and uninterruptedly thereafter with such force as to secure its completion within 30 calendar days (holidays and weekends included), after such notice to begin work. The time of beginning, rate of progress and time of completion are essential conditions of this Contract.

6. **Ownership of Documents.** On payment to the Contractor by the City of all compensation due under this Contract, all finished or unfinished documents and material prepared by the Contractor with funds paid by the City under this Contract shall become the property of the City and shall be forwarded to the City upon its request. Any records, reports, information, data or other documents or materials given to or prepared or assembled by the Contractor under this Contract will be kept confidential and shall not be made available to any individual or organization by the Contractor without prior written approval of the City or by court order.
7. **Indemnity / Hold Harmless.** The Contractor shall indemnify, defend and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or in connection with the performance of this Contract, except for injuries and damages caused by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Contract is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

8. **Bonds / Surety.** (City must check one of the following boxes.) The City waives does not waive the bond/surety provisions of this paragraph pursuant to RCW 39.04.155. If the City waives these provisions then Contractor need not complete this section. If the City does not waive these provisions then Contractor shall provide one of the following and shall check and initial next to one of the boxes below to indicate its selection:

Performance bond in an amount of the bid amount plus 10%. The bond must be accepted by the City prior to the execution of the contract. The bond shall be released thirty days after the date of final acceptance of the work performed under this Contract, and receipt of all necessary releases from the Department of Revenue and Department of Labor and Industries in settlement of any liens filed under Chapter 60.28 RCW, whichever is later.

Performance Surety. In lieu of retainage and a performance bond, the City shall withhold 50% of all progress payments, excluding any applied tax, for the duration of the work performed under this Contract. This retained amount shall be released thirty (30) days after the date of final acceptance by the City of all work performed under this Contract, including any change orders, or receipt of all necessary releases from the Department of Labor and Industries and the Department of Revenue and any liens filed under Chapter 60.28 RCW are settled whichever is later. No interest shall be accrued nor paid to the Contractor on the retained amount. The City may, at its option, attach and expend the Performance Surety to cover any costs to complete any outstanding work or work deemed unacceptable under this contract.

9. **Subletting or Assigning of Contracts.** Neither the City nor the Contractor shall assign, transfer, or encumber any rights, duties or interests accruing from this Contract without the express prior written consent of the other.

10. **Relationship of Parties.** The parties intend that an independent contractor - client relationship will be created by this Contract. No agent, employee, representative or subcontractor of Contractor shall be or shall be deemed to be the employee, agent, representative or subcontractor of the City. None of the benefits provided by the City to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the City to the Contractor or his employees, agents, representatives or subcontractors. Contractor will be solely and entirely responsible for his acts and for the acts of Contractor's agents, employees, representatives and subcontractors during the performance of this Agreement. The City may, during the term of this Contract, engage other independent contractors to perform the same or similar work that Contractor performs hereunder.
11. **Warranty.** Contractor shall be liable for any costs, losses, expenses or damages including consequential damages suffered by the City resulting from defects in the Contractor's work including, but not limited to, cost of materials and labor expended by the City in making emergency repairs and cost of engineering, inspection and supervision by the City. The Contractor shall hold the City harmless from any and all claims, which may be made against the City as a result of any defective work, and the Contractor shall defend any claims at its own expense. Where materials or procedures are not specified in the Contract, the City will rely on the professional judgment of the Contractor to make the appropriate selections.
12. **Correction of Defects.** Contractor shall be responsible for correcting all defects in workmanship and/or materials discovered after the acceptance of this work. When corrections of defects are made, Contractor shall be responsible for correcting all defects in workmanship and/or materials in the corrected work for one year after the acceptance of the corrections of the City. The Contractor shall start work to remedy such defects within seven (7) days of mailing notice of discovery thereof by City and shall complete such work within a reasonable time. In emergencies where damage may result from delay or where loss of service may result, such corrections may be made by the City, in which case the cost shall be borne by the Contractor. In the event the Contractor does not accomplish corrections within the time specified, the work will be otherwise accomplished and the cost of same shall be paid by the Contractor.
13. **Claims.** Any claim from Contractor against the City for damages, expenses, costs or extras arising out of the performance of this Contract must be made in writing to the City within thirty (30) days after the discovery of such damage, expense or loss, and in no event later than the time of approval by the City for final payment. Contractor, upon making application for the final payment, shall be deemed to have waived its right to claim for any other damages for which application has not been made, unless such claim for final payment includes notice of additional claim and fully describes such claim.
14. **Contractor's Risk of Loss.** It is understood that the whole of the work under this Contract is to be done at the Contractor's risk, and that he has familiarized himself with all existing conditions and other contingencies likely to affect the work, and has made his bid accordingly, and that he shall assume the responsibility and risk of all loss or damage to materials or work which may arise from any cause whatsoever prior to completion.
15. **Insurance** The Contractor shall procure and maintain for the duration of the Contract, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives or employees.

A. Minimum Scope of Insurance. Contractor shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
 2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 11 85. There shall be no endorsement or modification of the Commercial Liability insurance for liability arising from explosion, collapse or underground property damage. The City shall be named as an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City using ISO additional endorsement CG 20 10 10 01 and CG 20 37 10 01 or substitute endorsements providing equivalent coverage.
 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
 4. Professional Liability insurance appropriate to the Contractor's profession.
- B. Minimum Amounts of Insurance. Contractor shall maintain the following insurance limits:
1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
 2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.
 3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.
- C. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:
1. The Contractor's insurance coverage shall be primary insurance as respect to the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.
 2. The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
- D. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.
- E. Verification of Coverage. Contractor shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the Automobile Liability and Commercial General Liability insurance of the Contractor before commencement of the work.

F. Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certifications and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the same insurance requirements as stated herein for the Contractor.

16. **Compliance with Laws.** The Contractor shall comply with all federal, state and local laws and regulations applicable to the work done under this Contract. Any violation of the provisions of these applicable laws and regulations shall be considered a violation of a material provision of this Contract and shall be grounds for cancellation, termination or suspension of the Contract by the City, in whole or in part, and may result in ineligibility for further work for the City.
17. **Job Safety.** Contractor shall take all necessary precaution for the safety of employees on the work site and shall comply with all applicable provisions of federal, state and local regulations, ordinances and codes. Contractor shall erect and properly maintain, at all times, as required by the conditions and progress of the work, all necessary safeguards for the protection of workers and the public and shall post danger signs warning against known and unusual hazards.
18. **Prevailing Wage.** This Contract is subject to the requirements of Chapter 39.12 RCW, and as it may be amended, relating to prevailing wages. Prevailing rate shall be paid on public works and building service maintenance contracts, funded in part or in whole with Federal funds, Federal wage laws and regulations shall be applicable. No worker, laborer or mechanic employed in the performance of any part of this contract shall be paid less than the prevailing rate of wage as determined by the Industrial Statistician of the Department of Labor and Industries for the State of Washington. The schedule of prevailing wage rates for this Contract is attached hereto and by this reference made a part of this contract as though fully set forth herein.

Prior to making any payment under this Contract, the City must receive an approved copy of the "Statement of Intent to Pay Prevailing Wages" from the Department of Labor and Industries. It is the Contractor's responsibility to obtain and file the Statement. The Contractor shall be responsible for all filing fees. Each invoice shall include a signed statement that prevailing wages have been paid by the Contractor and all subcontractors. Following the final acceptance of services rendered, Contractor shall submit an "Affidavit of Wages Paid" which must be certified by the Industrial Statistician of the Department of Labor and Industries.

In case any dispute arises as to what are the prevailing rates of wages for work of a similar nature and such dispute cannot be adjusted by the parties of interest, including labor and management representatives, the matter shall be referred for arbitration to the Director of the Department of Labor and Industries of the State and his/her decision therein shall be final and conclusive and binding on all parties involved in the dispute as provided for by RCW 39.12.060 as amended.

19. **Termination.** This contract shall terminate upon satisfactory completion of the work and final payment by the City. Additionally, the City may terminate the Contract and take possession of the premises and all materials thereon and finish the work by whatever methods it may deem expedient, by giving ten (10) days written notice to the Contractor.

In the event this Contract is terminated by the City, Contractor shall not be entitled to receive any further amounts due under this Contract until the work is satisfactorily completed, as scheduled, up to the date of termination. At such time, if the unpaid balance of the amount to be paid under the Contract exceeds the expense incurred by the City in finishing the work, and all damages sustained

by the City or which may be sustained by the City or which may be sustained by the reason of such refusal, neglect, failure or discontinuance of employment, such excess shall be paid by the City to the Contractor. If the City's expense and damages exceed the unpaid balance, Contractor and his surety shall be jointly and severally liable therefore to the City and shall pay such difference to the City. Such expense and damages shall include all legal costs incurred by the City to protect the rights and interests of the City under the Contract, provided such legal costs shall be reasonable.

20. **Extent of Contract / Modification.** This contract, together with attachments and/or other addenda, represents the entire and integrated Contract between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. This contract may be amended, modified or added to only by written change order properly signed by both parties.
21. **Nondiscrimination.** Contractor agrees not to discriminate against any employee or applicant for employment or any other persons in the performance of this Contract because of race, creed, color, national origin, marital status, sex, age or disability, or other circumstances as may be defined by federal, state or local law or ordinance, except for a bona fide occupational qualification.
22. **Written Notice.** All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.
23. **Non-Waiver of Breach.** The failure of the City to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.
24. **Resolution of Disputes, Governing Law, Venue.** Should any dispute, misunderstanding or conflict arise as to the terms and conditions contained in this Agreement, the matter shall be referred to the City Administrator, whose decision shall be final. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for its reasonable attorney fees from the other party. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in Snohomish County, Washington.
25. **Severability.** Any provision or part of this Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the City and Service Provider, who agree that the Agreement shall be reformed to replace such stricken provision or part with a valid and enforceable provision that comes as close as reasonably possible to expressing the intent of the stricken provision.

Dated this _____ day of _____, 20____

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year above written.

CITY OF SULTAN

By: _____
Mayor

CONTRACTOR

By: _____
Title: _____
Taxpayer ID #: _____

CITY CONTACT

City of Sultan
PO Box 1199
Sultan, 98294
Phone: 360-793-2231
Fax: 360-793-334

CONTRACTOR CONTACT

Phone: _____
Fax: _____

ATTEST/AUTHENTICATED

By: _____
City Clerk

APPROVED AS TO FORM

By: _____
Office of the City Attorney

Attachment B



August 6, 2014

City of Sultan
Re: Swanson PRV Vault Leak Repairs

The following pricing is to stop the water infiltration in PRV vault.

MOB \$600.00

- 2-man grout crew seal 2-leaks around pipes prevailing wage \$195.00/hr (estimated 3/hrs. on site \$585.00)

- Deneef Seal Foam Pure \$135.00/per gallon (estimated 4/gals. \$540.00)

- 3/2" packers \$3.50/each (estimated 4/each \$14.00)

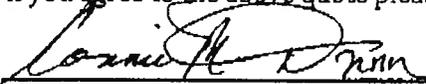
Additional Fees:

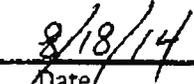
- Intent/Affidavit filing fee \$80.00 (if required)

- Certified Payrolls \$150.00 (if required)

Services & Estimated Materials: \$1,739.00 plus applicable sales tax

If you agree to the above quote please sign and fax back to 253.859.5087 or Email to kris@pcsjac.com


Signature (Owner/Managing Agent)


Date

Please contact us with any questions you may have.

Sincerely,


Kris Willard

Proposal terms: This proposal is valid for 30 days from the date of its issuance and shall expire and be of no effect after such time, unless otherwise specified. Acceptance of PCS's proposal shall create a contract between PCS and the accepting party, for which these conditions shall serve, absent mutually negotiated alteration acknowledged in writing, as the basis for the agreement

Payment terms: Payment terms are NET 30 for customers that hold accounts in good standing with PCS. Customers that do not hold an account with PCS may apply for an account prior to any work being performed or payment will be due upon services completed as agreed.

Attachment C Estimate

Ponderosa Pacific, Inc.
31444 Rosewood Dr.
Sultan, WA 98294-9495

Date	Estimate #
8/15/2014	1504

Name / Address
City Of Sultan* PO Box 1199 Sultan, WA 98294

Project

Number	Description	Qty	Rate	Total
	PRV REPAIR @ 132ND AND SULTAN BASIN ROAD. FOR WATERLEAK, EXCAVATION AND MUDDING OF BASIN		2,500.00	2,500.00T
			Subtotal	\$2,500.00
			Sales Tax (8.6%)	\$215.00
			Total	\$2,715.00

Phone #	Fax #	E-mail	Web Site
425-293-5728	360-793-0881	tim@ponderosapacific.com	ponderosapacific.com

Invoice

Puget Construction Services Inc

1609 Central Ave S. Unit 2

Kent, WA 98032

253.856.2572 Phone

253.859.5087 Fax

Date	Invoice #
8/19/2014	38497

Bill To
City of Sultan 319 Main Street # 200 PO Box 1199 Sultan, WA 98294

Job Name
PO #8565 Swanson PRV Vault 703 1st Street Sultan, WA

P.O. Number	Terms	Due Date	Rep	Date Complete
	Net 30	9/18/2014	Mike	8/19/2014

Quantity	Description	Rate	Amount
2.25	Hours - Grout Truck - (1) 2 man crew to grout 2 pipes and seal one	195.00	438.75T
1	Mobilization to & from job site as per quote	600.00	600.00T
14	Gallons of DeNeeff Sealfoam Pure	135.00	1,890.00T
8	1/2" yellow packers	3.50	28.00T
0.25	Bag of speed plug	95.00	23.75T
2	Intent & Affidavit filing fee	40.00	80.00T
1	Contract Administrative fee	150.00	150.00T
	REVISED		
	Sales Tax	8.60%	276.10

Total		\$3,486.60
Balance Due		\$3,486.60

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: A- 4
DATE: September 11, 2014
SUBJECT: Wastewater Treatment Plant Grant Application
CONTACT PERSON: Mick Matheson, P.E. – Public Works Director



ISSUE:

The issue before the city council is to authorize staff to work with Trane to apply for a Washington State Department of Enterprise Services grant to help fund Energy Conservation Measures 2, 3 and 4 for the Wastewater Treatment Plant with a proposed match of 28 percent.

STAFF RECOMMENDATION:

Authorize staff to work with Trane to apply for a Washington State Department of Enterprise Services grant to help fund Energy Conservation Measures 2, 3, and 4 for the Wastewater Treatment Plant with a proposed match of 28 percent.

ALTERNATIVES:

- 1) Authorize staff to work with Trane to apply for a Washington State Department of Enterprise Services grant to help fund Energy Conservation Services Measures 2, 3, and 4 for the Wastewater Treatment Plant with a proposed match of 28 percent.
- 2) Do not authorize staff to work with Trane to apply for this grant and direct staff to areas of concern.

SUMMARY:

The city council authorized staff to request the Department of Enterprise Services to initiate the contracting process with Trane to prepare Investment Grade Audits for the Wastewater Treatment Plant and the Potable Water Booster Pump Station on May 22, 2014.

Trane has been working with Gray & Osborne and RH2 Engineering to complete the Investment Grade Audit for the following energy Conservation Measures:

ECM-1 Oxidation Ditch – Install Second Mixer. The intent of this ECM is to accomplish the following:

- i. The intent of this measure is to install the second mixer and frame in the oxidation ditch. It is assumed the same manufacturer and model number will be used for the second mixer (Landia POPL-I 4.9/3.6 HP 38 submersible mixer).
- ii. Update controls programming and graphics.

ECM-2 Oxidation Ditch – Control Aerators to DO Setpoint. The intent of this ECM is to accomplish the following:

- i. Provide the ability to directly monitor the dissolved oxygen (DO) in the oxidation ditch and control aerator speed to maintain a consistent DO level. This will reduce energy usage and provide an operational benefit.
- ii. Update controls programming and graphics.

ECM-3 Operations Building Heat Pump Replacement. The intent of this ECM is to accomplish the following:

- i. Replace one existing heat pump serving the operations building with a new, more efficient heat pump.

ECM-4 Wastewater Plant Exterior Lighting. The intent of this ECM is to accomplish the following:

- i. Replace all existing exterior light fixtures at the wastewater plant with LED technology.

ECM-5 Potable Water Booster Station. The intent of this ECM is to accomplish the following:

- i. Provide a new Potable Water Booster Pump Station and with a new emergency generator and pumping capacity of approximately 1,800 gpm to meet existing and projected near-term demands of zones 335, 447, and 632 Zones and the existing 1,000 gpm fire flow requirement.

The Investment Grade Audit is complete. As predicted, ECM-5 does not produce the energy conservation requirements needed to meet the grant criteria. ECM-1 was also found not meet the energy conservation requirements to qualify for a grant because the grant eligibility criteria were just modified.

Energy Conservation Measures 2, 3, and 4 do meet the grant criteria. The estimated project cost to complete ECM 2, 3, and 4 is estimated to be \$294,224. The estimated expected Utility Incentive provided by Snohomish County PUD is \$16,118, resulting in a net cost of \$278,106.

There are different levels of a City match available (3:1, 2:1, 1:1 or 0.5:1). The higher the City match, the greater likelihood the City will receive grant funding, however a match is not required. There is a set aside for small cities for which Sultan is eligible, but it isn't known yet what Sultan's competition will be for the set aside.

It is staff's recommendation that the City's match be 0.5:1 which would require \$81,957 of City capital (together with PUD funds of \$16,118) for a grant request of \$196,149. This is the lowest level of match for this grant program. If the City were to apply for the grant with no proposed match, the likelihood of receiving any grant funding is low.

FISCAL IMPACT:

There are adequate funds in the Sewer Operating Fund to cover this expense.

RECOMMENDED ACTION:

Authorize staff to work with Trane to apply for a Washington State Department of Enterprise Services grant to help fund Energy Conservation Services Measures 2, 3, and 4 for the Wastewater Treatment Plant with a proposed match of 28 percent.

SULTAN CITY COUNCIL AGENDA ITEM COVER SHEET

AGENDA NO: A 5
DATE: September 11, 2014
SUBJECT: Vactor Truck Purchase
CONTACT PERSON: Ken Walker, City Administrator



ISSUE:

The issue before the Council is to authorize staff to purchase a 1998 vactor truck for an amount not to exceed \$101,565 from Owen Equipment.

STAFF RECOMMENDATION:

Authorize staff to purchase a 1998 vactor truck for an amount not to exceed \$101,565 from Owen Equipment.

SUMMARY:

At the March 22, 2014 Council Retreat, a discussion was held regarding capital equipment needs for the City. The consensus of the Council was to move forward with the process to obtain funding through the State Local Options program to purchase a vactor truck in late 2014. Subsequently, staff believes the city should purchase a used vactor truck with available funds, not borrowing any money to complete the purchase.

Council authorized staff to advertise for bids to purchase a vactor truck on August 28, 2014. An advertisement for bids for the purchase of a used vactor truck was published in the Herald on September 1, 2014.

The City received four bids:

1. Owen Equipment Bid for 1997 Vactor Truck – \$71,370 including sales tax
2. Owen Equipment Bid for 1998 Vactor Truck – 101,565 ncluding sales tax
3. EnviroClean Equipment Inc. Bid for 2001 Vactor Truck – \$125,000 without sales tax
4. EnviroClean Equipment Inc. Bid for 2004 Vactor Truck – \$165,000 without sales tax

The 1997 Vactor Truck did not meet the specifications as it did not include a digging package. The 2001 and 2004 vactor trucks exceeded the desired budget. The public works crew and management have inspected and received demonstrations on the Owen Equipment 1998 Vactor Truck and the Enviroclean Equipment 2001 Vactor Truck. The public works crew unanimously chose the Owen Equipment 1998 Vactor Truck as the preferred alternative due to simplicity to operate and superior excavating capability. As this is the least expensive truck of the bids received that met the specification, management is also supportive of this choice.

FISCAL IMPACT:

Funds are available in the Equipment Replacement fund to pay cash for this equipment purchase.

RECOMMENDED ACTION:

Authorize staff to purchase a 1998 vactor truck for an amount not to exceed \$101,565 from Owen Equipment.

ATTACHMENTS:

Attachment A	Owen Equipment Bid for 1997 Vactor Truck
Attachment B	Owen Equipment Bid for 1998 Vactor Truck
Attachment C	Enviroclean Equipment, Inc. Bid for 2001 Vactor Truck
Attachment D	Enviroclean Equipment, Inc. Bid for 2004 Vactor Truck



ENVIRONMENTAL SALES • RENTALS • SERVICE

<p>City of Sultan 319 Main Street Suite # 200 PO Box 1199 Sultan, WA. 98294 Ken Walker (360) 793-1164 Ken.walker@ci.sultan.wa.us</p>		<p>Proposal # 9-4-2014</p>
<p>Dave Armstrong Owen Equipment Company darmstrong@owenequipment.com (206) 304-1185</p>		

Thank you for the opportunity to quote on the following items. This truck is a municipal trade in unit from City of University Place. Currently this truck is being rented in our fleet.

Qty.	Description	Unit Price	Total
1	1998 Vactor 2100 PD unit- SN# 98-01-6351	\$ 85,000.00	\$ 85,000.00
	Trade in Vactor from City of University Place		
	Approximate miles 31,000- Approximate hours 8,000		
	Ford chassis, Cat Engine, Allison automatic transmission		
	HXX digging package for pothole, locators, trenching Includes relief valve, hose reel, digging gun, and nozzle.	\$ 7,500.00	\$ 7,500.00
	Rodder hose 1" Shark brand		
	Rodder water pump 80gpm, 2500psi, can be ran dry for up to 30 min. max		
		Sub Total :	\$ 92,500.00
		Shipping :	Included
		Sales Tax :	\$ 9,065.00
		Total :	\$ 101,565

**Terms : 10% deposit,
subject to availability
before deposit**

Portland 12831 NE Whitaker Way • PO Box 30959 • Portland, OR 97294(503) 255-9055 • (800) 992-3656 • fax
(503) 256-3880

Kent 8721 South 218th Street • Kent, WA 98031
(253) 852-5819 • (800) 422-2059 • fax (253) 852-8913

www.owenequipment.com



EQUIPMENT & SUPPLIES FOR INDUSTRY & PUBLIC WORKS

City Of Sultan
Ken Walker
319 Main Street
PO Box 1199
Sultan, WA 98294

September 4, 2014

RE: Vac-Con Quote

Ken,
Enviro-Clean Equipment would like to quote the following Vac-Con sewer/hydro-excavation combo truck, to the City of Sultan.

2001 Vac-Con model V309/1500

- 9 yd debris tank
- 1500 gallons water capacity
- 65 gpm @ 3000 psi water pump
- 3 stage fan for vacuum
- Cummins aux. engine
- Hydrostatic drive
- 600 ft articulating hose reel
- 10 ft extendable boom
- Hydro-Excavation package
- 50 ft retractable hand gun reel
- Debris body flush-out system
- Air purge system
- 2001 Sterling chassis
- Under 57,000 miles
- Caterpillar power
- Allison 3000RDS automatic transmission
- Air conditioning
- Safety lighting
- New paint

List price: \$139,000.00
City of Sultan price: \$125,000.00

Enviro-Clean Equipment is the authorized Sales and Service Center for Vac-Con in Oregon and Washington. We have factory trained service technicians, over \$500,000 parts inventory and fully equipped field service trucks. We fully support what we sell.....new or used.

This unit is a municipal trade-in, is in excellent condition and is currently available for a demonstration.

Price includes delivery to Sultan and operational and safety training.

Price does not include sales tax, use tax, or license fees and is subject to prior sale.

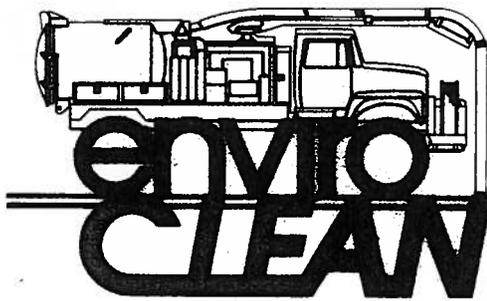
Thank you for the opportunity to provide this quote to the City. We look forward to working with you. Please call with any questions.

Thank you,



John Scott

John Scott
NW WA Equipment Sales
Enviro-Clean Equipment, Inc.
360-553-8248-cell
jscott@envirocleanequip.com



EQUIPMENT & SUPPLIES FOR INDUSTRY & PUBLIC WORKS

City Of Sultan
Ken Walker
319 Main Street
PO Box 1199
Sultan, WA 98294

September 4, 2014

RE: Vac-Con Quote

Ken,

Enviro-Clean Equipment would like to quote the following Vac-Con sewer/hydro-excavation combo truck, to the City of Sultan.

2004 Vac-Con model V309/1300

- 9 yd debris tank
- 1300 gallons water capacity
- 50 gpm @ 3000 psi water pump
- 3 stage fan for vacuum
- Deutz aux. engine
- Hydrostatic drive
- 600 ft articulating hose reel
- 10 ft extendable boom
- Hydro-Excavation package
- 50 ft retractable hand gun reel
- Debris body flush-out system
- Air purge system
- 2004 Sterling chassis
- Under 29,000 miles
- Caterpillar power
- Allison 3000RDS automatic transmission
- Air conditioning
- Safety lighting

List price: \$175,000.00

City of Sultan price: \$165,000.00

Enviro-Clean Equipment is the authorized Sales and Service Center for Vac-Con in Oregon and Washington. We have factory trained service technicians, over \$500,000 parts inventory and fully equipped field service trucks. We fully support what we sell.....new or used.

This unit is a municipal trade-in, is in excellent condition and is currently available for a demonstration.

Price includes delivery to Sultan and operational and safety training.

Price does not include sales tax, use tax, or license fees and is subject to prior sale.

Thank you for the opportunity to provide this quote to the City. We look forward to working with you. Please call with any questions.

Thank you,

A handwritten signature in black ink, appearing to read "John Scott". The signature is fluid and cursive, with the first name "John" and last name "Scott" clearly distinguishable.

John Scott

NW WA Equipment Sales
Enviro-Clean Equipment, Inc.
360-553-8248-cell
jscott@envirocleanequip.com